



## **Neelam Chhiber**

Industree Crafts Foundation / Industree Crafts Private Limited (Brand Mother Earth)

Headquartered in: Bangalore Year Established: 1994 Area of Activity: Livelihoods

## **SELECTION COMMITTEE MEMBER'S EVALUATION**

#### **CRITERIA**

Unclear Relative minus Average for group Relative plus Distinctive

#### 1. Innovation

The candidate has brought about social change by transforming traditional practice

## 2. Reach & Scope

The initiative has been spread beyond its initial context & adapted successfully to other settings

## 3. Replicability

The idea is scalable & transferable to other regions. The candidate is open to sharing tools, approaches & techniques with others

#### 4. Sustainability

The necessary social conditions / institutions for sustainability have been put in place. The organization has some degree of financial self-stability / is engaged in mutually beneficial partnerships.

#### 5. Direct Social Impact

The initiative directly affects poor or marginalised beneficiaries / stakeholders. Impact is quantifiable & well-documented

#### 6. Role Model / Leadership

The candidate can be a role model for future social entrepreneurs & the general public

#### 7. Mutual Value-Added

Inclusion in the Schwab network provides a clear opportunity for further legitimacy, networking & resource mobilisation opportunities

# HIGHLIGHTS OF THE APPLICANT'S CANDIDACY

Strengths

Weaknesses

Recommendation





# NEELAM CHHIBER INDUSTREE CRAFTS PRIVATE LIMITED (Industree)

## **DESCRIPTION OF THE ORGANIZATION**

Industree triples incomes of marginal artisans by moving them from being 'piece rate workers' to owners and entrepreneurs of community enterprises. It works both at the production and market ends of complex supply chains to help artisans living below the poverty line to participate in India's booming retail industry.

At the craft producers' end, Industree incubates community enterprises and common production entities that are jointly owned by artisans and local entrepreneurs (usually unemployed or under-employed youth). At the market end, Industree's multi-retail brand Mother Earth, and aggressive sales force, set up with investment from the Future Group, offers the new producer-entrepreneur a direct market platform and ensures steady business of high volumes year-on-year.

As of August 2011, Industree had incubated 17 Self Helf Group (SHG)-based community-owned enterprises and common production units in Karnataka and Tamil Nadu, and directly impacted 10,000 marginal producers and their families, of which 61% live below the poverty line, earning less than one dollar a day. Industree also trains and sources products from 400 crafts-based collectives and SHGs in 10 Indian states, opening up the Mother Earth brand and market platform to them.

#### **BACKGROUND SITUATION**

There are 40 million rural artisans in India today for which the handicraft and handloom industries are major sources of livelihoods. But despite a shared 5000 year legacy of skills, a majority (more than 60%) lives under the poverty line.

Post economic reforms of the 1990s, the government's focus on urban manufacturing hubs severely isolated the Indian crafts producers from local markets. Burdened by lack of work and unemployment, a majority of the country's crafts persons migrate to cities, only to experience a second cycle of displacement and poverty.

India currently exports INR 17,000 crores<sup>1</sup> of handicrafts annually - 3% of the existing global market<sup>2</sup> - revved up by infrastructure and capital infusion by urban exporters. In parallel, the dramatic emergence of the conscious, green, Indian urban consumer has driven up the domestic retail market to an estimated USD 100 billion per annum - opening new platforms for artisanal products.

But artisans have not been able to partake of this retail surge, due to the multiple burdens of a) lack of technical know-how; b) negligible production infrastructure; c) direct access to customers, and; d) contemporary or diversified product design skills. They operate in a fragmented supply chain with little access to working capital. For all these reasons, the unorganized rural artisanal workforce is unable to lift itself out of poverty.

The retail industry is capital intensive and demands high production capabilities - both in terms of volumes and quality of production. This has been a major block for retailers in working with the unorganized artisanal sector. As a result, India has been able to meet only one-tenth of the modest international market demand (estimated at INR 60<sup>3</sup> crores per year) for natural fibre handicrafts, excluding cotton jute and silk. While the domestic market demand for natural fibre products stands at INR 2000 crores per annum<sup>4</sup>, major retailers like Home Town and Home Stop prefer to import most furniture and accessories of natural fibres, rather than engage with poor artisans.

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<sup>&</sup>lt;sup>1</sup> Shashtry, Mrinalini. "Revised Social Accounts: IndusTree Crafts Pvt. Ltd." Rep. 2008. Mar. 2008. 28 Oct. 2011.

<sup>&</sup>lt;sup>2</sup> Shashtry, Mrinalini. Revised Social Accounts: IndusTree Crafts Pvt. Ltd." Rep. 2008. Mar. 2008. 28 Oct. 2011.

<sup>&</sup>lt;sup>3</sup> Statistics received from Industree.

<sup>&</sup>lt;sup>4</sup> Statistics received from Industree.





Large livelihoods initiatives and schemes (both not-for-profits and government-led) have placed maximum emphasis on skill development of craft producers, without ensuring organized and continuous market demand. This, further breaks the artisan's back.

#### INNOVATION

Industree taps into the 'wealth' of craftspersons - primarily their numerical strength and generational skills - and then aggregates them into collective enterprises that they own. The model of group production and group ownership enables poor artisans to collectively achieve production efficiencies and economies of scale. By owning their own craft enterprises they generate higher incomes, social capital and move up the retail value chain.

Industree further de-risks producer-owned enterprises by offering them a triad of benefits:

- Continuous and high-volume market demand for their products;
- Access to technologies and financial services, and;
- A brand that is co-owned by the artisan- entrepreneurs.

Thus, by streamlining its production base at the back-end, and building a robust brand at the market-end, Industree has demonstrated an integrated supply chain that privileges the artisan at every level.

Industree is a hybrid social change model. It delivers its innovation through two entities:

- Industree Crafts Foundation (ICF), the not-for-profit arm that trains crafts producers and incubates artisan-owned enterprises. By strategy, ICF works only through government schemes;
- Industree Crafts Private Limited (ICPL), the retail business that provides artisans a direct market platform. ICPL is the custodian of the brand Mother Earth. 13% of the brand value of Mother Earth has been locked into a Mutual Benefit Trust (MBT) for artisans to purchase at par.

This hybrid structure (the ICPL- ICF combine) enables Industree to blend the business rigour of an aggressive retail company with the social mission of a not-for-profit, while connecting the Indian artisan to the retail industry. Thus, as sales of ICPL grow, the brand value of Mother Earth increases and this propels the expansion and creation of more artisan enterprises.

Industree's commitment to the artisan goes beyond fixing the concerns of its own supply chain. Business incubation, partnership with a large retail company and co-ownership of a Future Group brand gives artisans an extremely strong base to expand into newer products, approach local wholesalers for work and access markets much wider that those created by Mother Earth.

#### **STRATEGY**

<u>Background</u> - In the early 1990s, Neelam Chhiber partnered with social investor Gita Ram to work on government projects that trained rural artisans in resource-starved states of the country. The experience of skilling crafts producers and building small manufacturing units in their hamlets, without concrete market orders to de-risk them, was frustrating. Neelam witnessed communities reaching dead ends. Their craft-products, uninformed by customer preferences and untouched by market insights, languished in government stores.

To break through the conundrum, Neelam, with investments from Gita Ram, set up a retail outlet in Bangalore. The idea was to create and sell high quality products for international and domestic markets by combining traditional crafts and natural resource raw materials with contemporary design and usage. Industree Crafts Private Limited (ICPL) was thus set up in 1992.

The company quickly gained recognition for its natural fibre-based home products. The natural fibre sector in India is driven by minority BPL families (56% from SC/ST groups), with 94% ultra poor women in the workforce<sup>5</sup>. Industree could not but address the complex economic and social disadvantages of its production base. Over time, the capital intensive process of artisan mobilization and training, setting up

<sup>&</sup>lt;sup>5</sup> Statistics received from Industree.





manufacturing capabilities and building supply chains in remote rural areas drained Neelam and her team. It also ate into the earnings of the crafts communities they worked with.

With her vast experience and knowledge of government systems, Neelam recognized that lasting impact in the crafts sector could not be possible without engagements with the government. She set up the Industree Crafts Foundation (ICF), a not-for-profit organization, that levered government schemes and won consultancy contracts from state governments to train rural artisanal producers in 10 states. ICF offered design-led craft trainings, small enterprise skills development and technical support to 7500 artisans, many of whom were absorbed into the ICPL supply chain. This led to the genesis of Industree's hybrid structure.

<u>Hybrid Organizational Structure</u> - Industree Crafts Foundation and Industree Crafts Private Limited, are independent, yet interdependent entities that together move crafts producers up the value chain.

ICF anchors the incubation of producer-owned enterprises. ICPL offers a direct marketing platform that absorbs the production of these units. It also demands (and therefore drives) high production and supply chain efficiencies within the incubated enterprises.

Both entities are housed in the same office. This is symbolic, because it does not let the business forget its social mission, or allow the not-for-profit to lag in its entrepreneurial work style. The two teams work seamlessly across the business and social impact cultures. Both view the artisan as a crucial customer.

<u>The Incubation process</u> - The principles that drive ICF's incubation model have been distilled from the mistakes made by Neelam and her team in the initial years of running ICPL.

First, Industree ran a production centre successfully for 3 years in rural Tamil Nadu with 600 Muslim women weavers, which shut in its fifth year of operations. The reason: Even as Industree purchased and supplied raw material to the local artisans, it had to constantly invest more resources to enable them to become time and quality conscious. As a result, Neelam and her team could not increase producer wages - the raison d'etre for the enterprise in the first place. Deeper analysis yielded that Industree's approach to artisan facilitation had not led to a mindset shift among them. They continued to see themselves as piece rate workers.

Thus, for incomes to increase, crafts producers would need to a) own their units; b) invest their capital in the venture; c) purchase raw materials and; d) hire local artisans at lower and different levels of production. This would protect a large slice of their earnings from being paid to production and supply chain managers of companies like Industree.

Second, Industree ran a furniture production unit for 5 years, which bled for a very long time. But the company persisted because furniture production (today, the main sales driver at Mother Earth stores) is more capital-intensive and complex than other cottage industries. It employs men and women, as well as differently-skilled people - carpenters, polishers, weavers, upholsterers - who belong to mixed social groups. The challenge for Industree was to:

- Streamline this divided supply chain of different social groups of producers working under the same roof;
- Move merchandise from one group to the other seamlessly, and;
- Ensure the least working capital blockage, without a factory manager or supervisor.

The lessons drawn from this experience, have formed the backbone of ICF's incubation model. Industree realized that for artisans to succeed as entrepreneurs in the early years of their ventures, they would need support in managing complex cash flows and inventory. Also clear social groupings and separate bank accounts were essential ingredients for a collectively-owned community enterprise.

Armed with these insights, Industree incubates community-owned enterprises through the following process:

• ICF starts its incubation with a defined product and a market. It then identifies a cluster of artisans with the relevant production skills and local access to raw materials.





- The artisans are organized into SHGs and the entrepreneur is identified jointly by ICF and the SHG.
- A basket of trainings is then provided to the group. These include design-based production trainings, entrepreneurial skills building and basic revenue and financial management training.
- Industree co-creates customized business plans with its incubatees to ensure that the venture achieves break even within the first year of operations at monthly sales of INR 100,000, even as it ensures fair-trade conditions for its workers. Business plan development also involves strategic planning for capital expenditure, warehousing, and working capital assumptions on which the entrepreneur is able to take production decisions.
- Working capital loans of up to INR 50,000 are provided to the SHG by ICF in a phased manner, primarily for the purchase of equipment and raw materials, which traditional financial institutions will not provide due to the group's negligible credit worthiness. Industree partners with financial and micro-finance institutions (like Rangde and Milaap) that offers its incubatees loans at below market rates, typically in range of 6-8% annual interest, on which Industree takes a 1% facilitation fee. The loan is disbursed to ICF and further distributed to the SHG.
- Thereafter ICPL kicks in, and places orders that are bound by strict timelines and quality specifications. Payments are not delayed beyond three months of sourcing.
- Every unit is encouraged to generate 25% of its business from other local customers. Industree often facilitates connections with other buyers, encouraging independence.
- The organization has built a culture where poor quality production, to the extent possible, is not rejected, in the first year of operations of an incubated enterprise. The products are either sold at a discounted rate, or value-added and reworked by the design team of ICPL to push through sales. With greater production experience, the company gets tougher on quality standards with its incubated supply chain.
- Over two years, the incubate receives on-going handholding and coaching from ICF, including insurance and cash flow and inventory management support.

The diagram below represents the play of ICF and ICPL in artisan-owned enterprises:<sup>6</sup>

Government Commercial **Purchases Design Customers Purchase** & Capacity Building Artisans' Goods Individual Artisans Technical training. enterprise skills, SHGs produce financial services. Collectivize materials and goods capacity building, Industree Industree technical assistance Crafts Crafts ICPL purchases goods Foundation Pvt. Ltd. from SHGs Artisan Collectives (SHGs) Functional support (billing, group management), Marketing, design, branding, technical training, eye care, insurance, loan financing manufacturing expertise and support

<sup>6</sup> 

<sup>&</sup>lt;sup>6</sup> Miller, Lindsay, Vincent Dawans, and Kim Alter. "Industree Craft: A Case Study in Social Enterprise Development Using the Four Lenses Approach.": 8. Rep. Virtue Ventures, LLC, 2009. Web. 28 Oct. 2011. <a href="http://www.4lenses.org/files/industree\_craft\_4lenses\_v1.pdf">http://www.4lenses.org/files/industree\_craft\_4lenses\_v1.pdf</a>.





To circumvent logistics, transport and other fetters, ICF encourages two or more enterprises who sit at different points in a product's value chain, to work out of the same location, thereby sharing worksheds and minimizing logistics and operational cost. This has catalyzed hubs of common production units at several locations - an innovation in the sector.

Rural crafts communities have nominal economic, social and health assets. Their daily negotiations for livelihoods leave them with little headroom to contemplate entrepreneurship. For ICF, identification of entrepreneurs has been a severe pain point, especially in craft sectors that are dominated by women, who tend to be more risk-averse.

Over time, Industree has developed the following criteria for selecting local entrepreneurs:

- Because all crafts people do not have the will or skills for managerial work, ICF identifies a graduate who belongs to the same community as the crafts collective, can speak in their language and enjoys the trust and goodwill of the group.
- The identified entrepreneur needs to have basic finance management abilities and demonstrate potential for managing a SHG.
- The SHG decides the entrepreneur's salary and also gives him 3% of the annual revenue.
- The entrepreneur is responsible for ensuring robust health of both the SHG and the collective enterprise. He ensures that dividends are given to all SHG members and the surplus at the end of the fiscal year shared.

The entrepreneurs in the circuit of Industree-incubated enterprises are young men who had previously held field jobs in textile manufacturing and/or export companies. Being an entrepreneur can be more rewarding, as it moves them up to higher income levels and a more rewarding role in the Indian retail industry.

On an average, a two-year producer-owned enterprise records monthly revenues of INR 5-6 Lakhs. The entrepreneur receives a monthly salary of INR 15,000. Full time artisans draw a minimum monthly salary of INR 3000. Business is assured by ICPL for up to 6-8 months. The entrepreneur goes out and gets additional business of up to INR 2 lakhs every year from other customers.

<u>Driving retail and brand for artisans</u> - ICPL is a fast- growing retail company that has been designed to absorb the shocks of a volatile market on the one hand, and inefficiencies of craft entrepreneurs, on the other. In 2007, the Future Group made a substantial investment in the company, leading to the inauguration of the first 10,000 square feet Mother Earth flagship store in Bangalore. Since, the brand sells out of 8 retail stores and several shop-in-shop partnerships.

Design drives ICPL and is its market differentiator. The Mother Earth brand is easy to recognize by the bright colours and value-additions in products in the home, apparel and fashion segments. Following Zara's fast fashion mode of operations, the design team of ICPL conducts regular market surveys, competition assessment and trend forecasting and filters the insights down to artisan groups. It spend 75-80% of its time working directly with crafts producers to introduce 100 new designs every month, and a new collection every two months. Artisans are regularly brought into Mother Earth stores, to experience their products in a retail setting, get a palpable understanding of consumer behavior and be exposed to the pressures of this business. Thus, for the artisan-entrepreneur, direct and daily engagement with ICPL is in itself a mini business management experience.

For the above factors, 60% of all products in Mother Earth stores is sourced from its internally-incubated enterprises. These account for 30% of sales across all stores.

#### **SUSTAINABILITY**

ICPL's combined revenue streams include:

Retail sales - 30% of sales revenues across stores come from Industree incubated enterprise, 20% from micro-enterprises/entrepreneurs/NGOs/cooperatives that have been trained by ICF and 50% from other crafts fair trade businesses;





The Foundation achieves financial sustainability by earning revenue through consulting contracts with the governments of India and other countries for trainings, research and workshops.

The gross margin on sale of ICPL products in 2010-2011 was 42%. By 2015, Industree intends to expand to 40 retail stores. It will achieve operational break even by 2012-13, when sales are estimated to hit INR 30-35 crores.

Critical to ICPL's growth and strategic direction has been the investment of USD 1.5 million from Future Group. An unlikely partner at first glance, the Future Group saw potential in ICPL growing as a multi-retail brand for the green urban consumer, supporting the growth of other social brands and nurturing partnerships between them. Partnership with India's largest retailer has brought uncontested retail and consumer understanding into the organization.

Industree has also raised investment from a prominent global investor in 2011, Grassroots Business Fund (GBF). Oikos Credit provided debt financing of USD 100,000. While Future Group holds a 53% stake in the company, GBF will own a 16% stake upon its investment converting into equity in 5-7 years. 13% shares of the company have been placed into an MBT for producers to buy at par.

We present below the financial performance of ICF over the last three years (all numbers in INR):

INCOME	2010-2011	2009-2010	2008-2009
Workshop & Project Grant Received	43,79,496	47,17,823	18,52,465
Consultancy fee	178,350	695,550	13,65,800
Donation	513,817	100,000	36,702
Other	46,719	28,958	
EXPENDITURE			
Training and Development Expenses	3,63,21,772	19,86,137	948,115
Administrative expenses	14,61,882	2015	20,637
Financial Expenses	3,433	35,39,259	19,34,578
Depreciation	46,360	86,739	16,386
PROFIT	2010-2011	2009-2010	2008-2009
Net Excess of expenditure over income	(25,466)	(71,818)	335,250

We present below the financial performance of Industree Crafts Private Limited over the last three years (all numbers in INR):

INCOME	2010-2011	2009-2010	2008-2009
Export Sales	45,8,862	8,03,912	58,85,843
Local Sales	10,02,72,165	7,73,15,174	2,88,45,248
EXPENDITURE			
Total Expenditure	13,62,20,855	10,29,30,090	6,22,67,619
PROFIT	2010-2011	2009-2010	2008-2009
Profit Before Tax	(3,48,13,651)	(2,45,17,223)	(2,66,22,840)
Profit After Tax	(3,48,13,651)	(2,45,17,223)	(2,69,87,683)

## **SOCIAL IMPACT**

Industree has directly impacted 3000 artisans in rural India through its incubation efforts. In addition, through ICF, 10,000 artisans have been targeted for training as part of the Ambedkar Hasthashilpa Vikas Yojana Project (AHVY), a flagship Government of India scheme in the crafts sector. 7500 of this target





group have already received the skill and micro-enterprise trainings. Of this target group, 3500 have organized into 300 SHGs and are currently supplying to Mother Earth and other retail brands.

Partnership with GBF has led Industree to build social impact metrics for measuring the effectiveness of its business and assess the sustainability rating for each product. We highlight the impact data based on the metrics:

#### **Economic Impact**

- For every 100 Indian rupee of revenue increase for ICPL, producer incomes increase by INR 58. Industree has reported a three-fold increase in incomes of the artisans working in its incubated
- INR 44,44,000 is the total annual earnings of the incubated SHGs by supplying to ICPL.
- Approximately 3000 artisans are earning an average of INR 5000 per month due to orders from ICPL.8
- The median monthly income per producer has increased by INR 1000.9
- Since inception, the number of artisans that ICPL has engaged with has tripled.

#### Social Impact (ICF)

- 17 producer-owned enterprises have been incubated by ICF.
- 73% of the artisans benefited are women and 57% are from scheduled castes and backward communities
- Since inception, 681 SHGs have been formed by ICF, which have gone on to supply to the Mother Earth brand.
- ICF has partnered with the Integrated Theme Cluster development project, Ambedkar Hasthashilpa Vikas Yojana Project (AHVY), under Ministry of Textiles Government of India to train 10,000 artisans in the states of Rajasthan, Orissa, Bihar, Uttar Pradesh, West Bengal, Andhra Pradesh and Tamil Nadu over 5 years.
- It is also a minority stakeholder in Narasarpur Producer Transform Private Limited and Mega Cluster Handicrafts Development Scheme to facilitate the formation of a Special Purpose Vehicle (SPV) targeting 20,000 lace workers.

## **Environmental Impact**

- Mother Earth provides the consumer with fair-trade products. The basic raw material that ICPL uses is biodegradable, long lasting and environmentally friendly. Except for metal frames that are used in the larger furniture and storage items, all material can be classified as sustainable.
- The ICPL newsletter, under the brand 'Mother Earth' is distributed to 10,000 persons. <sup>10</sup> It raises issues connected to fair trade, green buying, and traditional crafts.

#### **FUTURE PLANS**

In the next 5 years. Neelam Chhiber and her team aim to directly impact more than 50,000 individual artisans by incubating their enterprises and facilitating their diversification into newer products, brands and markets, beyond those offered by Mother Earth.

Industree plans to grow and sustain in the following ways:

- Formation of a new company Neelam is on the verge of setting up a supply chain company, Industree Transform, with 26% producer ownership with the formation next year of an NBFC, into which thrift cooperatives set up by Industree Transform will take shareholding upto 49%. This will provide much needed working capital to small producers, at lowest possible interest rates.
- Expanding retail stores By 2015, Industree intends to have 40 stores in the country.

Industree Crafts Pvt. Ltd. "Social Accounts - Cycle 2." (2009): 37. Print.
Industree Crafts Pvt. Ltd. "Social Accounts - Cycle 2." (2009): 24. Print.

<sup>&</sup>lt;sup>9</sup> Shashtry, Mrinalini. "Revised Social Accounts: IndusTree Crafts Pvt. Ltd." (2008): 28. 28 Oct. 2011.

<sup>&</sup>lt;sup>10</sup> Industree Crafts Pvt. Ltd. "Social Accounts - Cycle 2." (2009): 27. Print.





- Governance Industree will need to create more defined boundaries of governance between ICPL and ICF. More importantly, the governance of the producer groups will demand the attention of Neelam, since the producer entities are owned by the SHGs, but led by the entrepreneurs.
- <u>Skill Development Company</u> Under ICF, Industree intends to setup a skill development company in partnership with the National Skill Development Corporation of India, that will develop 100,000 skilled business incubators to feed India's expanding organised retail markets with many more community-owned enterprises in the domains of crafts and renewable energy. This will add another revenue stream within Industree.
- <u>International dissemination of knowledge</u> ICF is on the verge of replicating its training programs for natural fibre skills in Africa. It has received a grant to train producers of Zambia and Mozambique.

Ultimately, Industree aims to become a 100% producer owned enterprise.

# **COMPETITIVE LANDSCAPE**

For long, FabIndia has been the proven innovator and market leader of a crafts-based business model. It has served as a source of inspiration for Industree. Other prominent players in the sector providing similar products are Anokhi and Kala Aparajita. However, there are distinct differentiators that Industree has built in to compete with these organizations:

- **Pricing** As a semi-premium brand, Industree positions its merchandize at lower prices with similar levels of quality by targeting a profit margin of 2% on all products.
- Sourcing Unlike FabIndia, which uses Regional Sourcing Centres (RSCs) for procurement, Industree sources its products directly from the producers providing artisans with a higher margin on the sale of products. While the growth of FabIndia has been driven on the back of mid-size urban entrepreneurs, Industree has gone down a few notches to work directly with poor producers through partnerships with the government.
- **Producer-ownership** It is the first company to put up 14% of ownership of shares for producers at par with institutional and retail investors in the brand.

Moving forward, Industree's ability to secure a competitive advantage in the sector will depend entirely on its ability to scale the retail arm of the business.

#### **PARTNERSHIPS**

Industree partners with the following entities:

- <u>Development Commissioner (Handicrafts), Ministry of Textiles</u> under the AHVY scheme to train 10,000 rural crafts persons over 5 years.
- InterfaceFLOR to produce natural fibre floor tiles.
- 400 NGOs, Co-operatives, social enterprises, and organizations in the handicraft industry for product sourcing for its stores.
- Government of India and international governments Industree Crafts Foundation has received grants-in-aid for training crafts collectives in rural areas from the Ministry of Textiles in Andhra Pradesh and Madhya Pradesh, Ministry of Rural Development, North East Finance Development Corporation, Government of Zambia, Government of Mozambique, and Commonwealth Secretariat of the UK.
- <u>Financial institutions</u> Industree has partnerships with Rangde, Milaap, MESOLOAN, Corporation Bank, IFMR TRUST (Mega Holdings) to provide access to micro finance to its incubatees at affordable rates.
- <u>Investors</u> The Future Group and Grassroutes Business Fund to provide capital and debt financing and bringing tighter board oversight.
- <u>Global Natural Fibres Forum</u> as the international secretariat, for the global body, Industree promotes the interest of small producers in the natural fibre sector.





## THE ENTREPRENEUR

Neelam is a graduate of the National Institute of Design with a degree in Industrial Design. While in design school she engaged with rural communities, and upon graduation chose to work with rural artisans, developing new product designs to enable them to sell in urban Indian markets. These experiences formed the bedrock of the work that she was to do later by founding Industree.

Neelam believes Industree's biggest challenge and reward has been to facilitate and enable producers to manage themselves in changing scenarios. She is an alumnus of Social impact International, as well as the Global Social Business Incubator, Santa Clara University, USA.

Under her leadership, ICF was awarded the UNESCO seal of Excellence. It also won the 2011 World Bank's Development Market Place award.

# **KEY STATISTICS**

Year organization established	1994	
Principle sector(s)	Livelihoods for artisanal communities	
Legal constitution	Hybrid model (ICPL is the 'for-profit' entity and ICF is the 'not-for-profit')	
Annual budget (INR)	ICF for FY 2010-2011: USD 114,308	
% Self-financed	ICPL - 100% ICF - 90%	
Experience of the entrepreneur	Industrial designer, researcher and trainer of rural crafts producers	
Time commitment of entrepreneur	Full-time	
Languages spoken by the entrepreneur	English, Hindi, Punjabi, Tamil	
Organization staff	140 full-time staff, 15 part-time staff, and 5 volunteers	
Geographic area of activity	India (Karnataka, Tamil Nadu, Delhi, Kolkata, Madhya Pradesh, Rajasthan, Orissa, Bihar, Uttar Pradesh, West Bengal, Kerala, Andhra Pradesh, Tripura)	
Number of direct beneficiaries	10,000	