

## INTRODUCTION

Chitrika is an artisan support organization based in Andhra Pradesh. It was registered under the AP Societies Registration Act 2001, with its headquarters located at Hyderabad. Chitrika is endeavouring to address artisan related issues in a holistic manner giving emphasis to both economic and social security requirements of the artisans. The main logic behind the origin of Chitrika is to make artisans the key player and controller of the value-chain of their products and thus address the issue of equity.

Chitrika's learning document is a chronicle of the work that Chitrika has undertaken in 2005-2006. The work reflects the philosophy of "Artisan Empowered Livelihoods" on which Chitrika wants to work. The second phase of work at Ponduru reflects this process as it started with the orientation programme for the weaving youth. The new theme that we explored this year - "wool sub-sector" is challenging and will require best efforts of Chitrika. The consultancy assignments were in line with what Chitrika is doing and helped in fine-tuning our vision. But the consultancy assignments also made the team reflect on the objective of taking-up of consultancy assignments and its long-term ramifications. At this stage still Chitrika is grappling with many questions nevertheless supported by the hands of few hopeful artisans.

### Is Another Organization Working for Artisans Required?

There are a large number of government projects and non-government organizations working with different types of artisans throughout the country. So far, such organizations have addressed the issues of value-chain by becoming the key link between the raw material, market and the artisans. The following are the various kinds of set-ups that emerged to address the issues in the value-chain:

- NGO undertaking the marketing activity by forming the artisans into an informal group or SHGs or in few cases a cooperative
- Cooperatives of the artisans
- Producer Companies

In all the above set-ups the control of the artisans over the management of the organization (at least the activities related to them, such as marketing) was absent or minimum. In the NGO linked set-up, the artisans are little aware about the market. Even if they are aware, they do not have the capacity to explore and market on their own. Cooperatives were set-up with the intention of routing the government schemes through them and slowly turned in to ready vote banks for the politicians and now remain as political set-ups serving the interests of the board members. Of late producer companies are coming-up with the support of some NGOs as well as through the efforts of few individuals. They are still in the experimental stage and some times, the secretaries of the NGOs and not the actual artisan groups, become the share-holders.

This scenario calls for a shift in focus from exclusive marketing interventions to addressing the issues of equity and control through the triad of institutions, marketing and production. Chitrika's focus is to create self-sustaining institutions of the poor artisans for supporting their marketing and production initiatives. Building community

level marketing professionals is also one of the key ideas. Transferring the marketing skills, building market intelligence network and providing access to technology are crucial to translate market knowledge into marketing skills. In short, Chitrika will focus on:

- Transferring marketing skills to the artisans
- Creating market intelligence network
- Create systems that will enable the artisans to adapt to the dynamic scenarios in the economy

#### Aims and Objectives/ Chitrika's Role

Chitrika will primarily work in Andhra Pradesh covering five artisan livelihoods by the year 2015. Its mission and vision as envisaged by the founders are as follows:

##### *Mission*

“Enhancing the livelihoods of the artisans in Andhra Pradesh”

##### *Vision*

| Achieving economic and social well being of 5 lakh artisans by 2015

Chitrika aims to promote, support, sustain and offer appropriate support to development initiatives/projects/activities/organizations/professionals for the purpose of improving the livelihoods of the artisans. It also aims to provide common platform to bring together artisans, people and institutions for effecting macro level changes. The areas of focus of Chitrika would be:

- Enhancing the existing artisan livelihoods through economic and social avenues
- Addressing artisan issues by affecting changes throughout the value chain
- Promoting and resurrecting artisan institutions to become member owned, member controlled and member managed
- Developing community based professionals
- Developing human resource for enhancing artisan livelihoods- service providers, professionals and volunteers
- Supporting organizations and institutions working with artisan
- Creating a common platform to bring together artisans, their organizations, professionals, service providers and other organizations
- At the policy level, creating enabling macro context for the artisans

#### **ORGANIZATION**

Chitrika has planned a two-tier structure for the organization. A team of 3-4 professionals would form the strategic core team. The second tier would consist of cluster coordinators for different projects. As of now, there are 2 members in the strategic team and one cluster coordinator in charge of the Ponduru Project. For the coming year, the following activities would be taken up at the organization level:

- Planning and Implementation of organization level systems- HR policy, Performance appraisal for the employees, MIS, Monitoring & Evaluation system for different projects

- Exploration for institutional funding from donor and funding agencies to explore new artisan clusters, undertake action orientation studies on vectors – technology, finance and institutions of the artisans.
- Search for suitable cluster coordinators for new projects that would be taken up during the course of the year

### Current Team

At present Chitrika is a team of three. The list of the names and their responsibilities are given below:

#	Name	Qualification	Designation	Roles
1	Ms. Vijaya Switha	PGDRM, 2004	Secretary	Overall Management of Chitrika
2	Ms. Malika Srivastava	PGDRM, 2005	Programme Coordinator	Business Development, New Project Development, Funding
3	Mr. D. Srinivasa Rao	M.A. Sociology	Cluster Coordinator	Development of Ponduru Cluster

### **FUNDING**

In the coming year, Chitrika would be approaching donor and funding agencies for institutional funding for the initial years. This would be to cover the administrative costs of the programme including some part of salary for the 2 professionals in the strategic team for few months. This is because at present, the first project of Chitrika based in Ponduru is taking shape and thus more time has to be given to Ponduru till the work is streamlined. In the long run, the professionals would be earning their own salaries from revenue generated from consultancy projects. At present, Chitrika has the following commitments for funding:

**Table 2: Funding Details**

Funding Organization	Grant amount	Purpose/ Nature of grant	Period	Specific terms
HIVOS	Euro 10,000	Cooperative Promotion in Ponduru Project	-	Agreed in Principle. Subject to FCRA prior permission to be obtained by Chitrika
FWWB	2.5 lakhs	Capacity building	2006-2007	Business development activities for Ponduru Project
Cooperative Development Foundation	1 lakh	Seed grant	-	None

### **WORK SINCE OCTOBER 2005**

Chitrika's first project is related to enhancement of the weavers' livelihoods in Srikakulam district. The founder Ms. Vijaya Switha initiated studies in the Ponduru weaving cluster since June 2005 with help of Friends of Women's World Banking (FWWB). These studies focused on aspects related to weaving based livelihoods and value chain analysis of the three major kinds of weaving occupations in the area- Silk,

*Khadi* and Cotton handloom.<sup>1</sup> Baseline studies in Ponduru were followed by meetings with the weaver community in the area. Sir Ratan Tata Trust (SRTT) supported the artisan livelihoods exploration and institutional formation of Chitrika around same time.

Formal operations were started in October 2005. One of the first plans was to work with silk weavers, however it could not take off due to various factors- less number of silk weavers in the area and most of the silk weavers were under the existing cooperative fold and could not come out. Chitrika continued working with cotton weavers in the two villages of Ponduru in Ponduru mandal and Deveravalasa in G Sigadam mandal. The first phase of exploration culminated into a value-chain orientation training programme and gave a fillip to the next stage of institution formation.

#### Orientation Programme on Value Chain

The strategy adopted by Chitrika is to start working with the weaver youth and then with the weaver community through them. The approach is also the first step towards one of Chitrika's objective of developing community-based professionals. Chitrika designed an orientation programme for the educated weaver youth of the area on **Value Chain**. The **objectives** of conducting this orientation programme are manifold:

- Imparting knowledge of basic concepts in marketing and business- value chain, product costing, production planning, marketing strategies, elements of market study and business plan, government schemes and regulations
- Practical exposure to markets- conditions, types of players, competition, consumer preferences, market trends
- Knowledge and exposure to technological innovations and latest developments in the handloom sector -CAD, Natural Dyeing, e-marketing and IPR related issues
- Exposure to different types of institutions- government, private and cooperative- set up, issues and problems, and performance
- Conceptual understanding about cooperatives
- Interaction with eminent persons in related fields- designers, entrepreneurs and government officials.

The broad **outcomes** expected from the training programme are as follows:

- Building confidence among the youth about the potential of the handloom sector- in terms of markets and returns
- Developing skill set required for exploring markets and building linkages with buyers
- Dissemination of the learnings from the training programme to the weaver community in the area
- Mobilization of the community and the formation of a new collective institution.
- Identification of the production needs
- Identification of potential professionals

The residential orientation programme was conducted in two phases spread over 13 days. The first phase was delivered through classroom teaching, group discussions and

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<sup>1</sup> The term *Khadi* is used for handspun and hand woven cloth whereas handloom cotton is hand woven from the mill made yarn.

exercises, games and films. The second phase concentrated more on practical learning through exposure visits and interactions. The phase wise schedule was as follows:

**Table 1: Schedule of Orientation Programme**

Phase	Schedule	Place	Duration	Number of Trainees
I	18 <sup>th</sup> May-22 <sup>nd</sup> May 2006	Rajam, Srikakulam	05	13
II	26 <sup>th</sup> May - 02 <sup>nd</sup> June 2006	Hyderabad & surrounding weaving clusters	08	12

*Support for Training Programme*

The training programme was conducted with financial support, partly from FWWB, Ahmedabad and partly from Chitrika's Secretary, Ms Vijaya Switha. For the first phase of the programme in Srikakulam, GMR Trust and Andhra Bank provided their training facility at National Institute for Rural Entrepreneurship Development, (NIRED) Rajam, Srikakulam with free boarding and lodging facility. In Hyderabad, Access Livelihood Consulting India Private Limited (ALC) provided free accommodation.

*Post Orientation Progress at Field Level*

The training programme was completed successfully with valuable mutual learnings for the participants as well as for Chitrika. The mobilization work has picked up much earlier than expected in village Deveravalasa. This has been due to the active involvement and motivation of the weaver youth who attended the training programme. The weavers have even finalized the date for laying the foundation of the cooperative. In the next phase, teams will be formed from the community for market exploration. Simultaneously, bylaws discussion workshop and training in institutional management will take place.

**CONSULTING**

Apart from its own projects, Chitrika also takes up consultancy assignments for other organizations in areas relevant to its work- artisan livelihoods, institutions and systems. These assignments include conducting studies, development of business plans, providing trainings in the above-mentioned areas and supporting the implementation of pilot projects. Chitrika's objectives of taking up such consultancy projects for other organizations are two fold:

- First, to add to our knowledge levels about different aspects related to artisan livelihoods, their characteristic problems, requirements and different interventions in these areas- past and ongoing. Such insightful learning is required for Chitrika to design and build successful interventions in the artisan livelihoods areas which it takes up.
- Second, for revenue generation for the salaries of its staff. At the organization level, Chitrika's long-term plans to implement a model in which the strategic team would generate its salaries from consultancy assignments and thus keep funding for administrative purposes low.

### Completed Consultancy Assignments - 2005-2006

1.) As a part of Sir Ratan Tata Trust fellowship, explorations have been carried out to identify the suitable artisan clusters for interventions. Natural fiber, wool and handloom weaving are the main sectors that have been explored.

2.) Chitrika completed the Sub-sector study of Deccani wool for an organization called Anthra, to explore the possibility of reviving wool weaving in Andhra Pradesh. The objective of the study was to understand the wool sub-sector in Andhra Pradesh with the aim of preserving the Deccani breed and thus enhancing the livelihoods of the people associated involved in wool value-chain.

3.) Chitrika worked on Production issues for Vasundhara Gramothan Samiti started by Urmul trust, Bikaner. The focus of the project is on the technical aspects like the production tracking systems and institutional aspects that will enable the implementation and the sustainability of the production and plan.

### Current Consultancy Assignments

- For Crafts Council of Andhra Pradesh (CCAP), Chitrika is working on organizing the Banjara Needle Craft *Lambada* tribal women into a cooperative. Capacity building of the women in management of the cooperative, training of board of directors, accountants, developing a business plan, systems development and developing the capacity to access market
- For Self-Employed Women's Association (SEWA), Ahmedabad, Chitrika will work with Access Livelihoods Consulting India Private Limited (ALC) to support their cooperative strengthening process. The assignment involves working with cooperatives and SEWA federation on institutions, marketing, business planning, capacity building of the staff, strategic planning, systems development and follow-up of the process to scale-up to other cooperatives of SEWA.

### **ACTIVITY PLAN: 2006-07**

Chitrika's vision is to cover at least 5 artisan livelihoods in the coming 10 years and provide required assistance and support to the artisans both in the economic and social aspects. As of now Chitrika is working with the cotton weavers in Ponduru cluster. Apart from this project, Chitrika plans to pursue the following activities in the coming year:

- Exploration of other artisan livelihood sectors - conducting research, baseline studies, market exploration for each livelihood. Work on some of such projects has already been initiated. These projects include:
  - Mobile Urban Artisan Net: A project to organize the urban artisans and providing them economic options and social security. The project will address issues of migration, market access and space to artisans, capacity building of artisans, remittances and social security for mobile groups.
  - Pan Andhra Pradesh Handloom Marketing study: The study is aimed at understanding the handloom market with a focus on improving the markets for handlooms. Perspectives of institutions, individuals, consumers and other

actors of the market will be captured to understand the market trends, consumer behaviour and marketing strategies.

- Financial instruments for artisans: Developing financial instruments for different artisan communities based on the production and marketing cycle of the product. The financial services to the artisans will go a long way in getting the artisans out of the master weaver/trader cycle.

#### Activity Plan for Ponduru Project: 2006-07

The objective for the Ponduru Project is to facilitate the formation of a sustainable weavers' cooperative in the area. For the year 2006-07, the following is the proposed activity plan:

- Mobilization of cotton weavers' community in both villages of Ponduru and Deveravalasa for the formation of a joint or separate cooperative
- Collective decision by the cooperative members on production, marketing and institutional aspects
- Formation of collectives, bylaws discussion and business rules formation
- Registration of the collective
- Identification of further training needs in production and marketing, planning and implementation of these training programmes
- Preparation of project proposal by the members of the collective for working capital loan
- Design and implementation of financial instruments-

After some minimum critical progress in the direction of collective formation is achieved, some of the activities such as identification of training needs and project proposal preparation would go on simultaneously.

#### **CHITRIKA'S BOARD**

Chitrika was registered on 5<sup>th</sup> October 2005 under the AP Societies Act 2001. The list of the Board of Directors of Chitrika is given below.

**Table 3: Board Member Details**

#	Name	Occupation/Designation
1	Mrs. Vijaya Switha Grandhi Secretary	Development Professional, founder <i>Chitrika</i> , PGDRM IRMA
2	Mr. Abhiram Katta Treasurer	ACA, Presently perusing PGDBM in IIM Bangalore
3	Mr. G. Bhargava	Development Professional, runs an organization called <i>Progressive Organization of People</i> in Kurnool for labourers and urban Poor
4	Mr. Raghunandan Rao	Project Director, DRDA, Chittoor
5	Mr. Rajendra Shaw	Communication Professional, Founding member of <i>Center for Development Communication (CDC)</i> , Hyderabad
6	Mr. Gopi Krishna	Development Professional, is a Development Professional and is a Project Manager in <i>Shramik Kala</i> , Belguam
7	Mr. P.B. Srinivas	Entrepreneur, runs a bio-chemicals factory, was a CAPART fellow, PGDBM IIM Calcutta

### Unresolved Issues

- Sustainability of the organization by generating revenue through consulting Vs. the core objective of the organization. Since Chitrika has not sought and will not seek funding for administrative expenses for its core team and functioning of the head office, the pressure to generate revenue might affect the work in the core issues. What can be an alternative way?
- The relevance of organizational experience as so far did not impede the work of Chitrika. To learn more about the functioning of organizations, the core team had taken-up assignments in artisan support organizations.
- The learning assignments should be taken up on the issues relating to a direct project or an identifiable component. In some cases, Chitrika had taken-up assignments that required the will of the strategic team of the organization giving the work. This involved too many negotiations for space, independence and time. In such cases the assignments could not be completed the satisfaction of either of the parties. Can any assignment be undertaken without touching the strategic core?
- Identification of the human resources at the strategic and cluster level is becoming increasingly difficult. Chitrika follows the process of interview-short assignment-recruitment process. Though this process takes time, in the long-term we will be able to get a pool of committed individuals. Where are the people?
- How can public money that government has reach the public again instead of getting mis-utilized?
- Conversion from old system to new has many legal hassles. Converting the old cooperative to new act or forming new cooperatives do not find supporters.

“The idea that community can market drew flak from every quarter. But the training programme at least gave us a hopeful picture where the community was faster than what we had expected, explored the market on their own as the part of the programme and started to think for the solutions.....”

.....Chitrika will take-up from this point and will continue to believe in the community.....because that's where the solution lies.



**STATEMENT OF ACCOUNTS OF CHITRIKA FOR THE PERIOD  
5<sup>TH</sup> OCTOBER 2005 TO 31<sup>ST</sup> MARCH 2006**

**CONSOLIDATED RECEIPTS & PAYMENTS: 2005-06 (05.11.2005 to 31.03.2006)**  
**Amount in Rupees (Rs)**

	<b>RECEIPTS</b>	<b>AMOUNT</b>		<b>PAYMENTS</b>	<b>AMOUNT</b>
	Corpus Fund- Grant received	52000.00	1	Boarding & Lodging	1264.00
			2	Local Conveyance	1800.00
			3	Office Maintenance	220.00
			4	Office Rent	250.00
			5	Postage & Courier	40.00
			6	Printing & Stationery	1932.00
			7	Salaries	36000.00
			8	Telephone Expenses	3010.00
			9	Traveling Expenses	6314.00
			10	Rent Deposit	500.00
				By Closing Balances	
				<b>Cash</b>	170.00
				<b>Bank</b>	500.00
	<b>TOTAL</b>	<b>52000.00</b>		<b>TOTAL</b>	<b>52000.00</b>

**INCOME AND EXPENDITURE: 2005-06 (05.11.2005 to 31.03.2006)**

**Amount in Rupees (Rs)**

	<b>EXPENDITURE</b>	<b>AMOUNT</b>		<b>INCOME</b>	<b>AMOUNT</b>
1	Audit Fee	1000.00	1	Excess of Expenditure over Income	51830.00
2	Boarding & Lodging	1264.00			
3	Local Conveyance	1800.00			
4	Office Maintenance	220.00			
5	Office Rent	250.00			
6	Postage & Courier	40.00			
7	Printing & Stationery	1932.00			
8	Salaries	36000.00			
9	Telephone Expenses	3010.00			
10	Traveling Expenses	6314.00			
	<b>TOTAL</b>	<b>51830.00</b>		<b>TOTAL</b>	<b>51830.00</b>

**BALANCE SHEET AS ON 31.03.2006**

**Amount in Rupees (Rs)**

	<b>LIABILITIES</b>	<b>AMOUNT</b>		<b>ASSETS</b>	<b>AMOUNT</b>
I	Corpus Fund- Grant received	52000.00	I	Current Assets	
			1	Cash in Hand	170.00
II	Outstanding Audit	1000.00	2	Bank Balance	500.00
			3	Deposits (Rent)	500.00
				<b>Excess of Expenditure Over Income</b>	51830.00
	<b>TOTAL</b>	<b>53000.00</b>		<b>TOTAL</b>	<b>53000.00</b>