

## **Market Opportunities In Indian Handicraft Industry**

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### **Abstract**

The word handicraft quite literally means an activity involving the making of decorative domestic or other objects by hand and is a unique tangible expression that represents a culture, tradition and the heritage of a country or a place. One unique feature of the handicrafts that make it more important is that more often, the same item of the handicraft produced in different regions or same region by different artisans are different from each other in terms of artisanship, style, color combination and finish by artisan's creativity influenced by the local heritage and popular concepts. The history of handicraft is almost 5000 years old. Handicrafts were in existence from Stone Age where a man used to make tools by carving stones and has been evident in the developing civilizations in the ancient world. India is one of the important suppliers of handicrafts to the world market. The Indian handicrafts industry is highly labour intensive cottage based industry and decentralized, being spread all over the country in rural and urban areas. Numerous artisans are engaged in crafts work on part-time basis. The industry provides employment to over six million artisans (including those in carpet trade), which include a large number of women and people belonging to the weaker sections of the society. However, an attempt is made in this research article through available literature & studies to study the market opportunities in Indian handicraft industry.

**Keywords:** Handicraft, Culture, Tradition, Industry, Artisanship, Employment.

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## **Introduction**

The handicraft industry has a history of several centuries in India. The crafts of India were well known to the world throughout centuries. The residents of Indus valley were famous for their art, culture, and craftsmanship. Their passion for handicraft has been inherent by the modern India. Since the ancient era of world history, people have been using handmade products. The evolution of handicrafts began with the humans in the prehistoric times. The cavemen ate raw food, but for protection made tools which might be considered as early handicrafts. In the ancient world, people lived in small settlements where they used the items made by them for their daily needs. Later, eventually, the natural marketing instincts made them start selling those things in exchange for other products in the earlier known barter system. Eventually, skills, concepts, and history paved the path to the present generation cottage and large scale industries. 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. The handicrafts industry of India comes under the unorganized sector of the village economy

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. Indian handicraft industry is highly labor-intensive industry and spread all over the country in rural and urban areas. Handicraft sector is a second largest sector in India after agriculture, which engages around six million artisans, who include a large number of women and people belonging to weaker sections of the society and hence numerous artisans are engaged in crafts to work on part-time basis.

Handicraft industry plays a substantial and significant role in building up country's economy. It provides employment to a large segment of artisans and women in rural and semi-urban areas and generates substantial foreign exchange for the country. At the same time, it is also preserving our cultural heritage.

## **Significance of Handicraft in India**

Handicraft sector has great potential as it can hold not only the present existing millions of artisans spread across the length and breadth of the country but also a large number of new artisans who are entering in this sector. At present handicrafts, contribute substantially to employment generation and export. This sector is economically important from the point of view of low capital investment, a high ratio of value addition and high potential for export and foreign exchange earnings for the country.

This sector has much more potential and is still not being fully explored in order to tap more opportunities. This needs to utilize its full potential and assets and needs to create benchmarks, it needs to discover new tools and techniques in order to compete with growing world market. There is urgent need to focus on the hidden obstacles and opportunities, which will help Indian handicraft industry to come up with the pace with global business environment. This will help in creating wealth, generate employment for millions of more artisans, and raise the standard of living of all artisans. For making handicraft as a continuous source of income for poor people, the government has to ensure that there are good, easy and approachable schemes to ensure that this handicraft sector runs smoothly.

### **Terracotta history in India**

Terracotta in Indian context traces its roots to Harappan civilizations (2600-1900 BCE). This craft was present in almost all the villages in olden time due to its utility in day-to-day life. The evidence of terracotta has been found from the excavation sites of Harappa and Mohenjo-Daro in the form of ornaments, idols etc.

“Terracotta” is a word of Italian origin meaning “Baked earth”. The terracotta sculptures include different household items like idols of deities, household utility goods, ornaments etc. made of clay burnt in fire and colored.

The terracotta industry was having quite a rich production in some part of Indian sub-continent like west Bengal and some parts of south India like the horse terracotta and snake terracotta are used by the people of sunder ban area and these people have a belief that this terracotta will save them from tigers. The terracotta industry was having cultural components also like different offering to the Hindu deities were part of it. The potter who uses to make earthen work is not necessarily a working in terracotta.

Terracotta is having in-depth roots not only in religion but in culture too. For example; in Diwali

(festival of light) different terracotta is used for various purpose like ‘*Diya*’ are used to lit light, idol terracotta is used for worship, house terracotta is used for symbolic rituals etc. similarly different other festival make use various other terracotta.

### **Issues and constraints of marketing in Handicraft Organization**

Most of the artisans are working individually and independently without being organized in groups like Self Help Groups, producer companies, mutually added cooperatives etc. If the artisans work in groups, they will get better access to finance and other resources in the

form of raw material, market linkages and will be able to bargain and sell their products at better prices.

### **Procuring and processing raw materials**

The traditional system of procurement of raw materials was easily available to the artisans due to local availability of raw materials. Further *jajmani* system facilitating them with the local community resources but with the breakdown of these structures and under competition from organized industry, the artisans are facing a huge problem.

### **Production**

In the production process, generally production is seasonal due to non-performance during harvest season as most of the artisans are engaged in agri-activities.

### **Aggregation**

Due to the absence of organized groups or producer companies, the artisans are not able to aggregate the products at a common platform and sell it at the genuine rate at the same time the intermediaries are procuring the products from artisans at very low rate. Hence, the entire profit goes into the pockets of intermediaries.

### **Markets**

In the present time, the artisans sell their product in the local market only due to the inefficiency of the supply chain the products are sold at less price and in number too, despite having demanded in the market.

### **Demand**

With the globalization process, the availability of cheaper and more varied products are there in the contemporary market. At the same time, the designs (traditional) are considered as traditional or old fashioned in very short span of time. Hence getting fit in consumption pattern is quite difficult in the present time without coming up with new designs.

### **Low productivity**

The low productivity of the sector is due to low education, outdated production methods, and unorganized production. Due to unorganized sector, the handicraft is facing the problem of professional infrastructures such as work sheds, storage spaces, shipping and packaging facilities.

Low level of education has been found among the individuals of handicraft industry. Around 50% of the men and 90% of women are having no education. Due to being an educated they are not able to access the government schemes, leading to losses due to lack of market information and bargain with traders and intermediaries. The traditional

production methods are getting outdated with coming of new design and machine made fine quality products, so the production method should be upgraded on a regular basis.

### **Handicraft and its Export**

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.

### **Textile based handicrafts-**

The hand printed textile designs include block and screen painting, kalamkari, batik, and bandhanis. These materials are widely used in bed-covers, bed-sheets, upholstery, dress materials, and tapestry.

### **Clay, Metal and Jewelry-**

The chief metals used for handicraft items include brass, copper, bronze, and bell metal. These are used for manufacturing various wares, which are carved out in multifarious designs both traditional and contemporary.

### **Woodwork-**

Toys, furniture, decorative items, and other articles are carved out of wood in multi-faceted designs and are also available in a wide range. Lacquered woodwork is quite eminent in Indian handicrafts industry.

### **Stone Craft-**

Various handicraft items in India are manufactured in stones. Marble, alabaster, and soapstone are used as the primary materials for these products. These stone crafts are then adorned with semiprecious stones.

### **Glass and Ceramic-**

The artistic crafts of glass and ceramic are found in varied range of designs, which are a perfect blend of the Western style and Indian aesthetics. These products are available in various shapes and colors.

**Government schemes to support Artisans**

- Rajiv Gandhi Shilpi Swasthya Bima Yojana (RGSSBY) - it aims at financially enabling the artisans' community to access to the best of healthcare facilities in the country.
- Bima Yojana for Handicrafts Artisans (Aam Admi Bima Yojana) – it provides life insurance protection to handicraft artisans.
- Support to the artisan in indigent circumstances- it is proposed to support artisans during their old age.
- Credit Guarantee Scheme- this is envisaged to alleviate the problem of collateral security or third party guarantee.
- Interest Subvention Scheme- an interest subvention of 3% is provided for artisans.
- Issues of Identity Cards and creation of database- identified artisans will be given photo identity cards and an aadhar card-linked database of artisans will be developed to enable better targeting and monitoring.

**Conclusion**

Handicrafts are the unique expression of our community and culture. It generates foreign exchange earnings which are very important for economic growth and Upliftment of our economy. In order to make best exploration of this handmade industry Government should make available of the encouragement and support. The uniqueness of Indian Handicrafts is that it is carved and shaped in every region of the country. Every hundred yards we find a new culture and new name of craft. The Indian Handicrafts are produced in twenty-one states of the country and called with thirty-six names. Six million dedicated artisans who not only produce Handicrafts to survive but also contributing their cultural heritage to their country and the world. Indian Handicrafts are the sole expression of our tradition and culture and promising contributor to Indian economy. The handicraft sector had suffered due to poor infrastructure, transport facilities, low capital and poor exposure to new technologies, absence of market intelligence and a poor institutional framework. Handicraft sector needs to adopt competitive marketing strategies for Handicraft's development which focus on accessible and transparent policy framework and cater possible policy measures. Handicraft is such a product that once a customer likes it, he's ready to pay a value, which can be way in far more than the standard value of the merchandise. The prime thought is his feeling of the merchandise. Channel agents, like middlemen, retailer or distributor attempt to make the most such potentialities and earn vital profit nearly altogether at the price of the craftsmen. Handicraft product is also

classified on the idea of value, export on domestic market, easy maintenance, easy storage, utility worth or ornamental value and correctness or ancient orientation

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