



ECOKARGHA

Enduring Tradition of Handicrafts

Baseline Social Metrics
October 2013

Aspiring Entrepreneurs, Inspiring Outcomes

About the Report

Bhagalpur, Bihar, India is known for being the traditional home of Tasar silk products, and as many as 100,000 families are in some way involved in their production. The tradition of silk weaving on handlooms has been passed down through generations in the weaving communities of Bhagalpur. Without linkages to modern tools, materials, training, and markets, however, it is impossible for weaving to be a primary livelihood for these families. Cobbling together manual labor jobs and other unskilled activities to earn a living, most weaving households live on less than Rs. 3000 – approximately \$54.50 - each month.

In November 2012, Upaya initiated a partnership with Bhagalpur-based start-up Eco Kargha Marketing Pvt. Ltd., a company working to improve the lives of rural weavers through the production and sales of traditional handloom products. Eco Kargha trains marginalized Tasar silk weavers on new skills, techniques, equipment, and designs. The company then wholesales the finished women's wear like stoles, scarves, and sarees to established retailers throughout India.

Before Eco Kargha was established, the only option open to these weavers was to sell their products to local wholesale agents and receive devastatingly low margins and irregular payments. Due to the uncertainty of demand from these traders they would end up with little to no work especially in the summer months. The business generated by Eco Kargha comes as a shot in the arm for weaving households, increasing household earnings and allowing them to rely on their craft as their primary source of income, year round.

Surveyed in mid-2013, this report provides a snapshot of social metrics for 119 weavers working with Eco Kargha at the time of their hire, serving as a baseline for reporting their progress out of poverty. Please note that the data in this report was collected before these households started their employment with Eco Kargha, and prior to receiving their new income stream. Subsequent metrics reports will track these households' progress and report on improvements in their quality of life as a result of these new jobs.

Summary of Findings

- While only 15% of households live under the \$1.25 a day extreme poverty line, the per capita earnings are just \$0.49 per day for each member of the average five-person household.
- For most of the households weaving not only employs a majority of their family members, but its contribution to the family's income pool is also the highest.
- The majority of houses include one form of sturdy building material – either wall or roof – however 89% are categorized as “semi-pucca,” meaning that quality materials are augmented with mud or thatch.
- Food expenditures consume 85% of the average weaving household income, which is 30 percentage points higher than the Indian national average, signaling extreme poverty.

Employment & Income

Income is perhaps the most important indicator to measure the quality of life in rural Bihar. The ability to earn cash income allows households to not just spend money on healthy nutritious meals, services such as quality healthcare and education, but also on both productive and household assets. Within these families it is the men who generally work on the pit looms whereas the women work as helpers undertaking activities such as spinning the yarn on shuttles and preparing the bobbins.

Total Number of Employees: 119

The survey reveals that 61% of the households live above the \$2.00 a day poverty line. However, with the average of five members per household, the daily per capita income for these households stands at a meagre \$0.49 a day. This points to a more serious economic deprivation among the weavers.

Average Daily Household Income

\$2.16

Per Capita Daily Income

\$0.49

Households Living Below \$1.25 a Day

18

Households Living Below \$2.00 a Day

72

Income From Weaving

Percentage of Household Members Weaving

77%

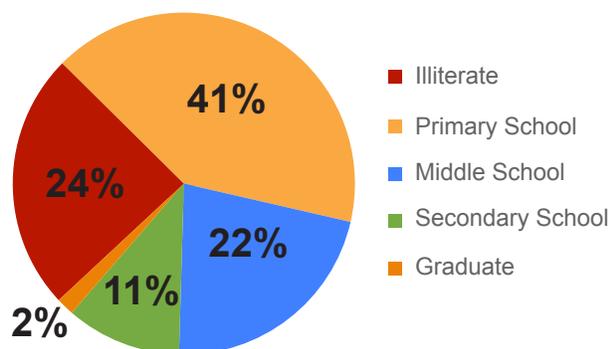
Weaving Income as a Percentage of Household Total

82%

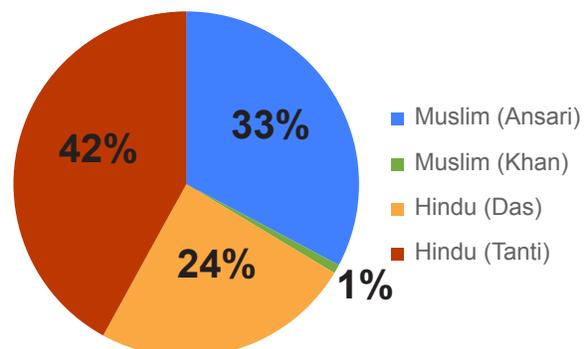
Weaver Demographics

A vast majority of weavers (65%) have little to no educational qualification; at best, they have attended school up to class V. This greatly reduces their prospects of having a secondary source of income, which greatly increases income uncertainty in months when these weavers have little or no other work.

Education Attained



Religion

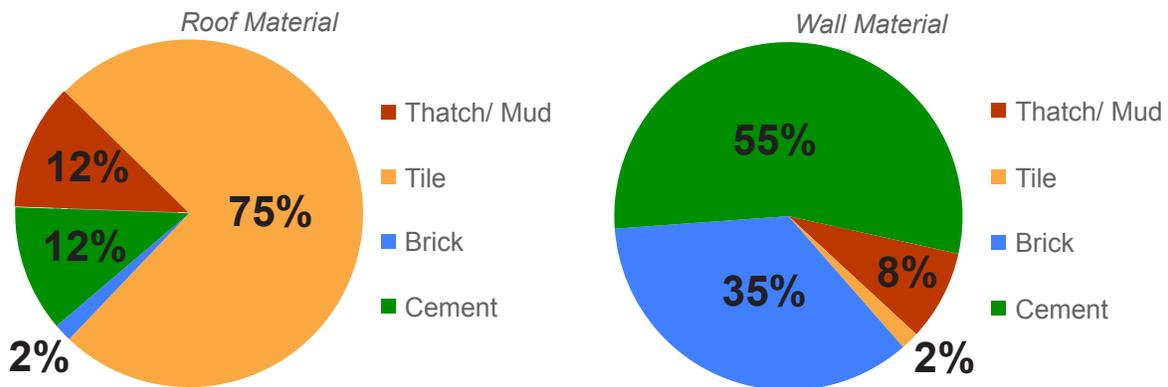


Housing Quality

Housing structures in rural Bihar are indicative of lasting changes in the income level of the household. Eco Kargha’s field staff made note of the different housing materials used when visiting weavers’ homes. They also recorded whether or not the building was built properly (“Pucca”), a patchwork of formal and informal building techniques (“Semi-Pucca”), or a completely improvised, shoddy structure (“Kaccha”).

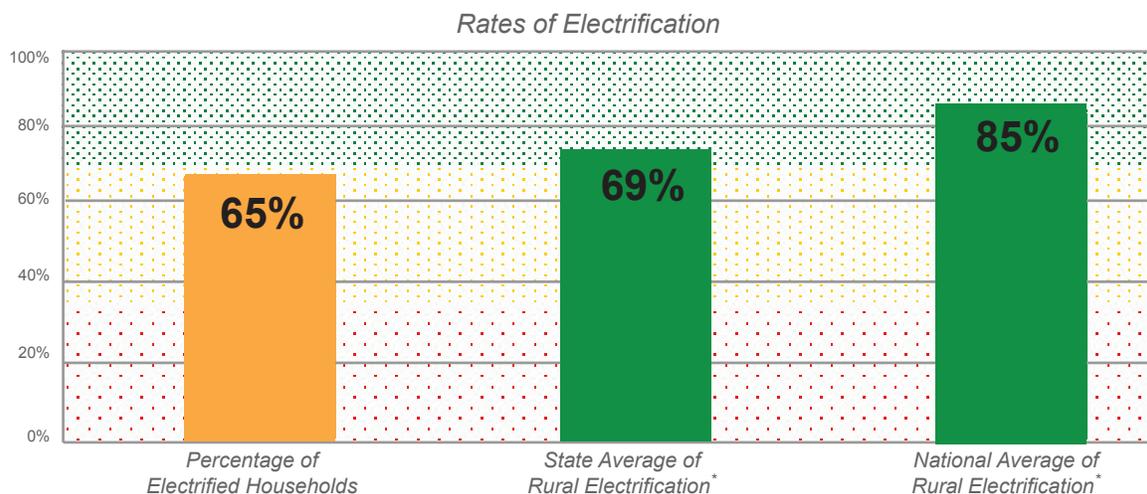
Housing Material

The type of houses found most widely were semi-pucca, comprised of low cost and readily available materials like mud and thatch with more expensive but sturdier materials like tile, brick, stone or cement. 89% of the houses have either a strong wall or a strong roof indicating a gradual movement to construct superior, long lasting housing structures when weavers are able to afford it.



Electrification

The percentage of households in the Eco Kargha sample that currently have access to electricity fall below the state and national averages.



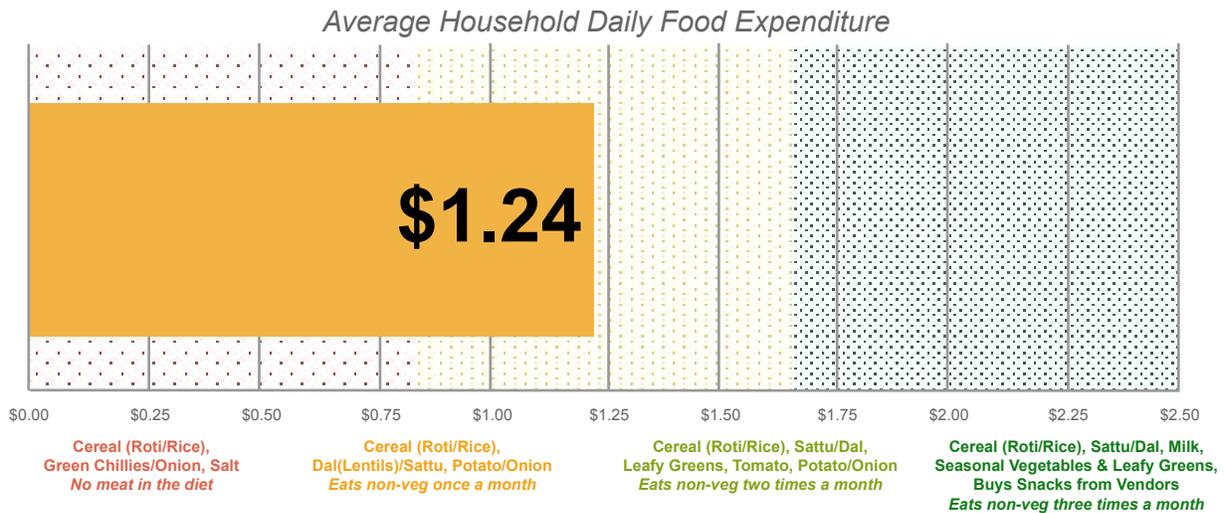
*http://www.powermin.nic.in/rural_electrification/village_electrification.htm

Food Security

Currently households eat three meals a day where the breakfast and dinner are freshly cooked, and lunch consists of leftovers from the morning meal. The meals, however, are very basic as households can only afford to eat simple starches and a single vegetable dish each day.

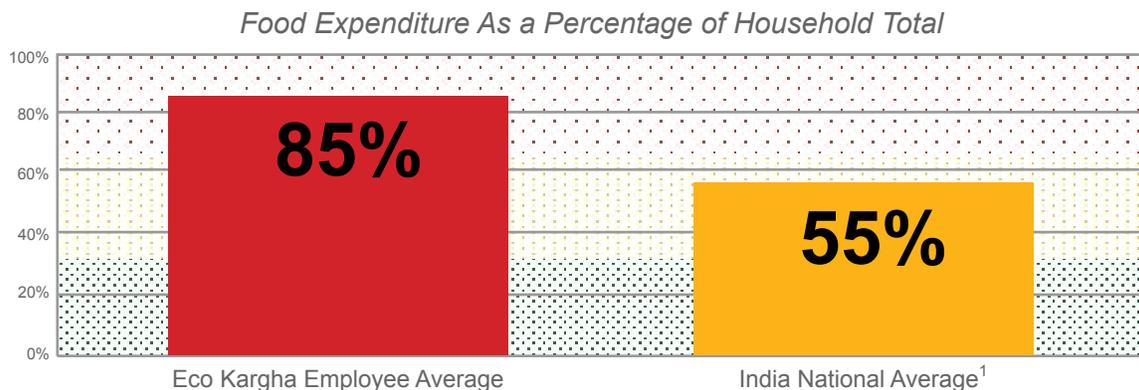
A typical meal for an individual consists of rice or bread, along with potato and onion, and lentils. Roasted lentils, called “sattu,” is the most common form of protein consumed, and is eaten on average once per week. The frequency of non-veg food in household meals is between one and three times a month.

Food Expenditure



The proportion of household income spent on food as compared to the amount spent on education, sanitation, medicines, recreation and savings speaks directly to a family’s ability to look beyond its most basic day-to-day needs.

A high proportion of food expenditure to total income indicates that the family is unable to save enough or increase its consumption of assets or services.



¹<http://naldc.nal.usda.gov/download/34238/PDF>

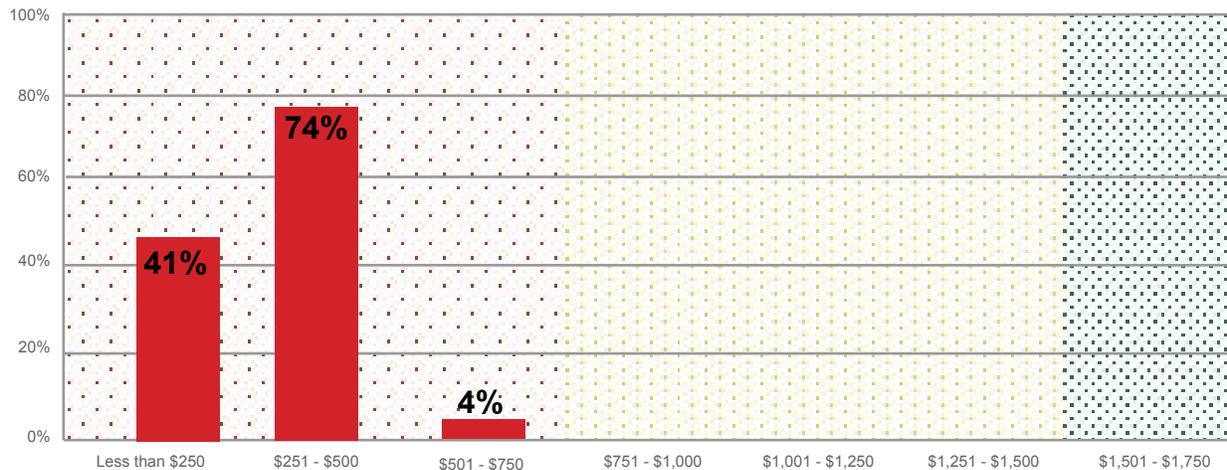
Household Assets

Households typically invest in two kinds of assets: productive and household, or “lifestyle” assets. Productive assets – such as handlooms, spindles, livestock, etc. – can be used to earn a living. Lifestyle assets – such as pots/pans, pressure cookers, raised beds, T.V.s and radios -- are items purchased to improve the quality of life either for utility purposes or recreation.

Handlooms and other accessories are passed down through generations of a family. It is difficult to pin a market value on such an asset, therefore the analysis provided here assumes the value can be derived from the income stream that is earned by using the asset productively.

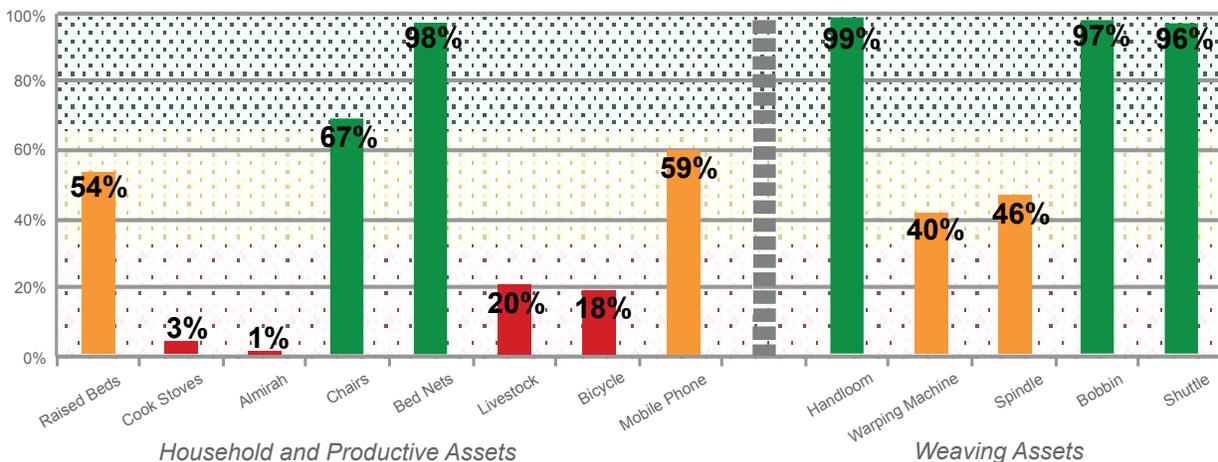
Total Household Asset Value

Percentage of Households Within Asset Value Bands



Asset Ownership

Percentages of Asset Ownership Among Households



Children's Education

To track how many of their employees' school-age children are enrolled in school, Eco Kargha staff are measuring if and how much a family pays in school fees and related costs. School-age is defined as between 4 and 17 years old, with no exclusion made for children physically or mentally unable to attend.

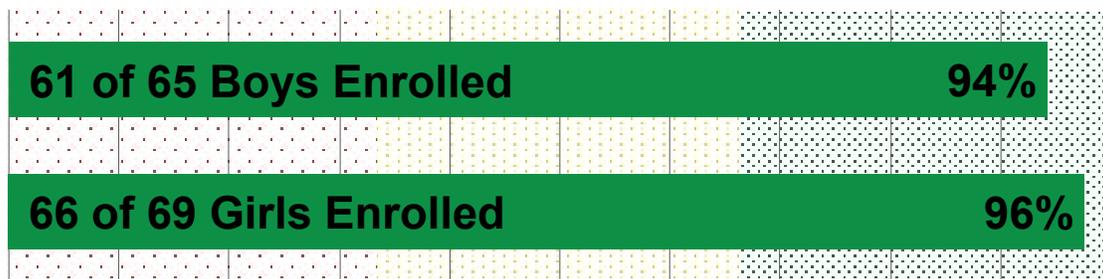
It is common for children in ultra poor households - especially girls - to drop out if their family does not have the resources to pay for additional schooling, or if they need to earn a wage to help support the family. As household income increases, more boys and girls can finish their education.

We expect school enrollment to be the slowest moving indicator because external factors such as infrastructure deficiencies and teacher absenteeism often take years to resolve. However, we expect enrollment to improve gradually as more families are able to afford tuition.

School Enrollment: Children

134 Total Children Up Through Age 13

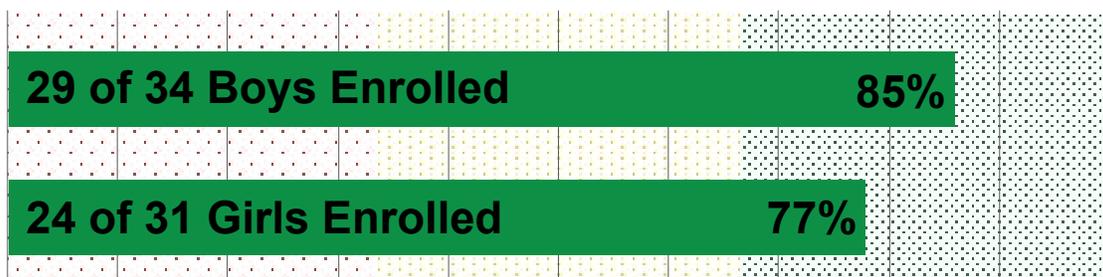
95%
Enrolled



School Enrollment: Adolescents

65 Total Children Age 14 Or Older

82%
Enrolled



Sanjeev and Rekha

Sanjeev Kumar Das strikes one as a contented man; he makes no complaints about or apologies for the poverty of his condition. In his late thirties, Sanjeev carries a lot of obligation on his slight shoulders: He supports his wife Rekha, his father, and his two sons, ages 12 and 16. Used to be, he could get only six months of weaving work each year, and regularly had to pull his sons out of school so they could work as laborers for neighboring weavers. Together, the three can bring in around \$550 per year to support the family of five. For this reason, they subsist on mostly government-provided rice, cooking twice per day and sharing any leftovers from dinner for breakfast.

Prior to launch, Eco Kargha’s research chronicled the very poor conditions in the neighborhoods where Sanjeev and other artisans lived. “Drains were overflowing, houses were in dilapidated conditions, and nobody earned enough to provide meals for family on a year-round basis,” reports Eco Kargha founder Ravi Chandra. “We were moved by the conditions of the artisans,” he says. Eco Kargha’s mission is to provide skills training, employment, and prosperity to these weavers and their families.

Now that Eco Kargha has employed Sanjeev, he’s receiving year-round work with projects and payments brought right to his door. His wife can often be found twisting thread and spinning bobbins to make even-textured thread with which to weave. When the materials are ready, Sanjeev runs the loom to weave the threads together.

Before Eco Kargha created a direct connection from artisans to commercial markets, Bihar weavers took a lot of flack. More affluent buyers shuddered at the bad omens lurking in the silk twisted by dirty low-caste hands; they feared the silk would create skin infections. Weavers had to go out on their own and forge relationships with middlemen to sell their textiles. None knew if they would receive payment in a week, a month, or many months later. When they did manage to sell a piece or two, there was no “cash on carry”—only a smirking promise of future payment for the goods already in customers’ possessions. Ravi tells the story of one weaver forced to run around town in search of the thieving middleman, eventually finding the man at his uncle’s house to avoid paying the artisan for his work.

On the other hand, Eco Kargha staff are known to show up on time with payments ready. If they say they’ll be there on Friday, they’ll be there on Friday. They roll in on scooters and bicycles, accept neatly folded stacks of scarves and sarees from the weavers, and promptly hand over the cash payments for the goods. Eco Kargha’s mission is to get more of the profits directly into weavers’ hands. Their clients feel grateful for steady work that’s simple and reliable.

When the Upaya team visits Sanjeev on a cold winter morning, he smiles as he brushes his thick bangs away from his eyes. All the while he talks with us, his fingers fly across the rickety loom he inherited from his great-grandfather, from which he coaxes the most elegant silk stoles and sarees. Now that he has good steady work, he will socialize with us only over the top of the clacking loom.

“It’s great if we can make weaving our main livelihood. We need something more dependable for our income,” he says emphatically. Sanjeev exudes enthusiasm, and you get the feeling he just approaches all his life in the same way. “I am very happy with this association,” Sanjeev tells us. “Kargha has immediate payment, and their system is transparent.

The most difficult time in his life has now ended, according to Sanjeev. A shadow falls over his face when he recalls the 1989 Bhagalpur riots. “The community was united before this time, and I didn’t expect that things would become so hostile. Everyone was frightened.” He won’t talk about what happened, but it is obvious the memory still changes his demeanor completely when he thinks about it. “It took five years for things to become normal,” he says sadly.

Feeding his family the same two meals a day - and pulling his kids out of school to help do it, has been hard on Sanjeev. Now he hopes quickly to earn enough to send his sons back to school. We hear that Sanjeev always completes his work on time, is well liked in the weaving community, and is on-track to be promoted this summer. If he can get more and more work from Eco Kargha, he’ll invest in a motorbike, television, and refrigerator – all aspirational purchases for this naturally optimistic man.



Last Survey	Next Update
19 March 2013	Summer 2014
Social Metrics	
Current	Midline
<u>Average Household Income</u>	
\$1.12 a day	Next Survey Summer 2014
<u>Housing Material</u>	
Mud Walls, Tile Roof	Next Survey Summer 2014
<u>Average Daily Food Expense</u>	
\$0.92 a day	Next Survey Summer 2014
<u>Value of Household Assets</u>	
\$50 includes raised beds, one chair, and a mirror	Next Survey Summer 2014
<u>Children in School</u>	
2 boys in school	Next Survey Summer 2014