

# Handicraft Promotion in India

## Abstract

The origin of Indian handicrafts dates back to oldest civilizations of world i.e. Indus valley civilization. All of us know about the beautiful art facts found at Mohanjodaro and Harappa, the famous sites of Indus valley civilization. The handicrafts sector in India plays a very important role in country's economic development. It's an employment generating sector which provides employment to vast segment of semi urban and rural areas of the country. Handicrafts industry has big potential and it has now become flourishing economic activity due to its huge demand in India and overseas. It is contributing significantly towards employment generation, exports and economic development. But there are few factors which are creating a hindrance in its proper development which are highlighted in the paper and some suggestions to deal with such issues.

**Keywords:** Handicraft, Textile, Economic Development, Employment, Exports, Supply Chain Management

## Introduction

Every region of India is known for its unique handicraft tradition, mostly using locally available material. The origin of Indian handicraft dates back to the oldest civilizations of world i.e. Indus valley civilization. All of us know about the beautiful artefacts found at Mohenjodaro and Harappa, the famous sites of Indus valley civilization. The Pashupati seal, the statue of dancing girl, the unique jewellery pieces, and the hand spun cotton – all prove that we had a rich heritage of handicrafts. The artisans of India are known world over for their craftsmanship, sense of design and colour. Our country is gifted with a rich range of beautiful handicrafts. Be it Chikankari of UP, wooden toys of Karnataka, puppets of Rajasthan, Madhubani arts of Bihar or Chanderi of Madhya Pradesh.

## A glimpse of Indian Handicraft

**Zari Industry**– Zari is a thread made of fine gold or silver and is mostly used in traditional Indian garments. Surat is famous for Zari industry. Other centres are Lucknow, Bareilly, Varanasi, Agra, Hyderabad, Jaipur, etc.

**Textile Hand Painting**- In this cloth is dyed and printed using different shapes. In India we have different kinds of hand paintings like Batik, Kalamkari, Block Printing and Bandhani Printing. Important centres are Kutch, Jaipur, Indore, Ahmadabad, Hyderabad, and Machalipattnam.

**Cane and Bamboo** – Bamboo is used for making baskets, fans, fishing rods, Partitions, Ladders and jewellery etc. Canes are largely used for furniture making. Major centres are Guwahti, Lakhimpur, and Agartala

**Puppets:** In India Puppet Making is a traditional craft. Different states have given different names to puppets like Kathputli in Rajasthan; kundei nach, Kathi kandhe, Ravanachhaya in Odisha; Yampuri in Bihar; Tolpavaikoothu in Tamilnadu; PavaKathakkali in KeralaTerracotta: Terracotta is a pottery used from local available clay. Many items are made from terracotta like lamps figures of Indian Deities, candle stands etc.

**Folk Paintings:** Different states and Tribes of India are famous for folk paintings like Phad painting in Rajasthan, Pithora Painting in Gujrat, Madhubani Paintings of Bihar, floor and wall painting of Gond Tribe of Madhya Pradesh, Kalamkari painting of Andhra Pradesh.

Other handicrafts include Rugs and Durri making, Handloom, leather articles making, jewellery and metal ware etc.

## Handicraft and Economic Development

The handicraft sector plays a very important role in country's economic development. It's an employment generating sector which provides employment to vast segment of semi urban and rural areas of the country. It is one of the largest employment generating sectors after agriculture and employs about 7 million people. Handicrafts are known for using locally available resources thus efficient utilisation of local resources. "Textiles and handicrafts have been a key source of employment. Handloom sector provides direct and indirect employment to 43 lakh

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weavers and allied workers. Handloom and handicrafts sector together provide about 111 lakh employment both in the organized and unorganized sector." (Yojna April 2019-Contribution to Economic Growth, pg19)

"India is the world's second largest producer of textiles and garments and ranks in top three in export of handicrafts. Indian textile industry contributes around 27 percent to the foreign exchange earnings. It also contributes atleast 2 percent to the GDP. Also handicrafts exports from India is also increasing year on year."(Yojna April 2019-'Perfecting Craftsmanship through Skilling' pg34) The constant modernization of methods and technology and skill enhancement has a direct bearing on the development of this industry. This sector has not seen decline even in the time of trade crises.

#### **Meaning and Definition**

As per honourable Supreme Court in Louis Shoppe judgement decided on 12.03.95 "it must be predominantly made by hand. It does not matter if some machinery is also used in the process. It must be graced with visual appeal in the matter of ornamentation or inlay work or some similar work lending it an element of artistic improvement. Such orientation must be of substantial nature and not a mere pretence."(Yojna April 2019-'Magic of Gifted Hands: Empowering Handicraft Artisans, pg 7)

#### **Objectives of the Study**

Demographic advantage: India is now having largest younger population who is ready to work. Providing work to this population is a challenge. After providing some skills our younger generation can be diverted to this sector as vast employment opportunities exist here and exploit the huge potential. "Handloom and handicraft sector provides approximately 111 lakh employment in organized and unorganized sector" (Yojna April 2019-'contributing to economic growth' pg19) Employment generation by handicrafts sector has been growing at about 6-7 per cent each year and has increased from less than 60 lakh in 2008-09 to over 70 lakh in 2011-12 and most of them are women. Women are integral part of this sector and their role is very vital. So this sector playing an important role in empowering women.

1. As this sector utilises locally available resources which promotes every region to grow on its own and become self sufficient. So promotion of handicraft industry deals with the issue of regional imbalance or disparities in the country.
2. This sector is mainly an unorganized sector. With Government support and SHG models the untapped potential could be efficiently tapped.

#### **Export Promotion Council for Handicrafts (EPCH)**

Export Promotion Council for Handicrafts (EPCH) is a non-profit organisation established in year 1986-87, with an object to promote, support, protect, maintain and increase the export of handicrafts. It is an apex body of handicrafts exporters for promotion of exports of Handicrafts from country. EPCH took various efforts to project India's image abroad as a reliable supplier of high quality of handicrafts goods & services. It also ensures that

International standards and specification and other formalities are properly observed. The Council has provided and established necessary infrastructure as well as marketing and information facilities for exporters and importers. It also offers professional advice regarding technology up gradation, quality and design improvement, standards and specifications, product development, innovation etc. It organizes Indian Handicrafts and Gifts Fair at New Delhi. It also strives to create an environment of awareness through Workshops on "Export Marketing, Procedures and Documentation", Packaging, Design Development, Buyer Seller Meet, Open House etc. interaction with Central and State Govt. and various other similar programmes. These efforts have resulted in generation of exports.

#### **Various schemes for Handicraft Promotion /policy initiatives by the Government**

Ministry of Textiles looks after this sector via office of Development Commissioner (Handicraft) is implementing below mentioned seven schemes for promotion and development of handicraft sector:

Baba Saheb Hastshilp Vikas Yojna. In this ID cards are issued to the artisans. They are provided with modern tools, subsidised loans and marketing assistance. Through seminars and tours artisans get market exposure.

1. Design and Technological Up-gradation
2. Marketing Support and Services
3. Research and Development
4. Human and Resource Development
5. Handicrafts Artisans Comprehensive Welfare Schemes

The approach behind these promotional programs is to expand the production base to include utility based, life style related mass production handicraft products and also to preserve our heritage and unique craft.

The National Handicraft Development Programme for promotion and development of this sector will have below mentioned elements:

1. Ambedkar Hastshilp Vikas Yojna
2. Marketing Support
3. Research and Development

Besides that we have other policy initiatives taken by the government

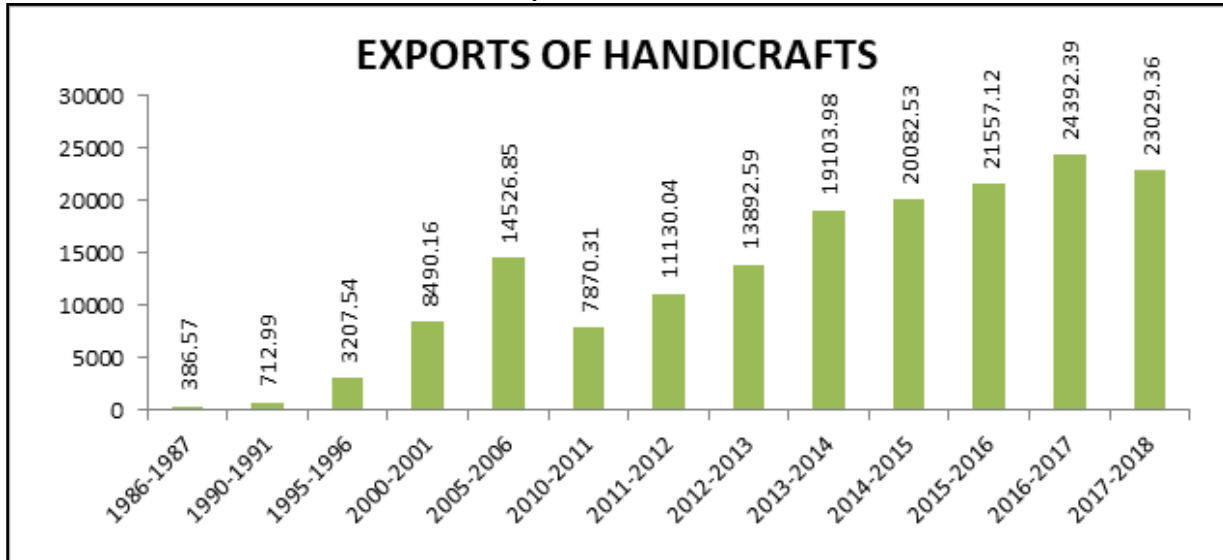
1. PMEGP Prime Minister's Employment Generation Programme is a program for artisans which are a credit linked subsidy scheme. This scheme is for setting up of new micro-enterprises and employment generation in rural as well urban areas through KYIC, State Khadi and Village Industry Board (KVIB) and District Industries Centre (DIC).
2. SFURTI (Scheme of Funds for Regeneration of Traditional Industries) It was launched for making traditional industries more productive and competitive through cluster development and organising artisans and traditional industries into them.
3. ASPIRE (A Scheme for Promoting Rural Industry and Entrepreneurship) the scheme was launched to promote rural entrepreneurship and innovation through livelihood Business Incubator (LIB),

Technology Business Incubator (TIB) and Fund of Funds for start-ups.

All the benefits related to marketing, promotion, design, research and development etc can be implemented in either cluster or individual manner.

- Mahila Coir Yojna – it is a scheme exclusively for rural women artisans. In this training is given in spinning of coir yarn and other processing activities is provided to rural women. Coir processing instruments are also provided at subsidised rates after completion of training.

**Exports of Handicrafts**

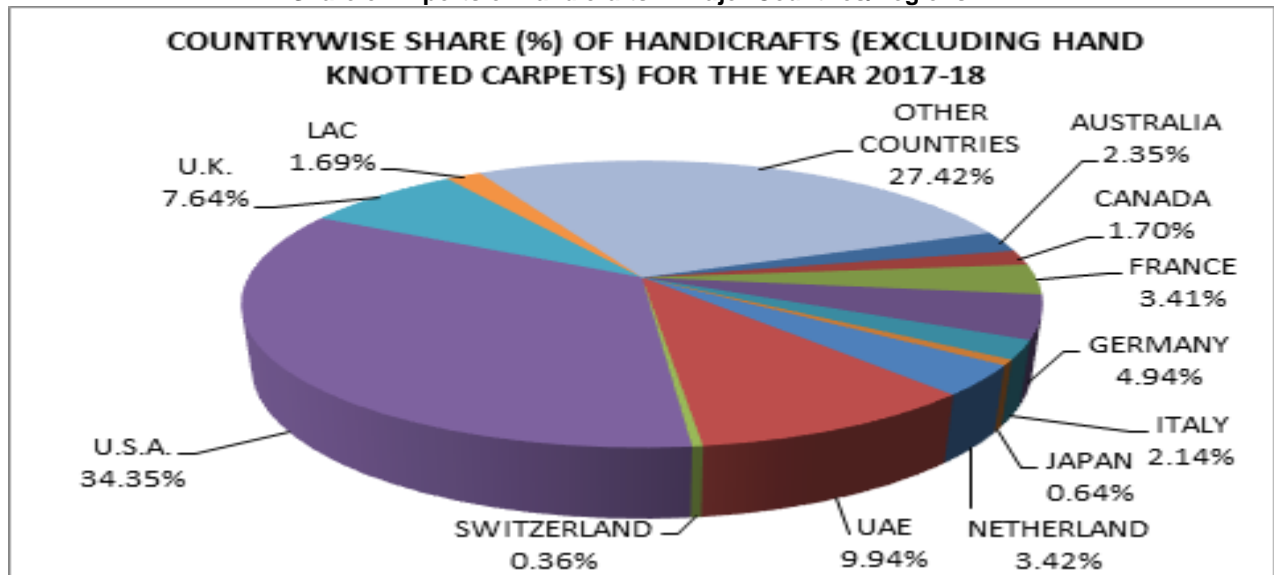


Sources: Handicraft and Export data of EPCH

The exports of handicrafts (other than hand knotted carpets) was merely Rs. 386.57 crores during

the year of establishment of the Council i.e. 1986-87 rose to level of 23029.36 Crores in year 2017-18.

**Share of Exports of Handicrafts In Major Countries/Regions**



Sources: Handicraft and Export data of EPCH

**Challenges faced by Indian Handicraft Industry and artisans**

Handicrafts industry has big potential and it has now become a flourishing economic activity due to its huge demand in India and overseas. It is contributing significantly towards employment generation, exports and economic development. But there are few factors which are creating a hindrance in its proper development like deficiency of capital,

lack of basic education and technological up gradation. Also poor logistics and institutional framework is a big issue.

This sector is also facing competition from the growing inflow of look-alike, low-cost, fully or partly mechanized crafts products from countries such as China, Hong Kong etc.

Artisans don't get good price for their items.

Role of middlemen also creates problems as much of the proceeds from sale are appropriated by the middlemen. A village to market model through SHG will cut the levels of middlemen and will raise the income of artisans.

The industry is also struggling to recover from aftershocks of GST and demonetisation as it has forced a good number of skilled artisans to quit and join any other profession as they were pushed to the brink of starvation. The rate of labour turnover has increased at a faster rate due to cash crunch and reduced demand of the products which led to reduction in sales in Profit margins. Handicrafts industry is highly scattered and decentralised in India and the sector has been facing significant challenges as it is lacking behind design, innovation and technology up-gradation. Craftsmen also do not have sufficient market information.

More efforts have to be made so that benefits of government help reach to lower levels.

Women play vital role in the handicraft sector but their role is highly unacknowledged.

Even after having various schemes for the development of this sector, artisans still rely on local moneylenders and get exploited as banks don't have branches in the remote areas. Also due to illiteracy needy people don't get to know about different schemes available for them.

#### **Key Suggestions to boost Exports of Handicrafts**

However, increasing trends in inflow of tourists along with lower costs of labour, development of real estate, retail business, increased use of internet and e-commerce will contribute to the wellness of this industry.

In its study, ASSOCHAM has suggested that the exporting community should invest in research and development and keep on upgrading their capabilities to provide a variety of products. They should develop long term relations with the buyers instead of transaction approach only to get long term business.

Other measures include building brand image, proper marketing like road shows and craft festivals in target countries. Initiatives should also be taken for sale publicity through attractive display and banners and appealing packaging.

The public private sector needs to encourage skill development and should also provide supporting services such as local centres for product adaptation, vocational training and entrepreneurship development.

India needs to develop suitable strategies to tap the market segment for handicrafts, achieve significant market share and compete globally

The Government should offer small, disadvantaged artisans and craft producers an access to global markets with complete support right from product development and manufacturing to export marketing.

Socially conscious businessmen and corporate sector should also open doors for these artisans and craftsmen to finance arrangement, research, innovation, training and marketing etc

This sector also needs venture capitalists and other investors who can pump in cash so that they can compete in contemporary circumstances.

#### **Conclusion**

Each state of India has unique handicraft base followed by abundance of raw material. This sector needs to focus on innovative techniques for manufacturing and promotion of products. Innovation is the key when it comes to expanding the base in foreign market and it must be given highest priority. Other factors that are needed to give special focus are: supply chain management, cost optimization so that products become more competitive in terms of cost, research and development in manufacturing, promoting and marketing the products. Corporate sector should also be associated with handicraft industry for technology up gradation and promotion in terms of their CSR obligation.

#### **References**

*Yojna April 2019-'Perfecting craftsmanship through skilling'*

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#### **Web links**

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