

Ethnic products firm Industree raises Rs 1.1Cr from US fund

Industree sells products under the Mother Earth brand.

BY BHAWNA GUPTA



Bangalore-based ethnic products maker [Industree Crafts Pvt Ltd](#) (Indus Tree) which sells products under the Mother Earth brand, an arm of [Future Ventures India Ltd](#) (FVIL), has raised Rs 1.1 crore (\$190,000) from GBI Master Fund 1, according to a stock market disclosure. Industree issued and allotted 1, 10,000 compulsory convertible debentures at Rs 100 a piece to the investor. The actual parentage of the investment firm could not be immediately ascertained, though it is a US-registered fund.

Industree was started almost two decades back by Neelam Chhiber along with social investor Gita Ram and co-founder Poonam Bir Kasturi. The firm started by selling contemporary products, mainly home accessories, designed in-house but made in villages. It worked through NGOs and self-help groups and sold through Industree-branded stores, the first of which opened in 1996 in Malleshwaram in Bangalore.

It is in effect a hybrid social enterprise making contemporary items using raw materials and traditional craft techniques. Industree has two entities , Industree Crafts Pvt Ltd with the Mother Earth brand and Industree Crafts Foundation, which works with rural producers on developing design, technical and skill initiatives in the natural fibre sector.

With the investment from Future group, Mother Earth, a brand of Industree Crafts Pvt Ltd, opened its flagship store in Domlur in Bangalore in 2009. It aims to open 40 stores in five years. The firm has stores in Mumbai, Kolkata, Delhi and another store in Bangalore. Kishore Biyani-promoted investment and business management firm Future Ventures India Ltd is a part of [Future Group](#). Earlier this month, the company [upped its stake](#) in its subsidiary Indus-League Clothing Ltd (ILCL).

The firm, which is styled as an operation as well as investment company like Berkshire Hathaway, has also invested in other companies such as Amar Chitra Katha Pvt Ltd, Aadhaar Retailing Ltd and Biba Apparels Pvt Ltd among others. Another private equity backed player in this segment is Fabindia.

Tags: [Industree Crafts Pvt. Ltd.](#) , [GBI Master Fund 1](#) , [FVIL](#) , [Future Retail Ltd.](#) , [Mother Earth](#)