

## About

**Industree Foundation** is a Bengaluru-based nonprofit that has been working in the Creative Manufacturing sector to better lives through artisanship since 2000. Its award-winning work comprises of integrating creative producers (artisans working on handloom and handicrafts, of whom a majority are women) into the formal economy. By doing so, it has paved the way for equitable and sustainable, economic and socially inclusive growth for artisanal communities for almost two decades.

Industree Foundation has so far trained over 30,000 artisans in the creative manufacturing sectors across India and Africa. In addition, Industree Foundation has helped establish and handhold Bangalore Greenkraft Producer Company in the handicrafts sector and Ektha Apparel Producer Company in the apparel sector, comprising of 2,000 women entrepreneurs and servicing customers like Mother Earth and Ikea. It has also incubated a third producer company with 15,000 women micro entrepreneurs in Narasapur, Andhra Pradesh.

## Contact Us

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# INDUSTREE CRAFTS FOUNDATION

# Annual REPORT - FY 2015-2016



**BUILDING RESPONSIBLE VALUE CHAINS**

# Activities

## Women's Supervisory Training Programme

**(May 2015)**

Following the success of the Women's Supervisory Training Programme organized by the Garment Sector Roundtable in 2014, Industree Foundation took on the mantle of organizing the workshop in 2015. This included selecting candidates from among four manufacturing companies, namely Cotton World, Gokaldas Images, Indian Designs and Industree Foundation and facilitating the programme. Industree Foundation also documented the training has to hand over the processes and best practices followed to subsequent organizations who would conduct similar workshops. The documentation was handed over to one of the civil society organizations which was a member of the Garment Sector Roundtable to conduct similar workshops going forward.

Kamarunnisa who attended the WSTP workshop in 2014 as a participant, was a coordinator at this edition. In addition to heading the training of Sewing Machine Operators, she now also manages MIS operations.

## Scoping Study Report at Narasapur

**(August-September 2015)**

Narasapur in Andhra Pradesh is a hotbed for artisans specializing in handmade crocheted lace. The crochet lace cluster at Narasapur goes back to 1844 when a Scottish missionary called Macrea taught the locals

eventually as a means of additional income. However, in recent years, despite potential market opportunity and skilled artisans, the lace cluster has had limited growth. The production base is extremely fragmented and there is a lack of critical manufacturing infrastructure. Industree Foundation conducted a scoping study of the Narasapur lace cluster to assess the socio-economic situation, raw material availability, existing enterprises, markets, working capital sources and challenges faced by population. The focus was also to identify the potential stakeholders and gaps in the ecosystem. A survey was conducted among 100 artisans, 10 group leaders, 10 government representations and several other stakeholders. The findings of the study were presented to stakeholders at a consultation workshop to build a strategy for development and make recommendations for possible actions to benefit the Narasapur Cluster.

## Business Model Canvas workshop

**(September 2015)**

Industree Foundation collaborated with All India Artisans and Craftworkers Welfare Association (AIACA) to organize a 2-day workshop on Business Model Canvas in September 2015. The workshop was held at the Industree Foundation premises, and was attended by 10 members of Craftmark, who were identified by AIACA.

Across the course of the two days, participants who were mostly impact entrepreneurs discussed and deliberated on concepts like design thinking, the growth of e-commerce, designing for impact, lean principles in creative manufacturing and more. The session also included a case study on Go Coop, India's first social marketplace that allows consumers buy directly from co-op weavers and artisans.

## World Economic Forum at Davos

**(January 2016)**

Managing Trustee Neelam Chhiber and CEO Mr Jacob Mathew participated at the World Economic Forum, Davos. Bilateral Meetings were held with Mr Zia Khan, President Rockefeller foundation, Mr Nirav Modi, member Schwab Foundation Board, MD of Asian Paints and the CFO of the World Bank. A group meeting was held with the Queen of Belgium.

Industree's Mission Creative Million idea was broadly shared and this was also mentioned in a blog put out by Mrs Hilde Schwab. Neelam's blog post, It's Time for India's Creative Workers to go Global, was published by Huffington Post.

Post the Davos trip, Neelam and Jacob, stopped in Zurich and engaged in a series of meetings that Antonella of Womanity Foundation helped organize with Credit Suisse, LGTVP, and other prospective donors for Mission Creative Million.

Neelam's engagement with the Global Agenda Council, India, of the World Economic Forum, helped build out the Creative Million idea. Her co members in the Council and the Chair Sri Ramadorai, Chairperson National Skill Development Corporation, encouraged the creation of such an idea.

## Productivity training for natural fiber artisans

**(February 2016)**

Fullerton India Credit Co. Ltd sponsored a series of workshops on Productivity Training specifically for artisans working with natural fiber like banana rope. This training was meant to introduce artisans to the concept of enhancing productivity.

The training was broadly divided into two parts - Hard Skills and Productivity Enhancement and Quality Assurance Training. The artisans were taught the intricacies of working with natural fiber with a focus on the shift of raw material from cotton to banana bark/strips, the shift basics of storing, sorting and manual weft techniques. They were also taught about Flow Production, 5S, Measurement Systems Analysis (MSA), Quality and Grading and other methods of increasing productivity and efficiency in the production of banana bark woven fabric.

While two batches of training for 54 women have already taken place in the Industree Crafts Centre in Erode, Tamil Nadu in February 2016, another two are planned for FY 2016-2017.

*"Learned to manage time better and make quality products for the customer." – **Kanimozhi***

*"Before, we were unaware about waste management and flow system and we were wasting a lot of fibre. Now with the knowledge, we can reduce wastage." - **Regina***

*"We were taught about different fibres and how to increase our productivity with flow production." – **Nagasundari** We learnt about waste minimization and how to increase our profit." -*

***Uma***

## Industree Skills Transform

### (Training & Certification)

The Ministry of Skill Development and Entrepreneurship (MSDE) had launched Pradhan Mantri Kaushal Vikas Yojana (PMKVY) in the year 2015. The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under the Recognition of Prior Learning (RPL) component of the Scheme. RPL mainly focuses on the individuals engaged in unregulated sectors. Industree is a National Skill Development Corporation (NSDC) Training Partner. This year, under Apparel, Madeups and Home Furnishing Sector Skill Council (AMHSSC) it was sanctioned the certification of 3000 artisans under the Recognition of Prior Learning (RPL) in various parts of Tamil Nadu.

## Handholding of Greenkraft & Ektha

### (through 2015-16)

Industree Foundation helped set up two producers companies, Bangalore Greenkraft Producer Company (BGK) to cater to the natural fiber handicrafts segment in 2012 and Ektha Apparel Producer Company for the garment sector in 2014. These companies were part of an effort to ensure end-to-end traceability across the value chain, and ensure that artisans have access to regular work and increasing incomes. Since their set up, Industree Foundation has been handholding these two companies to ensure that they can cater to market needs in a professional and profitable manner. Industree Foundation's efforts seem to be paying off as is evident by the following figures.

#### **Greenkraft**

- Natural fibre products
- Revenue: \$ 1+ million as on 31.3.16; profitable
- 1,700 women owner members
- Major customer: Ikea

#### **Ektha**

- Apparel products
- Revenue: \$ 600k+ as on 31.3.16; profitable
- 300 women owner members
- Major customer: Mother Earth

## Financial literacy and inclusion

**(through 2015-16)**

All the artisans working in Ektha Apparel Producer Company and Bangalore Greenkraft Producer Company were brought under the financial net. Every artisan has a bank account and has been trained in using the ATM card.

Additionally, artisans also received training on financial literacy including concepts like the pros and cons of different saving mechanisms, loans, and budget management.

## Training in lean management

**(through 2015-16)**

Grassroots Business Fund offered a grant towards improvement in productivity, quality and E&S adherence methods in producer companies that supplied to Ikea, so as to meet orders on time and with profits.

Group leaders and members, 200 in all, from Greenkraft Producer Company in Bengaluru were trained in lean management and six sigma principles. Waste reduction in production went down from 30% to 0.5%, which also increased profitability.

## Advocacy through IDC, WEF, Rajasthan Crafts Council

**(through 2015-16)**

Neelam Continued on the Board of the India Design Council, where

She worked on the basic strategy for Mission Creative Million, and the growth of the Creative Manufacturing sector under advice from Sri Anand Mahindra Chair, of IDC.

With her co members at the Global Agenda Council, World Economic Forum, Neelam discussed with Sri Amitabh Kant, Chair Niti Aayog,

the future growth of the sector. She was requested by Sri Kant to share a paper to the same effect.

Further Global Agenda Council members met with Mrs Vijaya Raje Scindia, CM of Rajasthan, and she requested for a focus on Kota. Keeping this in mind, deliberations at GAC meetings led to Shamina Singh, member GAC, agreeing to fund a White Paper, based on the study of the Handloom Sector at Kota. Dalberg delivered the White paper and a

Round Table to facilitate the next steps to share with Sri Kant was planned in July 2016.

Neelam personally met with Mrs Raje and shared the idea for the creation of an AMUL type professionally managed company owned 100% by artisanal communities . Mrs Raje was extremely supportive and initiated the formation of the Rajasthan Crafts Council to move the idea forward.

# Women's Empowerment

## SOCIAL MOBILITY

The incubation of Producer Companies with constant guidance and mentoring support to artisans, has resulted in social advancement. There are several women who have transitioned from being a Helper to becoming a Director, from a Tailor to a Trainer. They have now become role models for other women artisans.

### Rajalaxmi



Rajalakshmi who is currently the Director of Ektha Apparel Producer Company, started her journey as a helper.

### Reena



Reena who is a Supervisor at Greenkraft Producer Company started out as a helper. She says: "I have grown in my career. I started off as a helper, then moved on to semi-skilled work, then became a table leader and right now I am a supervisor where I sometimes maintain the work of 30.

## Successful Women Entrepreneurs

### Kamarunnisa, ISTPL



*"I began working at 17 as a tailor for a big garment manufacturer. For the next 10 years I worked at the same job with long erratic hours and no growth and my family began to object to my work. I started at our company as a tailor, moved to becoming a sampling tailor and then supervisor. I am now a trainer with Industree for the Women Supervisor training program."*

### Usha U, Director & Accountant, Greenkraft



*"As one of the directors of the company, I also overlook the entire production process at BGK and ensure that timelines are met and safety procedures are being followed. Three teams report directly to me. It is definitely a lot of pressure, but I feel a sense of ownership towards the company."*

# Partnerships

## Sonata Software

The CSR Act mandates that organizations contribute 2% of their earnings of social development projects in India. It is to meet that mandate that Sonata Software, a Bangalore-based tech organization set out to work with a non-profit in the crafts and heritage space. Sonata signed an MoU with Industree Foundation to develop an e-commerce portal and mobile applications for consumers to buy crafts products, handheld application for craftsmen and a crowd-sourcing solution which include the creation of mobile apps on multiple platforms.

A beta version of the e-commerce website has been put together and is available at [Women of India](#). This will be developed and launched in the coming financial year.

## United Nations Development Program

Industree Foundation has cleared the due diligence process with United Nations Development Program. It has also started conversations with UNDP to secure funding for a project pilot in Channapatna and Haliyal in Karnataka under the aegis of Creative Million initiative.

### Board Positions

Neelam Chhiber, has been invited on the Boards of All India Artisans and Craft Workers Association, The Governing Council of

The Indian Institute of Craft and Design, and the Rajasthan Crafts Council. Of which she and Jacob Mathew are members of the Executive Committee.

## Womanity Foundation

The support extended as a consequence of the Women Changemakers fellowship that was awarded to Neelam Chhiber in July 2013 by the Womanity Foundation continued to bear fruit in 2015-2016. Womanity Foundation connected Industree Foundation to the following organizations.

**APCO Worldwide:** APCO Worldwide helped Industree Foundation redesign the website and build a communication tool-kit. The website can be accessed at [www.industree.org.in](http://www.industree.org.in).

**Strategy And:** Strategy And, of PWC started work on helping Industree detail out its 5 year strategic plan, and Mission Creative Million started taking shape. Industree approached Social Venture Partners India, to be on the steering committee of this engagement.

**Kalpna, Grant writer:** Womanity Foundation connected Industree with Kalpna, a consultant specialising in writing grant applications and underwrote the costs for the same. Kalpna helped Industree Foundation put together an elaborate proposal application that was ultimately sent to Ikea Foundation.



# Testimonials

**Uma, Tailor at Ektha Apparel Producer Company**



**"I feel great satisfaction by providing additional financial support to my family. I'm proud that my husband encourages me to work even when we have 2 little children."**



**Shanthi A, Tailor at Ektha Apparel Producer Company**



**"I have two kids and I come to work. The additional income helps my husband and me fulfil our dreams for our children."**



**Mani, Sampler and Master Trainer at Greenkraft Producer Company**



**"I'm in the right place, where people bring out my talents and help me be more and more creative, day by day."**





# Awards & Recognitions

## Awards

**March 2015:** Neelam Chhiber awarded Outstanding Woman Entrepreneur of the year by Federation of Karnataka Chambers of Commerce & Industry (FKCCI)

**December 2015:** Industree Foundation shortlisted as a semi-finalist in the global '[Fabric of Change](#)' Challenge constituted by C&A Foundation and Asoka Changemakers

## Media Mentions

June 2015:

Industree talks - [Are dying handicraft arts worth saving?](#), YourStory

January 2016:

[Who are the social entrepreneurs at Davos?](#), World Economic Forum

January 2016:

[It's time for India's creative workers to go global](#), Huffington Post

# Accounts

## Balance Sheet as on March 31st, 2016

Particulars	Sch No.	As on 31-3-2016
<b>SOURCES OF FUNDS:</b>		
General Fund	1.1	238667.00
Loan Fund :		
Secured & Unsecured loans	1.2	2809056.00
<b>Total</b>		<b>3047723.00</b>
<b>APPLICATION OF FUNDS :</b>		
Fixed Assets :	1.3	1221793.00
Current Assets;		
a. Deposits		852717.00
b. Sundry Debtors		1848314.00
c. Cash & Bank Balances		429131.00
	1.4	3130162.00
Less : Current Liabilities & Provisions	1.5	1304232.00
Net Current Assets		1825930.00
<b>Total</b>		<b>3047723.00</b>

## Income and Expenditure Account as on March 31st, 2016

Particulars	Sch No.	Year Ended 31-3-2016
<b>INCOME:</b>		
By Workshop & Project Grant Received		9488440.00
By Consultancy fee Received		604420.00
By Donation Received		2810500.00
By Other Receipts		62131.00
<b>Total</b>	<b>2.1</b>	<b>1,29,65,491.00</b>
<b>EXPENDITURE:</b>		
To Training & Development Expenses	2.2	10477895.00
To Administrative Expenses	2.3	3897370.00
To Financial Expenses	2.4	589.00
To Depreciation	1.4	149659.00
<b>Total</b>		<b>1,45,25,513.00</b>
Excess of Expenditure Over Income		-15,60,022.00
Less: Provision for Taxation		0.00
Net Excess of Expenditure Over Income		<b>-15,60,022.00</b>

# Disclosures

## Organisation information

Registered name: Industree Crafts Foundation  
Trust registration no: TRN: 362 /200-01  
Date of registration: August 24th 2000  
Trustees: Neelam Chhiber, Gita Ram  
Board of Directors:  
Ashoke Chatterjee,  
Gayathri Vasudevan,  
Gita Ram,  
Neelam Chhiber,  
Nivedita Ram,  
NV Ramana,  
Trilochan Sastry

## Statutory information

PAN no: AAATI2700B

Income Tax Reg u/s 12AA: Trust/718/10A/Vol.I/I-180/2001-02/CITII

Approval for exemption u/s 80G : DIT(E)/80G(R)/AAATI2700B/X-109/2010-11

FCRA registration no: 094421327

We bank with: ICICI, Koramangala 7th Block, Bangalore

Statutory Auditors: Vengadamani & Co

