The Sector of Handicrafts and its Share in Indian Economy

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Abstract

The sector of handicraft is not only provides employment for the development of economy but it also acts as a sensible artistic approach of self-expression for the artisans. Handicrafts are matchless expressions as they represent culture, tradition, and heritage of a country. Handicraft sector is directly related to the economy of the rural India that means its growth, and downfall is the mirror image of rural economy as well as the economy as a whole. In this paper, we have tried to analyze why the sector is one of the promising and productive sectors in India economy and what is the contribution of handicraft as foreign inflow to the Indian economy, and its growth, and decline through last fifteen years. Further, we have shown the growing foreign markets for Indian handicraft, and the leading foreign market for Indian art to export.

Keywords: Handicraft; India and its Handicraft; Contribution of Handicraft to Indian Economy; Market for Indian Handicraft

Introduction

India is a diverse economy encompasses of agriculture, agribusiness, a wide range of modern industries, and multitude of services sectors, categorized under private and public sectors. But due to the availability of abundant natural resources, favorable climate and art of agribusiness, India after independence have shown more trust to invest on agricultural for the development of its agro based economy. Fundamentally India economy relies on agricultural and its allied industries that are agribusiness industries (by agribusiness we mean collective business activities that are performed from farm to fork) it includes textile, silk, handicrafts, and other small scale industries. This agro based sector has shown huge growth since independence, it contributes ½ of the total economy of the country and most of the people generate their livelihood from this sector. However, India is yet to see the sun of development in agribusiness and agriculture sector because most of the people living in rural areas have marginal land on that they don’t know modern methods of farming and does not have adequate facilities to utilize its land in full potential. To develop through agro based economy exploring agricultural potential is a key for economic growth, agribusiness expansion, which is the dominant source of recent growth, should be seen as a main engine of further development.

Agribusiness is one of the main sources of employment all through the world especially in developing nations. In developing counties most of the people live in rural areas and are directly dependent on the agribusiness industries. Similarly in India majority of the population (70%) living in about 600,000, small villages mostly depends upon the agriculture and small scale informal-industries, which articulate that the development of India holistically rely more on upliftment and enhancement of rural India through civilizing the agriculture and agribusiness sector [1]. That is the development of its 700-million strong rural populations needs better economic policies and best source of employment by making the existing opportunities further stronger. Since India is an agro-based economy and most of its people live in rural areas that have direct link to these agro-based industries majority of rural people are working agribusiness industries for their livelihood. The elevating employment opportunities in agriculture and its allied sector like textile industries, horticulture, extraction mills, sericulture, and off course handicraft sector will make the sector more prosperous and best for the national financial integration.

Even though there are many allied sector of agriculture with excellent growth but after agriculture, if there is any other sector which has shown continuous optimistic growth since independence in generating revenue for the nation and employment for the rural people, that is the handicraft sector. Handicrafts sector is a sector which is engaged in production of products which are produced either completely by hand or with the help of tools. The Indian handicrafts industry is highly labor intensive, cottage based and decentralized. The industry is spread all over the country from east to west and from north to south most of the manufacturing units are located in rural and in small towns. The handicraft sector technically and statistically forms the second largest source of employment in India. It was having 23 million people engaged around this industry in the year 2002 [2]. Further, the employment increased from 65.72 lakh in 2005-06 to 76.17 lakh in 2010-11 and is growing continuously with employing mixed population in the sector [1].

Handicraft sector got boost since the new Economic Philosophy of Inclusive Growth has been initiated as a route to success towards sustainability by the government of India. The concept of inclusive growth says for the firmness of Indian economy all sectors of economy including handicraft must be given equal magnitude and for the inclusive growth both rural and urban sector must be given proper attention. While in India rural economy is the backbone as well as the vital of growth of the economy at all so it must be given most priority [3]. For the purpose of achieving inclusive growth, India needs to better focus on the agriculture and agribusiness industries at first as they are main source of employment for the poor who live in abject poverty. Handicraft sector is one of the indirectly agricultural linked sectors of rural economy which provides income for the livelihood with the aim to eliminate poverty and make India self-sufficient in handicraft needs.

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Received November 08, 2016; Accepted November 21, 2016; Published November 28, 2016


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The allied sector of agriculture including handicraft sector provides employment for their upliftment and prosperity of all kinds of people whether poor or rich and rural or urban especially to those who live in underprivileged condition. Further the sector is an important source to express art and skill in crafts and promote the culture by making crafts available locally. It is believed the sector of handicrafts is said to be one which, have great potential to be the major part of this inclusive growth where the goal is see India become the world’s yardstick in inclusive growth not just as a development of a particular sector [4].

Handicraft in India

Handicrafts can be defined as products which are produced either completely by hand or with the help of tools. Mechanical tools may be used as long as the direct manual contribution of the artisan remains the most substantial component of the finished product (United Nations Educational, Scientific, and Cultural Organization/Information Technology Community [5]. In India handicrafts have great potential of employment generation and income generation as it hold the key for sustaining not only the millions of artisans already existing, spread over length, and breadth of the country, but also for the increasingly large number of new entrants in the crafts activity [6]. Further, the spirit of handicrafts is the raw material used for crafts are easily available. Craftsmen and Artisans can produce products in unlimited numbers without any negative impact on sustainability. The products of handicrafts have multiple uses they can be utilitarian, decoration, artistic, imaginative, culturally attached, ornamental, functional, traditional, religiously, and socially symbolic, due to such a diverse and influential values of handicraft it has becomes important aspect of every bodies life. The crafts and the artisans of the sector is significant part of economy and are making India’s foot prints in global market. In addition to this, the rich culture, heritage of great art and craftsmanship has enhanced its value in the world market. The handicraft industry has a history of several centuries in India. The crafts of India spread across the world throughout its history and in the present time India has been famous for their art, culture, and craftsmanship. Their passion for handicraft has been inherent by the modern India. Moreover, the great designing and carvings of temples testify the fact that art and craftsmanship are not new to India it is the skill which India got from its inherent culture, and rituals [7].

The government of India has accorded utmost importance for the growth of these industries through five-year plans, and industrial policies because of their high employment intensity [8]. The handicrafts industry of India comes under the unorganized sector of the village economy [9]. This sector is an important and integral aspect of village, and cottage industries. Handicraft sector has a prevalent role of rural employment, and in the Indian economy. Indian handicraft items range from wooden stone, metal, glass, bamboo, cane, clay, terracotta ceramics, and textiles. The most popular items in Indian handicrafts are brassware, pen holder, vases, candles, and Christmas items, ceramic pots, carpets, and other products of paper. Various states of India such as Manipur, Tripura, Rajasthan, Gujarat, Kashmir, Maharashtra, Tamil Nadu, and Kerala are popular for its handicraft collection. Each States offers a wide range of handicrafts, with its own identity. These handicraft items represent quality craftsmanship from the respective states [10]. Most of the manufacturing setups have local employees and indigenous owners who operate such work in homes. But unfortunately, these traditional industries are under threat of sleep or decline because of the competition from the cheaper machine made substitutes, and due to the scarcity of physical capital and risk patrons [11].

Though the sector has huge market potential in all Indian states, and abroad, but the growing demand for the artificial product has badly affected the livings of many skilled artisans directly, and others related to this sector indirectly. The main reason for this is it almost no innovative methods and technology advancement have been introduced in the handicrafts sector, which leads to stagnation of the sector. Further increase in manufacturing expenses has led to gap between actual product demanded, and actual product produced; the same gap is utilized by the machine made products, besides this the raw material needed in handicrafts has also fallen in short of supply in many states of the country because of more wastage, and improper utilization of available resources. Objective of the study:-

To study the export of handicrafts, the contribution of handicraft sector to Indian economy and the leading markets of export for Indian handicraft.

Handicraft and its Export Character

Since 1991 the concept of globalization of India has given rise to new opportunities for handicraft sector. The global economy can no longer be viewed from an observer’s view, countries with rich and flourishing handicraft sector can itself play a constructive role in leading global market. An example is an Indian economy which had broken free of the low-growth trap from the early 1980s and is now moving toward the biggest growers of the world economy. Handicrafts are massively important in terms of balancing balance of payment and the economic development of the nation. India is one of the important suppliers of handicrafts to the world market and Indian handicraft products are demanded all over the world with the help of globalization. The Handicrafts Sector plays a significant role in the country’s economy, not only in present time but this sector has helped people of the country as a source of income when there were no other means of employment. This sector is continuously contributing to the wellbeing of the people, and the national economy from the ancient to Mughal’s, and from Mughal’s to British, and from British to independent India.

However there was slow growth of in this sector in the beginning years of the independence. But from 1990’s India following the economic reforms policy, she began to appear as a player of some significance in the global economy. Handicraft is an important sector not only because of economy, and employment to locals but it is a foremost source of foreign exchange earnings for the nation and BOP [11]. Exports of handicrafts have increased dramatically since 1999 it has taken India to new heights, and further, this sector is readily fighting to reduce the balance of deficit. The total export of the year 1998-1999 was 35659.14 million USD, and out of those Handicrafts was 1481.93 Million USD taking this as a base year we endeavor to analyze the contribution of handicraft in foreign inflow to the country for the next fifteen years with growth and decline states.

Research Methodology

This research paper is based on the secondary data by exploring various secondary data resources such as old research papers, various journals, books, the internet, some of the governmental data etc.

Analysis

We have taken the Total export of different items from the India to the rest of the world as total exports outside. Since India exports, numerous products out of that we have distinguished the Export of Handicraft separately, so that we can see the growth, and decline trends of the handicrafts related to the adjacent years. Further, we have used
some mathematical formulas for finding the growth, and decline of export business of India.

The brief derivation of the formula is as under

We have shown Export of the current year and the Export of previous year in the table. Export of current year is denoted by \( x \), and the Export of previous year of the current year is denoted as \( y \). Then to find out growth or decline for the current we have subtracted the previous year’s export from current years export denoted it as \( z = (x - y) \). Further, we have shown the growth in percentage i.e., is growth or decline divide by previous years export multiply by 100 shown as the formula \( z/ x *100 \) which shows the growth in positive or negative percentage.

Similarly, we have taken Export of handicraft for the current year as \( y \) and the Export of Handicraft in the preceding year as \( z \), and its growth as \( z \) that is \((y-\bar{y})\). Then its growth in percentage is shown as same export growth.

**Formulas**

\[
\text{Current Year Total Export}=\bar{x}, \quad \text{Previous Year Total Export}=\bar{y}
\]

\[
\text{Growth of Export}=x - \bar{x} = z
\]

\[
\text{Current Year Handicraft export}=y, \quad \text{Previous Year Handicraft Export}=\bar{y}
\]

\[
\text{Growth of Handicraft Export}=y - \bar{y} = z
\]

Table 1 above show the export of different products in India from the year 1999 to 2014, it shows the export of handicraft was 37557.8 USD in the year 1999, and has achieved the mark of 311855.9 USD in the year 2014. However, there is some year where the growth was not up to the mark as expected by the government, and experts. In the year 2002-03, and in the year 2012-2013 growth of the exports has not shown any kind of improvement related to preceding years, but the time and government strategy has shown path to it in next subsequent years and we witness great improvement in export of goods, and services. Same is the cause with handicrafts which shares good margin of export and contribution in Indian economy. Probability handicraft is one of the never ended sectors of export because of the inborn art, and craftsmanship of Indian citizens. Its export was more fluctuating as compared to Total Export in some years. In the year 2001-02, 2006-07, and 2007-08 the export of handicraft has shown negative growth but from there onwards the growth has certainly taken speed and has reached up to the 3884.91 million USD in the year 2014. However, with fast changing technology we cannot predict the growth of other exports but handicraft is the sector which has little impact of technology change, and buyers behavior change because these products are having cultural values, that means its growth in near future is certain and its contribution will be satisfactory in future.

Further the date shown in the table is presented in graphs which shown are the pictorial representation of the total export from the India to the rest of the world, and the export of handicraft products with its growth, and decline.

Figure 1 appears that exports from the India has fluctuated heavily throughout the period of last 15 years or so but later years it has shown good growth. The growth rate of total export is showing slow growth for some beginning years and negative growth in the 12-13 there after it has gained its growth back for the next year. Observers have commented that the share of exports from India to Total exports has been on the growing stage. Further, the composition of exports from small enterprises has potential of growth for the future. No doubt the growth was slow in the beginning years of the graph but steady export has grown up. However there was a smooth growth in the year 2012-2013 but in the next year growth has shown the confident growing trend, it is believed that Indian handicraft will grow at the rate of 20 percent per annum.

Figure 2 shows the Handicraft performance of Indian market in the global scenario, the handicraft has showing fluctuation from last 15 years, in the beginning years its growth was quite handsome but from the year 2008 till 2010 it has shown negative trend but from their

![Figure 1: Total Export and its growth related to adjacent years from the year 1999 to 2014. USD (United States Dollars).](image-url)

![Figure 2: Handicraft performance of Indian market in the global scenario.](image-url)

<table>
<thead>
<tr>
<th>Year</th>
<th>( x )</th>
<th>( \bar{x} )</th>
<th>( x - \bar{x} = z )</th>
<th>( z/ x *100 )</th>
<th>( y )</th>
<th>( \bar{y} )</th>
<th>( y - \bar{y} = z )</th>
<th>( z/ y *100 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>099-000</td>
<td>37557.8</td>
<td>35659</td>
<td>1898.66</td>
<td>5.32%</td>
<td>1858.44</td>
<td>1481.93</td>
<td>376.51</td>
<td>25.40%</td>
</tr>
<tr>
<td>001-002</td>
<td>44149.3</td>
<td>37557.8</td>
<td>6591.49</td>
<td>17.55%</td>
<td>1616.49</td>
<td>1858.44</td>
<td>-241.95</td>
<td>-13.01%</td>
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<tr>
<td>002-003</td>
<td>43561.8</td>
<td>41419.3</td>
<td>2142.55</td>
<td>-5.33%</td>
<td>2301.52</td>
<td>1830.23</td>
<td>471.29</td>
<td>25.83%</td>
</tr>
<tr>
<td>003-004</td>
<td>51679.8</td>
<td>43561.8</td>
<td>8118</td>
<td>18.63%</td>
<td>2311.7</td>
<td>2034.16</td>
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<td>13.64%</td>
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<td>64409.5</td>
<td>51679.8</td>
<td>12729.79</td>
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<td>2311.7</td>
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<tr>
<td>005-006</td>
<td>82849.1</td>
<td>64409.5</td>
<td>18439.6</td>
<td>28.62%</td>
<td>3282.56</td>
<td>2983.69</td>
<td>298.87</td>
<td>10.016%</td>
</tr>
<tr>
<td>006-007</td>
<td>102769</td>
<td>82849.1</td>
<td>20929.84</td>
<td>24.04%</td>
<td>3811.26</td>
<td>3282.56</td>
<td>528.7</td>
<td>16.10%</td>
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<tr>
<td>007-008</td>
<td>126052</td>
<td>102769</td>
<td>23282.64</td>
<td>22.65%</td>
<td>3481.14</td>
<td>3811.26</td>
<td>-330.12</td>
<td>-8.66%</td>
</tr>
<tr>
<td>008-009</td>
<td>144097</td>
<td>126052</td>
<td>18045.12</td>
<td>14.31%</td>
<td>1797.88</td>
<td>3481.14</td>
<td>-1683.26</td>
<td>-48.35%</td>
</tr>
<tr>
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<td>144097</td>
<td>34654.69</td>
<td>24.04%</td>
<td>1830.23</td>
<td>1797.88</td>
<td>32.35</td>
<td>1.79%</td>
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<td>178751</td>
<td>72364.66</td>
<td>40.49%</td>
<td>2301.52</td>
<td>1830.23</td>
<td>471.29</td>
<td>25.75%</td>
</tr>
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<td>011-12</td>
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<td>251136</td>
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<td>2705.66</td>
<td>2301.52</td>
<td>404.14</td>
<td>17.597%</td>
</tr>
<tr>
<td>012-13</td>
<td>300274</td>
<td>304624</td>
<td>-4349.41</td>
<td>-1.42%</td>
<td>3304.9</td>
<td>2705.66</td>
<td>599.24</td>
<td>22.14765%</td>
</tr>
<tr>
<td>013-14</td>
<td>311855.9</td>
<td>300274</td>
<td>11581.03</td>
<td>3.85%</td>
<td>3884.91</td>
<td>3304.90</td>
<td>580.01</td>
<td>17.55</td>
</tr>
</tbody>
</table>

Table 1: Total Export of products and its growth and export of handicraft and its growth in USD(United States Dollars) in (millions).
onwards the handicraft has taken stride of growth, and it is growing at the rate of 18 percent that is good for developing country.

Figure 3 shows the comparison between Growth of Total Export and the Growth of export of handicraft from India to the rest of the world. The share of handicrafts was above the normal growth i.e., is total export growth rate in the beginning years of the graph but from 2004 till 2012, its growth is below total export growth rate. However, from their onwards handicraft sector has shown excellent growth has grown-up the total export rate. From this we can analyze, that the future of the handicraft industry looks promising, all it needed is the effort of government, and dedication of artisans to promote its well-being. This sector has potential of sustaining both local, and international market by providing employment, and revenue to the home country, and providing important craft items to the world market.

Indian Handicrafts and World Market

Indian handicrafts are famous and competitive in the world market in two ways. Firstly, Indian handicrafts are rich in nature, and can be supplied in various transformations, and mixtures, i.e., in smaller sizes, and variety, which is the greatest strength compared to the neighboring countries. Secondly, the inherent craftsmanship is another major advantage to Indian handicrafts [12]. Besides that there are no restrictions regarding the location for establishing manufacturing units, and all producers of handicrafts are exempted from obtaining Industrial License to manufacture [13]. The main importance of this sector is, it is now being fortified for the manufacture of more designed products to face stiff competition, instead of supplying the same type of product range.

Although exports of handicrafts appear to be sizeable, India's share in world imports is still minuscule. It is a sector that is still not completely explored from the point of view of hidden potential areas. Unlike other developed handicraft industries in Japan, Europe, Vietnam, China, and the US, the Indian handicrafts market is still in its growing state with a very large number of craftsmen, and relatively high interest of customers in high-value products. The important thing about handicraft is its small setup, and low investment which encourages individual entrepreneurs, and small vendors to the international market. Handicraft generally forms a small part of total export but overall it contributes its best to the foreign inlow to the country. Earlier people in India use to live in tribes, and they crafted items for their daily needs. With the passage of time people became more civilized and developed in all aspects, those who were making handicraft products started trading to their products not only to the local market but also across the country boundaries (camel craft, n.d).

Today, handicrafts and handicraft gift items manufactured, and exported from India are much sought after, and have established an unsurpassable reputation in the international market. Furthermore the important essence of handicraft is it can easily be identified by consumer by many features such as the hand made products can have difference in weight, size, shape, and feel, however, the machine made craft cannot have that feeling of satisfaction which you can feel by touching it, and does not exist for a longer time.

The Indian handicrafts are exported to more than hundred countries of the world; Indian handicrafts are exported across geographies with the top 10 markets being the US, the UK, the UAE, Germany, France, LAC, Italy, the Netherlands, Canada and Australia. The main countries where Indian handicrafts have been spread since years have shown great interest, and likeness towards India work, and craftsmanship. However, the product exported to the foreign countries gets bit expensive for the foreign market then the other competitive handicraft items from other countries like China it is because China has mixed craft with the latest technology, and India still does not have introduced such an innovative technology in handicraft sector [10].

The export of handicrafts for the 2013-2014 is 3304.9 million USD (excluding Hand knotted Carpets), and from that source we have taken the share of countries in percent. Further, we have converted that percent into the actual amount (USD) by using the formula that is Total Handicraft Exported/Percent share of countries.

Table 2 shows Country wise share of handicraft (excluding Hand knotted Carpets). It shows the most leading markets for Indian handicraft no doubt that Indian handicraft is spread throughout the world but there are some of the important nations which have become the important markets for Indian handicraft such as the USA

![Graph showing Handicraft Export and its Growth](Image)

![Graph showing Comparison between Growth of Total Export and Handicraft Growth](Image)

Table 2: Total Export of handicraft products to top exporting countries in the year 2013-14. The amount is in millions (USD).

<table>
<thead>
<tr>
<th>Country Name</th>
<th>Share of %</th>
<th>Amount USD (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total export</td>
<td></td>
<td>3304.9 million USD</td>
</tr>
<tr>
<td>U.K.</td>
<td>9.87</td>
<td>3304.9*9.87/100 326.1936</td>
</tr>
<tr>
<td>LAC(Latin American Countries)</td>
<td>3.92</td>
<td>3304.9*3.92/100 129.5521</td>
</tr>
<tr>
<td>USA</td>
<td>26.31</td>
<td>3304.9*26/100 869.5192</td>
</tr>
<tr>
<td>Switzerland</td>
<td>0.92</td>
<td>3304.9*0.92/100 30.40508</td>
</tr>
<tr>
<td>UAE</td>
<td>8.96</td>
<td>3304.9*8.96/100 296.119</td>
</tr>
<tr>
<td>Netherlands</td>
<td>2.91</td>
<td>3304.9*2.91/100 96.17259</td>
</tr>
<tr>
<td>Japan</td>
<td>1.58</td>
<td>3304.9*1.58/100 52.21742</td>
</tr>
<tr>
<td>Germany</td>
<td>7.92</td>
<td>3304.9*7.92/100 261.7481</td>
</tr>
<tr>
<td>France</td>
<td>4.45</td>
<td>3304.9*4.45/100 147.0681</td>
</tr>
<tr>
<td>Canada</td>
<td>2.29</td>
<td>3304.9*2.29/100 75.68221</td>
</tr>
<tr>
<td>Australia</td>
<td>1.87</td>
<td>3304.9*1.87/100 61.80163</td>
</tr>
<tr>
<td>Italy</td>
<td>3.37</td>
<td>3304.9*3.37/100 111.3751</td>
</tr>
<tr>
<td>Others</td>
<td>25.63</td>
<td>3304.9*25.63/100 847.0459</td>
</tr>
</tbody>
</table>

Note: The data shown in the table is retrieved from Export Promotional Council for Handicrafts. The link is shown in the end note.
share 26.31, percent UK shares 9.87, percent UAE share 8.96, percent Germany shares 7.92 percent followed by France, LAC, Italy, and other countries. The above table clearly shows that handicraft has potential of capturing more foreign markets all it needed is the cooperation from the government to promote it as much as possible, and the hard work of artisans with the collaboration of introducing modern technology, and modern designs in it.

The above Figure 4 is the graphical representation of Table 2. It shows the share of market of handicraft in the foreign market. Clearly we can see the large part of pie circle is covered by the USA that is 26.31 percent after that combination of other countries other than the countries mentioned in the pie chart. Further, in the chart UK shares the portion of 9.87 percent followed by the UAE, Germany, France, Latin American Countries, and Netherlands with the percentage of 8.96, 7.92, 4.45, 3.92, and 3.37, respectively. The chart is just to represent the market where the government needs to focus more, and where the government needed to take serious steps for the further flourishing of this art and craft. Still there are some countries in the world where Indian handicraft has not reached up to the expectations. A government with the help of craftsmen’s and modern marketing strategies can capture wider world market, and can increase the share of existing market up to the maximum limit.

The EU countries (such as the UK, Germany, France, Italy, and Netherlands), is really a great market for Indian handicrafts such market has shown likeness, and interest towards Indian art, and culture. In the year 2013-14, their share accounted for approximately 28.5 percent of total handicrafts exported from India. The USA was the second highest importer from India and accounted for approximately 26 percent of the total exports. Further, in the above Figure 5 shows the countries like UAE, Switzerland, and Japan which share a relatively handsome portion of handicraft exported to the world.

### Findings and Suggestions

- The Handicrafts Sector plays a significant & prominent role in the country’s economy. It provides employment to a vast segment of craft persons in rural, and semi urban areas. It generates substantial foreign exchange for the country while preserving its cultural heritage.
- Handicrafts have great potential, as it holds the key to sustaining not only the existing set of millions of artisans spread over length, and breadth of the country, but also for the increasing large number of new entrants in the crafts activity.
- Handicrafts are a substantial medium preserve of rich traditional art, heritage, and culture, traditional skills and talents which are associated with people’s lifestyle, and history.
- Handicrafts are hugely important in terms of economic development. They provide ample opportunities for employment even with low capital investments and thus become a prominent medium for foreign earnings.
- From transforming the traditional Indian arts, and crafts to the customized version of an overseas art form. Unlike in the past when the industry was battling to carve a niche in the market, there is a great demand Indian handicraft today that is because of being nurtured by different government, and non-governmental organizations.
- The market is developing due to the huge demand of its products in terms of utility, cost, and aesthetics. To centralize, and better organize the sector, the government has also initiated the concept of Towns of Excellence that are providing recognition to production areas where the handicrafts have been traditionally developed.

Presently, handicrafts contribute substantially to employment generation, and exports. The Handicraft sector has, however, suffered due to its being unorganized, with the additional constraints of lack of education, low capital, and poor exposure to new technologies, the absence of market intelligence, and a poor institutional framework. It is because of such bottlenecks this sector is suffering, and is lagging behind; we have highlighted some of the problems which this sector is facing.

- The manufacturing process takes a lot of time, as it is handmade and requires more time to do a good work. Which leads to mismatch between actual product demanded, and actual product supplied, the gap is filled by the machine made products which are very fast in production in nature.
- Use of primitive techniques, high manufacturing cost, and poor quality of products have been one of the great constraints for the growth of this sector. The people related to this kind of craftsmanship are so poor that they cannot afford the basic investments and other overhead charges related to Handicrafts.
- Poor standard of raw materials, lack of standardized vendor, and suppliers, inadequate technical know-how for product design, and development, and carrying forward of old design from ancient times does not match the market requirements of the present world.
- Improper pricing of finished products, the absence of proper incentives, and schemes by the Government of India, unorganized investment patterns, and lack of regular investors.
are also hindrances for the proper and smooth growth of this sector.

- Lack of proper marketing channels and poor access to urban markets has been a problem which needed to be addressed by the government, and the responsible persons for the wellbeing of this sector which have not seen yet.

Conclusion

Handicraft sector is one of the sectors which can contribute to the success of Make in India mission. India is one of the important suppliers of handicrafts to the world market and has shown its importance since years. Handicrafts do not mean to rely only on the handwork, innovation, and technology can also be collaborated with the mind frame of the artisans for further enhancement in this sector. However, there are some setbacks which needed to be addressed by the Government, Local bodies, and NGO’s more than that it is the motivation and inspiration for new entries which needed to be taken seriously. Finally, we can say that this sector has potential to grow, and there are people willing to be the part of this sector, all they need is the help from the government, which can effectively contribute to the establishment of business, and make this sector work as other organized sectors are working.

References

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