

# eBay weaves local yarn, reaches out to artisans

**New Delhi:** eBay has joined hands with one of India's largest fabric traders body DHMA as the global e-commerce giant tries to reach out to local traders and artisans to offer more options for online shoppers.

The move is part of efforts by the online marketplace to deepen engagement with local traders and offer customers - both domestic and foreign - products that are made by local artisans and industries.

It is expanding to locations across India like Jaipur and Surat to bring local traders and artisan online so that it can provide more niche products to customers, while traders and artisans can reach out to markets -- domestic and global.

For this, eBay India has



## New fabric

It is expanding to locations across India like Jaipur and Surat to bring local traders and artisan online so that it can provide more niche products to customers, while traders and artisans can reach out to markets -- domestic and global

signed an MoU with Delhi Hindustani Mercantile Association (DHMA), a 125-year-old association of over 4,000 traders representing diverse sectors like clothing, textiles and transports.

"Our effort is to bring local and region based sellers on our platform so that they can

sell their products to customers in the region, country and even across the globe in over 126 countries," eBay India head (retail exports) Navin Mistry said.

It will be providing these traders an opportunity to expand their business beyond the physical reach of their

establishment and connect with 152 million active buyers across the globe, he said.

Last April, eBay had signed a memorandum of understanding with Confederation of All India Traders, which is associated with over 20,000 small trader associations, to encourage small retailers to sell products through its platform.

eBay India, which had around 45,000 sellers then, saw its seller base swell by about 30% following the MoU.

When asked if the firm will sign more such pacts, Mistry said: "We will sign bring online 25 such trader and artisan associations this year from places like Jaipur, Surat, Jodhpur, etc."

On the association with eBay India, DHMA president Suresh Bindal said: "Change

is important in trade. Moreover, tying up with eBay gives our traders a huge opportunity to connect to global customers and businesses."

It will help locals traders selling fabrics from places like Chandni Chowk reach out to customers in the US and Europe and make available to them the best quality products that are their to offer, which is a win-win position for all, he added.

eBay India has tied up with bodies that promote artisans working with traditional arts and crafts like the Odisha State Cooperative Handicraft Corporation Ltd or Utkalika and Ahmedabad-based Craftroots.

It is also in talks with the Gujarat State Handloom & Handicrafts Development Corporation. -PTI

# Knitwear exporters ask Centre to extend rupee export credit

fe Bureau

**Chennai, Jan 12:** Tirupur Exporters' Association (TEA), the apex body of knitwear/garment units, has moved the Union finance ministry with host of demands, including import of specialty fabric using Export Performance Certificate and extension of rupee export credit at 3% interest rates subvention.

TEA also wants an increase in the Technology Upgradation Fund Scheme (TUFS) subsidy for garmenting machinery.

In order to enhance knitwear exports and stay competitive in the global market where the association is facing a stiff competition from countries such as China, Bangladesh, Vietnam, Cambodia and Indonesia, the Union finance ministry should consider providing investment allowance, withdrawal of alternate minimum tax (AMT), refixing of TDS and enhanced wealth tax limit, said TEA in its pre-Budget memorandum to Union finance minister Arun Jaitley.

TEA president A Sakthivel said the present provisions of Sec 32A envisage a

**Tirupur Exporters' Association also wants an increase in the Technology Upgradation Fund Scheme subsidy for garmenting machinery**

deduction of 15% of the value of new machinery acquired and installed in the year. This deduction is available only to corporate assesses and there is a ceiling of the minimum investment at ₹25 crore in purchase and installation of new machinery. The readymade garment manufacturers, especially the hosiery industry comprises mostly of units under the SME non-corporate sector. Hence in order to increase the exports this deduction should be extended to the non-corporate sector also and the minimum ceiling of investment may be scaled down to ₹1 crore.

The levy of AMT virtually reduced the total exemption provided under the Finance Act 2011 to only 35% because of the levy of tax @ 18.5% on the income before

deduction. This amount of AMT is allowed to be carried forward for a period of 10 years.

This levy of AMT causes acute crunch in the liquidity of the units as they have to service their debts also during the period. This provision may be withdrawn so as to enable the units to avail full exemptions in the hour of need, the TEA president said in his memorandum.

According to Sakthivel, the threshold limits fixed for deduction of tax at source (TDS) are outdated and substantially low when compared to the inflationary trend. These limits have to be suitably refixed considering the inflationary trend over the years and the increase in the threshold limits under other provisions like basic limit, turnover limit of audit u/s 44AB.

As the duty-free import percentage has been increased to 5% from July 10, 2014 onwards, the non-utilisation value could be still on higher side and therefore, to utilise the given facility out of 5%, a maximum of 3% of the licence may be allowed for import of fabrics without keeping restriction of 1,000 metre, TEA said.

## Indian Express, Delhi

Tuesday 13th January 2015, Page: 19

Width: 6.49 cms, Height: 3.81 cms, a4, Ref: pmin.2015-01-13.39.196

RIICO has approved 2 project loans worth Rs 48 crore to two units in real estate and textiles sectors in the meeting of project clearance committee. The meeting was chaired by V Gupta, MD, RIICO and attended by senior officers of the Corporation. Term lending continues to be a key focus area of RIICO for promoting the industrial development of the state. Having started with the traditional sectors of the state economy like marble, oil seed processing, mini cement, textiles, etc. the corporation has made concerted efforts to diversify its portfolio.

# Handicraft Sector Gets Online Push

Many startups, e-tailers are offering online platform to artisans to sell their products

Evelyn Fok & Aditi Shrivastava

**Bengaluru:** Handicraft e-commerce in India has been growing steadily in recent years, with numerous startups, and some established players, capitalising on the appeal of traditional Indian arts while making a difference to artisans' lives.

"We believe that the local artisans and entrepreneurs deserve a much larger platform than what is available to them today. We are working towards creating a marketplace ecosystem that makes it conducive for them to grow and develop — going from local to national players in their categories," said Ankit Nagori, senior vice president, marketplaces, at Flipkart.

Flipkart has tied up with multiple government ministries to help artisans shift towards online sales. It has created an exclusive store for Banarasi weaved sarees, as has Snapdeal partnered with India Post to enable Varanasi artisans to sell their work on the online platform. Running closely along these catch-all platforms, a clutch of startups have set up innovative business models to help rural artisans reach wider audiences.

"Artisans' stories needed to be told," said Aishwarya Suresh, 36, an engineer who founded Banna Creations in 2011. "The sector is largely unorganised, so we are trying to streamline the online business process for them."

Suresh travels across the country to meet handicraft makers, with whom Banna Creations co-designs its products. It has sold to 25,000 customers to date, 20% of which comes from outside India, and sees 100% growth year-over-year. The traditional Indian handicrafts industry is estimated at ₹24,000 crore and is powered by 630 artisan clusters and 600,000 cooperatives. While these ventures profess to be focused on improving the livelihoods of rural artisans, the actual impact they have on the ground highly depends on the business model they employ.

"We work with fully handloom material, like tassar silk, matka, munga, aeri silk and make dress material, sarees, stoles, dupatta and men's clothing," said Shailendra Kumar, who belongs to the Kadirganj district in Bihar. Kumar's team, which

## Help at Hand

TRADITIONAL Indian handicrafts industry is estimated at ₹24,000 crore

STARTUPS have set up biz models to help artisans reach wider audiences

HANDICRAFT sector largely unorganised

BANNA PAYS 30-40% of revenue from each piece sold to artisans

FLIPKART HAS tied up with multiple govt ministries to help artisans shift towards online sales

STARTUPS SUCH as Banna, Craftisan, GoCoop streamline online biz process for them



IT HAS LAUNCHED exclusive store for Banarasi weaved sarees

SNAPDEAL HAS partnered with India Post to enable Banarasi artisans to sell their work online

consists of about 50 artisans, earns ₹25 lakh annually. According to him, the profit margin is just 5-10%.

Banna pays 30-40% of the revenue from each piece sold to the artisans.

Craftisan, founded in 2013, is a curated marketplace that has listed over 2,500 artisanal products on a consignment basis, selling them at 50-150% above their original cost. It also provides online solutions for artisanal groups to manage their back-end inventory.

Two-year-old marketplace GoCoop charges a subscription fee to the 60,000 artisans who showcase their products online, starting from ₹6,000 for 10 products listed. Artisans are then charged an additional fee for every transaction made. On the other hand, two-year-old Store Utsav pays its artisans straightaway for their pieces before selling them on its online outlets — from ₹50 for a diya to up to ₹2,000 for a copper meenakari set. While this may cut a fairer deal for artisans, Utsav has, however, been operating at a much smaller scale than others — it has sold around 800 products so far, and is expanding into hand-made fashion and apparel next.

"E-commerce is definitely a very powerful marketing tool, but there is pressure to offer products at lower prices, which does not help the industry," said Roopa Mehta, chief executive of the Sasha Association for Craft Producers.