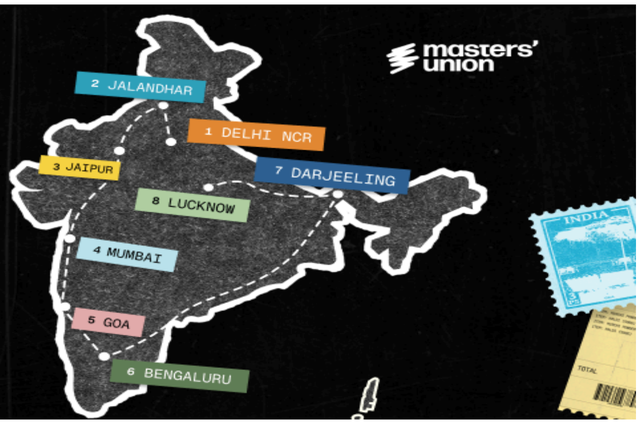
# PGP BHARAT

India's first travel-based
business immersion programme



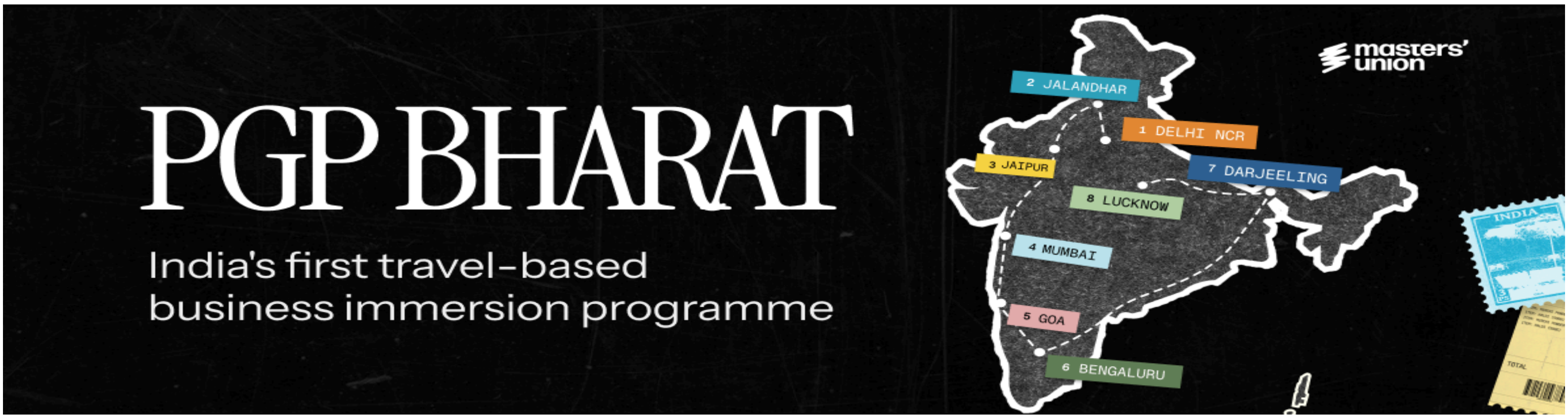

## 1. Why does this immersion matter?

Every operations course teaches you that scale requires standardisation. Jaipur Rugs is a genuine test of that assumption. It connects a network of over 40,000 artisans, roughly 85% of them women, spread across 600-plus villages, to customers who will never meet them; in cities most of these artisans will never visit. There is no central factory floor where this happens. The "production line" is 40,000 individual homes.

Founded in 1978 on a ₹5,000 loan from a shoe-shop owner's son to his own son, the company has since become a direct, repeatedly cited case study in C.K. Prahalad's *The Fortune at the Bottom of the Pyramid*, one of the more consequential strategy texts of the last twenty-five years. That's not incidental marketing; it's a genuine academic claim: that a business model built around integrating low-income producers directly into a global value chain can outperform the conventional alternative, on both profitability and impact, simultaneously. Whether that claim actually holds, once you've seen the operation up close, is the real question this immersion is testing.

The business has also just made its most conventional, least artisan-network-dependent move to date: in January 2025, it acquired Shyam Ahuja, a 60-year-old luxury textile brand known for turning flatwoven dhurries into a design category of their own. An acquisition is, by definition, buying an existing brand and existing capability rather than building it organically through the artisan network. Ask yourself, before you land in Jaipur, why a company whose entire identity is "we build things from the ground up, through people" would choose, at this specific moment, to instead buy something already built.

Your itinerary is structured to expose you to three genuinely different versions of this same company. **Manpura Village** is where you'll see the actual mechanics of decentralised production, the thing every case study about Jaipur Rugs claims makes it unique. **Narain Niwas** is where you'll see how that raw, dispersed reality gets converted into a coherent, premium, design-forward retail experience for a global luxury customer who will never see a village loom. **Head office** is where you'll meet the people making capital allocation decisions, like the Shyam Ahuja acquisition, that look nothing like a grassroots artisan story and everything like conventional corporate strategy. Hold all three in your head at once. The company that emerges from that combination is more interesting and considerably more contradictory than any single version of the story on its own.



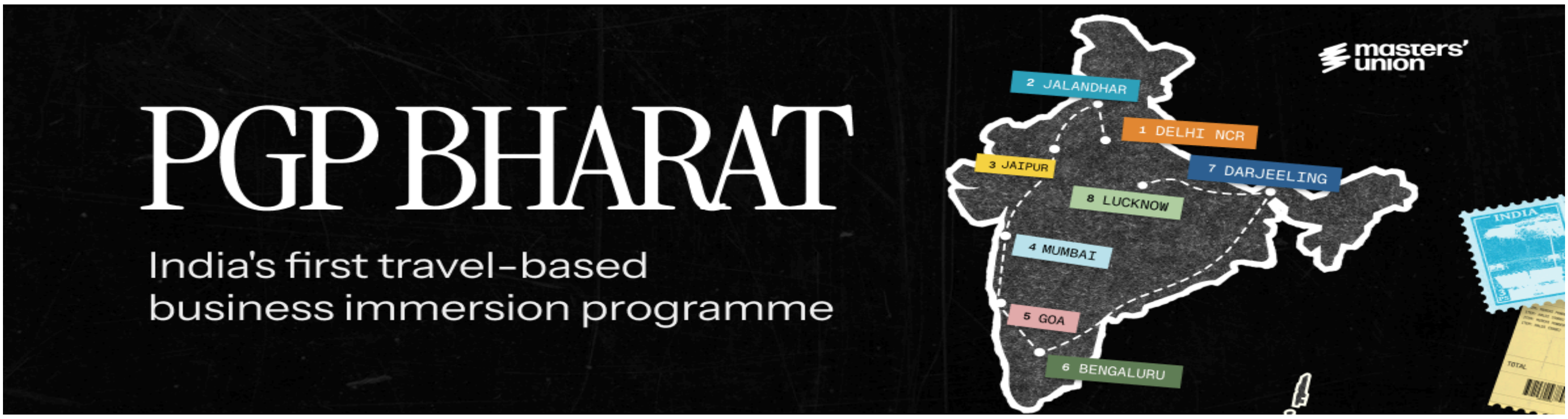

## 2. Company snapshot

| # | Agenda | Details |
|---|---|---|
| 1 | Organisation Name | Jaipur Rugs Company Pvt Ltd (JRPL) |
| 2 | Industry/Sector | Handmade Carpets, Rugs & Home Furnishings |
| 3 | Founded | 1978, Nand Kishore Chaudhary, ₹5,000 loan, two looms, nine weavers |
| 4 | Manufacturing footprint | Decentralised home-based weaving |
| 5 | Design/R&D | In-house design and R&D unit in Jaipur, recognised by India's Department of Scientific and Industrial Research (DSIR) |
| 6 | Retail footprint | 19 global stores as of Jan 2025, including Dubai, London, Pune, Surat, Raipur; India flagships in Jaipur and Mumbai |
| 7 | Website | [https://www.jaipurrugs.com/](https://www.jaipurrugs.com/) |

## 3. The founding story

Nand Kishore Chaudhary was born in 1953 in Churu, Rajasthan. He turned down his family's shoe business and a safe government bank job, and in 1978, with a ₹5,000 loan from his father, started weaving carpets with two looms and nine artisans, several from marginalised caste backgrounds, a choice that cost him real social standing at the time. He then spent roughly thirteen years, from the mid-1980s to 1999, operating out of Gujarat, where the model was tested at real scale, growing to over 6,000 weavers, before he returned to Jaipur and eventually incorporated the company as Jaipur Rugs Company Pvt Ltd in 2006.

The business wasn't a smooth rise even after that: in 2005, a serious theft and a wave of senior resignations left the company financially exposed, and his son Yogesh left Boston College mid-degree to come back and help run it through the crisis, staying on in a senior role ever since. Chaudhary is often called the "Gandhi of the Carpet Industry", and today all five of his children hold operating roles across the business, running everything from US distribution to design to sales.




## 4. The BOP framework: Why is decentralisation their entire strategy?

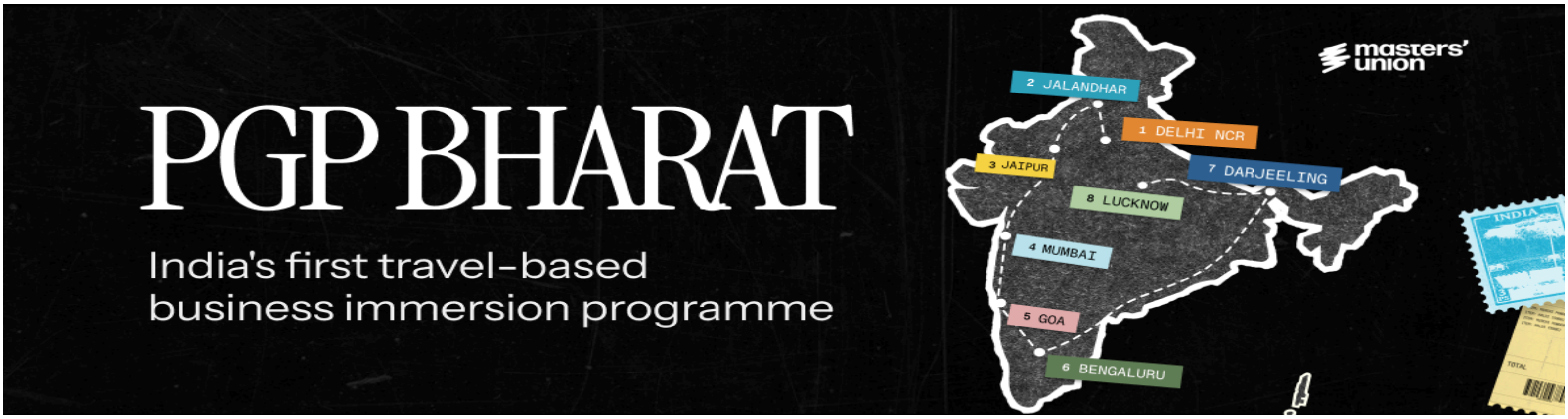
Before you visit, it's worth understanding the actual theoretical claim being tested, because it's a genuine, named academic framework, not a company slogan.

Lecture 37: Strategy from Different Perspectives: Fortune at the Bottom of the Pyramid

| Focus Area | Key Question |
|---|---|
| Producer Inclusion | How are artisans integrated into value creation? |
| Livelihood Creation | How does weaving create economic opportunity? |
| Women's Participation | How does the model empower women artisans? |
| Market Access | How are villages connected to global customers? |
| Decentralized Production | Why operate through villages rather than factories? |

**Prahalad's idea, made simple.** In his book *The Fortune at the Bottom of the Pyramid*, C.K. Prahalad argues that billions of low-income people are left out of most big companies' business models, not because they lack money or skill, but because normal business setups (factories, formal stores, standard supply chains) aren't built to reach them well, whether as customers or as workers. His point is a business point, not a charity one: designing your operations around these people's real situation can actually be more profitable, not just kind. Jaipur Rugs is one of the real examples he uses, not for selling to poor customers, but for building artisans directly into its supply chain as genuine partners, not cheap labour on the side.

**What this actually looks like in practice.** Normally, a weaver in India sells through at least two middlemen, one who supplies yarn and collects the finished rug, and another who exports it. Each one takes a cut, and the weaver, with the least power, usually earns the least. Jaipur Rugs cut out both. The company sends raw material straight to the weaver's home, lets them work on their own time, and handles collection, quality checks, and export itself. Yogesh Chaudhary has described their internal tracking system less as regular inventory software and more as, in his words, "a digital map of human stories," since it's really tracking thousands of individual people, not just stock.




**The real trade-off, worth understanding clearly.** A normal factory gets consistent quality almost automatically, one building, one supervisor, shared machines. Jaipur Rugs gave that up on purpose. Instead, it relies on two things to keep quality consistent: "area commanders," staff who can weave themselves and visit homes weekly to fix issues early, and "Bunkar Sakhi" (weaver's friend), a newer role where experienced women weavers mentor others in their own village. The real question worth asking isn't just "does this work?" It's simpler than that: is this more expensive way of doing things paying off through brand value and loyal workers, or is the company just choosing to absorb that extra cost because it matters to their mission? Both are valid answers, but a good analyst should be able to tell which one is actually true, not just repeat what the company says about itself.

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## 5. Sustainability & the SDGs: Interconnected by design, or convenient correlation?

Most companies treat sustainability as a distinct workstream sitting alongside the core business, a separate CSR budget line, an annual ESG report, and a set of environmental targets tracked independently of quarterly revenue. Jaipur Rugs is genuinely worth studying because it makes a stronger and more testable claim: that its operating model doesn't run alongside social impact; it *is* the social impact mechanism. That's a claim worth holding to a higher standard than a slide of SDG icons usually gets held to.

| SDG | How Jaipur Rugs Contributes |
|---|---|
| **SDG 1: No Poverty** | Creates livelihood opportunities for 40,000+ artisans. |
| **SDG 5: Gender Equality** | More than 85% of the artisan network comprises women. |
| **SDG 8: Decent Work & Economic Growth** | Generates skill-based employment opportunities. |
| **SDG 10: Reduced Inequalities** | Connects rural communities to global markets |
| **SDG 11: Sustainable Communities** | Enables artisans to earn livelihoods within their villages. |
| **SDG 12: Responsible consumption & production** | Promotes handcrafted, durable, and ethically produced products. |

**Three things here are genuinely strong, not just nice to say.** Manchaha turns leftover yarn, material that would otherwise be thrown away, into an award-winning rug line, so sustainability isn't costing the company extra; it's actually saving on raw material. A study done by Grassroots Business Fund, one of the company's own investors, found real outcomes: women making more decisions in their households and fewer child marriages in artisan communities. This carries more weight than a company just talking about its own impact, because an outside investor checked it. And on durability, sustainable and premium mean the same thing here: a rug that lasts for generations is both good for the planet (fewer replacements) and a reason to charge more for it (heirloom quality). Most companies have to choose between the sustainable story and the profitable one. Here, it's the same story.

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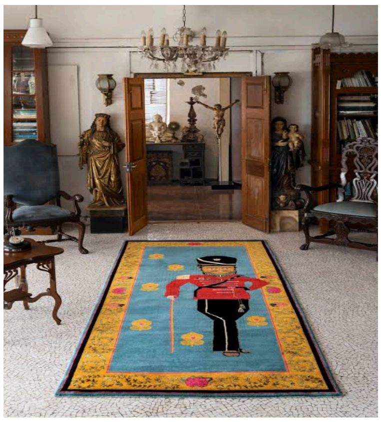
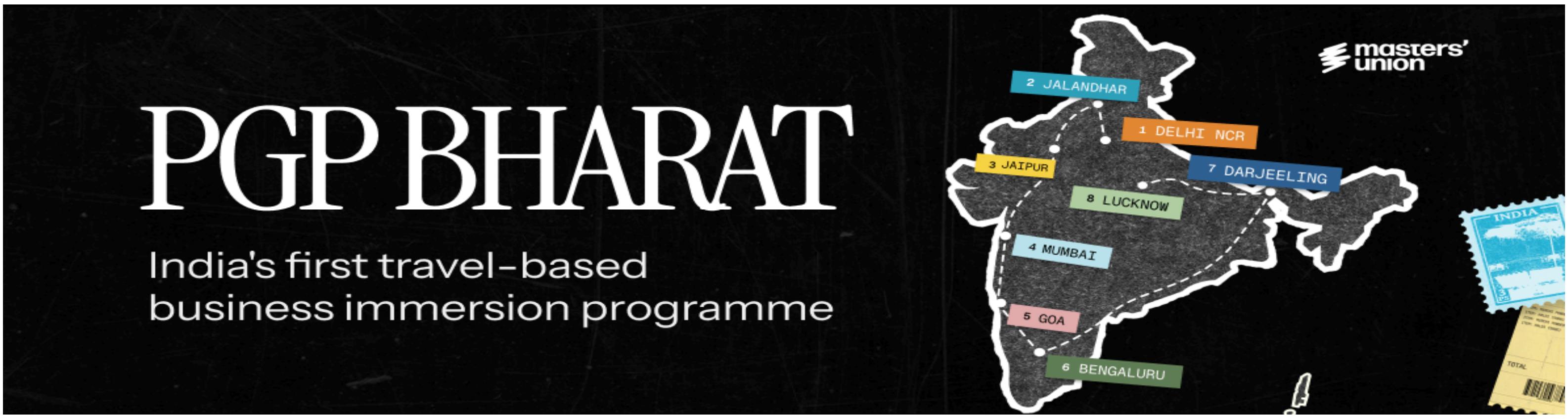
## 6. International presence

**The export layer.** Jaipur Rugs' primary international presence has historically been wholesale, not direct retail: selling to small retail stores and independent interior designers, with the US alone accounting for roughly 5,000 such customers. This is supported by Jaipur Living, the dedicated US distribution arm based in Atlanta.

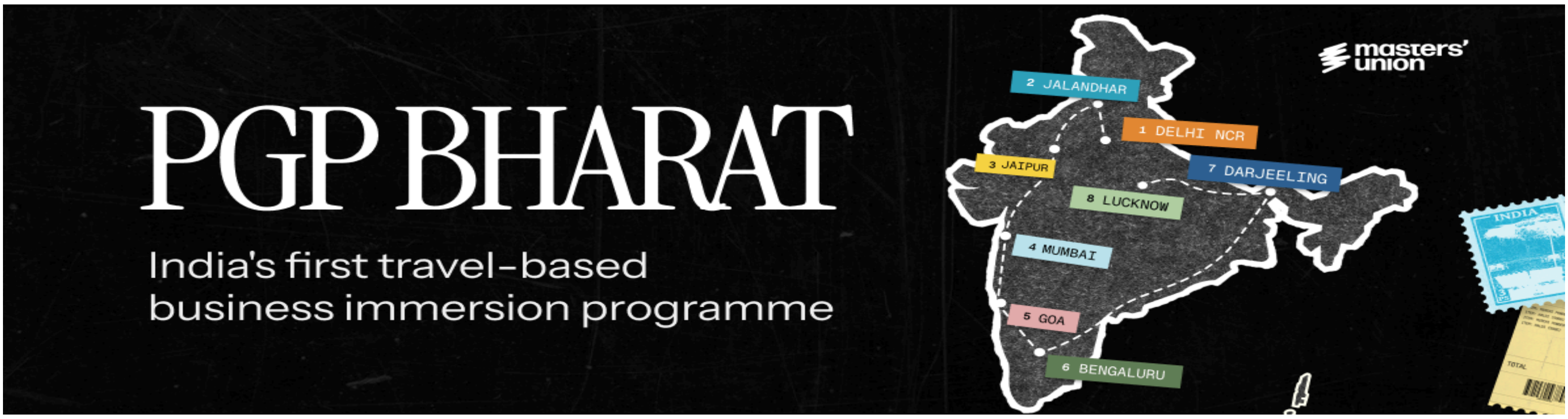
**The retail layer, and why it's a strategic pivot worth naming precisely.** More recently, the company has been building its own retail presence directly, with stores opening in Dubai, London, Pune, and Surat, and, as of January 2025, its 19th global store in Raipur. This is a genuine strategic shift, from capturing wholesale margins by selling through someone else's retail relationship to capturing full retail margins and, more importantly, owning the direct customer data and demand signal that wholesale distribution never provides. Ask at HQ which of these two motivations, margin capture or data/demand visibility, is actually driving the decision, since the two point toward different follow-on investments.






## 7. Interesting and lesser-known facts

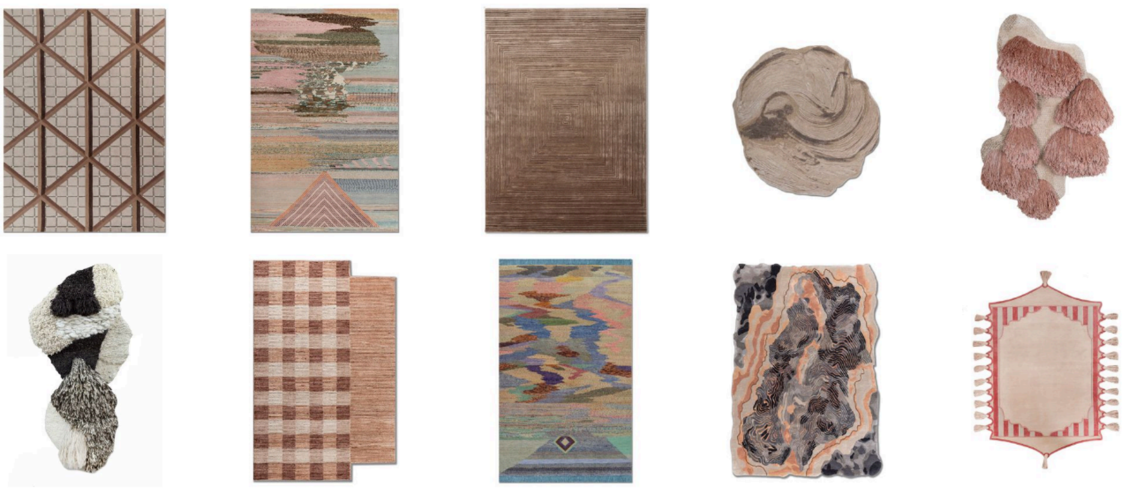
- **Manchaha started as a waste-management fix, not a design philosophy.** Launched in 2010 by design director Kavita Chaudhary, the initiative began as a practical way to use leftover, unusable batches of yarn from standard production runs. Instead of assigning artisans a fixed pattern, Manchaha gives them complete creative freedom, drawing on personal memory, dreams, and daily life. It has since won over 20 national and international design awards, including Germany's national Design Award in 2016 for a piece titled "Antar".
- **"Freedom Manchaha" extends the same programme into prisons**, with some pieces designed and woven by incarcerated artisans in Rajasthan, a genuinely unusual extension of the inclusion model into a population most manufacturers would never involve in a design or production process at all.
- **The company also runs structured, named designer collaborations for its luxury retail positioning**, distinct from the artisan-led Manchaha line, for example, the "Brahmaand" collection with designer Ashiesh Shah, drawing on cosmic and Jantar Mantar-inspired geometric themes. This is worth noting as a deliberate dual-track design strategy: grassroots artisan authorship for authenticity and story and structured designer collaborations for international luxury retail credibility.
- **A hand-knotted rug can take up to 240 days to make**, and dense, high-quality pieces can involve hundreds of thousands, in some cases over a million, individual hand-tied knots. This is worth holding onto specifically when you're evaluating any "efficiency" claim you hear on the floor: there is no automation path that compresses this cycle without destroying the product category itself.
- **The company holds a formal, government-recognised R&D credential.** Its in-house Jaipur design and R&D unit carries recognition from India's Department of Scientific and Industrial Research (DSIR), a detail that cuts against the "purely artisanal, informal" image the brand narrative often projects; this is, in at least one function, a company investing in formal, certified innovation infrastructure.

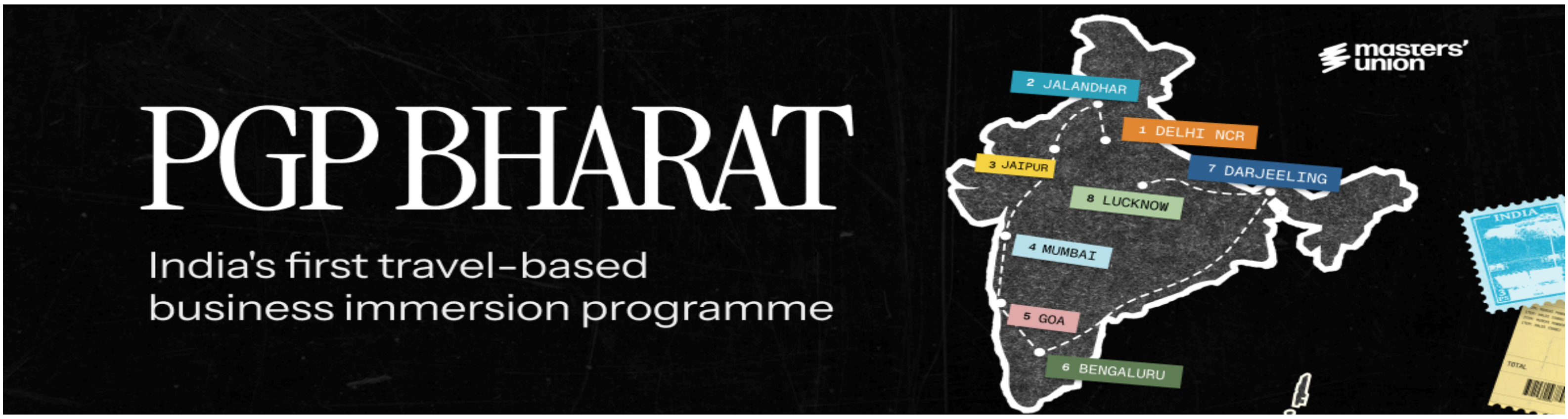



## 8. Is this an easy business to run?

India makes 36-40% of the world's handmade carpets and exports almost everything it produces, so it dominates the category globally. But the fastest-growing part of that export business is machine-tufted rugs, not hand-knotted ones, because they're faster and cheaper to make. A hand-knotted rug can take up to 240 days, so it can never compete on price or speed. Jaipur Rugs' entire pitch, the artisan story, the Manchaha designs, and its retail stores only work if it can keep convincing buyers that the story is worth paying more for. That's getting harder every year. On top of that, there's a live crisis right now: the Bhadohi-Mirzapur belt, which makes over 60% of India's carpet exports, is being hit hard by a new 50% US tariff, and Jaipur Rugs' own India business is known to depend heavily on its US arm for revenue. Worth asking at HQ directly how exposed they are to this and what they're doing about it.

There's also a quieter, longer-term risk: will the children of today's weavers actually want to keep weaving, or will they move to cities for regular jobs instead? That's a real threat to the whole industry's future workforce, not just Jaipur Rugs. And competition is real too. So it's fair to say this isn't an easy business to run: it faces price pressure from machines, a real trade shock right now, an uncertain future workforce, and serious competitors, all at once.



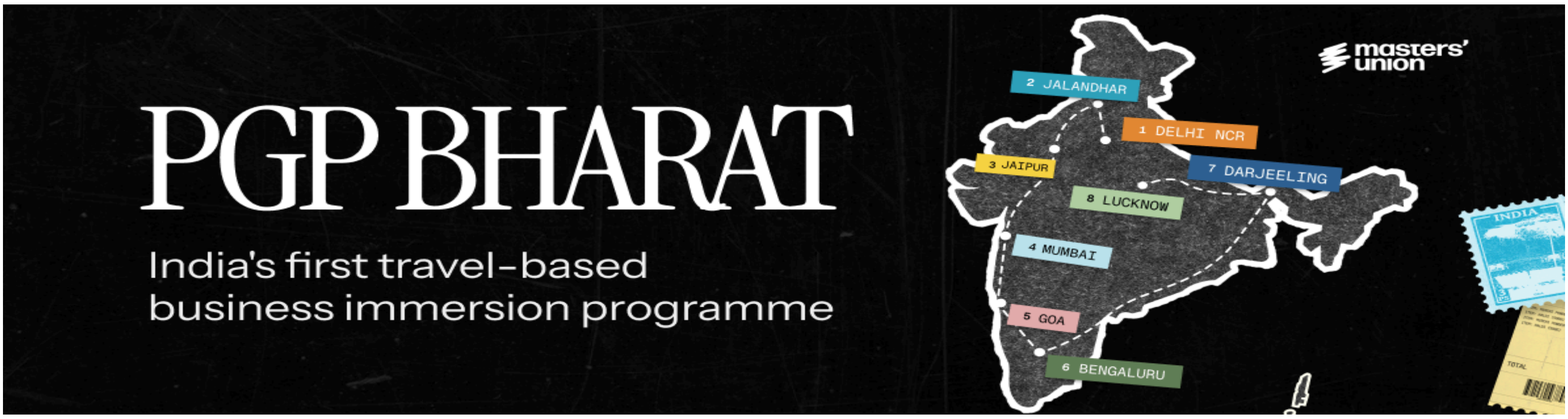



## 9. Glossary

| Term | Meaning |
|---|---|
| Bottom of the Pyramid (BOP) | Prahalad's framework arguing that low-income populations, integrated as producers or consumers into redesigned business models, are a genuine source of profit and innovation, not just a CSR target |
| Decentralised production | A model where manufacturing is distributed across many independent locations (here, artisans' homes) rather than concentrated in one facility |
| Value chain disintermediation | Removing layers of intermediaries (contractors, traders) between a producer and an end buyer, so a larger share of final value reaches the producer directly |
| Customer concentration risk | The risk a business carries when a disproportionate share of its revenue depends on one buyer or a small group of related buyers |
| Vertical integration | A company controlling multiple stages of its own value chain (here, partial: home-based weaving plus a centralised Mirzapur finishing plant) |
| Hybrid operating model | A production system combining decentralised and centralised elements for different stages of the same process |
| Brand acquisition vs organic brand building | Growing a portfolio by buying an existing, established brand (Shyam Ahuja) versus building equivalent capability internally over time |
| Geographical Indication (GI) tag | A government-recognised certification tying a product's identity to a specific production region (e.g., Bhadohi Handmade Carpet) |
| DSIR recognition | Formal certification from India's Department of Scientific and Industrial Research, denoting a recognised in-house R&D function |
| Gemba Walk | A Japanese management practice of observing work directly at the place it happens, rather than relying on reports |

## 10. Resources to go through before the Immersion

1. The Story of Jaipur Rugs || Sustainability and Empowerment
2. How Jaipur Rugs Is Taking Handcrafted Indian Carpets & 'Dhurries' To Homes Of ...
3. With Just Rs 5000, He Helped Lakhs With a Unique Carpet Business
4. Jaipur Rugs | Business of Handmade

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