

## ABOUT INDUSTREE FOUNDATION

Industree Foundation is committed to building sustainable livelihoods for rural producers in India and in turn empowering them. Established in 2000 as a non-profit trust, Industree holistically tackles the root causes of poverty by creating an ownership based, organised creative manufacturing ecosystem for micro-entrepreneurs. Industree Foundation has built an ecosystem that works with rural producers in India, primarily women, to equip them with the necessary skills and tools to set up self-owned enterprises close to their homes. This comprehensive approach has helped artisans and producers develop products that appeal to modern markets, and create consistent market demand to create sustainable businesses in rural India at the lowest possible costs. This in turn has enabled artisans and producers to earn increased incomes on a regular basis, and has integrated them into the formal creative manufacturing sector. It has also enabled women to have greater control over their economic security and resources, and has led to significant social gains such as social security, better health care, improved resilience to crisis and overall resilience among the communities of previously disadvantaged women.

## THE LARGER PICTURE: INDUSTREE'S MISSION CREATIVE MILLION

Mission Creative Million is an initiative of Industree Foundation that was launched in 2017, designed to impact one million creative producers through strategic interventions in the creative manufacturing sector. The purpose of the movement is to give creative producers access to formal work in companies that they collectively own, providing a stable and dignified alternative to the precarious informal sector. Industree works on the assumption that economic empowerment is a springboard for social empowerment, and therefore provides handholding support to enable producers to set up and scale their enterprises.

Creative Million is an initiative that hopes to strengthen the resources of a million producers in the next 10 years, to achieve both economic impact (including regular work, increased wages and financial stability) and social impact (improved agency and voice for women at home and in their communities, as well as better educational opportunities for the next generation) for producers.

Industree's approach provides creative producers a choice to work in self-owned enterprises rather than in factories that often disregard basic rights and working conditions standards. Industree creates and accelerates producer-owned enterprises to sustainability using its **6C model**. This model takes into account the key components of a successful enterprise:

1. Aggregation & infrastructure (Construct)
2. Training and skill-building (Capacity)
3. Working capital (Capital)
4. Design inputs, Value addition (Create)
5. Market access (Channel)
6. Digital resources and platform (Connect)

Industree plays the role of an incubator and accelerator by facilitating the aggregation of producers into self-owned enterprises, implementing capacity-building, assisting in developing products that appeal to modern markets, and enabling their access to vital working capital. Industree's model employs a professional management team to streamline operations of the enterprises, course content to empower micro enterprise leaders from the community to take charge, as well as a range of digital tools, including apps and a dedicated e-commerce

platform, to bring traceability and transparency to otherwise opaque and unaccountable supply chains.

This creates an ecosystem in which creative producers can earn steady incomes through decent and equitable work, gain access to consistent demand for their products, and thus lift themselves out of poverty and attain social empowerment. Industree's interventions address the neglected rights of producers at the sub-contractor level by using a hub-and-spoke model, where each producer, even in the smallest enterprise, is still a willing and documented participant in a compliant value chain.

More info: <https://goo.gl/CJ1yPy>.

## CREATIVE MILLION PROJECT STATUS

Mission Creative Million at present has pilot projects in Karnataka, Tamil Nadu, Odisha and Andhra Pradesh, and projects in the pipeline in Maharashtra, Uttar Pradesh, Himachal Pradesh and Rajasthan.

In Karnataka, Industree is working with producers in the apparel value chain where it is setting up independent producer units in 7 districts across Karnataka, which shall culminate in a cluster producing embroidery and apparel for contemporary markets. Project partners include UNDP, British Asian Trust, Social Venture Partners, and National Skills Development Corporation. Over 1,200 producers have been trained so far, with 4 units in production. In the units that are operational, the women have been able to earn as much as INR 500 and 150 per day, in tailoring and embroidery respectively. More info: <https://goo.gl/Zkdy4f>, <https://goo.gl/tNLjcb>.



In Tamil Nadu, Industree has trained 5,000 producers engaged in production activities ranging from banana basketry, apparel and handloom production and more, in financial literacy with support from Standard Chartered and Mastercard

Center for Inclusive Growth. The project has been renewed for the second year, to impact an additional 5,000 producers. More info: <https://goo.gl/p7QHjH>.

In Odisha, Industree is working with the Odisha Forest Sector Development Project to impact women in the siali leaf value chain in Phulbani and Baliguda forest divisions. Through interventions in upskilling, technology upgradation, product diversification and direct market linkages, the project aims to increase incomes for their women who currently earn as little as INR 3,000 per year. So far 600 women have been trained, and have started working on orders for fine-stitched plates, which has resulted in a four-fold increase in incomes for some of the women. More info: <https://goo.gl/oDJqFW>.

Industree has just rolled out its Andhra Pradesh project - enterprise building for 5,000 producers in tailoring and embroidery, with support from Tata Trusts. Training for the first batch of producers is underway in Anantpur district, and with a 120-member producer organisation being set up by end-July.

## **A BACKGROUND ON THE APPAREL VALUE CHAIN**

India has over 118 million marginalised farm and off-farm (creative manufacturing) producers at the grassroots who earn less than INR 2,000/month. Over the years, these producers have been reduced to mere labour, with close to negligible ownership in the value chain. A majority of them work outside of the formal framework where they have to depend on middlemen to help them access raw material, capital, markets, making them highly vulnerable to exploitation. In the apparel sector specifically, a large number of women from rural India are trained in tailoring, however they need to migrate to urban centres to find employment, often without a support system.

As a result of the disorganised nature of business, human rights abuses like low wages, long hours, forced overtime, unsafe working conditions, short-term contracts, and sexual, physical and verbal abuse are systemic in manufacturing units. And women, who comprise a majority of the work force are especially worse off, facing increased levels of harassment and often earning less than half of what the men make for the same work. Employment opportunities in the sector for women are largely limited to positions at the lowest levels, with very little female representation in supervisory or higher-level managerial roles. This manifests in most women workers having little to no sense of entitlement or belonging in the value chain, and minimal bargaining power.

## **THE SOLUTION: PRODUCER-OWNED MICRO ENTERPRISES IN RURAL INDIA**

Industree looks to restore agency to women producers, by enabling them to build sustainable livelihoods close to their homes. Women are trained in tailoring and embroidery, aggregated into small enterprises they collectively own and connected to markets. This enables women to earn regularly and build a career close to their homes. This is complemented by training in Business Skills and Social Empowerment to enable women to manage the enterprises on their own.

Industree is working with 2,000 rural women producers across 7 districts in Karnataka to make them a part of formal value chains. This is achieved by training women in tailoring and embroidery, aggregating them into small enterprises they collectively own which are set up close to their homes, and connecting them to markets. This enables women to earn regularly and build a career for themselves close to their homes, and contribute towards the well-being of their families, and move up the value chain. Industree continues to handhold the women producers

and their enterprises till a stage where the enterprises are profitable, and women are able to manage them on their own.

To empower women producers to be able to eventually manage the enterprises on their own, Industree also imparts training to the women on **Social Empowerment and Business Skills**. While the Social Empowerment module would cover concepts such as Personal Development, Financial Literacy, Gender Equity, Women's Rights and more, the Business Skills module would cover Entrepreneurship, Productivity, Market Linkage, Value Addition, and more. This is deployed in tandem with the technical training, so that women are able to apply the concepts that are imparted through the training in their lives and enterprises. In combination with the livelihoods piece, this can truly transform the lives of rural women in the state, by building key competencies that are required to be successful micro entrepreneurs, take on leadership roles at work and in their communities, and move up the value chain.

## LONG TERM IMPACT

Our aim is to equip women in rural Karnataka with the skills and capabilities that can enable them to pursue successful careers in safe working conditions, close to their homes. Women producers would together be owners of sustainable micro enterprises that supply quality products to modern markets, earn regular incomes that would enable them and their families to lead towards improved standards of living, and in the long run, result in the upliftment of rural communities.

Apart from the long terms financial benefits that will accrue to the women, we envision women making more informed decisions with respect to their careers, their finances, and their families, thereby achieving more gender neutral rural communities in the years to come.

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## THE STORY SO FAR

### Some examples of women taking charge

#### *Seeking out new business from local vendors*

As part of the Business Skills training, women were asked to visit local vendors to understand the needs of the local market. While Industree Foundation was helping the unit by securing larger orders, the women took the initiative to go out into the local markets and see if they could find work for themselves. They went from shop to shop explaining their model and why they should be given the work. This venture proved successful as the women secured a shirt tailoring order, which fetched them income, and also helped them practice their skills for larger orders.

#### *Negotiating rent for their unit with the landlord*

The women at the Kyathumgere tailoring unit in Karnataka incurred a monthly expense of INR 10,000 as rent for their unit. Post 2 months of starting production, the women themselves approached their landlord to renegotiate the rent. They explained to the landlord that since they were just starting out, they were not able to generate enough revenue to pay such a high rent.





This was a win for the women of the unit as they managed to negotiate the rent down to INR 5,000 with the promise that they would increase it as they started earning higher revenues. These are women who, before this, had no voice in their homes and communities and are now able to voice concerns about expenses relating to their jointly owned enterprise.

## The Women: Stories from the units

### *Rathnamma, 35 years*

Rathnamma joined the unit when she heard of it through one of the trainers, Showbhagya. Despite not knowing anything about tailoring and sewing machines, she was drawn to work at the unit because she wanted to earn her own income and learn a new skill.



She states, “I never want to go to a garment factory. I am happy here because I am learning, not simply being pressured to meet targets. I like that we earn according to our capacity.” Since starting work at the tailoring unit, she has been able to repay her SHG loan at a rate of INR 100 per month. She is now saving her earnings for her children’s education and for household expenses. She notes that before she was idle in the house for the most of the day. Now, she is excited about coming to work, and interacting with the other women.

Read more about Rathnamma’s story here: <https://goo.gl/SoCJc7>.

### ***Sarvamangala, 38 years***

Before joining the tailoring unit, Sarvamangala was doing household chores and taking care of cattle. She became involved in the group because of Sunitha of Vikasana, who mobilised women by holding a community meeting where she explained what the work would entail.



Now, Sarvamangala is a regular member at the tailoring unit. She says that she is happy working with other people every day. Since she started working with the unit, she says that she has learnt new skills and likes spending time with the other women. She likes the close proximity of the unit to her home, as well as the flexibility that the producer-owned model affords in terms of work targets and taking leave.

### ***Anitha, 20 years***

Anitha has completed her B.Com (Bachelors degree in Commerce), and subsequently joined the unit. She heard about the embroidery work from a friend pursuing her studies in fashion in Mandya, who asked her why, after completing her studies, Anitha was at home every day. It was this friend who suggested that she join the unit.

Anitha's work involves preparing the adda, frame fitting, tracing patterns, and embroidering. She says that she enjoys the design aspect of the embroidery work. She particularly likes the social aspect of the work, which allows her to interact with other women.

In the future, Anitha hopes to continue her embroidery work and motivate other women to start working. She would like to increase her income and set a good example for other women.

