

Employment, Employability & Entrepreneurship

-A promise for a better tomorrow

Annual Report

By

The Jaipur Rugs Foundation

**(Formerly known as the International Research and
Development Institute)**



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Founder's Message



Time has a vital role to play in our lives. Most of us do not realize what it has to teach us. I believe that time is the motto of making every hour count in a day. For the past two years, Jaipur Rugs Foundation has worked in all its depth and has succeeded in living its mission. Despite a few hinderances, it had embraced those broken paths and has set records for new learnings. Napoleon once said, “Do not wait; the time will never be just right. Start where you stand, and work with whatever tools you may have at your command, and better tools will be found as you go along.” With this saying, I would just like to add that this foundation has always strived to live upto its values and beliefs. It started with a few villages and today I can only see it expanding its reach.

(Signature)

N.K Chaudhary
Founder and Trustee
Jaipur Rugs Group

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1. Introduction

An Overview

India with its abundant multi-fibre raw material base, well established production bases, design capability and skilled labour force, is well placed to emerge as a global textile and apparel sourcing hub. According to India Brand Equity Foundation (IBEF), India accounts for:

- 61 per cent of the global loomage
- 22 per cent of the global spindleage
- 12 per cent of the world's production of textile fibres and yarn
- 25 per cent share in the total world trade of cotton yarn

Carpet Export Promotion Council (CEPC) has revealed that Indian carpets exports for this year stood at \$800 million (Rs. 3675 cr). Rajasthan alone contributed 40 per cent wool as raw material for manufacture of the final product. The majority of the Indian carpet exports were entailed to U.S. with a figure of \$400 million (Rs. 1833 cr) approximately. Statistics have also stated that Indian hand-made woollen carpets are best preferred in the world as compared to synthetic carpets. Hand-made tufted woollen carpets and hand-made silk carpets account for second preference across the globe.

About Jaipur Rugs Company Private Ltd (JRCPL)

Known as the best manufacturer and exporter of hand-knotted Indian carpets in the industry; Jaipur Rugs Company strives to deliver the best to its international customers. Founded in the year 1999, Jaipur Rugs Company Private Ltd with its dedicated team of craftsmen, professionals, employees, and state-of-the art infrastructure is making waves in the Indian carpet industry. Starting with 8000 artisans it has now spread with around 22000 artisans across the country. Since its inception, Jaipur Rugs Company has continued to perfect techniques and carry the rich heritage forward into homes and businesses around globe. The company pumps in funds and technical assistance to its social initiative named Jaipur Rugs Foundation.

Jaipur Rugs Foundation (JRF)

Jaipur Rugs Foundation (JRF) has tried to respond effectively to the growing needs of the rural artisans and weavers. It was an attempt to reach out to the underprivileged rural citizens, and help them to grow, develop and follow their dreams. Registered under the Public Trust Act 1959, Jaipur Rugs Foundation (JRF) aims to build a new world in the industry where small artisans and weavers whether employed or unemployed can get their spaces to breathe and flourish without being exploited.



The Jaipur Rugs Foundation Model propagates the idea of a facilitator that bridges the underprivileged and unemployed with the higher level i.e the government. The goals of this ground breaking foundation are:

- To encourage and improve the living conditions of the rural weavers and artisans
- To enhance their earning capacities through proper guidance and training
- To facilitate the rural artisans with the latest technologies

2. Objectives of JRF

The various objectives of Jaipur Rugs Foundation that are in sync with its mission are as under:

- To generate and spread the art of carpet weaving, developing & imparting skills and technology of short and long term
- To benefit the public at large without any discrimination of caste, creed, color or religion
- To embark on a modern and scientific approach based on the latest technological inputs for the development of the hand knotted carpet industry with an aim of accelerating socio-economic growth
- Facilitate and expose weavers and artisans to the global standard of weaving, design development and help them to understand the concept of globalization
- To bring better financial returns to the weaver and those who are involved in the carpet industry
- To undertake market studies, sending out trade mission, data collection, etc relating to carpet industry in or outside India
- To promote micro-enterprise development through formation, promotion and development of clusters, federations, producer companies, cooperatives, trade associations or any form of group mechanisms in a direct or indirect manner through the organization
- To work in tandem with Panchayati Raj Institutions, local self government bodies, NGOs, corporate sector bodies, MFIs/Banks and other stake holders in promotion of viable rural enterprises, micro businesses and/or any feasible form of business entity/group

Mission

Empower, enhance and develop the underprivileged, poverty struck families and communities such that they establish themselves as entrepreneurs through sustainable business hubs

Vision

To create a society where equality, justice and peace prevails through equal employment opportunities that further yields in socio-economic development.

3. Areas of Operations this year



Number of States: 10

Name of the States: Rajasthan, Uttar Pradesh, Gujarat, Jharkhand, Bihar, West-Bengal, Nagaland, Orissa, Arunachal Pradesh and Maharashtra

Carpet weaving clusters formed: 40

Number of villages: 680

Total number of artisans: 25000 (approx)

Total number of looms in all the 10 states: 6250

4. JRF's Concept of Employment, Employability and Entrepreneurship

According to the findings of National Sample Survey Organization (NSSO), since the exports grew by 23% this financial year, an additional 21 million jobs are expected to be created between 2004-05 and 2009-10. A nation where agriculture has been a major source for earnings in the rural community, the problem of unemployment however has not been solved. There are many industries in India that lack in skilled labour either due to absence of qualified skills or their availability. JRF aims to identify the available manpower and equip them with the art of carpet weaving so that the industry in general does not fall in short of skilled labour.

This foundation is based on the model of 3Es which encompasses- producing **Employment** for the unemployed, providing **Employability** for the ambitious artisans and supporting them in every way to graduate them as **Entrepreneurs**. The philosophy of touching and nurturing every life has been dependent on two pillars: to increase the earning capacities of the rural artisans and helping them to sustain a better standard of living.

The foundation is a social initiative of Jaipur Rugs Company Pvt. Ltd. When the employable civilians are trained in carpet weaving, the company intends to employ such weavers in its production process thus ensuring that these craftsmen receive a stable income and sustain a better livelihood. The looms and training on carpet weaving is provided by JRF to the civilians who are enthusiastic about this occupation.

5. Structure

Since the organization has spread itself in various states, each branch has the responsibility to figure out the villages nearby who are in desperate need of an occupation or are currently engaged in carpet weaving so that the foundation can direct its team members in these areas. Each branch has a Branch Manager, Area Commander, Mobilizer, Tani trainer, Trainer for the JRF teams and office staff. The responsibilities of each can be stated as under:

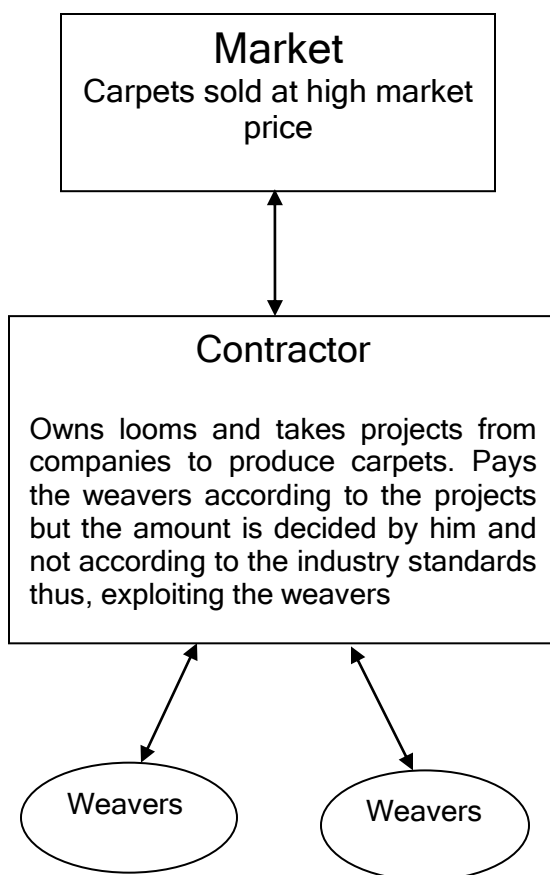
- **Branch Manager** is responsible for the functioning of each branch
- **Area Commander** is responsible for checking the quality of wool in given area, providing looms at the branch and in the villages targeted, assuring the working of looms and keeping a track of work-in-progress
- **Mobilizer** helps to motivate and mobilize civilians from villages that have no occupation to areas where carpet weaving clusters are formed by the foundation. A mobilizer also reports to the foundation the number of villages covered, number of artisans benefitted in the target area and keeps a track of potential areas and weavers who are interested in carpet weaving
- **Tani Trainer** ensures that the looms set up for the villagers by the foundation has Tani properly fitted
- **Trainer** designs and develops training module for the JRF teams and takes care of their training needs
- **Map reader** assists the weavers to read the designed maps based on which the carpets are weaved



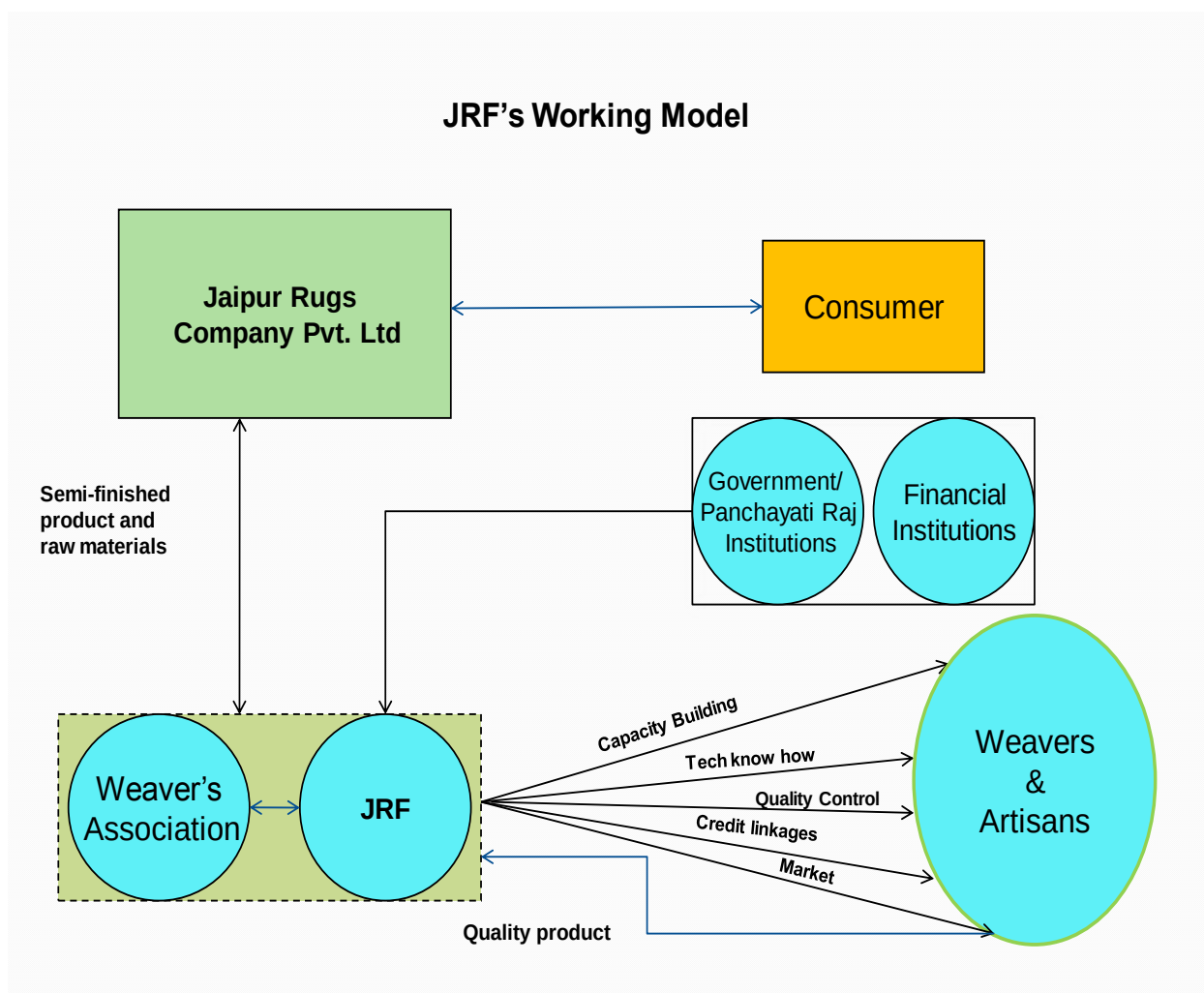
6. Approach

By ensuring right people at the right time and at the right place, JRF acts like a facilitator to the rural villagers who can then have a direct access to the markets and reforms available with the government. The difference that JRF's initiatives have brought to an extent in certain villages can be understood from the diagram below:

Actual scenario before JRF's intervention



Actual scenario after JRF's intervention



7. Activities Undertaken

7.1 Rajasthan

Carpet weaving training program

This year the foundation organized a training program in the Dausa district of Rajasthan. The program entailed 75 artisans hailing from other nearby districts. Since carpet weaving was already practiced by many artisans in this district, the foundation created clusters of these 75 artisans in order to inculcate the spirit of entrepreneurship. Interestingly, out of the total number of artisans trained, 40 were women.



Women weavers engaged in carpet weaving in Dausa

Developing a loom bank

The foundation created a bank of looms for the purpose of distributing and training the local artisans. The idea was to respond to the training needs of the craftsmen where and when needed.

Online Portal

Since portals and websites have become the biggest source of information, Jaipur Rugs Foundation believes in reaching to its stakeholders in the best possible way. We can be reached at www.jaipurrugs.org.

Exhibitions

In order to develop market and industrial relations, the foundation encourages and facilitates its trained weavers to participate in various trade exhibitions across the state.

7.2. Nagaland

Carpet weaving training program in Jaluki

Jaipur Rugs Foundation entered into an agreement with National Research Development Corporation (NRDC), New Delhi for initiating a three month carpet weaving training program for the women of Jaluki town. In this program, 48 women and girls were trained. Once they were through with the training module, they were employed in the production process of Jaipur Rugs Company Pvt. Ltd. As of now, they earn decent and stable income. In forthcoming years, this program is to be spread to six other nearby villages for which JRF has already prepared three trainees as Master Trainers. They will be imparting their experience and skills to the ones who want to learn carpet weaving.

Entrepreneurship associates in Phek

At least 80-100 women artisans were mobilized from six districts and were trained under entrepreneurship program. They were provided with financial support and for the new batches to come, 10 girls and women were selected as Master Trainers.

7.3. Jharkhand

In Garwah, a survey was conducted to analyze the needs of the civilians. In the early months of 2007, 50 new looms were installed and at present 180 weavers are working on it. For Deogarh in November 2006, weavers from 26 villages were mobilized and in the first few months of 2007, Sumekh carpet training was initiated. Initially, 22 looms were installed with the support of two self help groups namely, Jaggo Bahana and Garib Niwaz. Around 46 female weavers participated in the training program.



Together we will make a difference!
Jaago Behna Jaago!

7.4. Orissa

In November 2006, JRF along with Gram Utthan Sansthan conducted visits to blocks such as Kendrapara and Rajkanika in Orissa. The purpose of these visits was to generate awareness about micro-finances. Also, in these blocks 4 looms were installed to train 16 women.

8. Success Stories



Name: Bhaylu Dhanji Bhoya

Age: 35 years

Occupation: Weaver

Bhaylu Dhanji Bhoya, a resident of Navsari district, Gujarat worked as a carpet weaver for a private company. By then, he earned around Rs. 3000 per month, an amount that was insufficient to meet his family needs. Later, he had learnt about Jaipur Rugs Company from his friends, and immediately decided to switch over. The employee friendly policies and work environment of Jaipur Rugs had impressed him. In a span of few years, his hard work and potential was recognized by the management who then decided to support and develop him into an entrepreneur. Today, he earns a handsome amount of Rs. 15000 per month and also provides employment to nearly 60 people in his village.



Name: Surendra Kumar

Mahawar

Age: 34 years

Occupation: Wool Opening

Hailing from Amer, **Surendra Kumar Mahawar** worked with another carpet producing company and he managed to earn Rs. 5000 per month. However, his income was not regular as he was not employed as a permanent worker. He is survived by his wife and three children. For him, life has never been a piece of cake. Finally, he managed to get employed with Jaipur Rugs and was offered the role of inspecting the quality of wool while churning and opening the wool yarn. His hard work and dedication had won the hearts of many and thus the management supported him to develop into an entrepreneur. Today, Surendra earns more than Rs. 18000 per month on a regular basis and provides employment to nearly 140 women in his village.

9. Partners

9.1. Partner Organizations: 'Together we can make a difference'

The Jaipur Rugs Foundation has joined hands with other partners in its attempt to penetrate deep into the hearts of the rural citizens. The foundation believes in working close with those who have a defined philosophy focused towards working for the betterment of underprivileged. It intends to propagate carpet weaving as a source of livelihood thereby increasing the economic status of the rural artisans. Some of the valued partners of this foundation are:

- Jaipur Rugs Company Private Ltd(JRCPL)
- Punjab National Bank (PNB)
- World Bank
- Rajasthan Other Backward Classes Finance & Development Corporation
- Development Commissioner- Handicrafts Ministry of Textiles, Government of India
- Tribal Ministry, Gujarat
- District Poverty Initiatives Program (DPIP), Government of Rajasthan
- NABARD (National Bank for Agriculture and Rural Corporation)
- NRDC (National Research Development Corporation)
- Confederation of Indian Industry (CII)
- Ministry of Panchayati Raj, Government of India
- Department of Industries, (DIC) Government of Rajasthan

9.2. Networking with NGOs

The Jaipur Rugs Foundation has also joined hands with various NGOs in Rajasthan and Uttar Pradesh. At present, these NGOs are 14 in number and apart from these NGOs; the Jaipur Rugs Foundation is also networked with the following associations:

- National and regional level handloom organizations
- Weaver's service centers
- Regional level handloom weavers' cooperative societies/federations
- Primary handloom weaver's cooperative societies
- National level training institutes for imparting managerial skills

- Cooperative training institutes
- Self-help groups operating in the Handlooms and related sector

9.3. Building Community

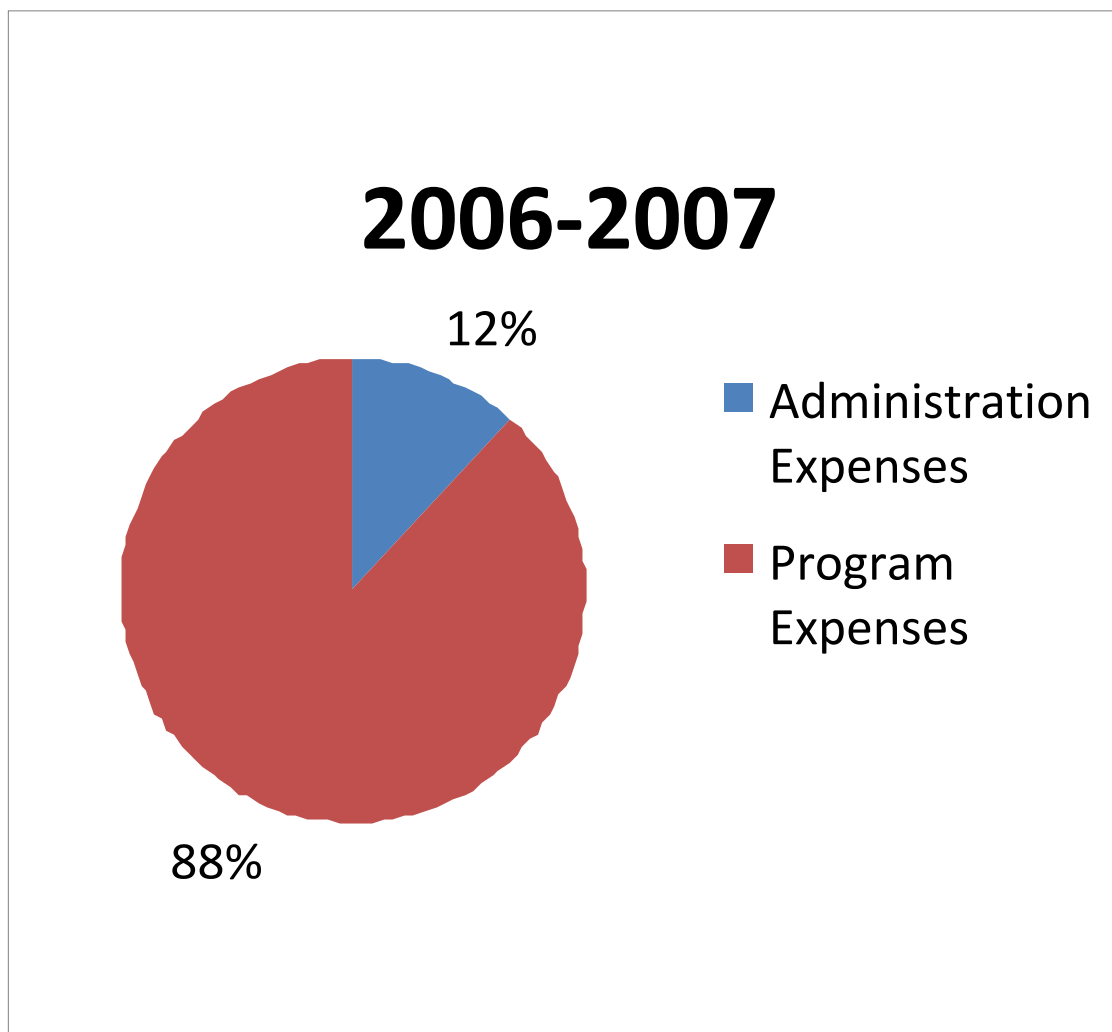
The foundation believes in the art of carpet weaving. The idea is to promote the concept of self-sustenance and the spirit of entrepreneurship among the rural citizens who by their virtue have been underprivileged or unemployed. Any given economy can progress only once it is stabilized. Through the joint initiatives, the foundation has tried its best to provide a source of consistent income to the rural families. These collective efforts have made differences in the lives of each artisan belonging to any gender, caste or creed.

9.4. Government: Adding Momentum through Policies

The Jaipur Rugs Foundation has also helped the government to reach out to the rural citizens. Many a times it so happens, that the schemes provided by the government in certain areas are hardly heard of by the artisans. The foundation assisted the government to implement their schemes in the areas covered by the respective teams. An awareness drive was put into action to educate the artisans. Some of the benefits that were culled out during the drive can be highlighted as under:

- Government's policy of providing loans on 5% interest to the Other Backward Classes (OBC) community helped them to purchase looms and establish their own set up
- Insurance cover to artisans under Prime Minister's Insurance Scheme helped the artisans to get their lives covered under health insurance schemes and thus avail a better standard of living
- The identity cards for the artisans under the government schemes helped them to avail the benefits of discounted loan rates

10. Audited Expenditure



As it is evident from the graph above, a majority was spent on conducting programs, seminars and workshops while the rest were spent on administrative services.