



# Business of Handmade

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The Role of Craft-Based Enterprises in 'Formalising' India's Artisan Economy

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# Contents

Methodology	04
Definitions, Abbreviations	05
Glossary of Terms	06

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## INTRODUCTION 08-12

Being Informal in the Cultural Economy	09
Scope of Research	12
Entrepreneurship in the Times of Informality	

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## SNAPSHOTS OF ENTERPRISES IN THE ARTISAN ECONOMY 13-26

Viko Ethnic Production	14
Rainbow Textiles + Neel Batik	15
Fab Creation	16
P-TAL	17
Varnam Craft Collective	18
Xuta Threadbank Initiative	19
Commitment to Kashmir (CtoK)	20
iTokri	21
Kadam + Kadam Haat	22
rangSutra	23
Industree Crafts Foundation	24
Jaipur Rugs	25

## THE MANY INFORMALITIES OF HANDMADE | VOICES FROM THE GROUND 27-40

From Skill to Labour	28
The Original Gig Workers	
From Information to Inclusion	30
The Invisible Sex at Work	
From Farm to Consumer	32
The Challenges Along the Way	
From Margins to Priority	34
The Hits and Misses of Policy	
From Informal to Formal	37
The Future of Creative Work	
COVID-19 Onwards	40
Moving out of Siloes into Collaborations	

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## FINDINGS 41-52

## RECOMMENDATIONS 53-59

## INDUSTRY EXPERTS FORECAST 60-62

## REFERENCES 64-68

## ACKNOWLEDGEMENTS 69



# Methodology

The **Business of Handmade** research offers a snapshot of the relationship between the ‘informal’ cultural economy and the larger formal economy in India. The 12 formal enterprises, featured as case stories in the study, are representative of micro, small, and medium enterprises dedicated entirely to craft-based production. Chosen on the basis of recommendations of craft historians and domain experts, they provide contextual learnings on the many unique ways in which the artisan economy navigates frameworks of sustainable development and formalisation. They also embody regional, creative approaches to craft-led entrepreneurship.

Q [businessofhandmade.com](https://businessofhandmade.com)

The final report is also supplemented with a website — [www.businessofhandmade.com](https://www.businessofhandmade.com) — that leverages audio-visual storytelling to better showcase the rich vibrance of the craft practices being featured as well as the stories of the enterprises and artisans behind these crafts.

## PHASES OF THE STUDY

### Desk Research

to establish operational definitions, identify models of entrepreneurship, and establish sectoral priorities.

### In-depth Interviews with Experts

to document the existing crafts ecosystem, its highly contextual socio-cultural realities, and potential challenges to formalisation.

### In-depth Interviews and Surveys with 12 MSMEs in Craft

To explore how formalisation is understood, addressed, or even resisted on ground by for-profit, not-for-profit, social enterprise, design-led, artisan-led, and producer-owned entities. To understand how the language of policy and digitalisation post COVID-19 has impacted artisan communities and enterprises.

# Definitions

## Cultural Economy

In the cultural economy, 'culture' — any individual or group's unique social behaviour and norms — carries measurable value and is seen to impact economic activity. While tangibles like output, labour, etc. matter, the cultural economy also accounts for intangibles such as creativity, intellectual property, and generational knowledge. Culture is the core driver of goods and services that also influence non-cultural industries.

## Informal Economy

The informal economy refers to enterprises and employment outside of institutionalised (State/corporate) frameworks of labour laws, taxation, and finance. Informality, seen as flexibility, makes employment accessible for millions of marginalised communities such as women, migrant labour, and cultural minorities. The low-paid and invisible nature of informal work coupled with little to no social protections impedes accurate and context-specific data gathering.

## Artisan Economy

An artisan economy is a subset of a cultural economy and centers on indigenous, handmade production embodying creative and cultural heritage (craft, art, food, tourism). One of the largest sectors of employment globally for underserved communities, it is mostly informal, comprising diverse skill sets and undocumented low-tech. Artisans are not regarded merely as handworkers but also as potential entrepreneurs, custodians of best practices, and co-creators. Transactions are often linked to caste, identity and kinship ties outside of formal institutional frameworks.

## MSMEs | Micro, Small, Medium Enterprises

The Government of India categorises formal enterprises as micro, small, and medium on the basis of investment (plant/machinery/equipment i.e. P&M/E) and annual turnover. As formal enterprises, MSMEs can avail benefits such as subsidies on patent registration, electricity bills, and collateral-free loans. Most crafts-based enterprises/startups tend to be MSMEs. However, they are often left behind because their requirement for capital, approach to labour relationships, and tools differ significantly from other formal enterprises.

### ABBREVIATIONS

<b>AIHB</b>	All India Handicrafts Board
<b>B2B</b>	Business-to-Business
<b>B2C</b>	Business-to-Customer
<b>B2B2C</b>	Business-to-Customer via another Business
<b>CSR</b>	Corporate Social Responsibility
<b>EPCH</b>	Export Promotion Council for Handicrafts
<b>ERP</b>	Enterprise Resource Planning
<b>FPO</b>	Farmer Producer Organisation
<b>FPC</b>	Farmer Producer Company
<b>GOI</b>	Government of India
<b>GST</b>	Goods and Services Tax
<b>ILO</b>	International Labour Organisation
<b>MOSPI</b>	Ministry of Statistics and Program Implementation
<b>MFIs</b>	Microfinance Institutions
<b>MoT</b>	Ministry of Textiles
<b>MSMEs</b>	Micro, Small & Medium Enterprises
<b>NABARD</b>	National Bank for Agriculture and Rural Development
<b>NGOs</b>	Non-governmental Organisations
<b>PPE</b>	Personal Protective Equipment
<b>SDGs</b>	Sustainable Development Goals
<b>SHG</b>	Self Help Group
<b>TK</b>	Traditional Knowledge
<b>IK</b>	Indigenous Knowledge

# Glossary

## Aadhaar Card

An identity document comprising 12 digit numbers issued to all residents of India by the Unique Identification Authority of India.

## Artisan ID Card

Rolled out as a nationwide scheme in 2006, this is an identity card issued exclusively to craftspersons in India. It provides artisans easier access to formal infrastructure such as finance and credit, welfare schemes, and other benefits.

## Artisan Enterprise

If the proprietor/s or founder/s of an enterprise, irrespective of its size and approach is a traditional artisan, we term it as an artisan enterprise. The term is often used to refer to social and creative enterprises who work with/employ artisan communities.

## Co-creation

Non-hierarchical, collaborative process of taking creative and pipeline related decisions with diverse stakeholders.

## Cooperative Society

A voluntary, autonomous association of individuals/producers operating under a single brand name to leverage collective-bargaining, sell products and share profits.

## Creative Enterprise

We refer to any enterprise/ business that leverages individual creativity, skill and talent, even cultural heritage to catalyse jobs and economic growth as a creative enterprise.

## DEMAT

A dematerialised account provides the facility of holding shares and securities in an electronic format.

## Hybrid Business Enterprises

Entities that combine more than one form of organisation and value systems from the voluntary, private, and public sectors.

## Lokavidya

Knowledge with people in society (*loka* = people/world, *vidya* = knowledge/skill/art) (Basole, 2012).

## PAN Card

A State issued identity card with a ten digit alphanumeric code to which all the financial transactions of an individual are mapped.

## Producer Company

Under the Companies Act 2013 in India, farmer and artisan cooperatives were allowed to function as corporate entities known as Producer Companies or FPCs. Owned and governed by the shareholders, they are administered by professional managers; members are able to leverage collective bargaining to access financial and non-financial inputs/services, and reduce costs.

# Glossary

## Self-Help Group (SHG)

A Self-Help Group is an informal community-based association of 10-20 women from similar socio-economic backgrounds. Each SHG is given a unique ID and name for identification. The group functions as a financial intermediary for savings and credit, as well as a platform to advocate for local issues.

## Sustainable Development Goals (SDGs)

The SDGs or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all" (UN, 2017). The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030.

## Informal Enterprise

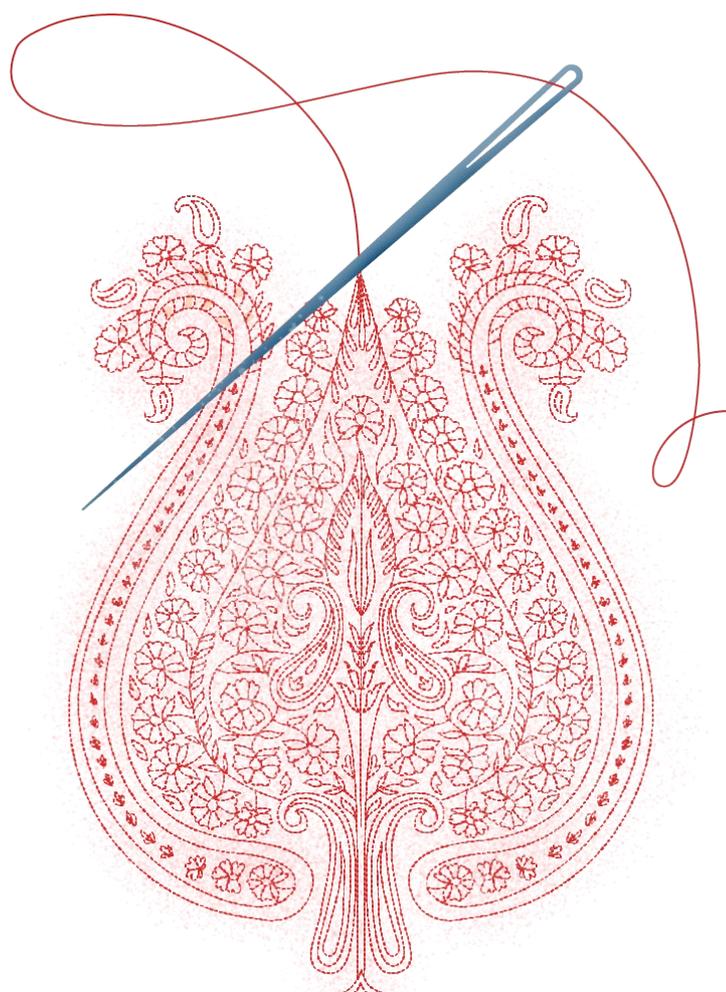
Individual or private enterprises operating on a proprietary or partnership basis but are unincorporated. The production and sale of goods/services is undertaken "...with less than ten total workers" (NCEUS, 2008).

## Social Enterprise

If an enterprise or a business is motivated by maximising profits while serving specific social objectives — reducing poverty, addressing climate change, etc. — it is termed as a social enterprise.

## Worker-Owned Enterprise

Any enterprise in which the workers/employees are shareholders of the company and thus have a say in its decision-making is typically referred to as a worker-owned enterprise. The governance structures of such companies can differ based on the goals it intends to serve.





SECTION

1

# Introduction



# Being Informal in the Cultural Economy

The global creative economy is worth over US \$2 trillion in revenue and employs nearly 30 million people globally (EY, 2015). A significant subset of this economy is the world of handmade — also known as the artisan sector/economy, expected to bring in almost \$1 trillion in revenue by 2023 (IMARC, 2021). Post COVID-19, stakeholders are keen on rebuilding broken economies and reversing deep-rooted mindsets that perpetuate inequities. To do so, we need to acknowledge that historically marginalised communities operate in the shadows — within the greys of the informal economy that accounts for over 60% of the global workforce (ILO, 2018).

A huge subset of the informal economy is traditional creative cultures. Without a context-specific understanding of who they are, where they work, how they operate, and what motivates them to stay informal without any social protections, the global community cannot expect policy, investment, and innovation to result in change that truly makes a difference.

**India's artisan sector falls squarely within the 'informal' or 'unorganised' economy which constitutes 91% of the country's overall workforce (Mehrotra, 2019).**

While there is no clear data on how much of the artisan economy is informal, this sector is recognised as the largest source of employment after agriculture. With over 200 million livelihoods directly or indirectly linked to this sector, and 50% participation of women (Dasra, 2013), craft-based production continues to be one of the primary means of dignified employment among informal rural communities. While this sector has a high concentration of low-skilled and differently-skilled population, it meets 11 out of the 17 Sustainable Development Goals (SDGs). Given the rising demand for ethically produced, locally made products, this sector — with the lowest carbon footprint of any major industry (Chatterjee, 2020) — has the potential to meet the future needs of sustainable production and consumption.



**The artisan sector meets 11 out of the 17 Sustainable Development Goals.**

# Why the Business of Handmade?

Social and creative enterprises in the artisan sector produce for every human whim and desire — home decor, fashion and accessories, architecture, travel, toys and entertainment, luxury products, and more. They draw from a portfolio of over 3000 craft traditions (Kennedy, 2020), spread across India. Some even use processes that date as far back as 2500 BC (Tiwari & Dhakad, 2020). In contrast to mass-manufactured products, every handmade creation is unique, and carries the signature of the maker — the artisan. Products are shaped by the interplay of beliefs, histories, materialities, and unique processes. Craft is intertwined with daily rituals, woven deeply into a community's social fabric. The models of production in the artisan sector also offer exemplary examples of tried and tested, replicable pathways that respond to today's call for more 'green' and 'inclusive' economic growth.

This research explores informality through the eyes of formal, craft-based enterprises. Here, creative business and entrepreneurship become the lens through which we understand the intertwined nature of formal-informal linkages which do not operate in silos in India's artisan economy. This is important because India is one of the youngest countries in the world — half its population is under the age of 25 (Sharma, 2017). While 65% of India's population lives in rural areas across the country (The World Bank, 2018), most new jobs remain urban-centric, naturally leading to migration. With 90 million new jobs needed in the non-farm sector by 2030 (Sankhe et al, 2020), there is an urgent need to revisit the role of India's formal craft-led enterprises — usually micro, small, and medium in size — as key bridges between informal and formal economies.

CRAFT TRADITIONS

**3000+**

POPULATION LIVING  
IN RURAL INDIA

**65%**

NEW JOBS NEEDED IN  
NON-FARM SECTOR BY 2030

**90 Million**



Unlike many countries in the Global North, craft is the manifestation of India's identity, "a 5,000-year-old extant, unbroken, well-documented, civilizational, cultural heritage"

— SHARADA RAMANATHAN, THE HINDU, 2012

# From Craft-Power to Craft-Poor

India was the world's largest economy between 1000 A.D. to 1700 A.D. (Maddison, 2003), producing almost 25% of the global industrial output. **Agriculture and the artisan sector dominated this landscape.** Scaffolded by indigenous technologies and innovations, India's diverse communities produced raw materials, textiles, metalware, and food products for local and global audiences.

In the 1700s, India's agricultural and labour-intensive manufacturing economy became increasingly vulnerable (Shah et. al, 2015, Williamson, 2013). A colonised India was forced to abandon its self-sustaining practices to become reluctant consumers of British-manufactured products. India's high quality exports were either banned or heavily taxed while British goods made up 3/4 of India's imports. Its artisans were compelled to deliver popular cottons and silks at below market rates, and its farmers were pushed to adopt agricultural practices that were untenable to meet Europe's demand in exports.



India's approaches were described as "barbaric and backward in European theory" (Shah et. al, 2015) and a highly organised sector was steadily destroyed, leaving home-based industries to barely survive. Even if India wanted to keep up with the industrial revolution and the innovations of the West, it could not.



Three centuries later, the economic breakdown of a nation was seemingly incurable—in 1950, India's share of the world GDP was a mere 4.2% (Maddison, 2003).



# Scope of the Research

**Business of Handmade** is a qualitative study that explores the relationship between the informal economy and the cultural economy through the eyes of 12 formal, craft-based enterprises of varying sizes, working with India's artisan communities. These are Jaipur Rugs, Industree, rangSutra, Kadam + Kadam Haat, Commitment to Kashmir (CtoK), iTokri, Varnam Craft Collective, P-Tal, Xuta, Fab Creation, Neel Batik + Rainbow Textiles and Viko Ethnic Production. Through their stories, we engaged with the micro to medium size spectrum, diverse geographies, and varied approaches — for-profit, not-for-profit, social enterprise, design-led, artisan-led, and producer-owned. The study attempts to map the vast and often intertwined ecosystem of networks, customs, and conventions that shape how decisions are taken, resources organised, and profits shared. From scalable worker-ownership approaches, to co-created solutions addressing sustainable production, from models that 'emote' to those that want to resist the "McDonaldization" (Ritzer, 1993) of craft, the report illustrates how entrepreneurial action bridges the gap between the formal and the informal.

The research presents a uniquely Global South perspective into the nuances of informality, inclusion, language, gender, skill, etc. within creative cultures in the Global South. It also offers pathways to embed the logic and systems of informal creative cultures into more formal pipelines. Ultimately, **Business of Handmade** attempts to propose a conceptual reframing of inclusive business practices by drawing from the experience of India's artisan sector.

## Small is Beautiful in the World of Informality

The Sixth Economic Census (2013-14) reiterates that India is the land of micro-enterprises i.e. small businesses that employ between 2-9 people (Mehrotra, 2019). Of its 6.34 crore enterprises, 'own-account enterprises' run by households in informal, non-agricultural, and mostly rural settings, without hired workers, account for 84% of all enterprises. (Mahajan, 2020; MOSPI, 2018). Only 20% of all entrepreneurs in India are women (Bain & Co, 2019); 90% of whom run micro-enterprises (Mahajan, 2020). 81% of informal enterprises owned by women are home-based and are usually less capital intensive (Chen, 2012).

**Of the 5600+ micro, small, and medium enterprise (MSME) clusters operating in the country, over 3000 of them are craft-based (Mahajan, 2020).**

Such enterprises adapt to local needs and contexts, and they also navigate labour relationships differently by recognising that an artisan could be a wage-worker and a home-worker, a self-employed entrepreneur, or a part-time job-seeker. Therefore, the idea of scale is achieved more often than not through informal and decentralised collectivisation — Self-Help Groups, Co-operatives, and Producer-Ownership. It is this growing tribe of small businesses and MSMEs that play a pivotal role in bridging the language and resource gaps for dispersed artisan communities.



SECTION

2

# Snapshots of Enterprises



# Viko Ethnic Production

Artisan-Owned • For-Profit • B2B2C

A woman-owned, artisan enterprise creating value for Naga culture and weaves



## FOUNDER

Vekuvolu Dozo

## STARTED IN

2019

## CRAFT TRADITIONS

Backstrap or Loin Loom Weaving

## ARTISANS

13

## PRODUCTS

Home Furnishings & Accessories

## LIVES

IMPACTED  
N/A

## LOCATION

Nagaland

## YOY GROWTH

N/A

## SDGs

N/A



*“For me personally, becoming a small entrepreneur has been extremely fruitful. I understand the importance of using sustainable methods when creating textiles and the need for exposure to online business. It is entirely on us to bring new value to the craft while remaining rooted to our culture.”*

— VEKUVOLU DOZO, FOUNDER

## What Exists

- Access to Upskilling
- Access to Rural Networks
- Access to Local Markets

## What's Needed

- Networks (Global/Local/National)
- Marketplace Reach
- Working Capital
- Investment

# Rainbow Textiles + Neel Batik

Artisan-Owned • For-Profit • B2B

A traditional artisan-entrepreneur modernising a 1000-year-old craft with new designs and natural dyes



## STARTED IN 2005

By Khatri Kasim Haji Moosa, Khatri Mohammad Haji Moosa & Late Khatri Aiyub Haji Moosa

## CRAFT TRADITIONS

Block Printed and Hand-Painted Batik

## ARTISANS

7

## PRODUCTS

Apparel, Fabric

## LIVES

IMPACTED

N/A

## LOCATION

Gujarat

## YOY GROWTH

N/A

## SDGs

N/A



*“Sometimes we don’t know what we are capable of until we are presented with an opportunity to find out. I didn’t think I had the capability of learning from teachers of such high calibre, until I joined Kala Raksha. Thanks to them, I got a whole new perspective and my approach to design changed.”*

— SHAKIL AHMED KHATRI, MANAGING PARTNER

## What Exists

- Access to Digital
- Access to Rural Networks
- Access to Local Markets
- Self-Sustainability

## What’s Needed

- Networks (Global/Local/National)
- Marketplace Reach
- Supportive State Policy
- Upskilling

# Fab Creation

Artisan-Owned • For-Profit • B2B2C

Gen-next artisans  
reimagining handloom



## FOUNDERS

Wasim Ansari, Rahat Ansari,  
Aasif Ansari, Mujammil  
Ansari, Nasir Ansari

## STARTED IN

2013

## CRAFT TRADITIONS

Handloom Weaving

## ARTISANS

50

## PRODUCTS

Sarees, Stoles and  
Dupattas

## LIVES

IMPACTED

500

## LOCATION

Madhya Pradesh

## SDGs

N/A

## YOY GROWTH

15% - 20%

“



*“Since childhood, we’ve seen our parents weaving; yet they wanted us to become doctors or engineers. So, we chased the corporate dream of 9-to-5 jobs, expensive clothes, air-conditioned offices, and cars. But, when we attended the course by WomenWeave, we realised that this is our craft and if we don’t own it, it will become extinct.”*

— FOUNDERS, FAB CREATION

## What Exists

- Access to Upskilling Frameworks
- Access to Design Support
- Access to Local Markets
- Access to Local + National Networks

## What’s Needed

- Networks (Global/Local/National)
- Marketplace Reach
- Supportive State Policy
- Upskilling
- Working Capital

# P-TAL

Social Enterprise • For-Profit • B2C

## Transforming labourers into micro-entrepreneurs



### FOUNDERS

Enactus SRCC &  
Kirti Goel

### STARTED IN

**2019**

### CRAFT TRADITIONS

*Thathiar* Craft -  
Handcrafting Brass  
and Copper Utensils

### ARTISANS

**42**

### PRODUCTS

Home Decor and  
Kitchenware

### LIVES

IMPACTED

**96**

### LOCATION

Punjab, Madhya  
Pradesh, Haryana

### YOY GROWTH

**375%**

### SDGs

1, 8, 9, 10, 11, 12

“

*“One of our mottos has always been to transform our artisans from labourers to entrepreneurs. Now, our artisans have even started investing in P-TAL; one of them invested ₹1 lakh (USD 1,350 approx) in an exhibition held in 2019.”*

— ADITYA AGRAWAL, CO-FOUNDER & CEO

### What Exists

- Access to Digital
- Access to Rural + Urban Networks
- Access to Local + National Markets
- Self-Sustainability

### What's Needed

- Working Capital
- Certifications & Compliances
- Business Mentorship
- Networks (Global)

# Varnam Craft Collective

Social Enterprise • For-Profit • B2B2C

Reviving a 200-year-old toy craft tradition using design-led innovation



## FOUNDER

Karthik Vaidyanathan

## STARTED IN

2011

## CRAFT TRADITIONS

Channapatna  
Lac-Turnery, Jaipur  
Block Printing, *Lambadi*  
Embroidery, *Bidriware*

## ARTISANS

40

## PRODUCTS

Wooden Toys, Home  
Accents, Fashion  
Accessories, Clothing

## LIVES

IMPACTED

200

## YOY GROWTH

N/A

## LOCATION

Karnataka, Tamil  
Nadu, Rajasthan

## SDGs

1, 2, 8, 11, 12



*“Our design-led innovation has led to people having greater respect for the craft. We have also noticed that many people in Channapatna have now started pricing their products at much higher costs, and are thrilled that artisans are making more money.”*

— KARTHIK VAIDYANATHAN, FOUNDER

## What Exists

- Product-Market Fit
- Innovation Support
- Access to Local + National Markets
- Access to Local + National Networks

## What's Needed

- Networks (Global/Local/National)
- Marketplace Reach
- Working Capital
- Investment
- Supportive State Policy
- Government Scheme Access

# Xuta Threadbank Initiative, Maati Community

Social Enterprise • B2B2C

A COVID-19 response thread bank initiative ties a weaving community together



## FOUNDERS

Pabitra and Rishi Sarmah

## STARTED IN

2020

## CRAFT TRADITIONS

Traditional Loom Weaving

## ARTISANS

70+

## PRODUCTS

Womenswear & Home Accessories

## LIVES

IMPACTED  
N/A

## LOCATION

Assam

## YOY GROWTH

N/A

## SDGs

1, 8, 9, 11, 12



*“We force these communities to speak a certain language for our ease. The problem is we want ‘our’ model to be adopted by them; why can’t their model be adopted by the world instead?”*

— RISHI SARMAH, FOUNDER

## What Exists

- Access to Rural + Urban Networks
- Access to Local Markets

## What’s Needed

- Networks (Global/Local/National)
- Marketplace Reach
- Working Capital
- Investment

# Commitment to Kashmir (CtoK)

Social Enterprise • Non-Profit • Incubator

An ecosystem enabler supporting artisan-entrepreneurs in Kashmir

## STARTED IN 2011

By Gulshan Nanda, Laila Tyabji, Gita Ram, Manjari Nirula, Rathi Jha, Ritu Sethi, Gopal Jain

## CRAFT TRADITIONS

Pashmina, *Kani*, Papier-Mâché (*Sakhta* and *Naqashi*), Copper, Wicker, Walnut Wood Carving, Wool Felting, Embroideries (*Ari*, *Sozni*, *Tilla*, Crewel and Chain Stitch), etc.

## PRODUCTS

Home Decor and Furnishings, Lifestyle Products, Gifts, Pashmina, Bags, Lighting

## LOCATION

Jammu and Kashmir

## YOY GROWTH

N/A

## LIVES

IMPACTED

1,500

## ARTISANS

250

## SDGs

1, 8, 10, 11, 12, 16, 17

### What Exists

- Access to Digital
- Access to Rural + Urban Networks
- Access to Local + National Markets



“



*“The only way you can truly support the artisan is to focus on all parts of the value chain, instead of just one or a few.”*

— GULSHAN NANDA, CHAIRPERSON

### What's Needed

- Marketplace Reach
- Working Capital
- Supportive State Policy
- Investment (CSR, Philanthropic)
- Govt Scheme Access

# iTokri

For-Profit • E-commerce • B2B2C

Curated e-store showcasing artisans, craftspeople, and nonprofits



## FOUNDERS

Nitin and Sakshi  
Pamnani

## STARTED IN

2011

## CRAFT TRADITIONS

Pan-India Crafts

## ARTISANS

500

## PRODUCTS

Textiles, Jewellery,  
Home Decor and other  
craft products

## LIVES

IMPACTED

15,000

## LOCATION

Madhya Pradesh (HQ)

## YOY GROWTH

67%

## SDGs

8, 9, 10, 12



*“If we have to understand and work with small businesses, we need to understand sustainability comes from decentralisation, not necessarily from operating from big cities.”*

— NITIN PAMNANI, CO-FOUNDER

## What Exists

- Access to Digital
- Access to Local Networks
- Access to Local + Global Markets
- Product-Market Fit

## What's Needed

- Business Mentorship
- Investment
- Networks (Global/Local/National)
- Innovation Support

# Kadam + Kadam Haat

Social Enterprise • Hybrid • B2B2C

From craft clusters to  
self-sustaining enterprises

## FOUNDERS

Payal Nath, Rajesh  
Nath, Pooja Ratnakar

## STARTED IN

2008

## CRAFT TRADITIONS

Basketry & Weaving  
using natural materials

## ARTISANS

462

## PRODUCTS

Baskets, Mats, Trays  
and other accessories

## LIVES

IMPACTED

6,000

## LOCATION

Jammu and Kashmir,  
Uttar Pradesh,  
Odisha, West Bengal

## YOY GROWTH

45%

## SDGs

1, 2, 5, 8, 10, 11, 12, 15



*“Artisans do not like to take charity because they respect their craft. They need allies who will help make the profession mainstream so that their children can sustain their cultural heritage and pursue this seriously. Economic and social empowerment go hand-in-hand.”*

— PAYAL NATH, CO-FOUNDER

## What Exists

- Access to Digital
- Access to Design Support
- Access to Local + National Networks
- Access to Local / National Markets

## What's Needed

- Working Capital
- Investment
- Business Mentorship
- Marketplace Reach
- Certifications & Compliances

# rangSutra

Worker-Owned • Social Enterprise • B2B2C

## Transforming rural artisans into shareholders



### FOUNDERS

Sumita Ghose, Ritu Suri,  
Rahul Sen + 1,000  
artisans (80% women)

### STARTED IN

**2006**

### CRAFT TRADITIONS

Appliqué, Embroidery,  
Handloom Weaving, Tie &  
Dye, Block Printing

### ARTISANS

**3,000**

### PRODUCTS

Home Furnishings,  
Clothing, Accessories

### LIVES

IMPACTED

**20,000**

### LOCATION

Rajasthan, Uttar Pradesh,  
Kashmir, Delhi, Manipur,  
Maharashtra

### YOY GROWTH

**19%**

### SDGs

1, 4, 8, 10, 12



*“We have decided that at any point in time, more than 50% of our board members would comprise artisans.”*

— SUMITA GHOSE, CO-FOUNDER

### What Exists

- Access to Digital
- Access to Design Support
- Access to Local + National Networks
- Access to Local + National Markets

### What's Needed

- Supportive Policy
- Access to Innovation Support
- Investment
- Working Capital
- Networks (Global/Local/National)

# Industree Crafts Foundation

Non-Profit • Producer-Owned • B2B

Tackling poverty through a creative manufacturing ecosystem



## FOUNDERS

Neelam Chhiber  
& Gita Ram

## STARTED IN

2000

## CRAFT TRADITIONS

Basketry, Weaving,  
Embroidery

## ARTISANS

4,365

## PRODUCTS

Baskets, Home and  
Lifestyle Accessories,  
Clothing

## LIVES

IMPACTED

30,000

## LOCATION

**India** - Karnataka,  
Tamil Nadu, Odisha,  
Rajasthan, Maharashtra  
**Ethiopia**

## YOY GROWTH

110%

## SDGs

1, 3, 4, 5, 8, 9,  
10, 12, 17



*“I believe we cannot profess love for this sector without remembering that artisan work was always self owned. At Industree, we’ve only tried to keep two principles of traditional handicraft as a culture — one is co-ownership and the other is co-creation with the artisan.”*

— NEELAM CHHIBER, CO-FOUNDER & MANAGING TRUSTEE

## What Exists

- Innovation Support
- Access to Local + National Networks
- Access to Local + National Markets

## What’s Needed

- Investment
- Marketplace Reach
- Supportive State Policy

# Jaipur Rugs

Social Enterprise • For-profit • B2B2C

Pioneering a whole new approach to  
doorstep entrepreneurship for rural  
artisans



## FOUNDER

Nand Kishore  
Chaudhary

## STARTED IN

1978

## CRAFT TRADITIONS

Weaving

## ARTISANS

40,000

## PRODUCTS

Hand-Knotted Rugs

## LIVES

IMPACTED

2.73L+

## LOCATION

Rajasthan, Uttar  
Pradesh, Gujarat

## YOY GROWTH

10%

## SDGs

1, 2, 3, 5, 8, 12



*“There is a need to transfer greater ownership to the grassroots level. We want to develop more good leaders and empower them to take the right decisions. They can take care of profits and take care of society. Profits mean more efficiency, and better systems.”*

— N K CHAUDHARY, FOUNDER

## What Exists

- Access to Digital
- Access to Local + Global Networks
- Access to Local + Global Markets
- Access to Product-Market Fit

## What's Needed

- Networks (Global/Local/National)
- Marketplace Reach
- Innovation
- Business Mentorship
- Upskilling
- Certification & Compliance

# Importance of the Artisan Sector

PEOPLE (MOSTLY UNDOCUMENTED)

200+ million



YOY GROWTH IN EXPORT OF HANDMADE

20%

65%

INDIANS BELOW THE AGE OF 35

LIVING EXPENSES PER DAY

<\$2



2nd

LARGEST EMPLOYER AFTER AGRICULTURE

GLOBAL MARKET

\$1 trillion



WOMEN'S PARTICIPATION

50%



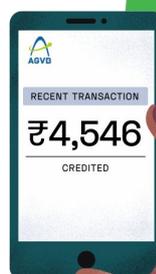
MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs) IN THE NON-FARM SECTOR

6+ million



INTERNET PENETRATION IN RURAL AREAS POST COVID

50%





SECTION

3

# Many Informalities of Handmade

Voices from the Ground



# The Original Gig Workers

Artisan-producers are the original players of the global gig economy; they are often self-employed or home-workers who do not work in cubicles from 9 am to 5 pm. The motivation and benefits for operating within the informal sector are many.



## Pro-Flexibility

Artisans are much like people who work at a restaurant during the day, are actors in the evening, and Uber drivers at night. Most artisan communities in India engage with craft-based work alongside agriculture for self-consumption. Flexibility of work is one of the primary motivators to pursue craft. The founders of Fab Creation share, *“Weaving is considered ‘kingly’ work — work when you want and have time; and you get whatever you work for.”*

## Artisan Skills as a Safety-Net

Artisanal work, no doubt labour intensive, is often a deeply skilled exercise passed down over many generations (Sennett, 2009 ; Basole, 2012). Generational craft skills often become the default source of livelihood in rural communities that invariably lack access to formal facilities. *“Artisans have survived because they are still in the informal economy. They have survived under the radar, with minimal initial investments, and it’s just been a fallback method for the poorest of the poor...”* says Neelam Chhiber of Industree.

## Social Capital as Proxy for Regulation

Trust and familiarity are cornerstones of local economies. Given that most craft-led enterprises are family-run, and ‘micro’, *“...the code of labour engagement, employer–employee relation, security, working conditions, etc., is constructed within a framework of social, familial, ethnic, caste ties of reciprocity, mutualism and trust”* (Mahajan, 2020).

Jaya Jaitley, founder of Dastkari Haat Samiti remarks, *“Will a tribal terracotta tile maker in Madhya Pradesh make a roof for his neighbouring farmer who gives him grain and then charge tax?”* Anecdotal evidence also reveals that artisans find the “industrialized framework” at odds with “... their [often-indigenous] culture in terms of their life, labor, and craft” (Chappe & Jaramillo, 2019).

## Information & Trust Deficits

In India, there are many government schemes<sup>1</sup> offering artisans some social protection. But owing to massive information gaps (language, literacy) and bureaucracy, very few artisans are aware of what is available and how to access it. In cases where there is interest, there is a lack of trust in mainstream formal approaches.

Co-Founder of P-TAL, Aditya Agrawal shares — *“The Thathera community were not ready to see or sign documents. They insisted, ‘We are afraid that you will make us sign something else.’”*

Craft-led enterprises often act as intermediaries helping rural artisans navigate the informal-formal continuum.



## Hard-to-Reach

Mainstream formal jobs and structures haven't penetrated remote geographies. In certain cases this is the direct result of political turmoil disrupting linkages to formal institutions and facilities. For instance, in the Kashmir Valley, strife and unrest have historically discouraged private sector investment and resulted in unemployment.



*“Craft is the only way. At least the people are self-employed and earning a living. So, informality is required hundred percent.”*

— SHRUTI JAGOTA, CTOK

The dispersed nature of rural communities also makes centralised operations challenging. However, informal craft-based work lends itself very well to micro-entrepreneurship where centralised operations are challenging. Craft-led enterprises recognise this and sustain informality by organising artisans in small producer groups and offering common spaces for work. Such approaches also enable women from these communities to, *“...get away from the confines of their home to a place where they learn new skills and take ownership for their work. It increases their confidence, participation, and incomes.”* says Sumita Ghose of rangSutra.

<sup>1</sup> Dastkar Shashktikaran Yojna (2021), National Handicraft Development Programme (2021), Ambedkar Hastshilp Vikas Yojana (2019), etc.

# The Invisible Sex at Work

The big confusion around the size and scope of the artisan sector is rooted in the discounting of invisible labour. *“No one is ever able to say that we have 200 or 20 million artisans because 30% to 50% of the work is unpaid labour by women. They're completely unenumerated and their contribution to the GDP is not taken into account;”* says Neelam Chhiber of Industree.

## Gendered Roles

Successful formal integration in the artisan sector is not possible unless it addresses systemic challenges faced by women artisans. Women artisans suffer from acute time-poverty (Ghosh, 2020; Kapur, 2017) as they squeeze in time to weave a basket or a stole while juggling multiple roles and responsibilities.



*“In most cases, since craft is a household activity, they don't even get paid.”*

— PAYAL NATH, KADAM

Talent notwithstanding, in volatile geographies like Kashmir, women are discouraged from pursuing entrepreneurship despite being highly qualified since this would mean stepping out amidst political strife. Eventually, when women run out of choices and turn to craft, they are relegated to the sidelines. Menial jobs that are labour intensive usually fall in the woman's bucket. Payal Nath of Kadam acknowledges that while things are changing, sometimes formal government schemes list only the men as artisans even though women do the work.

## Undervalued Talent

Women's skills remain unrecognised and unpaid in the informal economy even though they perform crucial functions in the production cycle; it continues to be viewed as an 'activity' without opportunity cost (Kremer & Chen, 1999; Basole, 2012). In Pashmina weaving, for example, women are involved in ancillary activities — spinning of yarn, cleaning, and dyeing. In papier-mâché, they are entrusted with sanding down the product. In the brass-metal craft pursued by the male-led Thathera community, *“...women look after quality inspection and packaging. Sometimes they also suggest designs”*, says Aditya Agrawal of P-TAL. For enterprises like Industree, Kadam, and Varnam, the decision to work with women artisans is a sound business decision as they tend to be more flexible and open to experimentation. *“We work primarily with women-centric crafts because a spirit of co-working is far more fertile in women, thanks to the government's efforts with SHGs over the last 30 years”* says Chhiber.



## Social Constraints & Patriarchy

The female adult literacy rate in rural areas is only 50.6% (MOSPI, 2016). Often, work that is done outside household chores is met with great suspicion in certain communities in India. *“They need to explain to their men why they go out for 2-3 hours daily or assemble in a community center, especially for training or production. The expectation also is that if you’re away for X number of hours, the take-home will be X x 100 rupees.”* shares Payal Nath of Kadam. Lack of agency or say in pursuing craft or any activity as a career hurts most women. For Vaidyanathan of Varnam, this also impacts his business. *“We’ve lost some fantastic artisans to marriage because once they get married, women don’t continue. If their husbands tell them to work, they do. If they ask them them not to work, they don’t.”*



## Work From Home

Given the social restrictions on their mobility, many women prefer home or community based employment opportunities, which informal craft-based work allows. rangSutra’s women artisans embroider out of their homes or village centers, Jaipur Rugs’ creative workforce weaves rugs from their homes, and Industree’s women-led workforce make baskets out of their homes or in community centers. These enterprises take work to doorsteps — the raw-materials to finished-product value chain does not demand that women leave their homes. *“It is very difficult to get the woman out of her house. We decided to convert their verandahs, the space where they normally sit, gossip and drink tea, into their work space”* says Rishi Sarmah of Xuta.

## Money Brings Independence

Craft-based work is often women artisans’ first tryst with financial independence and also their only entry point to a differently formal workplace. For 30-year-old Maina Payeng, a mother of four who works with Xuta, the steady income has brought respect and validation; her husband now helps with domestic work. In the case of Jaipur Rugs, their women artisans-turned-designers are travelling all over the world, collecting awards.

“



*“Their horizons have broadened. They are now sending their children to private schools and do not want to get them married off early.”*

— YASH RANGA, HEAD, JAIPUR RUGS FOUNDATION

# Challenges along the Way

The journey from the raw material to consumers in the artisan sector is complex owing to unique socio-cultural factors. Most formal frameworks do not recognise this and follow market-driven processes and siloed implementation of interventions.

## Raw Materials & Authenticity

Access to good quality raw materials is one of the biggest challenges among artisans and enterprises. *“Today if you're a silk handloom sari weaver, there's absolutely no way to ascertain that your supply of 1000 meters is 100% silk,”* says Neelam Chhiber of Industree. Easing restrictions on silk imports has also forced traditional weaving clusters to favour cheap, unsustainable yarns to reduce prices. In Varanasi, it is not uncommon to find “Chinese-made, Banarasi saris” (Kala, 2016) in local shops. This crisis of authenticity is a direct result of unimaginative policies and lack of clear sectoral focus. *“We need a raw material practice like Southeast Asian countries where the material is graded and distributed. If we can create raw material banks at different village levels, many more exporters, artisans, and enterprises can utilise them.”* says Payal Nath of Kadam.

## Lack of Infrastructure

Supply chain logistics, often, do not serve most rural areas in India. Climate change, difficult terrains, and natural disasters, further aggravate connectivity issues. In Kashmir, for example, *“there is no packaging infrastructure and everything is triple the price of what you get elsewhere. Amazon doesn't deliver to all the pin codes either. If it's very cold, flights get*

*cancelled, so couriers can't go out. If there is a curfew, work is stalled.”* shares Shruti Jagota of CtoK. Similar challenges crop up when it comes to accessing banking. In dispersed rural communities, operating a bank account often involves travelling far from the village; for artisans this means loss of income for the day. *“On days when a bank representative does come to the village, all artisans are expected to withdraw money at the same time. Banks are not going to come to the village for individuals,”* says Rishi Sarmah of Xuta.

## Middlemen & the Markets

Given the lack of interconnected ecosystems in the artisan sector, exposure to consumer tastes, global trends, and markets remains limited. Most artisans rarely step out of the village or interact directly with consumers. In many cases, ‘traditional middlemen’, who typically act as the go-between the artisan and the market, limit the ability of individual artisans to negotiate from a position of strength. This creates a deficit of confidence and awareness. The Thathera community in Punjab is a stark example. According to Aditya Agrawal of P-TAL, *“There was lack of trust and organisation. Access to markets was blocked because of exploitative middlemen. Most importantly, the artisans themselves termed each other ‘labourers’”*. Increasingly, formal enterprises are stepping in to take over ‘middle functions’ and professionalising the process within the farm to product pipeline.

## Pricing & Transparency

In India, skilled and unskilled artisans, much like gig workers, are paid either piece-rate<sup>2</sup> or hourly-wages<sup>3</sup>. The average share of each actor — middlemen, designers, MSMEs, markets — remains unclear. 80% of homeworkers who undertake piece-rate work are women (Mehrotra and Biggeri, 2007). A 2011 survey by the Crafts Council of India indicated, *“Piece-rate payment dominated and 40% of artisans reported 250-300 days of craft activity annually, influenced primarily by rainfall.”* The current valuation system lacks transparency and by not accounting value accurately, it further relegates the sector to the ‘informal’ ghetto. This is why even as prices of handmade products have increased over time, profits do not filter down to the artisans.

## Digital Marketplace Access

Yash Ranga of Jaipur Rugs shares that incentivising rural communities to adopt technology is challenging — *“It does not matter if you have a super progressive mindset at the HQ if people at the grassroots are not ready to step out of their comfort zones”*. Mindset is also linked to literacy and access. The Improving Livelihoods Of Rural Weavers Through Digital Training Survey (DEF, 2020) which mapped 974 artisans across eight states, foregrounds several knowledge gaps<sup>4</sup> associated with technology. *The Connected Women: A Mobile Gender Gap Report* (2019) further indicates that only 21% of women reportedly use mobile internet services, despite 63% of women owning mobile phones. Rural women artisans are the minority even in this. Given that the rural artisan demographic is at the periphery of access to IT, they are not a priority consumer base for tech-led start-ups. This too impedes digital adoption.

## Access to Finance

One way of infusing much-needed momentum in India’s artisan-led production is to bridge the gaps in access to finance for MSMEs (Kasad, 2020). rangSutra founder Sumita Ghose shares that working capital is a major roadblock — *“When we get orders, we need money to buy raw materials, pay salaries, etc. But the total paid-up capital we have is less than ₹70 lakhs (USD 93,600 approx). While most banks will give us a loan that is four times that amount, we need at least 10 times more.”* Karthik Vaidyanathan from Varnam adds, *“Job basics like health insurance are not good enough because everybody wants a better life — better education, a two-wheeler, etc. — little luxuries that small enterprises like mine cannot offer, unless we get access to working capital.”* Most credit facilities also do not understand that rural artisans and women entrepreneurs view risk very differently and their financial transactions are trust-based.

Lack of small scale government loans and advances at minimal rates leads to a default reliance on private money-lending to the tune of ₹35,000 crores with interest rates ranging from 18% - 24% (Outlook Web Bureau, 2017). Informal systems of credit i.e. *udhaari* currently anchor the value chain (Chowdhury, 2017); there is a tacit understanding that money will only be paid post sale. In parallel, many enterprises find that even if capital is made available to artisan communities, they lack the knowledge to manage it. This is where collectivisation via SHGs and upskilling linked to a formal enterprise prove beneficial.

<sup>2</sup> The piece-rate work-model pays a flat rate for a commission regardless of how labour intensive it is.

<sup>3</sup> The hour-wage model accounts for the time an artisan has put into a piece of work.

<sup>4</sup> Language, mobile connectivity, individual motivations, copyright, and data protection

# The Hits and Misses of Policy

An artisan-friendly policy is yet to be conceived or drafted in India. *“Today, whatever policy exists for the artisan sector is geared towards donation, not upliftment of the craft or marketing it. Policy makers need to move away from ‘copy paste’ approaches for the artisan sector.”* says Nitin Pamnani of iTokri.

## The Data Crisis

Measured 65 years after India’s independence, official figures accounted for 7 million artisans (GOI, 2021). Unofficial figures indicate over 200 million people (Dasra, 2013) depend on craft for their livelihoods. *“We know for a fact that 60% of the population in Kashmir currently practices craft. Either you’re making it or you’re part of the ancillary industry or you’re marketing it. But there’s no data.”* says Shruti Jagota of Ctok.

The more intuitive and informal networks of cooperation like *“...the barter system do not even reflect anywhere in the GDP or in any data set; we don’t know how to record it.”* says Payal Nath from Kadam. Additionally, there are numerous contradictory data sets which make it extremely challenging for stakeholders to design initiatives for impact (Chatterjee, 2020). While export data is continuously tracked, updated by EPCH, there is little or no data available around domestic production and consumption (AIACA, 2017).

<sup>5</sup> A satellite account is a term developed by the United Nations to measure the size of economic sectors that are not defined as industries in national accounts.

<sup>6</sup> Also mentioned in the Working Group Report of the 12th Five Year Plan.

## Have Will But No Way

The 12th Five Year Plan positioned the handmade sector to become “...the largest non-farm sector in rural India, swelling its workforce by 10 percent, doubling output and exporting 18 percent more during 2012-17” (Chatterjee, 2020). The 12th Plan working group also proposed the creation of the ‘Handcrafted in India’ brand on a large scale which still hasn’t received much momentum. In 2013, *The Sixth Economic Census* mapped only those crafts listed under the MoT after sustained advocacy by the Crafts Council of India resulting in MOSPI’s recommendation for a “...Satellite Account<sup>5</sup> specific to ‘handmade in India’ for assessing the contribution of this important sector” to the national economy (CSO, 2016). As discussed at length in this report, the models of mass/scale manufacturing drive language and terms of eligibility. *“Our terminology comes from an industrial mindset. Craft is seasonal and deeply connected with the climate and geography and always created for the self-sustainability of local economies. Handmade production was never meant to be scaled up,”* says Pamnani. Maureen Liebl and Tirthankar Roy (2003) too highlight the lack of attention to such a huge section of the Indian economy, “...artisanal skills do not command the recognition and respect they deserve.”

## Compliance and Certifications

According to EPCH<sup>6</sup>, “70% of Indian handmade exports are to compliance conscious global markets” (AIACA, 2017). Compliance to international standards, therefore, is emerging as a key determinant of the competitiveness and reach of handicraft exports. However,

certifications, track and trace mechanisms specific to the handmade sector are only offered by Craftmark, and Vriksh, who are independent actors. Informal systems also make it harder to trace necessary data on compliance requirements related to social protection, working conditions, carbon footprint, etc.

## Discriminatory Policies

India's artisan sector has borne the brunt of discriminatory policies for decades (Deshpande, 2017). As early as 1985, budget allocations for the handloom sector were reduced from 27.54% of the total textile budget in 1997-98; to 7.83% in 2019-20 despite the fact that 95% of the global handloom production comes from India (Reddy, 2009). Disparities between farm and non-farm sectors also impede true inclusion. For example, NABARD, a government-run rural development bank, mandated the formation of 2000 FPOs in 2014-15, with each beneficiary receiving a subsidy of ₹40 Lakhs (USD 53,500 approx) (NABARD, 2020). The same does not apply for non-farm based activities even though, of the 6 million non-farm MSMEs (Mahajan, 2020), craft-led enterprises dominate the space. Handlooms are also made more vulnerable in the absence of IP protection as powerlooms remain unchecked while they duplicate handloom designs like those of Kashmiri Pashminas. This jeopardises the survival of authentic creators.

## Taxing the Underserved

In a bid to bring the largely informal artisan economy under a formal tax regime, GST was introduced in 2017. For the first time since independence, several handmade products were taxed<sup>7</sup> upto 18% (Ministry of Finance, Dept of Revenue, 2020). Artisan-producers, however small, were required to pay taxes on raw materials — yarn, colours — and processes at every stage, making the final product much more expensive. Given the very low literacy rates and awareness, compliance that required filing

of forms on a regular basis was yet another blow to the informal artisan. A 2017 survey by Dastkari Haat Samiti and Craft Revival Trust revealed that 75% of artisans did not know if their handmade products were taxable, and 90% did not know how to claim refunds. Also, 78% of India's population earns less than ₹5,000 (USD 69 approx) per month making them non taxable (Mastani, 2017). As a result, partially literate artisan communities who could not meet compliance requirements found themselves excluded from marketplaces almost overnight, or turning to corrupt touts to be able to “formalize” (Sehgal, 2017). The absence of an enabling tax and fiscal environment remains a significant inhibitor to formalisation.



***“It is very difficult to run an ethical, local, ‘Made in India’ business in this country. And to add to this, demonetisation and GST have made things that much harder.”***

— KARTHIK VAIDYANATHAN, VARNAM



<sup>7</sup> After much advocacy, 29 craft-based products were allowed 0% tax.

## Who Speaks for Artisans?

There are at least 10 government ministries — Ministry of Micro, Small and Medium Enterprises (MSME), Ministry of Rural Development, Ministry of Culture, Ministry of Tribal Affairs, etc. — that oversee policy interventions in India’s artisan sector with a multitude of schemes under each department. It comes as no surprise that there is an absence of “...*efficient conceptualization of programmes, budgetary allocations and promotion and branding of Indian crafts for all the sectors in a unified manner*” owing to artificial administrative divisions “...*between handlooms, handicrafts, khadi, coir, micro-industries and other cottage industries*” (GOI, 2012).

In 2020, the dissolution of the All India Handloom and Handicrafts Boards — set up over 70 years ago to represent artisan communities and guide sectoral investment — created a massive vacuum. Shakil Khatri’s costs of production have increased due to changes in policy but he has no means to present his point of view — “*We use a lot of wax in our craft and the government used to subsidise it. Now they have stopped*”. Lack of active mediation and collaboration between diverse stakeholders makes it impossible to enable the informal artisan economy to engage with formal policy structures. Rishi Sarmah of Xuta laments the fact that government-run programmes demand “...*a lot of documentation. Communities never access these programmes if they have to fabricate/produce such paperwork or even maintain it.*” Yash Ranga of Jaipur Rugs emphasises, “...*efforts haven’t been made to develop the sector as an industry, in spite of it having a billion dollar market globally.*”



***“Artisans by nature are entrepreneurs. Unfortunately, there are very few representative bodies that actually speak for them. The net result is that the Skill Development Ministry hasn’t ever addressed their entrepreneurship potential.”***

— NEELAM CHHIBER, INDUSTREE

## Significant Schemes

- 1 AMBEDKAR HASTSHILP VIKAS YOJNA
- 2 USTAAD SCHEME FOR TRADITIONAL ARTISANS
- 3 MEGA CLUSTER SCHEME
- 4 MARKETING SUPPORT AND SERVICES SCHEME
- 5 RESEARCH AND DEVELOPMENT SCHEME
- 6 SFURTI — SCHEME OF FUND FOR REGENERATION OF TRADITIONAL INDUSTRIES
- 7 LOAN SCHEMES FOR ARTISANS — SHISHU, KISHOR, TARUN
- 8 INSURANCE SCHEMES — PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA, PRADHAN MANTRI SURKASHI BIMA YOJANA
- 9 ASPIRE — A SCHEME FOR PROMOTION OF INNOVATION, RURAL INDUSTRIES AND ENTREPRENEURSHIP

# Future of Creative Work in The Artisan Economy



Modern manufacturing alone cannot help us meet Global Goals given that its homogenised and centralised approaches further deepen societal inequalities. In contrast, the ethos of craft-based production is rooted in balancing economic, social, cultural, and natural capital. It is the original circular economy. *“Government and CSR schemes support people only when they fit certain criteria such as education, food, eradicating poverty, etc. But supporting the crafts also means addressing these issues”* asserts Karthik Vaidyanathan of Varnam.

## Home-Grown Models for Jobs

Business approaches in India's handmade sector have the potential to inform global discourse on regenerative economies and to bring informal cultures into the New Formal<sup>8</sup>. Home-grown ideas like Jaipur Rugs' doorstep entrepreneurship, Industree's creative manufacturing model — 6C, Kadam's 13-step pathway, and CtoK's integrated 360 degree approach are built around challenges posed by informality and culture. They create jobs for communities that are differently-skilled, low-literate, and traditionally marginalised. Payal Nath of Kadam believes that craft is a powerful engine for livelihood creation.

## Putting Power in Women's Hands

The immense capacity of craft-based work to drive gender inclusion is particularly notable. Xuta's women weavers are going beyond weaving handloom stoles to reinvesting their income in other micro businesses like piggeries and fish farming. Kadam's women are speaking up at

forums and reclaiming their place in village governance. rangSutra's unique worker-owned model came with 10,000 artisans investing ₹100 each (~\$1.5). 15 years after rangSutra's artisan Gita Devi bought her first share at ₹100 (~\$1.5), its value has gone upto ₹1,000 (~\$14).



*“It started with 10 or 20 women and soon there were 25 women. Today in my village, there are two groups of women numbering 110, all working in embroidery. Some women cover all of their household expenses this way.”*

— BADILI BAI, ARTISAN, RANGSUTRA

Industree has an ambitious goal of employing 100 million women over the next five years. To build self-reliance among their women artisans, one of Jaipur Rugs' partnerships focused on bringing social entrepreneurship to the grassroots. They were able to build a new cadre of women leaders under the *Bunkar Sakhi* (Weaver Companion) initiative.

<sup>8</sup> A critical category that is being proposed as part of this study. It represents a dynamic interplay or midway point for the formal and informal while drawing upon best practices from both. See Section 4 for a detailed discussion.

## Co-Ownership for Reduced Inequalities

Craft-based enterprises recognise that unless it is a win-win, artisans do not have a reason to work with them. rangSutra and Industree are models where artisans are co-owners. *“Craft can uplift large numbers of people out of poverty and we have shown that you can do business, make profits, and it can be shared with all across the chain,”* says Sumita Ghose of rangSutra.

Neelam Chhiber of Industree says, *“Just because one comes in as a designer, it doesn't mean they deserve a bigger share of the IP. It is time to look at models where you own 51% of the brand. Can you give 49% to the producers? This is not altruistic but mainstream thinking; the only way you will preserve and scale your enterprise for your next generation or for your next investor.”*

Reverse migration to villages, in the wake of COVID-19, further strengthens the case for distributed manufacturing because formal enterprises with decentralised models survived the pandemic; as did their artisans.

## Impactful, Localised Education

Craft is a way of thinking-through-doing (Adamson, 2007; Zhan & Walker, 2019). Often interactions with craft-led enterprises and institutions kickstart formal integration for many artisan communities. The artisan-founders of Fab Creation found renewed confidence in their craft legacy (weaving) and learned to apply traditional skills differently after attending a course at **The Handloom School** run by the social enterprise WomenWeave.

Tata Trusts' **Antaran Initiative** helped Vekuvolu tap into her own potential and connect with the world outside Nagaland. The positive impact of context-based, design education can also be seen in batik artisan-entrepreneur Shakil Khatri's case. He received education at the world's first design school for traditional artisans *Kala Raksha*

*Vidhyalaya*<sup>9</sup> and that helped him build a niche for himself by experimenting with new ideas, materials, and concepts for his generational business. It also helped build links to appropriate, appreciative markets.

## Partnerships of the Future

An example of a productive interface between formal and informal actors is global conglomerate Ikea's partnership with rangSutra and Industree Foundation. Attending one of rangSutra's upskilling workshops for women artisan leaders sowed the seeds of the **Hantverk Initiative** that primarily supports next-gen, women-led, social enterprises.

Such partnerships create two-way learning and enable many more informal communities to be integrated into formal ecosystems. *“Even though we exported large orders before, there would be no second order. Buyers hop fairs and there is no incentive to be regular with a vendor. The regularity and commitment with IKEA over eight years has been extremely pivotal to building our model,”* shares Chhiber of Industree.

Yash Ranga of Jaipur Rugs also speaks of formal-informal partnerships as the way forward. *“When I say collaboration, I not only mean intra-sector collaborations, but across other sectors too. When we partnered with HCL Foundation, we learned how to bring the technology mindset to the grassroots. When you work with an industry leader in a particular domain you can learn a lot.”*

<sup>9</sup> *The Kutch-based design education program founded and developed by Ashoka Fellow Judy Frater now operates as Somaiya Kala Vidya, which offers year-long design and business management courses for artisans.*

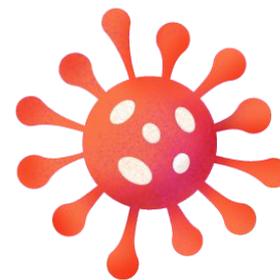
## Decent Work and Economic Growth

Jaipur Rugs' hugely successful social impact model has become the bedrock of their partnership with the Rajasthan government. Their recent intervention, **Freedom Manchaha** (freedom to pursue the heart's desire), introduces prison inmates to the tradition of rug weaving and encourages them to develop their own designs. Profits from sales are divided between the families of the victims and the incarcerated individuals. Creative work, thus, becomes the basis of economic and mental well-being and a route to formalising.

P-TAL, on the other hand, is now expanding its scope by partnering with AirBnb and local stakeholders. *"Our aim is to develop Jandiala Guru as a cultural and tourism hub; to not just focus on our artisans, but also the development of their workplaces, the area around them, and where they live,"* says Aditya Agrawal.



# Moving out of Siloes into Collaborations



## Pivoting Towards New Opportunity

While the pandemic wreaked havoc across the artisan economy, many artisans and enterprises created opportunities for themselves. iTokri converted much of its fabric stock into masks and shifted their focus towards utility-based products. Pabitra and Rishi Sarmah launched The Xuta Threadbank Initiative i.e. a repository of affordably priced yarn in Assam because they recognised the urgent need for consistent, good-quality yarn for women weavers.

## The Big Shift to Digital

The pandemic has accelerated the process of digital adoption for the artisan sector. Antaran, an initiative by Tata Trusts, quickly set up an online portal to drive sales benefitting artisan-entrepreneurs like Vekuvolu Dozo. *“I had a lot of support during the lockdown. My cushions got a phenomenal response, I made some very credible associations with customers and now get repeat orders.”* Around the time that COVID-19 hit, the special status for Jammu and Kashmir (under Article 370) was revoked. The resulting disruptions coupled with the pandemic left artisans in Kashmir entirely disconnected from the rest of India and other markets. *“We could not go in and the artisans could not travel out of Kashmir. This led to the formation of Zaina by CtoK, which is a digital commercial enterprise,”* says Shruti Jagota of Ctok.

## Validation for ‘Work from Home’

The work-from-home approaches of Jaipur Rugs, rangSutra, and Industree were especially validated during COVID-19. *“Unlike factories that closed during the lockdown, our artisans continued to work from home. 80% are women. They don’t need much infrastructure — just a thread, needle, and fabric.”* says Sumita Ghose of rangSutra. *“COVID allowed work from home to happen with a buyer like IKEA, who doesn’t believe in such approaches as it is very tricky from the child labour and forced labour aspects.”* says Neelam Chhiber of Industree. For consumers, COVID-19 brought personal and professional spaces together. The resulting demand for home decor products benefited enterprises like Jaipur Rugs whose production increased by 20%.

## Collaborative Networks

The pandemic has led to many platforms like #CreativeDignity, A Hand For Handmade, 200 Million Artisans, India Handmade Collective, that are helping bridge information and resource gaps. #CreativeDignity alone was able to disburse relief funds to the tune of ₹60 Lakhs (USD 82,000 approx), facilitate sales worth ₹5 Crores (USD 670,000 approx) and bring together 12 marketing and e-commerce platforms to drive sales of products by artisans affected (Creative Dignity, 2021). Many social enterprises and grassroots organizations in the artisan economy have become active members of global COVID response collaboratives like Catalyst 2030. Volunteerism at this scale is unprecedented.



# Findings

Through the course of this research, we located deep pockets of empathy, innovation, creativity, *lokavidya*, and business acumen. We also observed that on the ground, there are no binaries in operation i.e. watertight comparative categories of ‘formal’ and ‘informal’.



# ‘New Formal’ — The New Normal in the Artisan Economy



There is an emergent hybrid approach that combines best practices of the ‘informal’ (cultural networks, behaviours) and the ‘formal’ (social protection, data, mobility) in India’s artisan economy. We consider this the **New Formal**.

The New Formal is a dynamic continuum; informal modes of work among rural creative cultures inform business models of creative enterprises who adapt to local contexts to drive productivity, profits, and innovation. Anchored by entrepreneurial creativity and livelihood generation, the New Formal co-opts the flexibility and complexity of cultural interactions in the informal economy along with metrics from the formal economy like education, policy, and finance.



Some characteristics of the New Formal, as observed in the artisan economy, are:

- 1 **DIFFERENTLY ORGANISED**  
Modes of production and engagement rooted in familial and socio-cultural relations and formalities.
- 2 **DECENTRALISED**  
Redistributed decision-making across geographies, communities, and within organisations.
- 3 **TRUST-LED**  
Approaches to lower trust-deficits across the public-private-community landscape like co-creation and co-ownership.
- 4 **LOCALISED INNOVATION**  
Using indigenous models (structural, material, environmental) + local initiative to address glocal challenges.
- 5 **SOCIAL PROTECTIONS**  
Reducing the participation gap in informal cultures via labour rights, financial access, digital inclusion, etc.
- 6 **ASPIRATIONAL MOBILITY**  
Catalysing the potential of informal communities as active consumers and producers in future economies.

# The New Formal in the Artisan Economy

This formal-informal interplay has the potential to be a safe space for a more equitable and inclusive dialogue between diverse stakeholders across functions.

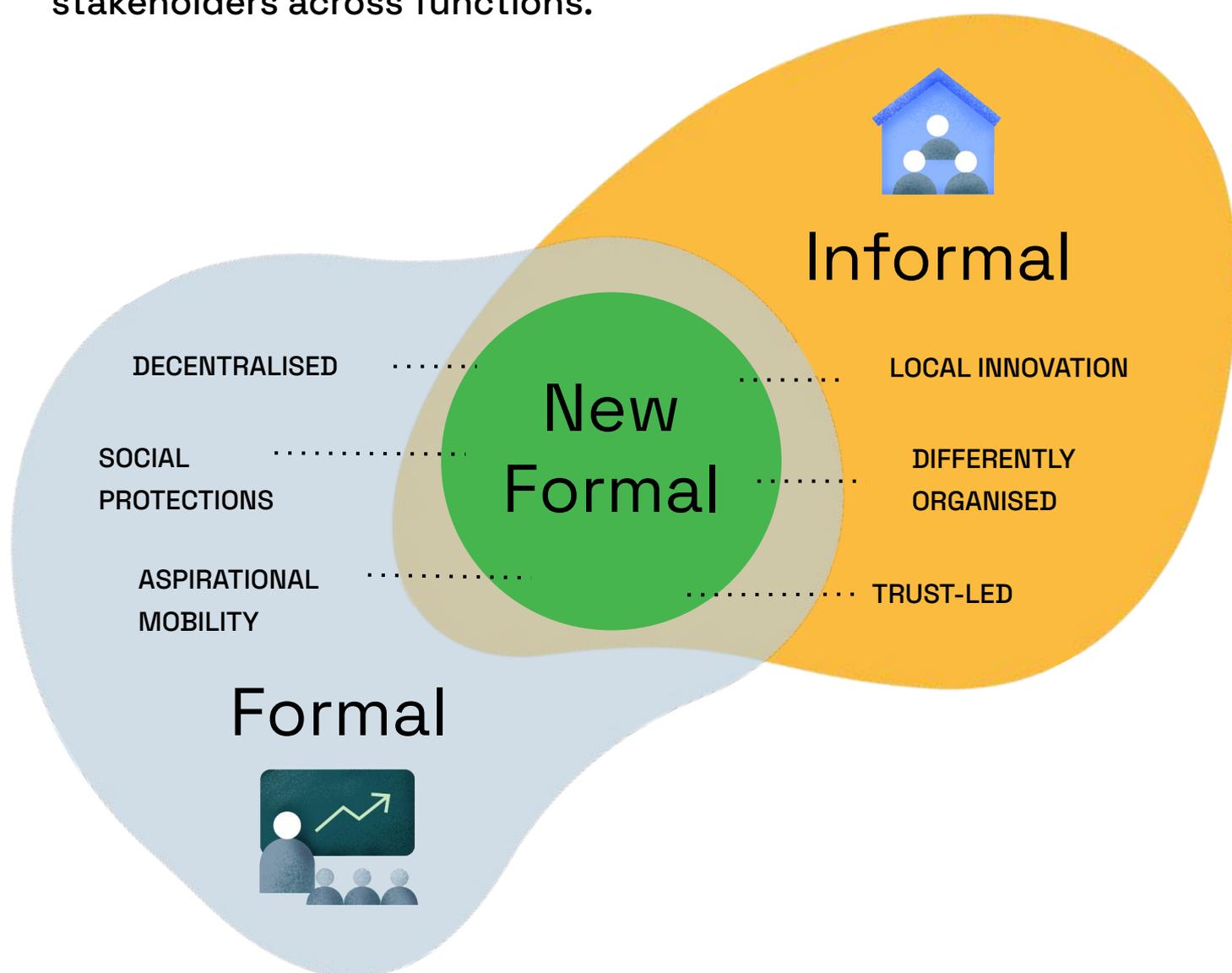


Figure 1: The New Formal as a framework to understand entrepreneurial action / formal-informal interplay in the artisan economy (Original: Krishnamoorthy & Kapur, 2021)

# Misunderstood and Undermapped



The informal nature of India's artisan sector is not one of its own doing or choosing. Perception bias against handmade inhibits accurate and context specific data collection, relegating it further into informality. State apathy too, for instance, comes through in the absence of reliable figures on how many artisans or craft-based enterprises operate in this sector.

- 1 Labels such as 'unorganised', 'poor', 'unscalable' combined with disregarding craft as both a functional and lifestyle choice, lead to its marginalisation in the production/consumption ecosystem.
- 2 The artisan economy and agriculture are two sides of the same coin. Decontextualised mapping results in farmers, who also practice craft, not being mapped as artisans in traditional data sets; the more intuitive and informal networks of cooperation like barter and women's contribution to labour are not accounted for in GDP data.
- 3 Historically, systemic research/analyses has focused on 'big questions like role of government and role of aid' (Banerjee & Duflo, 2011) instead of micro-level issues faced by artisans and entrepreneurs.

- 4 Asymmetric data inhibits artisan and MSME access to global-local networks, marketplaces, service providers, and investors thus impacting their growth and scalability; this also impairs engagement by institutional actors in critical areas such as infrastructure, credit, education, and market access.

- 5 In India, informality and exclusion cannot be understood without delving into issues of caste, religion, community, or gender. Such data is vital to designing impact strategies.



# One Size Does Not Fit All



A homogenised and monolithic approach perpetuates systemic bias without addressing the true aspirations and needs of rural communities.

1 Market-based solutions do not recognise that craft production cycles are unique and seasonal, often part-time, rural and decentralised, women-led and creativity-based; unlike assembly line manufacturing models.

2 Most enterprises in the artisan sector remain self-financed. Traditional banking solutions require mandatory collateral; do not offer credit at concessional rates; and shun small ticket sizes and dispersed target segments owing to increased cost of operations. As a result, both MSMEs as well as rural artisans find it challenging to access working capital.<sup>10</sup>

3 Lack of targeted solutions and midway points to address information gaps (formal contracts, cash flow data, banking transactions, verifications etc) reduces investor/lender participation as it makes it challenging to assess business potential and underlying risks for the enterprise.

4 Current financial products are not customised to the impact and market-based approaches of creative and social enterprises that require a mix of philanthropic capital, innovative tech-led lending, private investment, and government subsidies.

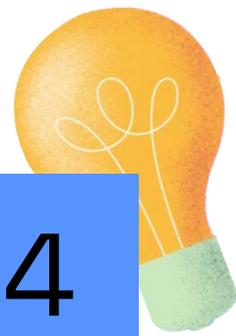
5 Most investment approaches, even those striving for impact, are rooted in market-rate returns with inflexible investor expectations. This excludes many enterprises with great product-market fits; it also leads to mission drifts among scalable impact enterprises.

6 Sector-specific innovation that can stimulate both profit and social progress remains under-explored. An evidence-based approach to product-market fit is missing.

<sup>10</sup> Post COVID-19, GOI has launched [several schemes](#) to address access to capital for MSMEs including a Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE).

# Challenges of Language, Discourse, and Knowledge

## 4



Conversations around informality and creative economies, rooted in Global North contexts, pose barriers to organic inclusion of differently organised, creative cultures and craft-led enterprises. To engineer systemic reform, the artisan economy must be seen as a site of agency, “[i]nstead of seeing people as patients that need to be treated or objects that need to be changed, they need to be empowered...” (UNDP, 2020).

- 1 The artisan economy remains unrecognised as a viable industry. Therefore, there is very little sector-specific policy support even though it offers a massive consumer and producer base.
- 2 Despite the clear connection between sustainability and craft, nature and culture, the tacit knowledge of craft-based production — skills, raw materials, alternative technologies, etc. — is not ‘formalised’ within theory and institutional frameworks (Sennett, 2009). This prevents it from being exchanged, built upon, protected, or even deployed at scale.

- 3 Enterprises and entrepreneurial artisan communities lack access to business and sustainability ‘speak’. When formal institutions break down language barriers to knowledge, greater inclusion and credible participation is achieved.

- 4 In a country that boasts of 19,500 mother tongues and 22 official languages (Census of India, 2011; 2018), linguistic diversity is still not accommodated in business, policy, and education.



# Decentralisation Enables Inclusion and Scale



Enterprises in the artisan sector are differently motivated and cannot be reverse engineered to meet traditional definitions of growth; scale is no doubt possible and is achieved via decentralised collectivisation.

- 1 Innovation ecosystems thrive when they recognise that what is right for the artisan communities influences the right size for the enterprise; also meeting them where they are can be a profitable long-term strategy.
- 2 Stakeholders seeking to deepen inclusion and impact are increasingly investing in upskilling and tapping into the entrepreneurial potential of artisan communities.
- 3 True inclusion of women in the workforce cannot happen without acknowledging that much of their labour within the artisan sector (and otherwise) remains invisible. The decentralised approach significantly lowers entry barriers for differently skilled communities; especially women.

“



*“Because commercialisation of craft has been based on an industrial model, the assumption is that craft must scale up to succeed. But when craft is pushed into the world of industrialised production, the structure of artisan societies inevitably changes from horizontal to vertical. Economically stronger individuals become “Master Artisans,” employ previously equal status artisans as workers, and gain higher social as well as economic status. The perception of the artisan as worker is thus reinforced in a new, socially threatening form.”*

— JUDY FRATER (2020)

## DECENTRALISED COLLECTIVISING

Leveraging indigenous, decentralised approaches of grassroots organising like the Producer Companies, SHGs that act as key nodes for formal financial inclusion as well as access to social protections.



## INTEGRATED VALUE CHAIN APPROACH

From farm to product — that allows for a more systemic and non-siloed pathway to build sustainable supply chains.



## TECH AS AN ENABLER

Using technology as an enabler — not as a replacement to handmade — to improve organisational efficiencies around traceability, impact measurement, and reducing information gaps.



## ARTISAN AS A PARTNER

Choosing governance models rooted in co-creation, co-ownership, and transparency that bring in deeper engagement from artisans and improved quality in processes / products.

Figure 2: The core approach to sustainable scale in the artisan economy

# COVID-19 as the Game Changer

6

Challenges that have plagued the sector for many decades, often rooted in informality, have come to the fore during COVID-19. Suspension of in-person exhibitions and craft bazaars, during both waves, caused many artisans and enterprises to shut shop and scale down. *“Still, crises can be opportunities for transformation.”* (UNDP, 2020).

- 1 Cancellation of export orders without warning or compensation and rising deadstock issue has foregrounded the urgency for social protections in the artisan economy.
- 2 Community-collaboratives and public-private networks are building critical connected ecosystems that facilitate linkages between people, enterprises, and countries.
- 3 The informal nature of craft-based work has helped many enterprises and the artisans associated with them to continue operations thereby building validation for work-from-home models indigenous to the artisan economy.

- 4 Accelerated digitisation and new approaches for artisan inclusion through channels like video-conferencing, mobile and social media apps and digital payment gateways<sup>11</sup> have disrupted traditional engagement strategies. However, media literacy remains low and most solutions are available only in English and Hindi, excluding multitudes.



<sup>11</sup> Zoom, WhatsApp, Telegram, Facebook, Google Pay



# Craft-Led Enterprises Drive Sustainability

The artisan economy has an innate ability to drive socio-economic mobility, conscious production, and mindful consumption.

- 1 Besides using naturally available local resources, many enterprises are embedding circular and renewable strategies i.e. upcycling, responsible sourcing etc., and are open to forming alliances that revive indigenous crops and materials for an integrated farm-to-product value chain.
- 2 Localised craft-based supply chains drive shared values, collective learning, and self-sustaining lifestyles. The artisan economy creates jobs for communities that are differently-skilled, low-literate, differently-abled, and traditionally marginalised.

- 3 Most women artisans who have found their way into the New Formal feel more empowered financially and socially. They are able to better articulate the aspirational needs of their communities.




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It is evident that context-specific entrepreneurial action in the handmade sector can catalyse the inclusion of informal and traditionally marginalised creative communities to meet the Global Goals timeline i.e. 2030.

# Enterprise-Wise Mapping of Approaching 'New Formal'

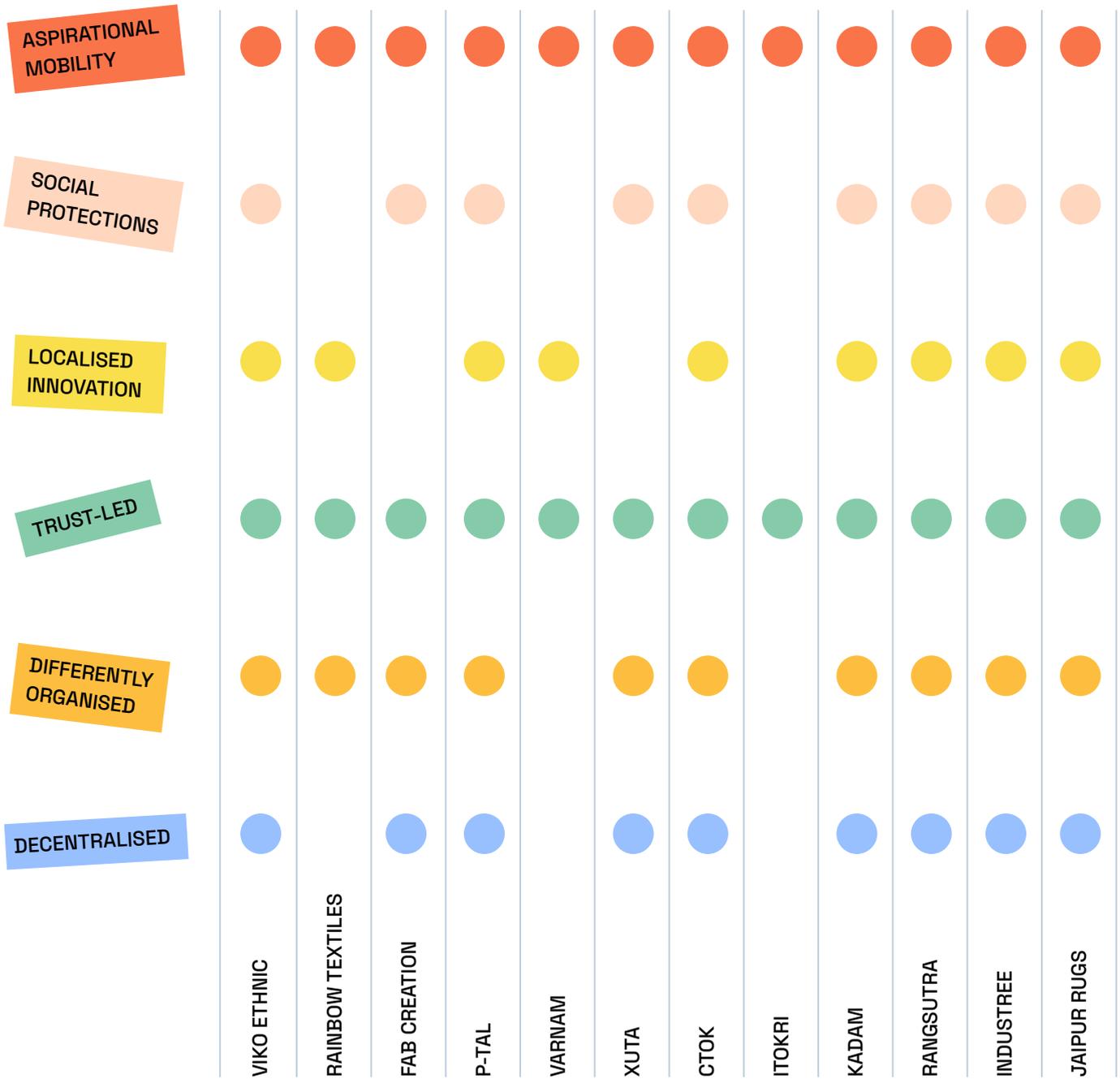


Figure 3: Enterprises in the artisan economy navigating the 'New Formal'

## Demands for Scalability

# What Enterprises Need to Grow

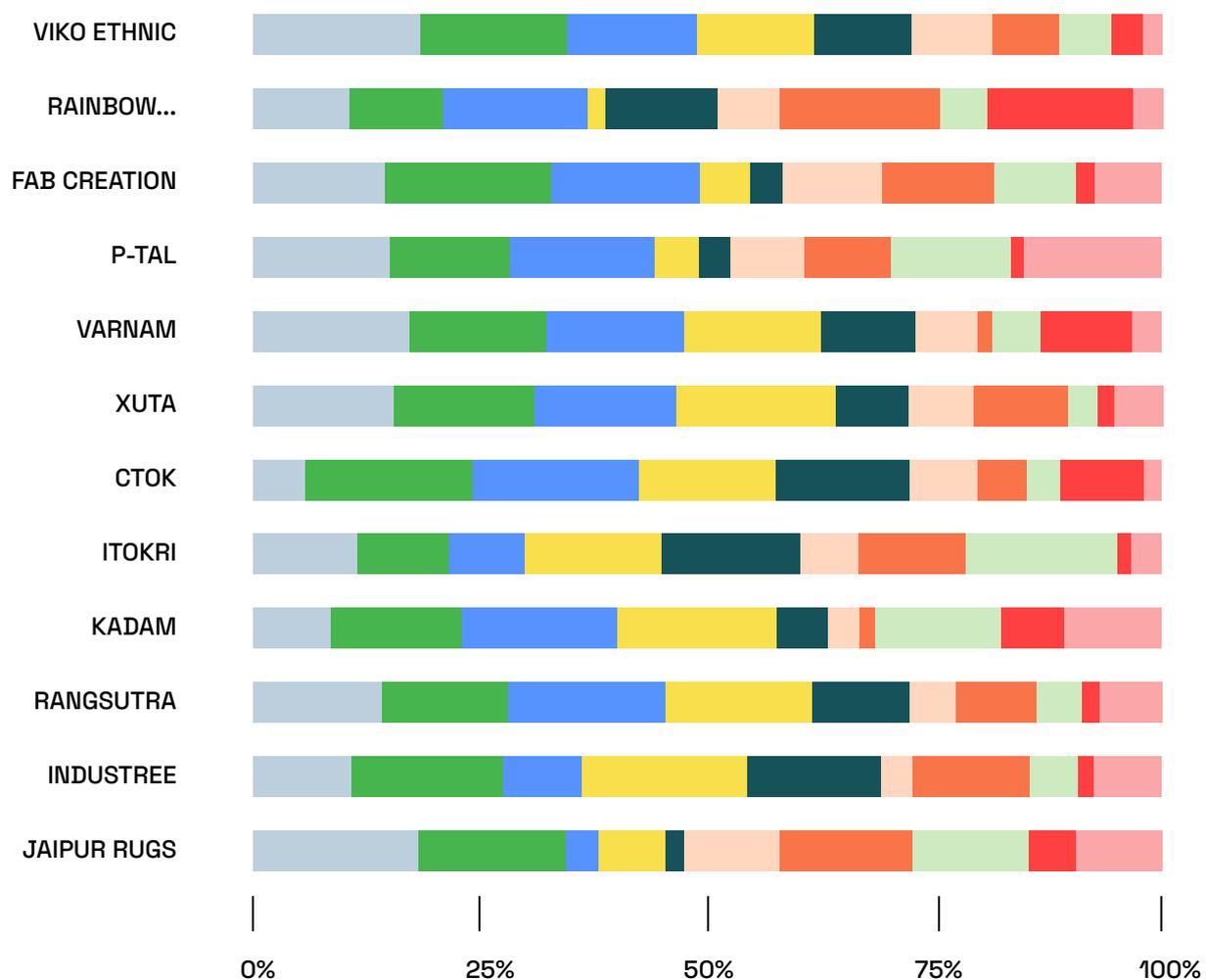


Figure 4: Needs analysis of enterprises in the artisan economy



# Recommendations

In 2021, the UN International Year of Creative Economy for Sustainable Development, it is time to acknowledge the role of creativity-led enterprises in supporting decent work and employment by “*stimulating innovation, empowering people, promoting social inclusion, and reducing poverty.*” (UN, 2020). To build secure futures for the next generation, nations must tap into alternative models of growth focused on making societies more equitable. India’s artisan economy is one such sector that can unlock both creative potential and sustainable economic growth.



# 'Handmade in India' Needs Rebranding to Elevate Value

1

India needs to acknowledge that branding and positioning can elevate the value of its massive informal, cultural economy. It is time to go beyond hashtags of #VocalforLocal, #MakeinIndia, #IncredibleIndia and drive visible and measurable action:

## 1 RECOGNISE THE ARTISAN ECONOMY AS A SECTOR / INDUSTRY

- that is India's global comparative advantage given the ready availability of a massive workforce across the low-to-highly-skilled labour spectrum;
- as the hub for a growing tribe of creative/social enterprises that are ushering in the 'New Formal' to drive jobs, equity, and sustainable growth.

## 2 PROMOTE THE ARTISAN ECONOMY AS THE GLOBAL GO-TO HUB

- for Creative Manufacturing and Handmade (CMH) (PoweredByPeople, 2020) to meet the growing demand for collaborative supply chains and to serve the needs of sustainable marketplaces;
- amplify its existing contribution to global luxury manufacturing, (Schultz et. al., 2020) and adopt a rights-based approach to protect artisan rights.

## 3 ACTIVATE THE PROPOSED 'HANDMADE IN INDIA' BRAND CAMPAIGN

- to address perception bias and create aspirational value for India's handcrafted products;
- Build strong focus on IP protections to support artisans in their quest for recognition and respect for their heritage.

## 4 EMBED A SEPARATE CATEGORY FOR POLICY AND INVESTMENT FOCUS

- within the MSME regulatory framework and in forums like InvestIndia for the artisan sector.
- take a cue from more developed handmade markets like Japan, Italy, UK who have owned, celebrated, and exported their unique 'handcrafted' production/cultures (Ruggeri, 2019; Bhat & Yadav, 2016).

# Make the Invisible Visible via an Artisan-First Strategy

2

## 1 INVEST IN EVIDENCE-DRIVEN RESEARCH AND INSIGHTS WITH FOCUS ON:

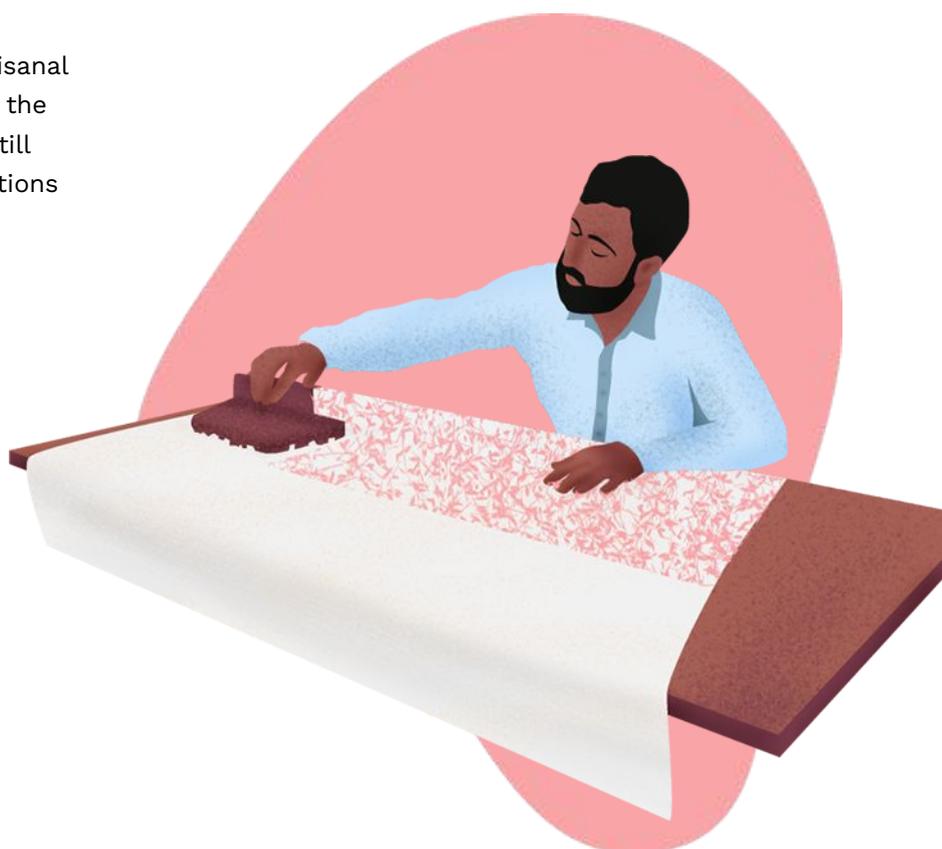
- Size and scope of artisan sector
- Adoption of digital tools
- Participation / needs of rural women + women-led MSMEs
- Access to capital and finance
- Alternative sustainability strategies
- Labour relationships

## 2 ADOPT A CULTURAL POLICY STRATEGY THAT PRIORITISES:

- research and documentation of artisanal knowledge and best practices with the goal to understand, record, and distill focus areas for actionable interventions in India's cultural economy;
- a comprehensive census of craft traditions, archive oral histories, alternative technologies.

## 3 BUILD A 'MARKET INTELLIGENCE SYSTEM' (AIACA, 2017)

- for grassroots artisan-producers as well as MSMEs that is multilingual and accessible, available online + offline.
- bring data/ insights on market opportunities and trends (local and global), raw materials access and prices, government schemes, and compliance requirements.



# Tech + Design Inclusion to Improve Quality & Standards

3

## 1 AID AND SUPPORT GREATER PENETRATION OF MOBILE AND INTERNET ACCESS

- in rural geographies as well as Tier 2 and Tier 3 towns/villages via a targeted cluster-based approach.
- with additional focus on women and gen-next artisans.

## 2 LEVERAGE TECHNOLOGY TO BUILD TRACK AND TRACE SOLUTIONS

- for supply chain transparency, and compliance certifications (around working conditions, wages, etc.).
- to make handmade products and artisan/MSMEs competitive in global supply chains.

## 3 INCENTIVISE PARTNERSHIPS — PUBLIC-PRIVATE, GLOBAL-LOCAL

- to expand access to co-created, culturally-rooted design and entrepreneurial education delivered across regional hubs in local languages.

## 4 BUILD CHANNELS FOR DOMESTIC, NATIONAL AND INTERNATIONAL MARKET ACCESS

- offer online learning pathways that position artisan communities + creative cultures as lifelong learners as well as content creators / educators.

## 5 GIVE IMPETUS TO EXISTING TECH-LED SOLUTIONS

- across agritech, civic tech, fintech to bridge the participation gap in artisan communities.



# ‘New Formal’ — The Answer to Unlock Creative Potential

4

## 1 CELEBRATE INDIA’S HOME-GROWN BUSINESS APPROACHES ROOTED IN THE ‘NEW FORMAL’

- by adopting best practices of decentralised, work-from-home / doorstep entrepreneurship models in the artisan economy.
- to embed scale via entrepreneurial action.
- by acknowledging that communities can better determine the appropriate size/scale for an enterprise.

## 2 IMPROVE EASE OF DOING BUSINESS WITH SUPPORTIVE POLICIES

- by mandating living wages, access to raw materials, tax breaks.
- that build on local assets in the artisan economy by encouraging coordinated national-regional strategies.
- to incentivise translation of business and policy communication in local languages.

## 3 CREATE FORUMS THAT BRING TOGETHER DIVERSE STAKEHOLDERS

- namely, artisan community leaders, education institutions, CSR partners, social/creative enterprises.
- to reduce information gaps and enable greater collaboration.
- support innovation in B2B models, financial and digital inclusion, sustainable luxury segments, circular design, made-to-order + small-batch production approaches, etc.



# Reimagine Capital Access for Handmade

5

## 1 MAKE CAPITAL ACCESSIBLE TO ADDRESS IRREGULARITY OF CASH FLOW

- by offering customised loan terms and flexible repayment terms.
- easing restrictions on mandatory collateral and market-rate returns.
- adopting innovative ways of lending that use alternate data (including end customer transactions) and tech-based approaches.

## 2 ADOPT IMPACT-FIRST APPROACHES

- by moving away from top-down to participatory / 'trust-based philanthropy' (Vong & McGrath, 2020) that 'truly' listens to the needs of the community.
- use mixed strategies — grants, concessional debt and equity — to address working capital requirements.
- support enterprise-growth at diverse stages via catalytic capital (Tideline, 2019), technical assistance funds, and impact investing.

## 3 BUILD CAPACITY FOR CAPITAL USE BY SUPPORTING INTERMEDIARIES

- i.e. initiatives/organisations that take a systemic view of sectoral challenges.
- to drive new narratives, facilitate beneficial linkages, aid data aggregation, and evidence-based research for and about the sector.



# ‘Handmade as an Ethos’ — A 6 Futuristic Sustainability Goal

## 1 PROMOTE ‘HANDMADE AS AN ETHOS’ AS A GLOBAL CALL TO ACTION

- to bring diverse cultures together towards a common goal of addressing climate change while building a resilient future for all.
- open up opportunities for responsible innovation, empowered local initiative, and economic growth; especially in the Global South.
- compel global ecosystems and super-structures to turn to ‘radical indigenism’ (Watson, 2019)<sup>12</sup> for answers of the future; an action whose time has come.

## 2 ADOPT ‘HANDMADE AS AN ETHOS’ AS AN SDG

- since the artisan economy, characterised by creativity, inclusion, and sustainable livelihoods, already meets at least 11 of the the 17 SDGs (PoweredbyPeople, 2020).
- because it encourages an intentional and actionable shift that transfers agency, power, and capital to local and indigenous communities.
- as it represents a slower, pro-people, and pro-nature approach that transcends geographies and definitions.



<sup>12</sup> Julia Watson(2019) argues that indigenous communities have already created advanced systems in symbiosis with the natural world.



SECTION

6

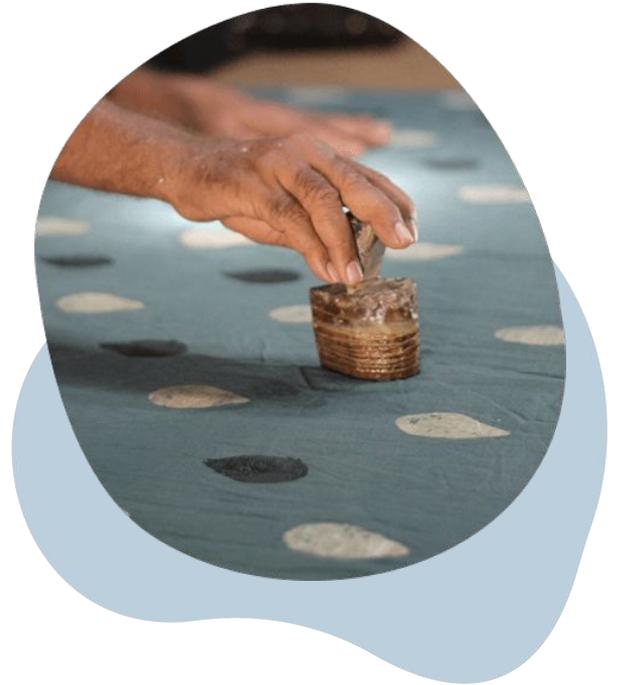
# Industry Experts Forecast





*“Craft activity is differently formal and differently organised when compared with mass production. A major reason for the neglect of this huge Indian advantage is the language — ‘informal’ and ‘unorganised’ — that is incorrectly used to describe/locate it. Ignorance and neglect begin there, in the words we use for what is the world’s largest resource of artisanal wisdom and knowledge.”*

— ASHOKE CHATTERJEE, FORMER DIRECTOR,  
NATIONAL INSTITUTE OF DESIGN



*“Increasingly, I use the term artisan sector for crafts. It is one of the single largest self-employed sectors with a diversity and richness of skills and knowledge. The artisan sector has always been a global advantage but the pandemic now gives us a real possibility to prepare the sector to develop more mindful global and local supply chains.”*

— MEERA GORADIA, ARTISAN SECTOR CONSULTANT  
| CO-FOUNDER, CREATIVE DIGNITY



*“If we are able to tell compelling stories behind a craft, we have every reason to believe it can become India’s global comparative advantage. We have enough examples around, for those who care to look, of Indian brands, which have been able to successfully take the leap from tradition to contemporary and keep India on the map.”*

— SHILPA SHARMA, CREATIVE ENTREPRENEUR AND  
CRAFT EVANGELIST | CO-FOUNDER, JAYPORE



*“Crafts are the true physical epitome of knowledge, wisdom, rituals and beliefs that we, as a nation, have assimilated over thousands of years and term as our culture, as our identity. Crafts have been ensuring an inclusive economy which is not just about ‘more’ but about ‘all’. We need to do two things: 1. build the capacity of creative and aspirational artisans to deal with markets directly; 2. provide them with initial connections.”*

— SHARDA GAUTAM, HEAD OF CRAFTS, TATA TRUSTS



*“Official statistics do not reflect the real picture in this informal economy. Over the past few years, cultural institutions, tourism, festivals, and professionals have recognised the potential of handmade goods in adding value to what is termed diplomacy and soft power. With the increased focus on e-commerce opportunities for handmade products, value addition happens by attaching cultural stories and information about distinct identities. This results in a better appreciation of India’s culture as a whole and therefore better sales.”*

— JAYA JAITLEY, PRESIDENT AND FOUNDER,  
DASTKARI HAAT SAMITI





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# Thank You

We hope this research inspires synergies between diverse stakeholders invested in supporting the artisan ecosystem in India. Our primary goal was to encourage reframing of the artisan economy as the ‘new formal’ especially for traditionally marginalised rural communities. We invite everyone to build on this conversation to co-create regenerative pathways for the future.

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