



# NSDC CONNECT

SEPTEMBER  
2024

ISSUE 12

FROM LOCAL TO GLOBAL

**ENHANCING  
COMPETITIVENESS  
IN INDIA'S HANDICRAFTS  
AND CARPET INDUSTRIES**

ACCELERATING INDIA'S  
HANDICRAFTS POTENTIAL



**FINANCIAL, DIGITAL, AND  
INSTITUTIONAL LANDSCAPE**

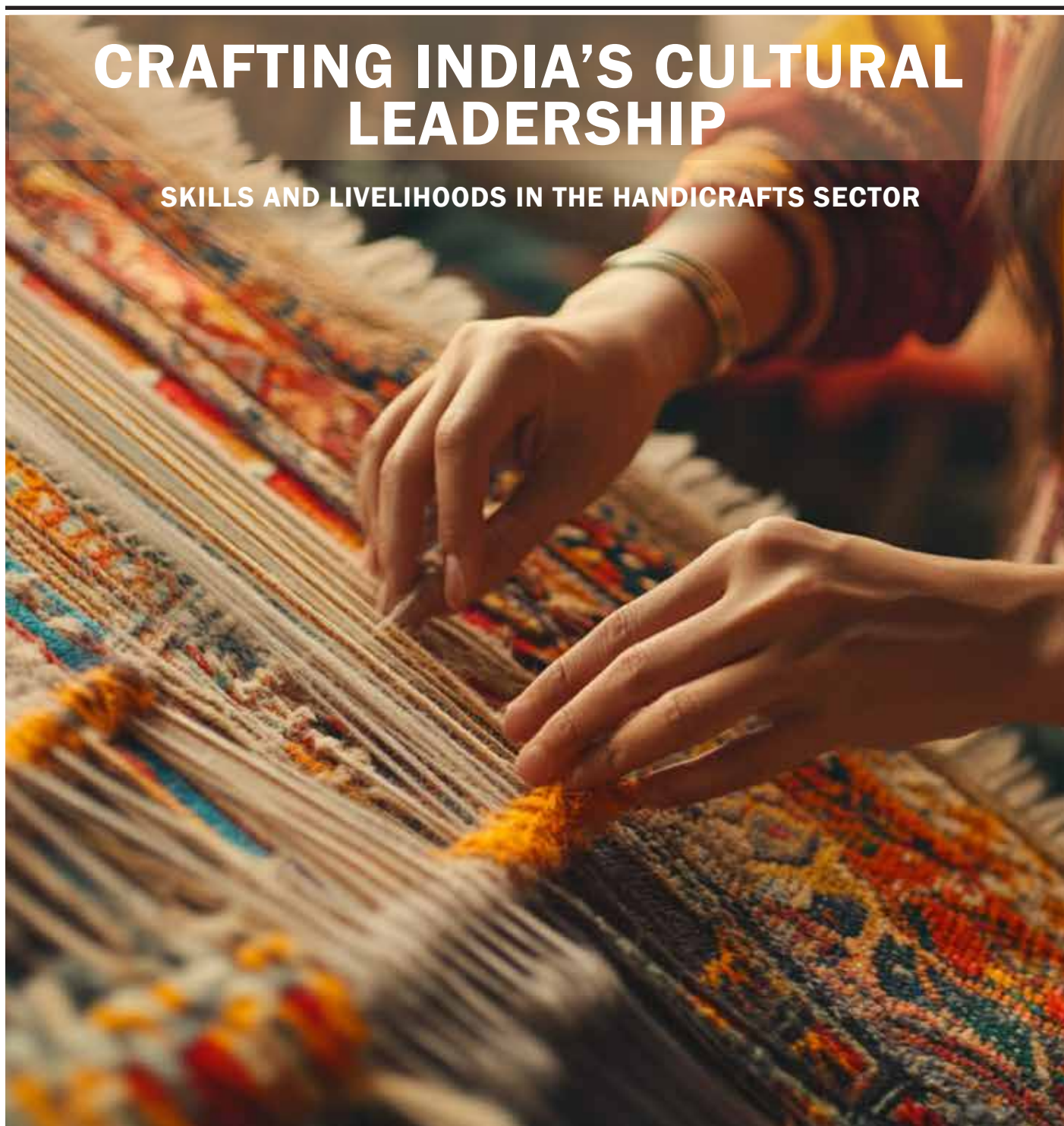
NURTURING INDIAN  
HANDICRAFTS



**SKILLS, SUPPLY CHAIN,  
AND COLLABORATION**

## CRAFTING INDIA'S CULTURAL LEADERSHIP

SKILLS AND LIVELIHOODS IN THE HANDICRAFTS SECTOR



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Dear Readers,

Welcome to the 12th edition of NSDC Connect! This issue marks a significant milestone as we celebrate a year of sharing insights, stories, and innovations through this policy and knowledge newsletter from the National Skill Development Corporation (NSDC).

Over the past year, NSDC Connect has evolved into a dynamic platform that fosters collaborative dialogue on policy, highlights impactful stories, and cultivates a deeper understanding of the skilling ecosystem. We have collaborated with a diverse range of stakeholders—including industry leaders, educators, practitioners, and policymakers with immense subject expertise—to ensure our readers stay well-informed about innovative initiatives reshaping the landscape of skill development, education, and entrepreneurship. This collective effort has enabled us to amplify the diverse viewpoints of various stakeholders, reflecting the vibrant and evolving nature of the skills ecosystem in India.

In this 12th edition, we turn our attention to the theme of Skills and Livelihoods for the Handicrafts Sector. India is home to millions of artisans and thousands of unique craft forms, each reflecting the country's rich cultural heritage. The tangible and intangible nature of India's craft heritage, coupled with its regional uniqueness, presents the nation with a competitive global advantage. In our spotlight article, Mr. Krishan Kumar CEO of the Handicrafts and Carpet Sector Skill Council sheds light on the vast potential of the Indian craft sector, which, with the right support and business environment, could grow into a billion-dollar marketplace.

Further, through our deep dive article on the entrepreneurship landscape for handicrafts, we delve into the digital, financial, and institutional ecosystem to support the craftspeople of our country into becoming masters of their own destiny through successful careers and upward mobility.

This edition also features a deep dive into the efforts of Sampurna Bamboo Kendra (SBK) in Melghat, Maharashtra. This inspiring initiative, supported by NSDC, focuses on promoting sustainable economic growth by harnessing local bamboo resources and providing skill development for tribal communities.

To further enrich our understanding of this sector, the NSDC Connect team engaged in a conversation with Dr. Megha Phansalkar, an urban and regional planner with a doctorate in Information Systems and Regional Planning. Dr. Phansalkar provides a compelling analysis of the challenges facing the handicrafts sector, such as limited market access, financial instability, and outdated designs. She emphasizes the importance of a comprehensive approach to addressing these challenges, focusing on creating a sustainable value chain through strategic partnerships, leveraging government schemes, and fostering market-driven skills. On behalf of team NSDC Connect, I express my gratitude to Dr. Phansalkar for sharing her insights with us.

To fully harness the potential of the handicrafts sector, a skilled workforce equipped with modern techniques, innovative thinking, and entrepreneurial abilities is crucial. This is not only vital for enhancing livelihoods but also essential for achieving broader economic, social, and cultural objectives. By investing in skill development, we can empower artisans to become agri-preneurs and drivers of innovation, creating sustainable employment and preserving India's rich heritage.

At NSDC, we remain committed to fostering a skilled workforce that propels India towards a prosperous and sustainable future. With each edition of NSDC Connect, our aim is to provide a platform that inspires, informs, and engages all stakeholders to contribute meaningfully to the nation's skilling journey. Together, we can nurture India's vibrant handicrafts sector and work towards the vision of inclusive and sustainable development.

Let us unite in this mission to shape a skilled, resilient, and empowered India.

Jai Hind!

Warm regards,



VED MANI TIWARI  
CEO, NSDC

NSDC Connect embodies NSDC's values: Integrity, Innovation, Inclusion, and Impact. We aim to provide trustworthy, innovative, and inclusive content that aims to make a positive impact on education and skill development. Join us in reimagining a better future.

Dear Readers,

On behalf of team NSDC Connect, I am proud to present the 12th issue of this newsletter to all of you! As Connect turns one year old, we take this unique opportunity to reflect on the progress we have made and to look ahead with renewed vigour and vision. Over the past year, we have been steadfast in our mission to illuminate the ever-evolving landscape of skill development and policy, striving to be a beacon of insight, innovation, and thought leadership in this critical sector.

From our very first issue, our goal has been to provide a platform where policy discussions converge with practical solutions, where the intricate challenges of skill development are explored in depth, and where forward-thinking strategies come to light. Our commitment has always been to drive meaningful dialogue on the policies shaping the future of work and skilling, ensuring that we not only understand but also contribute to the development of impactful solutions.

With each issue over the past year, NSDC Connect has focused on topics of critical importance such as Green Jobs, Skilling in the Agriculture Sector, Role of Sector Skill Councils, Digital Infrastructure, International Mobility, High Frequency Indicators, and Innovative Financing. And in the process, we have developed a body of work that continues to provide a both a platform to share meaningful discourse, and a knowledge base that feeds into the various projects undertaken at NSDC. In this way, NSDC Connect has served the purpose of both research and outreach.

Beyond topics of exploration, NSDC Connect has also been a vibrant space of collaboration both within and outside NSDC. On the one hand, NSDC Connect features writings of both senior leaders and young professionals from within NSDC. And on the other hand, we have also featured voices from the larger ecosystem of experts and practitioners. Through the last year, we have been honoured to collaborate with, and feature insights from CEOs of Sector Skill Councils for IT/ITeS, Agriculture and Allied Sectors, Textile, Furniture and Fittings, Logistics, Handicrafts and Carpets, and Food Processing. We have also been fortunate to feature on ground stories from accomplished leaders and organization. On behalf of team NSDC Connect, I express my gratitude to all the contributors who have enriched our endeavours with their knowledge and engagement. Moving forward, we will continue to present diverse voices through the pages of our monthly newsletter.

Most importantly, I would like to express my gratitude to our CEO, Mr. Ved Mani Tiwari for encouraging critical thinking, discourse engagement, and robust research within the organization. It is through this culture and his support that we continue to strive for excellence and present innovative ideas to the readers every month.

This milestone would not have been possible without the support of our dedicated readers, contributors, and partners. Your engagement and feedback have been invaluable in shaping the content and direction of NSDC Connect. As we move forward, we remain committed to fostering a rich dialogue that drives policy innovation and supports skill development initiatives across various sectors.

Thank you for being an integral part of our journey. Here is to celebrating our past achievements and to the exciting future that lies ahead!

Warm regards,



**Dr. Archana Patankar,**  
VP, Research & Impact, NSDC



## FROM LOCAL TO GLOBAL: ENHANCING COMPETITIVENESS IN INDIA'S HANDICRAFTS AND CARPET INDUSTRIES

India's handicrafts and carpet industries, employing over 73 lakh people, holds an incredible economic and cultural value for the country. Despite their global renown, artisans in this sector face challenges such as limited exposure and skill shortages. In the spotlight article for this issue, we collaborate with the Handicrafts and Carpet Sector Skill Council to further understand the root cause as well as solution for these challenges through training, design innovation, and export enhancement initiatives.

## Introduction

India's handicrafts and carpet sector is one of the most culturally rich and economically significant sectors, known globally for its intricate designs, skilled artisanship, and unique products. The sector is not only a repository of traditional knowledge but also a significant contributor to the country's economy.

The handicrafts sector employs around 73 lakh people, with export capacity of approximately ₹30,000 crores mostly from rural and semi urban areas; whereas the Carpet sector employs over 20 lakh weavers, with export capacity of approximately ₹16,000 crores. Handicrafts and Carpet sectors play a pivotal role, in terms of employment generation, boosting exports, and revenue generation, thereby preserving our rich culture and heritage crafts of the country. Indian artisans and weavers have the potential to compete in the international market, but due to lack of exposure and channels to translate their efficiency into mediums of revenue generation, they have been lagging as compared to their counterparts in other countries.



Hence to boost the revenue generation and exports of handicrafts, the Handicrafts and Carpet Sector Skill Council (HCSSC), through its industry based training programmes has played an important role in organizing skilling, upskilling and re-skilling programmes for artisans with sessions on design development, financial literacy, marketing skills, soft skills, and digital literacy. HCSSC is also proactively helping artisans and weavers to know more about the opportunities in the sector for livelihood generation and entrepreneurship initiatives, thus streamlining the information from different ministries and centre/state government agencies. Our indigenous handicrafts are a cherished aspect of the country's heritage and a way of life for its people. The extensive range of our handicrafts reflects the diversity of this nation and its infinite creativity. Several geographic regions and sub-regions in this country have their own unique style and tradition that stem from the ancient rhythms of the life of its people and society. In every case, local materials and region-specific resources are being used. Our *Shilpkars* over the centuries, have developed their own, and often distinct, methods and techniques to bring stone, metal, wood, fabric, and clay to life. Production of handicraft items also holds special significance in the economic empowerment of women living in the rural areas, as women have traditionally engaged in home-based production while also taking care of their household responsibilities. Positive interventions in this aspect have significantly increased the participation of women in skill training programmes and their presence in the total artisan workforce, across the country.

## Handicrafts Industry Landscape

Handicrafts is a small and cottage industry sector which engages more than 73 lakh artisans directly or indirectly, including a large number of women and people belonging to weaker sections of the society. In addition to the high potential for employment, the sector is economically important from the point of low capital investment, high ratio of value addition, and prominent potential for export and foreign exchange earnings for the country. The industry is also labour intensive and decentralized with many artisans working on part-time basis for their crafts.

India is one of the most important suppliers of handicrafts in the global market. Although exports of Handicrafts appear to be sizable one, India's share in global imports is very small. Despite the existence of large production base and talented craftspeople, India has not been able to fully leverage the existing opportunities. Handicraft products exported to various countries are a part of the lifestyle demands in the international market. Hence, changing consumer taste and trends has a strong impact on the sector. From this standpoint, it is crucial for the Indian Handicraft Industry to study and adopt the changing designs, patterns, product development techniques, materials, and other innovations from time-to-time, in-order to achieve a leadership position in the fast-growing, competitive world market. The 73 lakh craftspeople engaged in the Handicraft Industry possess generational skills, techniques, and traditional artisanship which has helped them sustain their livelihoods so far. However, in the changing global market, these craftspeople also need institutional support, in their local craft clusters to adopt innovation and modern skills in order to compete with countries

like China, Korea, Thailand etc.

### **Export of Handicrafts**

Handicraft is a labour-intensive sector with high potential of employment for people from economically challenged section of the society, especially in rural areas. Handicraft as a source of livelihood becomes economically important because of its low capital investment requirement, high value addition and negligible import content, and high potential for export earnings.

### **Carpets Industry Landscape**

Indian handmade Carpet industry is also highly labour intensive, which employs a large number of women directly or indirectly from the rural areas. Most of the artisans/weavers employed are from the weaker section of the society and the carpet sector is often not their primary source of income. Instead, the carpets industry provides an alternate and added occupation to them including their primary occupation like farming etc at their homes. The art of carpet weaving is one of the traditional skills, which represents the continuity of the age-old socio-cultural tradition of the weaving communities and a renowned stature in the global market. The magnificence of Indian carpet weaving and the many intricate patterns that it offers has substantially increased India's carpet exports and placed it prominently on the international carpet map, making India the largest exporter of handmade carpets in the world. Handloom sector has been one of the major sectors which helped the country in maintaining the GDP, but at present, it is struggling with competition from power looms, and its own unorganized and dispersed landscape.



Today, India is a clear leader in the handmade carpet market, worldwide. India's heritage of handmade carpet has been recognized throughout the world, with a commanding share in global exports, for its subtle elegance, eco-friendliness, and exquisite vibrance of its design and craftsmanship. India is exporting to more than 70 countries in the world, majorly to the

USA, Germany, Canada, U.K., Australia, South Africa, France, Italy, Brazil, etc. Indian Handmade Carpet Industry has been at the top spot in the international handmade carpet market, both in terms of value and volume. As of now, India exports 85-90% of its total carpet production and the exports has increased from ₹ 4.42 Crores in 1961- 62 to ₹ 13,810.41 Crores in 2020-21. However, the sector faces numerous challenges, including skill gaps, inadequate infrastructure, and the need for innovation.

### **Status of Jobs and Skills in the Handicrafts Sector**

As it is well known that Handicrafts and Carpet sector is an unorganised and cottage-based industry and it is majorly operating on a self-employment model, where artisans are based in the different clusters all over the country, with inadequate network of Handicrafts and Carpet based Industries in rural areas. Also, Handicrafts and Carpet sector includes mostly female artisans and weavers from rural areas where there is an apprehension among female candidates with regards to work far away from their home. Secondly, pursuance of work in Handicrafts and Carpet sector is often secondary in nature. While the primary occupation for many artisans is need-based ventures like agriculture and they pursue Handicrafts and Carpet related jobs generally during lean seasons, for an additional income. Therefore, such sector should be exempted from the clause of wage employment for various skill development training programmes under the Skill India Mission.

### **Skill Gaps and Challenges in the Sector**

Handicrafts and Carpet Sector Skill Council is in the process of conducting a Pan India Skill Gap Study for Handicraft clusters. According to the draft Skill Gap Study, a significant increase in the export figures for handicrafts and carpets is anticipated over the next few years. To meet this demand, both short-term and long-term, product-wise tailored skill trainings will be required. In the short term, a large number of artisans will need to be skilled and upskilled, while in the long term, continued training and development will be essential to address future demands. Considering the information collected from the artisans, weavers, and Industry members through qualitative and quantitative tools of purposive sampling method, it has been observed that India has a rich heritage of traditional crafts and carpet weaving is not only an integral part of its cultural identity, but also contribute significantly to its economy. However, in the face of modernization and globalization, many of these artisanal skills and crafts are at risk of being lost. To address this challenge and empower Indian artisans and weavers, a comprehensive skilling, upskilling, and design development workshop is imperative. Such a workshop would not only preserve traditional artisanry but also foster innovation and market competitiveness in the global economy. Specifically for an unorganized sector such as Handicrafts and Carpet which comprises of artisans and weavers from different traditional and heritage crafts clusters of the country. In this regard, HCSSC proposes the following points to further strengthening the sector by actively involving artisans, industry members, and various stakeholders, altogether.

#### **1. Industry Based Training Programmes:**

The unorganized and informal nature of the Handicrafts and Carpet sector highlights the need for improved employment through support for export industries and empowerment of artisan clusters. Fostering design and innovation is crucial for this export-oriented sector. Industry-based training programmes can enhance export potential and ensure a skilled workforce to meet evolving industry demands.

## 2. Empowering SHGs Through Handicrafts:

Linking Self-Help Groups (SHGs) to entrepreneurship in handicrafts empowers rural and marginalized communities, especially women. By providing targeted skilling programmes, design workshops, and support in product innovation, SHGs can transform into competitive enterprises. Emphasizing creativity and quality, these SHGs will showcase their products at trade fairs and Buyer-Seller Meets, gaining exposure and networking opportunities. This strategy will foster their growth into Micro, Small, and Medium Enterprises (MSMEs), strengthening the local economy and ensuring sustainable development.



## 3. Preserving Languishing Crafts:

Skilling strategy should have its focus on preserving the languishing Crafts and Traditional Skill Sets of the sector, across various clusters, for the development of artisans and weavers.

## 4. Setting up of Traditional and Heritage Centres of Excellence/Common Facility Centre/Incubation centres:

To strengthen the Sub sectors of Handicrafts and Carpet, there is an urgent need to set up traditional and heritage themed Centre of Excellence/Common Facility Centre/Incubation centre to strengthen the rural economy and enable them to compete at the international level and meet the national and international demand in terms of design and variety. It should focus on improving access to technology, providing skill upgradation, and enabling

global market linkages for the artisans, including backward and forward linkages.

## 5. Design development and Tech upgradation workshops:

These workshops help artisans and weavers integrate traditional artisanry with modern design techniques and technology. By offering hands-on training with new tools, materials, and eco-friendly practices, artisans can enhance their skills, adapt to market trends, and create products that appeal to a broader audience. The workshops also emphasize sustainability and provide insights into current consumer preferences, empowering artisans to innovate while preserving their cultural heritage.

## Major interventions by HCSSC

### Revival of Namda Craft Through Industry Based Special Projects

Under the flagship PMKVY scheme by the Ministry of Skill Development and Entrepreneurship (MSDE), a special industry-based project was launched to train 2,250 artisans across 30 clusters in six districts of Kashmir. During the training, various products were developed using the Namda craft, with all trainees gaining expertise in this dying art form. After completing their training, finished products from the artisans were highlighted at the IHGF Fair and international events like the Ambiente Fair, Germany to establish market connections. This has successfully revived the Namda craft and connected it to the international market, with the first consignment of Namda products being exported from Srinagar, India, to England.



### IHGF Delhi Fair 2022

A dedicated stall was set up for artisans and weavers who had been skilled and upskilled through the industry-based training programme of HCSSC under PMKVY 3.0 at the 53rd IHGF Fair 2022, held at India Expo Centre & Mart, Greater Noida. During the event, the stall was visited by prominent dignitaries

including Dr. Sumer Singh Solanki, MP Rajya Sabha (Madhya Pradesh), Shri Samir Oraon, MP Rajya Sabha (Jharkhand), Shri Gajendra Singh Patel, MP Lok Sabha (Badwani, Madhya Pradesh), and Shri Durgadas Uikey, MP Lok Sabha (Betul, Madhya Pradesh).



### **Design Development Workshops in the Rural Clusters Under Skill India Mission**

In an effort to keep artisans and weavers up to the mark, especially to the frequent change in trends in the national and international market, the Council conducted design and development workshops during all of its upskilling programmes, under Skill India Mission. Designer and experts from National Institute of Fashion Technology (NIFT) conducted more than 50 such workshops in the rural crafts clusters, during the outreach programme.



**Krishan Kumar**

**CEO, Handicrafts and Carpet Sector Skill Council**

Krishan Kumar is the Chief Executive Officer of Handicrafts and Carpet Sector Skill Council. He comes with around 18 years of experience in the education industry, skill development ecosystem and multinational set-ups and has managed various key roles within these sectors.

### **Workshop on Financial Literacy**

The Council has organized multiple online and on-ground workshops in the crafts clusters on Financial Literacy, to train artisans and weavers under RPL (Recognition of Prior Learning) and special Project under the flagship PMKVY 3.0 programme. The workshops on financial literacy were conducted by National Centre for Financial Education-NCFE, an organization promoted by SEBI and RBI.



### **References**

- 1. Carpet Export Promotion Council**
- 2. Export Promotion Council for Handicrafts**

# ACCELERATING INDIA'S HANDICRAFTS POTENTIAL: FINANCIAL, DIGITAL, & INSTITUTIONAL LANDSCAPE



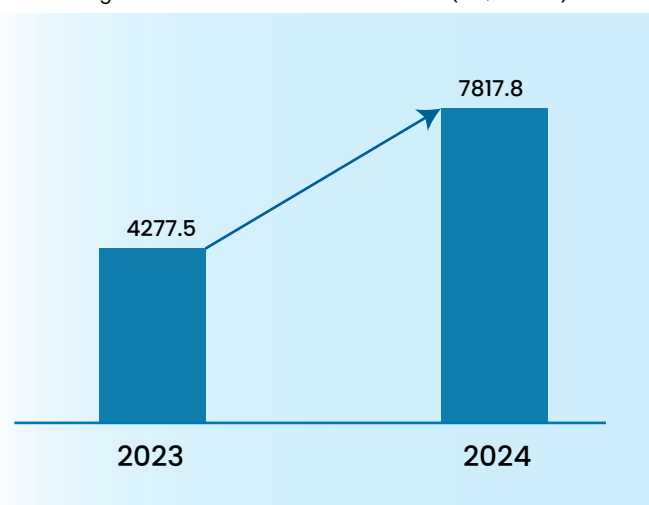
## Introduction

Indian handicrafts sector represents a cultural heritage that is second to none at a global level. Representing centuries of knowledge, skills, art, and aesthetics; India's handicrafts legacy is an important source of both revenues and India's soft power in the world. It is said that during the Mughal era, India exported as much as 33%<sup>i</sup> of its handicrafts production including carpets, fabrics, metalware and much more. And while the cultural significance and aesthetic appeal of Indian handicrafts remains highly regarded, a lot more can be done to fully tap into the economic and social potential of this industry including skill development, digital transition, entrepreneurship ecosystem development, and market making. According to the research published by the IMARC Group, the global market size for handicrafts reached US\$ 830.4 billion in 2023 and is expected to grow at a CAGR (Compound Annual Growth Rate) of 9.2% to reach US\$ 1,864.1 billion by 2032.<sup>ii</sup> In comparison, the India handicrafts market size in 2023, reached US\$ 4,277.5 Million and is expected to reach US\$ 7,817.8 Million by 2032, exhibiting a CAGR of 6.7% in this period.<sup>iii</sup>

This market growth projection combined with India's already prominent position in the global handicrafts market and its current demographic advantage points to handicrafts emerging as a crucial industry that can contribute the goal of Viksit Bharat for India@100. In this context, this article explores the digitalization and entrepreneurship landscape for the handicrafts sector and how practitioners, policy makers, market forces,

enablers, and institutions need to come together to fully realize the social, financial, and livelihoods potential of our handicrafts heritage.

Figure 1: India's Handicrafts Market Size (US\$ million)



Source: IMARC, 2023

## Indian Handicraft Sector Overview

As per the annual report published by the Handicrafts and Carpets Sector Skill Council (HCSSC) in India, Handicrafts and Carpets are export heavy sectors that employ over 7.3 million people (handicrafts) and 2 million weavers (carpets), primarily from rural and semi-urban areas.<sup>iv</sup> Interestingly, this is a female

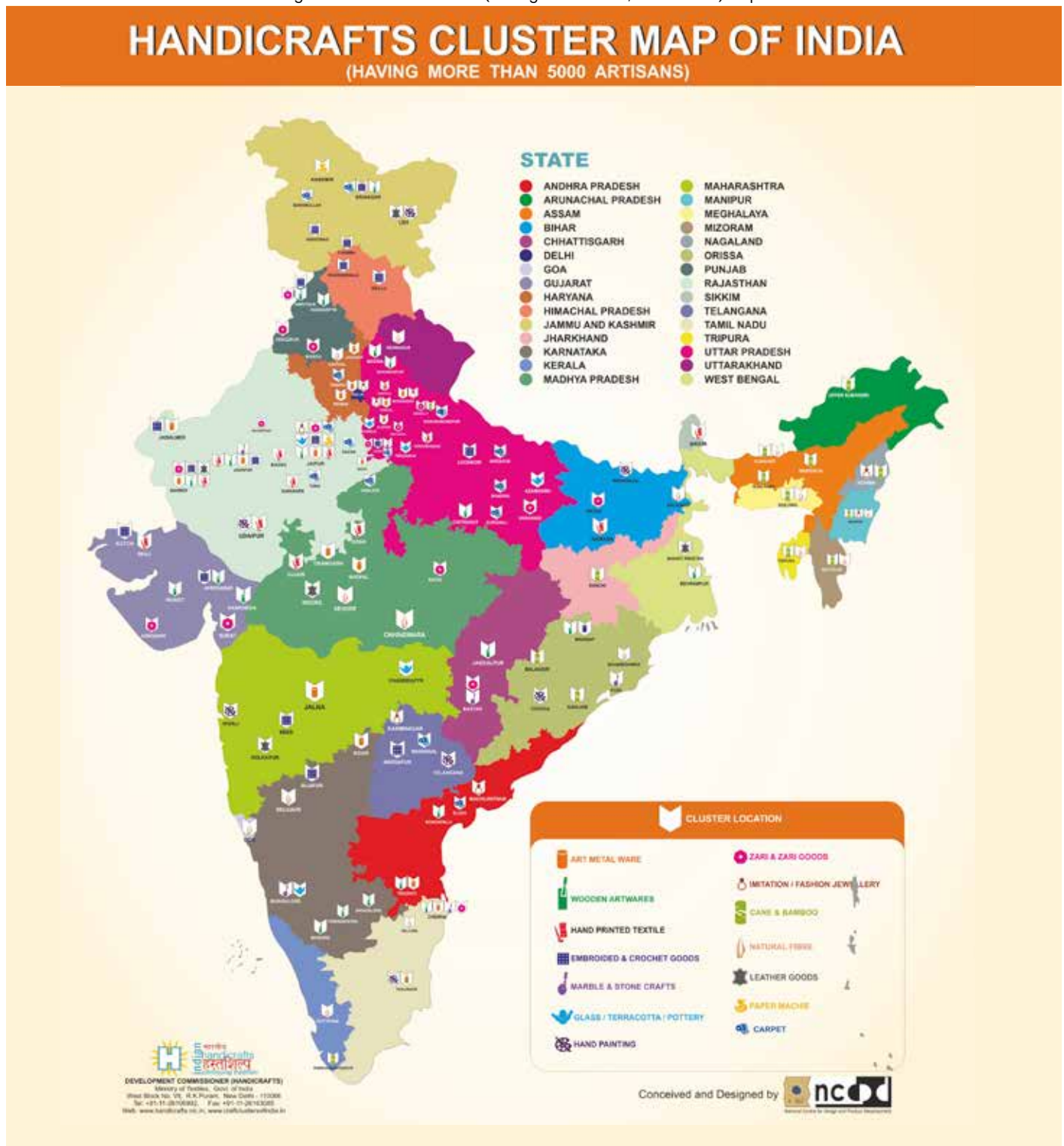
dominated sector in so much that 56.13% of the workforce in handicrafts is women.<sup>v</sup>

HCSSC defines the handicrafts as “Item or product produced through manual skills, with or without mechanical or electrical or other processes, which appeals to the eye, due to the characteristics of being artistic or aesthetic or creative or ethnic or being representative of cultural or religious or social symbols or practices, whether traditional or contemporary. These items or products may or may not have a functional utility and can be used as decorative items or gifts”.<sup>vi</sup>

India boasts of a total of 744 handicrafts clusters that produces over 35,000 different products. These include metalware, jewellery, woodware, natural fibres, stoneware, carpets, zari/zari-based products and much more. In fact, as many as 313 of the Indian crafts have been registered under the Geographical Indication (GI) tag<sup>vii</sup>, which represents its uniqueness and cultural significance.

Many of the artisans working in these sectors are also engaged in agriculture and allied activities as a source of income and often alternate between the handicrafts work and farm work as per the season. Agriculture and allied sectors are also intricately linked

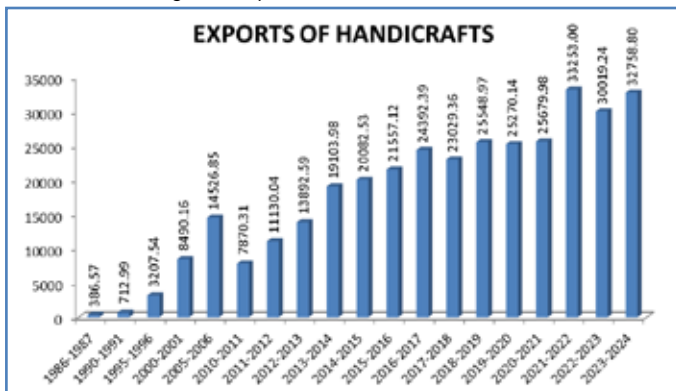
Figure 2: Handicrafts Cluster (having more than 5,000 artisans) Map of India<sup>viii</sup>



to the handicrafts sector as it provides the raw materials (bamboo, natural fibres, wood etc.) for many of the products, however, most of the value-add that creates export potential, happens through the artistic labour of the craftspeople.

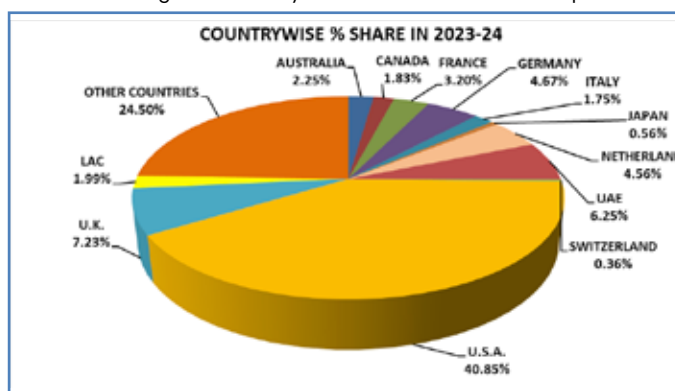
In terms of the export, India is one of the largest exporters of handicraft products and a world leader in terms of handmade carpets export. Between April and February 2024, the total exports of handicrafts from India were valued at ₹ 27,291 crore (US\$ 3.29 billion).<sup>ix</sup> As per the Export Promotion Council for Handicrafts (EPCH), the export value of handicrafts (other than hand knotted carpets) was merely ₹ 386.57 in 1986-87, which has grown to a massive export size of ₹ 32,758.80 Crores in year 2023-24.

Figure 3: Export of Handicrafts in ₹ Crore



Source: Export Promotion Council for Handicrafts (EPCH), 2024

Figure 4: Country-wise Share of Handicrafts Exports



Source: Export Promotion Council for Handicrafts (EPCH), 2024

In terms of country-wise export demand, India is exporting its handicraft and carpets to over 70 countries with the United States of America being the largest consumer of these products.

As per the annual report published by HCSSC, the handicrafts and carpets sector can be characterized by the following SWOT analysis:<sup>x</sup>

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Low capital investment</li> <li>• High ratio of value addition</li> <li>• Aesthetic and functional qualities</li> <li>• Handmade and hence has few competitors</li> <li>• Variety of products which are unique</li> <li>• Exporters willing to handle small orders</li> <li>• Increasing emphasis on product development and design up-gradation</li> </ul>	<ul style="list-style-type: none"> <li>• Inconsistent quality</li> <li>• Inadequate market study and marketing strategy</li> <li>• Lack of adequate infrastructure and communication facilities</li> <li>• Capacity to handle limited orders</li> <li>• Untimely delivery schedule</li> <li>• Unawareness of international standards by many players in the market</li> </ul>

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Rising appreciation for handicrafts by consumers in the developed countries</li> <li>• Widespread novelty seeking</li> <li>• Large discretionary income at disposal of consumer from developed countries</li> <li>• Growth in search made by retail chains in major importing countries for suitable products and reliable suppliers.</li> <li>• Opportune for agencies to promote marketing activities</li> <li>• Use of e-commerce in direct marketing</li> </ul>	<ul style="list-style-type: none"> <li>• Better quality products produced by competitors from Europe, South Africa, South Asia, etc.</li> <li>• Better terms of trade by competing countries</li> <li>• Consistent quality and increasing focus on R&amp;D by competing countries</li> <li>• Better packaging and marketing</li> <li>• Strict international standards</li> <li>• Pandemic like COVID-19</li> </ul>

From the landscape presented above, we can draw the following insights:

- Being a labour-intensive industry with a high value-add and export potential, handicrafts can be seen as a sunrise sector with tremendous scope to employ the youth, particularly women.
- Indian handicrafts sector potential remains to be fully tapped and faces challenges of mechanisation, international competition, and incomplete adoption of modern digital, marketing, and production tools.
- With a history of small-scale cottage-operated production setup, handicrafts sector is sector primed for formalization and entrepreneurship development. This is already happening with the advent of e-commerce possibilities and a growing appreciation of Indian handicrafts products.
- Apart from the economic potential of the handicrafts sector, the industry can also act as an avenue of social inclusion and achievement of Sustainable Development Goals (SDG) such as Gender Equality (SDG 8), Responsible Consumption and Production (SDG 12), and Decent Work and Economic Growth (SDG 8).

Figure 5: Key SDGs linked to Creative Manufacturing & Handmade (CMH)<sup>xi</sup>



Source: Business of Handmade, 2nd Edition

Considering these insights, the article further explores the financial, digital, and institutional landscape for handicrafts in India and how collaboration between different actors in the ecosystem can propel this sector into becoming one of the strongest industries in India.

### Finance, Digital, and Entrepreneurship Landscape

To capitalize on the opportunities available in the handicrafts sector, it is imperative to create an ecosystem for the artisans that helps them achieve competitive advantage and access to broader

markets. In the age of digital economy and virtual marketplaces, this can be done through consistent investment in skill development, making finance more accessible, and building an entrepreneurship-friendly landscape. But where will this 'consistent investment' come from? What models will best serve the community and their economic activities? Which are the biggest challenges for the handicrafts community in accessing bigger markets? To answer these questions, 200 Million Artisans, an impact-first, ecosystem enabling organization championing India's cultural economy published the second edition of their Business of Handmade report titled "*Financing A Handmade Revolution: How Catalytic Capital Can Jumpstart India's Cultural Economy*" in 2023<sup>xii</sup>. Their study spanning over 12 months included in-depth interviews with 516 Handmade or Craft-led MSMEs, or HCMs (including retail brands and social/creative enterprises), as well as 70+ investors, ecosystem actors, intermediaries, and enterprises. The insights from this report present an interesting and opportune outlook for the handicrafts where different innovative models of finance can step in to accelerate growth in the sector.

The insights from this report highlight some of the most pertinent barriers (and areas of growth) for the craftspeople community. On the positive side, the report characterizes HCMs as hungry for growth, ambitious, often led by women, rapidly digitalizing and formalizing, inclusive, and planet conscious. But in terms of challenges, the report also shows a massive financing gap in the sector.

### Key insights from the report suggest:

- Despite 91% enterprises being open to financing from external sources, only 1 in 10 enterprises have easy access to finance.
- 78% of enterprises are struggling to access working capital to operate.
- 63% either have not registered on, or do not use MSME / Udyam portal.
- 44% of women-led HCMs find it hard to ensure reasonable terms of financing (interest rates, timelines etc.) as opposed to 30% Men-led HCMs.
- 87% of the HCMs lack necessary financial literacy.
- 73% of the HCMs struggle with complex procedural and bureaucratic barriers including tax directives.
- 66% of the HCMs believe that both investors and policy ecosystems view arts/crafts- based enterprises as non-profitable or charity cases.

This shows a prominent role for Catalytic Capital, defined as "Investment capital that is patient, risk-tolerant, concessionary, and flexible in ways that differ from conventional investment. It is an essential tool to bridge capital gaps and achieve breadth and depth of impact, while complementing conventional investing (MacArthur Foundation)." Catalytic capital can be a game changer in providing solutions and enabling change. A few examples of Catalytic Capital would include models such as Blended Financing, Social Impact Bonds, Purchase Order Financing etc. These types of finance models could support HCM entrepreneurs in important endeavours such as skill development, competitive procurement, and hiring the best design talent to work with grassroots artisan communities.

## Skill Development and Government Support

One crucial area of work to empower craftspeople is skill development. Artisans and craftspeople in the community already have the generational knowledge and tools to create invaluable handicraft products. What they need is handholding, training, and support to access modern tools of scale and growth. For example, more efforts need to be made to enable the handicrafts workforce with production, design, digital, financial, and marketing skills to scale their businesses and realize profits. To achieve this, policy makers, training institutions, enterprises, and practitioners will all need to come together and create need-based, demand driven, and data-led<sup>xiii</sup> skill development programmes.

In achieving this, the government and policy landscape has a vital role to play. For example, programmes like PM Vishwakarma Scheme puts its focus on some of the most informalized and marginalized sections of the crafts community to deliver skills that promote entrepreneurship and use of modern tools to practice traditional crafts. The scheme is being implemented across 18 trades such as blacksmithing, carpentry, garland making, tailoring, pottery, and others. The scheme is multifaceted and offers recognition, skills, tools, and financial support to the artisans.

### Key features of the scheme are:

- Short term training focused on a specific trade for five to seven days followed by an advanced training of 15 days or more with a stipend of ₹500 per day.
- PM Vishwakarma ID card and certificate upon completion.
- Trade specific Toolkit worth up to ₹15,000 given at the beginning of the basic skill training.
- Credit support in the form of a collateral-free loan for 'Enterprise Development' of up to ₹ 300,000 in two tranches of ₹ 100,000 and ₹ 200,000 for 18 months and 30 months, respectively. These loans are provided at a concessional rate of interest fixed at 5%, with Government of India subvention to the extent of 8%.
- Entrepreneurship onboarding on the Udyam Assist Platform to facilitate a formal entry into the MSME ecosystem via Aadhaar-based biometric authentication on PM Vishwakarma portal.
- Direct transfer monetary incentive for digital transaction such that, for each digital transaction in their trade, the eligible candidates receive ₹1 per digital transaction, up to a maximum of one hundred transactions monthly.
- Marketing support in the form of branding, quality certification, onboarding on e-commerce platforms, advertising, marketing activities to improve linkage to value chain.

NSDC, under the aegis of MSDE, plays a critical role in the implementation of PMVS on ground across the country by contributing to the digital infrastructure of the scheme through the Skill India Digital Hub (SIDH) and supporting trainings at designated institutes. These training centres also become a platform for the candidates to share their concerns, grievances and queries which are addressed with diligence and promptness.

### Data pertaining to the scheme and its progress is available to the public on the Skill India Digital platform and PM Vishwakarma website. Key highlights of the scheme as of August 2024:<sup>xiv</sup>

- More than 2,36,25,400 candidates have applied to be registered under PMVS.
- More than 17,05,181 candidates have successfully registered upon a three-step verification process.
- Tailoring, Brick Masonry (basic), Carpentry, Assistant Barber (Salon Services), and Traditional Malakar (garland and bouquet making) are the top five trades in terms of candidate registrations.
- Karnataka, Gujarat, Jammu and Kashmir, Maharashtra, and Andhra Pradesh are the top five states in terms of candidate registrations for the basic training.
- More than 45% of the registered candidates are women

Aside from the PM Vishwakarma Scheme, following other institutions and initiatives are currently in place to support the handicrafts community:

### • Handicrafts and Carpets Sector Skill Council (HCSSC)

Supported by NSDC, HCSSC acts as a bridge between the industry, training institutions, and candidates to design the skill development courses that are most relevant to promoting livelihoods and entrepreneurship.

### • National Handicraft Development Programme (NHDP)

This programme is focused on building capacity for design-led product development to improve India's handicrafts exports.

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

Established under the Companies Act in 1986-87, EPCH is driven by the mission to promote, support, protect, maintain and increase the export of handicrafts. For this, they undertake knowledge dissemination, provide professional advice and support to members, organize delegation visits and fairs, provide liaison between exporters and the government, and carry out awareness workshops.

As the movement towards supporting and empowering the

handicrafts sector continues, more such institutions, both public and private, should emerge to solve complex and hyper local problems faced by the community. Influx of ‘catalytic capital’ in the HCM space can accelerate this process by creating a thriving space for budding entrepreneurs and youth from the handicrafts community to get more skilled, involved, invested in growing this sector together.



### Conclusion

India’s cultural heritage contains timeless knowledge and beauty; and continues to be a source of pride and profit for the country. As the world grows its appreciation for this heritage and modern tools of scale and reach emerge, we are presented with an opportunity to invest-in and grow the handicrafts sector to its full potential. India must continue to take consistent steps to understand and solve the challenges faced by the craftspeople and empowering them to achieve their full potential. In doing so, we will also be uplifting communities, growing the economy, and preserving exquisite forms of art.

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### Ragini Thakur

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Ragini is an Education and Skilling sector professional with over 8 years of experience in diverse fields such as policy research, content development, project management, leadership development training and placement preparedness. At NSDC, Ragini leads the content, editing, and publication process for NSDC Connect. She has a postgraduate degree in International Relations from Jawaharlal Nehru University and a passion for inclusive and accessible education.

## SAMPOORNA BAMBOO KENDRA FOSTERING THE BAMBOO ECONOMY WITH NSDC



### Introduction

India boasts immense potential across its diverse regions. However, certain areas grapple with economic and developmental challenges. A key factor contributing to this disparity is often the underutilization of local resources. By shifting focus to resource-based development models, we can unlock the full potential of these regions, fostering self-reliance and sustainable growth. A comprehensive understanding and strategic implementation of these models are crucial to achieving a balanced and inclusive development trajectory for the nation.

The region of Vidarbha, which forms the eastern part of the state of Maharashtra has exhibited underdevelopment on the parameters pertaining to economic, social, human development and sustainability. One such area in the Vidarbha region is the area of Melghat. It is located in the Satpuda range of Mountains (Gavilgad Hills) on the northern borders of District of Amravati and Akola, bordering Madhya Pradesh. The Melghat region is blessed with a variety of flora and fauna. It is home to the Royal Bengal Tiger, Indian Leopard, Sloth Bear, Indian Jackal, Sambar, Gaur, Barking Deer, Indian porcupine, and other wildlife.<sup>1</sup> On the floral side, the area reports around 650 species with 90 trees, 66 shrubs, 316 herbs, 56 climbers, 23 sedge and 99 grasses.<sup>2</sup> Despite its abundance in the region, its potential remains untapped. Bamboo can serve multiple purposes, from crafting small artifacts to constructing houses and hence, can be a useful source of resource-led livelihoods generation.

### Sampoorna Bamboo Kendra

It was the vision of one man who understood the importance of this resource. After realising the potential, he along with his wife decided to dedicate their lives to the upliftment of the tribals in the region through the magical resource of Bamboo. It was Shri Sunil Deshpande along with his wife Nirupama Deshpande who gave up their otherwise rewarding careers for the cause of Tribal Development and Bamboo and shifted themselves to the Melghat region.



Sampoorna bamboo Kendra (SBK) was established in Melghat (Dharni and Chikhaldara blocks of Amravati District, Maharashtra) in 1995, with an aim of providing employment to local youths based on Bamboo. SBK initiated training programme and production activities, while also promoting an artisans' cooperative for marketing of Bamboo Products. SBK is involved in developing various aspects of the bamboo sector, from artisan skill upgradation to building & designing low-cost bamboo housing and marketing of bamboo handicraft products.

Sampoorna Bamboo Kendra's 'Viswakarma Vidyalaya' aims to generate eco-friendly and sustainable rural employment through training and skills upgradation in the Melghat tribal region, an interior area of Maharashtra where no such facilities exist. The employment generated leverages both local renewable materials and local workforce, hence employing rural India in a responsible manner, furthermore, providing eco-friendly employment opportunities for rural India. Sampoorna Bamboo Kendra started its work in the Melghat region with a handful of tribals, and today it has grown into a thriving community of its own.

The Sampoorna Bamboo Center has completed 25 years of work in Melghat in the year- 2019-20. The work of the institution expanded this year. The aim is to empower the people of Melghat for employment and to bring more people in the mainstream by providing training and opportunities for employment and self-employment.



### Gram Gyanpeeth

The Gram Gyanpeeth movement has been making steady progress. Throughout the year, numerous activities take place in the village Gyanpeeth. This work has strengthened the relationship between artisans, workers, and the local society as well as supportive friends. The Gram Gyanpeeth is spread over 8-acre land at Bori in Taluka Dharni in the District Amravati. Projects like the Indian Ancient Knowledge regarding tradition, culture, art, science, and folk art with restitution of rural organization using artisans from the surrounding areas are in the pipeline. The Other projects/activities run under the Sampoorna Bamboo Kendra are as follows:

### Melghat Karagir Panchayat

This activity aims at uniting the artisans (Karagir) who are working in making Bamboo based products, artefacts, and the related sectors. The Melghat Karagir Panchayat cooperated in the work of Rastriya Karagir Panchayat. Shree Sahdeo Shahn from the Panchayat was awarded fellowship from the Center for Leadership, Mumbai for uniting the artisans.

The following organisations are diligently working with the SBM for the technical skill improvement and capacity building

- I. D. C., IIT Bombay.
- VNIT, Nagpur
- National Craft and Design Institute, Jaipur
- M. V. P. Institute of Management, Research and Technology (IMRT), Nashik

### Sipna Shodh Yatra

It is a one-week workshop designed to understand the resources in Melghat region. Sipna is the main river flowing through the Melghat region and hence the activity is based around it. It is particularly oriented to understand the people, water, forest, birds, and earth. People and student from all over the Maharashtra participate in Sipna Shodh Yatra. It is a great learning experience for young and enthusiastic people to understand how life flourishes in various forms and sustains against all odds. Many of the volunteers are inspired to contribute to the excellent work of SBK after completion of the Sipna Shodh Yatra. Typically, this event takes place in November or December every year.

### Ghungru Bajar

The region of Melghat is mostly populated by the tribal populations. It includes Korku, Bhilala, Gond, and other tribes. The Ghungru Bajar is the most prominent festival of these tribes. It is normally organised after the Diwali festival. Tribals from all nooks and corners of the region come together to celebrate this festival. During the festival, the tribals tie Ghungru on their feet and dance on the tune of flutes and drums. This festival is organised in the Dharni Block of Melghat. It is not only an important occasion for preservation of Culture but also for the promotion of trade and commerce in the region.

### Fagwa Mohotsav

The festival of Holi is celebrated across India in diverse ways. But the way in which the Korkus of Melghat celebrate it is incredibly unique. For the Korkus it a time of worshipping the nature and the festival goes on for a period of 5 days. During this time, the migrants who have left the village in search of work also come back to the village. Large fairs are organised in villages and people participate in large numbers. Along with being a major cultural event this also is a major economic event in the region.

## The Problem and the Solution

The hilly terrain of the region has historically shaped its inhabitants' livelihoods, with a strong reliance on forest produce and animal husbandry. While these traditional practices have sustained communities for generations, the establishment of the tiger reserve has presented new challenges. The limited scope for large-scale agriculture coupled with restricted access to forest resources has constrained economic opportunities, often leading to out-migration. Recognizing the potential of these communities and the region's unique resources is crucial to unlocking its development potential.

Many tribal areas face development challenges. A promising solution lies in harnessing local resources. Melghat offers a compelling case study with its abundant bamboo and rich dairy potential. By empowering local youth through skill development in bamboo and dairy product value addition, in partnership with grassroots organizations like SBK, we can create sustainable livelihoods and drive economic growth in the region.

## NSDC as the Game Changer

Though the organisations like SBK have been working in the area for more than 25 years now, they have been longing for a push to create a larger impact with their important work. They wanted technical and design help to diversify their products and package them efficiently. Secondly, they also needed forward linkages and a good marketing push to cross the escape velocity of markets and establish themselves as a trusted brand.

To achieve these objectives, NSDC entered into an agreement with SBK and is contributing the following:

1. NSDC is bearing the total cost of training of 1,000 candidates in one year. This includes the cost of trainers, minor equipments and tools, raw material, training manuals, course materials, cost of examination, and certification, etc. Thus, the biggest operating cost of conducting the skill development programme is being borne by NSDC.
2. Secondly, to enhance the design capabilities of SBK, NSDC through its networks is arranging an MoU between the Symbiosis School of Planning, Architecture and Design (SSPAD) and the SBK. Under this MoU the SSPAD will help SBK with reference to bringing in new and modern designs for the bamboo artefacts, improvise on the designs of the exiting artefacts, try to reduce costs through designing, etc. This will give an edge to the SBK and will make its products better and more acceptable in the national and international markets.
3. Thirdly, NSDC is also helping out SBK in terms of improvisation of their marketing efforts. For this, NSDC has already entered into an MoU with the Indian Institute of Management, Nagpur (IIM-N) since June 2023. Under this MoU NSDC will incubate SBK in the Incubation Centre of IIM-N i.e., InFED. Here InFED will help SBK to create their brand identity, improvise on their marketing effort and

thus help SBK in achieving the desired sales as well as establish their own brand.

Apart from these three areas, NSDC is ensuring that the resources of the region are well utilised in terms of creating good artefacts through them. The funding provided by NSDC will be utilised for two courses namely:



## Bamboo Artisan

In the case of Bamboo Artisan course, the artisans will be trained in terms of creativity and workmanship for creating various artefacts from Bamboo. These include rakhis, penholders, tea-trays, cups, hot vessel holders, home, and office furniture, right up to construction of houses using bamboo. The artisans will be trained in preparation of these artefacts as well as its design, packaging, etc. Currently various products prepared by these artisans under SBK are sold across India as well to some other countries like US, UK, etc. But the current sale is through

contacts and lacks a professional approach. This professional approach can be achieved through the tie-ups of SBK with SSPAD and IIM-N.



### Dairy Production

As mentioned earlier, the Melghat region has a substantial number of cattle as compared to the other regions of Vidarbha. This may be due to abundance of grazing areas and water resources. But the cuisine of this area does not include a lot of milk usage. As a result, a lot of Marketable Surplus of milk is available in the Melghat region. Milk has a short shelf life and hence it needs to be preserved or processed to increase its shelf life. Similarly, a variety of milk products like curd, butter, clarified butter, cottage cheese, cheese, etc. can be prepared from the milk. Unfortunately, there is a lack of such facilities in the region which could training the population in milk processing techniques. Forward linkages for the finished products also need to be developed. NSDC and SBK have now joined hands to solve this problem and provide training in food processing to the tribal youth of the region.

### Additional Training

NSDC is committed to empowering individuals through Digital Financial Literacy (DFL) and Entrepreneurship Development (ED). By integrating these essential modules into our training programmes, we are equipping trainees with the tools to navigate the digital economy and become job creators rather than seekers. This strategic approach is not only fostering financial inclusion but also strengthening the entrepreneurial ecosystem.

Our partnership with SBM marks a pivotal moment in India's skill development landscape. Together, we are not just funding programmes but driving positive change. By ensuring that training leads to tangible outcomes for trainees, partner organizations, and the nation, we are demonstrating a comprehensive approach to skill development. This collaboration truly represents a win-win for all stakeholders.



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### **Dr. Kapil D. Chandrayan**

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Dr Kapil D. Chandrayan is a Senior Consultant at NSDC with extensive experience in strategic communication, stakeholder engagement, and development economics. He has served on various advisory boards and has a strong academic background, including a PhD in Regional Development Economics and an MBA in Marketing.

## NURTURING & CELEBRATING INDIAN HANDICRAFTS: SKILLS, SUPPLY CHAIN, AND COLLABORATION



**DR. MEGHA PHANSALKAR,**  
**FOUNDER, TISSER ARTISANS TRUST**

Team NSDC in conversation with Dr. Megha Phansalkar. Dr. Phansalkar is a distinguished Urban Regional Planner with a proven track record of over two decades in driving sustainable development. Her expertise in community-led initiatives, particularly in water supply, sanitation, and livelihoods, has made her a leading figure in the field. As the Founder of Tisser Artisan Trust and AUREUS; and a Principal Advisor at renowned institutions, Dr. Phansalkar has consistently demonstrated her ability to catalyse positive change and create lasting impact.

**Iwin:** Thanks for taking the time to speak with our team. Could you please tell us about your career and leadership journey?

**Dr. Megha:** I am Dr. Megha Phansalkar, an urban and regional planner by education. I completed my master's in Urban and Regional Planning from CEPT University and earned a doctorate in Information Systems and Regional Planning in 1998. My career began with the World Bank, initially through the Government of Maharashtra in the water and sanitation sector, and later, I worked directly with the World Bank from 2008 onwards, focusing on livelihoods, water sanitation, and knowledge management across South Asia.

During my work in the livelihood sector, I encountered numerous artisans and recognized the volatility of the handicraft industry. This inspired me to take action. In 2015, I established both a not-for-profit and a private limited company to address the challenges in this sector. The not-for-profit focuses on leveraging CSR, grants, and government schemes to grow the value chain. Unlike sectors such as health or sanitation, where the focus is on skilling and capacity building, handicrafts require selling a product, which is why the business entity was necessary.

I received mentorship from organizations like TechnoServe, Procter & Gamble's incubation programme, and Walmart's incubation programme, which helped me develop as a leader in this sector.

Though I was familiar with the development sector, I found the business world quite challenging. When I sought venture funding, I was considered a negative candidate because of my ongoing association with the World Bank and the trust made them think I was a flight risk and could shut my business down at any moment. This feedback led me to decide against venture funding, focusing instead on maintaining my connections with both the World Bank and the development sector.

Today, our organization remains bootstrapped and has grown through our efforts over the past few years. I have invested significant energy, time, and resources into building this organization. At one point, I even donated my private limited shares to the trust to avoid any conflict of interest and ensure that our mission remains focused on livelihoods.

**Iwin:** What motivates you to work in this sector?

**Dr. Megha:** When I first entered this sector, I was on the advisory side, offering guidance as a facilitator. It was then that



I understood that for the value chain to be effective, a product must reach the consumer. That is how I ventured into sales and established the private limited company, driven by the startup boom and the potential for venture funding. During my journey,

I realized how volatile the handicrafts sector is. Despite India having 60% of the world's art and crafts, and the majority of global artisans residing here, India holds only 2% of the global market share. This stark contrast is what motivated me to focus

on this sector. Countries like Sri Lanka, Bangladesh, Taiwan, and the Philippines have managed to elevate their art and craft sectors, and I felt India had enormous untapped potential to make a global mark in this sector.

This sector's volatility requires passion and compassion, which I believe, I possess. We were clear from the start that we did not want to be just another marketplace or a NGO working at the cluster level. Our focus has always been on creating scalable impact, not just developing a few product lines, or concentrating on a couple of crafts. Our journey has been sustainable because our goal is inclusion, not elimination. We work with people from diverse backgrounds—various locations, religions, communities, including sex workers and differently-abled individuals. This inclusiveness has been central to our growth and learning.

One of the key lessons I took from my World Bank experience is that you cannot solve the challenges of the livelihood sector without addressing the entire supply chain. No matter how much skilling, design improvement, or digitization you bring, if you do not touch all the weak points in the supply chain, it will not make a difference.

Compassion drives my commitment to the arts and crafts sector. I want to bring this sector out of its current state, whether through policy advocacy, innovative designs, supply chain optimization, or research. I do not want to leave any stone unturned.

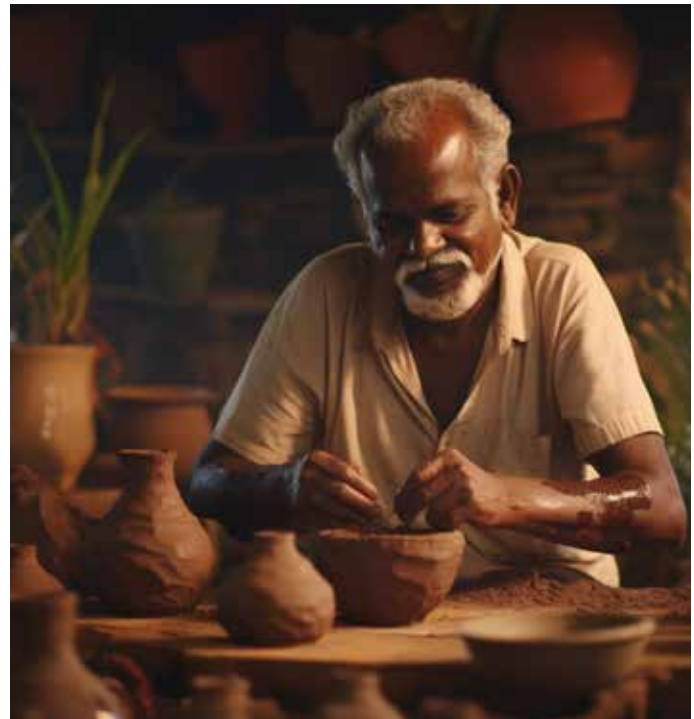
**“Our journey has been sustainable because our goal is inclusion, not elimination. We work with people from diverse backgrounds—various locations, religions, communities, including sex workers and differently-abled individuals. This inclusiveness has been central to our growth and learning.”**

**Iwin:** How would you describe the skills and livelihoods landscape for handicrafts in India?

**Dr. Megha:** The handicraft landscape in India can be categorized into three main segments:

**Traditional Artisans:** These are communities that have been practicing their craft for generations—often three, four, or even five generations. Examples include Ikat, Sambalpuri, Kalamkari, and Madhubani. These artisans carry forward skills passed down through their families, and while their work is invaluable, they often find themselves in a vulnerable position. They must compete with machine-made products, and the demand for low-cost goods makes it challenging for them to sustain themselves. This creates a significant mismatch in the market. For instance, a genuine kalamkari dupatta crafted by an artisan may cost ₹ 5000, but consumers often purchase

machine-made replicas for just ₹ 500.



**New Learners:** This group includes individuals who are not part of traditional artisan families but wish to learn and grow in this field. They can acquire skills in various crafts such as crocheting, tie-dyeing, block printing to name a few. This opens new opportunities for people who want to engage with handicrafts.

**Enablers in the Craft Space:** Not everyone needs to be an artisan to be part of this industry. Many livelihoods exist in supporting roles within the craft ecosystem. These include packaging, marketing, digital interfacing, arranging working capital, and helping artisans access government schemes. People can also work as cluster coordinators, ensuring the smooth functioning of craft clusters. These enablers play a crucial role in the success of this sector.

In addition to these roles, consumers also play a vital role by supporting artisans and purchasing authentic products as their choices directly impact the livelihoods of these artisans.

**Iwin:** That was insightful. Especially the fact that by becoming patrons of authentic products we support livelihoods of crafts people. Moving on to the next question, what are the some of the biggest challenges being faced by the artisans in the handicrafts sector?

**Dr. Megha:** There are majorly 5 challenges in this sector:

**Institutional Challenges:** The institutions supporting artisans, such as SHGs (Self-Help Groups) and producer groups, lack the capacity to handle market linkages, design inputs, skills, tools, and working capital. These institutions are often informal and lack commitment, making it difficult to manage orders and run a business effectively.

**Design Challenges:** Artisans continue to produce traditional,

age-old designs that do not meet current market demands. The market seeks modern designs, such as monochrome or geometric patterns, but the communities have a different vision. There is a need for design inputs, market research, and skills to create and process contemporary designs.

**Working Capital and Financial Challenges:** Artisans often lack the working capital to sustain their businesses. They depend on customers to buy their products before they receive any money. This financial instability forces them to sell their products at low prices. Additionally, accessing government schemes and loans is a difficult and complex process.

**Marketing and Sales Challenges:** Artisans struggle with marketing and selling their products. They lack knowledge on how to develop catalogues, take product photographs, and identify the right markets. Selling their products year-round is a challenge, and they face issues with GST compliance, packaging, and transportation. This broken supply chain and lack of consistent demand further complicates their business.



**Lack of Data & Information:** The sector suffers from a significant lack of data and research. There is no comprehensive information on the number of artisans, diminishing art forms, or specific craft-related details. This lack of data makes it difficult to assess impact, conduct research, and make informed decisions on where and how to provide support.

**Iwin: How should trainers, institutions and policy makers think about skill preparedness for artisans and helping them be gainfully employed?**

**Dr. Megha:** I would say the two solutions for addressing the challenges in the arts and crafts sector are:

**Collaboration Across the Supply Chain:** All stakeholders—including artisans, consumers, supply chain players, the government, intermediaries, and aggregators—must collaborate. Each entity needs to focus on its part of the value chain, working together to create a seamless supply chain from the artisan to the consumer.

Let me give a simple example—Amul. Amul manages its value chain from the producer to the consumer, focusing on inputs and raw materials, ensuring the quality of milk, and handling decentralized plants and machinery. They manage branding, packaging, and a decentralized supply chain across the board. That is what Amul does with milk.

In the craft sector, the same value chain management is needed, but for crafts. For example, Fab India acts as an aggregator. They go down to the grassroots, work on skilling, and then ensure that the capacity is built for supply.

**Focus on Value Chain and Market-Led Skilling:** There is a need to build and strengthen the value chain in the craft sector. This involves ensuring that artisans receive the right kind of skilling, focused on creating products that meet market demands. Effective market research and empowering artisans to meet the demand will lead to better livelihoods and growth in the sector.

**Iwin: Any advice for our young readers in terms of skills that they should focus on to be ready for the tech dominated and dynamically changing world of the fourth industrial revolution?**

**Dr. Megha:** I would advise young readers to embrace entrepreneurship as a valuable learning experience and any effort you invest will yield results, but it is essential to choose the right path. Whether you aspire to be a traditional entrepreneur, a social entrepreneur, or an impact-driven leader, clarity on your motivation and the impact you want to create is key.

I believe focusing on innovation and uniqueness in their chosen fields. Understanding your passion and the specific problem you want to solve will help you stand out. Whether you aim to work closely with communities or drive change through policy and data, your journey should be driven by purpose and a sharp vision of the impact you wish to make.

In the crafts sector, for example, technology is playing an increasingly crucial role. Tools like Kosha, an AI and blockchain-enabled device, ensure the traceability of handloom products, while Bharatrath streamlines the supply chain. These innovations show how technology can empower both artisans and the broader ecosystem.

However, the technology needs to be user-friendly to be effective and that is where a huge gap exists. Complex backend processes should translate into simple, accessible tools that even non-tech-savvy users, like artisans, can easily adopt. This principle applies across sectors but more so crucially in this sector.

# NEWS BYTES



## NSDC launches Kaushal Mahotsav, Job Readiness Program in Uttar Pradesh



Aligning with the vision of Hon'ble Prime Minister Shri Narendra Modi, the National Skill Development Corporation (NSDC), with the support of the Ministry of Skill Development and Entrepreneurship (MSDE), announced the launch of the 'Kaushal Mahotsav: Job Readiness Program' in Bijnor UP on August 8, 2024. Guided by Hon'ble Minister of Skill Development & Entrepreneurship Shri Jayant Chaudhary, this initiative aims to transform Bijnor into a key hub for skilled workforce development.



## NSDC has launched the Women Entrepreneurship Programme



On July 31, 2024, National Skill Development Corporation (NSDC) launched the Women Entrepreneurship Program, aiming to empower women entrepreneurs and stimulate economic growth by addressing their unique challenges. Britannia Industries Limited will work with Skill India Digital Hub to provide cash incentives and exhibit their products, fostering an inclusive environment for female entrepreneurs. Shri Atul Kumar Tiwari, Secretary of the Ministry of Skill Development and Entrepreneurship, complimented Britannia's efforts to promote women's entrepreneurship, emphasizing the substantial progress made through National Institute for Entrepreneurship and Small Business Development (NIESBUD) and other ministries.

## Sompo Care and NSDC International Collaborate to Train Indian Nurses for Japan



On August 6, 2024, NSDC International Limited, a subsidiary of the National Skill Development Corporation (NSDC), partnered with Sompo Care Inc. to train Indian nursing care professionals and facilitate their transition to Japan. Aligned with India's "Skill India Mission," the initiative aims to enhance skills, provide international job opportunities, and address workforce shortages in Japan's nursing care sector.

Shri Ved Mani Tiwari, CEO, NSDC & MD, NSDC International said, "We are thrilled to announce the commencement of our collaboration with SOMPO Care Inc."

## PM Vishwakarma scheme certifies over 500,000 artisans

The 'Basic Skill Training' initiative under the PM Vishwakarma Scheme has certified 5,17,835 artisans and craftspeople across 26 states/UTs as of July 19. Karnataka leads with 112,737 certified candidates, followed by Jammu and Kashmir, Gujarat, Andhra Pradesh, and Maharashtra.

Launched on September 17, 2023, the scheme supports artisans from 18 trades, offering skill upgradation, toolkit incentives, credit support, and marketing assistance.

### Ministry of Skill Development Expands Craftsmen Training Scheme Nationwide

The Ministry of Skill Development and Entrepreneurship (MSDE) is implementing the Craftsmen Training Scheme (CTS) through Industrial Training Institutes (ITIs) to provide long-term training.

Alongside CTS, schemes like Pradhan Mantri Kaushal Vikas Yojana (PMKVY) and Jan Shikshan Sansthan (JSS) offer short-term skill development training, benefiting youth across all sections, including tribal communities. Currently, 1,628 ITIs are established in tribal areas, with 123 ITIs operating in Maharashtra alone.

### The Union Budget highlights a focus on Skill development, Education for Future generations

The Union Budget 2024-25 presented a comprehensive strategy to achieve 'Viksit Bharat,' focusing on nine key priorities, including a strong emphasis on skill development and employment growth. Recognizing the critical role of skilling in nation-building, the budget highlights the need to equip India's young workforce with the competencies required by modern industries. Prioritizing skilling and employment, highlights the crucial role these aspects play in nation-building. Skilling equips the workforce with the necessary competencies to meet industry demands, fostering innovation and productivity.

### A budget boost for more women at work

The Union Budget for 2024-25 has allocated more than Rs 3 lakh crore for schemes benefitting women and girls. If used properly, this allocation can be a game-changer for a country that has witnessed extremely low participation of women in the workforce.

The latest budget aims to support working women through setting up hostels in collaboration with industry and establishing creches, a significant step for boosting women's ability to work across sectors.

### Maharashtra govt signs MoU with NSDC International to boost employment opportunities for youth

The Government of Maharashtra has partnered with NSDC International to establish the NSDC International Skill centre in Pune. This state-of-the-art facility will focus on creating a globally benchmarked skills ecosystem and provide training in sectors such as Hospitality, Healthcare, Beauty & Wellness, IT, and Construction. The centre aims to empower Maharashtra's youth with skills for international job opportunities.

The MoU was signed by key figures including Shri Ved Mani Tiwari, CEO of NSDC, and Mr. Pramod Naik, Director of MSBTE, with prominent attendees such as Shri Eknath Shinde, Hon'ble CM of Maharashtra, and Shri Devendra Fadnavis, Deputy CM.

### GIMS to offer training for international healthcare jobs

The Government Institute of Medical Sciences (GIMS) has partnered with NSDC, to offer skill-based training to students aspiring for career opportunities in global healthcare, the training programme will equip paramedical, and nursing staff selected by the NSDC with necessary skills to secure employment in countries such as Israel, Germany, the United States, and Japan.

### SAP India and Microsoft Launch Tech Skilling Program for Underserved Young Women

SAP India and Microsoft have launched TechSaksham, a joint initiative to empower 62,000 young women from underserved communities with skills in AI, cloud computing, web design, and digital marketing. Partnering with AICTE-ATAL and State Collegiate Education departments, the program will also train 1,500 faculty members in its first year, impacting up to 75,000 students through enhanced teaching capabilities.

## NSDC: HIGHLIGHTS

### Inauguration of Skill India Centre by Hon'ble President of India

On July 25, 2024, Hon'ble President of India, Smt. Droupadi Murmu, inaugurated the Skill India Centre at Rashtrapati Bhavan. This center, established under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), aims to provide specialized skill training in key sectors such as Tourism, Hospitality, and Agriculture. The initiative is focused on upskilling residents and employees of the President's Estate, empowering them with industry-relevant expertise to enhance their employability and livelihoods. During the event, NSDC was lauded for spearheading these initiatives, emphasizing the role of skill development in driving sustainable livelihoods and economic growth.



### Skill India Centre launched in Surat, Gujarat

The National Skill Development Corporation (NSDC) and Dr. Ambedkar Vanavasi Kalyan Trust, Surat, have partnered to establish a Skill India Centre (SIC) in Surat. Shri. Prabhubhai N. Vasava, Member of Parliament from Bardoli inaugurated the centre which aims to train 2,700 beneficiaries over three years, with a focus on 50% female participation. The centre offers courses in Textile & Apparel, Diamond, Real Estate, Retail Management, Ancillary services like, cloud kitchen, hospitality, Fitter, Turner, Electrician, Plumbing, Entrepreneurship Development, Digital and Financial Literacy. The initiative underscores the government's commitment to bridging the skill gap and fostering employability across diverse demographics.

The other dignitaries present at the venue were, Shri Tulsi Mavani, President of Dr. Ambedkar Vanavasi Kalyan Trust (DAVKT); Shri Keshubhai Gothi, President of Goti Trust; Shri Ghanshyam Bhai Shankar, Shri J P Aggrawal, Shri Shalesh Bhai of J K Star; Shri Lovely Bhai Badshah, Shri Ravi Verma, Company Secretary, NSDC; Dr. Archana Patankar, Vice President; NSDC and all social workers.



## Skill India Centre launched in Nandurbar, Maharashtra

National Skill Development Corporation (NSDC) under the aegis of MSDE with Shri Sainath Shikshan Sanstha launched Skill India Centre (SIC) in Nandurbar, Maharashtra. SIC, a state-of-the-art centre, is part of the government's broader mission to empower India's youth under the "Yuva Shakti for Viksit Bharat 2047" initiative. The Nandurbar SIC is the first of its kind in a rural and remote area, focusing on the tribal population's aspirations. It will offer advanced training in agriculture, food processing, agroforestry, IT, and digital and financial skills. The centre was inaugurated on August 29, 2024, by Union Minister Shri Durga Das Ukiy, Ministry of Tribal Affairs.

Other key dignitaries present at the venue for the grand inauguration were, Mr Gajanan Dange, President, YOJAK; MLA Mr Rajesh Dada Padvi, Legislative Council MLA; Dr. Archana Patankar, Vice President, NSDC; Mr Aamshya Dada Padvi, Nandurbar's District Collector; Mr Dhananjay Gogate, Assistant Collector and Project Officer of Taloda Integrated Tribal Development Project; Mrs. Natisha Mathur, Agricultural Science Center's Chief Scientist; Mr Rajendraji Dahatonde, and dignitaries from the Shahada-Taloda assembly constituency.



## Independence Day Celebrations at Sijua Stadium: A Proud Moment for MSDI Fashionpreneur Trainees

The 78th Independence Day was celebrated with immense pride and enthusiasm at Sijua Stadium, Dhanbad, organized by BCCL. The event began at 9:30 AM with the flag hoisting by Shri Samiran Dutta, CMD of BCCL, followed by the National Anthem and a speech highlighting BCCL's achievements. The cultural program kicked off with a parade by CISF BCCL, followed by performances from various schools, colleges, and training centres across Dhanbad. MSDI trainees, highlighting costumes they designed themselves, performed a patriotic dance that concluded with a powerful board display reading "WE ARE FASHIONPRENEUR." The trainees expressed their gratitude to BCCL, NSDC (National Skill Development Corporation), and Learnet for the opportunity to perform on such an auspicious occasion, marking it as a memorable experience in their journey.



## NSDC in partnership with Maharashtra State Skill University (MSSU) and Laghu Udyog Bharti (LUB) organized an Entrepreneurship Awareness Programme in Jaipur



The Entrepreneurship Awareness Programme was held on August 24, 2024, at LUB Skill Centre, Jaipur. The event began with participant registration, followed by an inaugural ceremony featuring a welcome address by Mrs. Anju Bajaj, Secretary, LUB and a keynote speech by Shri Ghanshyam Ojha, All India President, LUB. Dr. Kapil Chandrayan, Senior Consultant, NSDC addressed and interacted with the participants. The programme included three sessions covering entrepreneurship concepts, business formalities, project planning, government assistance schemes, and marketing strategies, led by Mrs. Suchitra Avadhut Pendse from MSSU. After lunch, participants registered on SIDH for the Entrepreneurship Development Programme.

## Empowering Kerala's Youth: Success Stories from PMKVY at ASAP Centres

With over 2.66 lakh candidates trained, the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) continues to make a significant impact, especially among the youth and disadvantaged groups. ASAP Kerala, a key training partner, has been instrumental in this success. Under the PMKVY 4.0 scheme, ASAP has onboarded 12 of its 16 Community Skill Parks (CSPs) and enrolled nearly 2,000 candidates in 25 job roles across 12 districts. The sectors range from Aerospace and Aviation to Tourism and Hospitality. Notable success stories include Aswini Das, a tribal woman from Wayanad, who became a fitness trainer in Abu Dhabi, and Mohammed Rafi, who won the first runner-up position in an international powerlifting championship. Additionally, Yoga instructors Ms. Reeja and Ms. Sindhu have started their ventures, offering yoga classes both online and offline, achieving financial independence.



## Empowering Youth through Skill Development: ISM Dhanbad's Role in PMKVY

The Indian School of Mines (ISM) Dhanbad, renowned for its excellence in mining education, has taken a significant step in empowering Indian youth through the Pradhan Mantri Kaushal Vikas Yojana (PMKVY). Recognizing the industry's growing demand for skilled labour, ISM Dhanbad designed targeted training programs under PMKVY, including courses in mine surveying and safety management. These programs have already completed six batches in the "Assistant Mine Surveyor Program," focusing on enrolment, qualification, and employment outcomes. In the first phase, 90 students enrolled across three batches from April to July 2023, with 59 qualifying and 20 securing employments in the mining industry, earning between ₹20,000 and ₹35,000 per month. The second phase, conducted from November 2023 to May 2024, saw 90 enrolments, 64 qualifications, and 18 students employed, with salaries ranging from ₹18,000 to ₹32,000 per month.

## NSDC collaborates with Indian Society for Technical Education (ICTE)



NSDC and Indian Society for Technical Education (ICTE) collaboration is set to transform the educational landscape by equipping students with advanced skills and entrepreneurial insights to enhance career opportunities and drive innovation in the tech industry. NSDC and ICTE will jointly create awareness and outreach drive among the network of colleges and universities. NSDC's offerings are tailored to empower ambitious young professionals who are dedicated to enhancing their skill sets, reskilling, and upskilling.

## Partnership with World Education Services for Full-scale implementation of NSDC Trust

World Education Services (WES) and the National Skill Development Corporation (NSDC) have partnered to streamline the digital verification of academic credentials from Indian institutions to WES. This collaboration enhances global mobility by ensuring secure and transparent credential transfer using blockchain technology, minimizing fraud risk. Esther Benjamin, CEO of WES, highlighted the partnership's role in advancing opportunities and inclusion globally. Ved Mani Tiwari, CEO of NSDC, emphasized the transformative potential of this partnership in facilitating the swift and secure transfer of academic records, empowering Indian students, and professionals worldwide.

## Partnership with Genius Consultants Limited: Empowering Trust and Authenticity with Digitally Verifiable Credentials through NSDC Trust

NSDC has partnered with Genius Consultants to revolutionize credential verification in India through NSDC Trust, a flagship product under NSDC Digital. This collaboration enables the issuance of digitally verifiable, tamper-proof credentials via a blockchain-based solution. As the job market evolves, this partnership enhances trust between employers and job seekers by ensuring the authenticity of qualifications. By merging NSDC's technological innovation with Genius Consultants' industry expertise, we are setting a new standard in credentialing, creating a transparent and trusted ecosystem for workforce hiring and professional recognition.

## NSDC sign MoU with Beyond Odds Technologies Private Limited (Emversity)



NSDC has collaborated with Emversity University which aims to bridge the gap in healthcare services and support the global demand for skilled professionals. In Collaboration, highly motivated and skilled allied health professionals will be developed, contributing to healthcare excellence both in India and internationally. This partnership marks a significant step towards a brighter future, enhancing the quality of care and fostering national and international cooperation in the healthcare sector. The courses are co-created with industry experts to ensure that the curriculum and training methodologies align with today's dynamic job market both nationally & internationally.

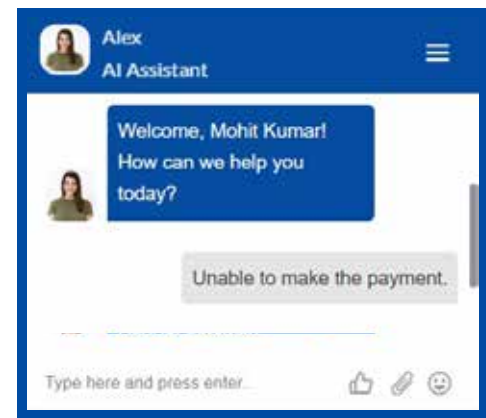
## PM Vishwakarma Dedicated Helpdesk

NSDC has introduced a dedicated helpdesk for the PM Vishwakarma scheme, aimed at providing comprehensive support to beneficiaries and Training Partners involved in candidate skilling. This newly established helpdesk is staffed with a team of knowledgeable Advisors committed to addressing all inquiries through the helpline. The team ensures prompt and accurate responses, strictly following the scheme's guidelines. In addition to answering queries, the helpdesk plays a key role in monitoring and supporting the implementation of the skill component of the PM Vishwakarma scheme, ensuring that beneficiaries receive timely and effective assistance. This initiative underscores NSDC's dedication to improving service delivery and support for its stakeholders.



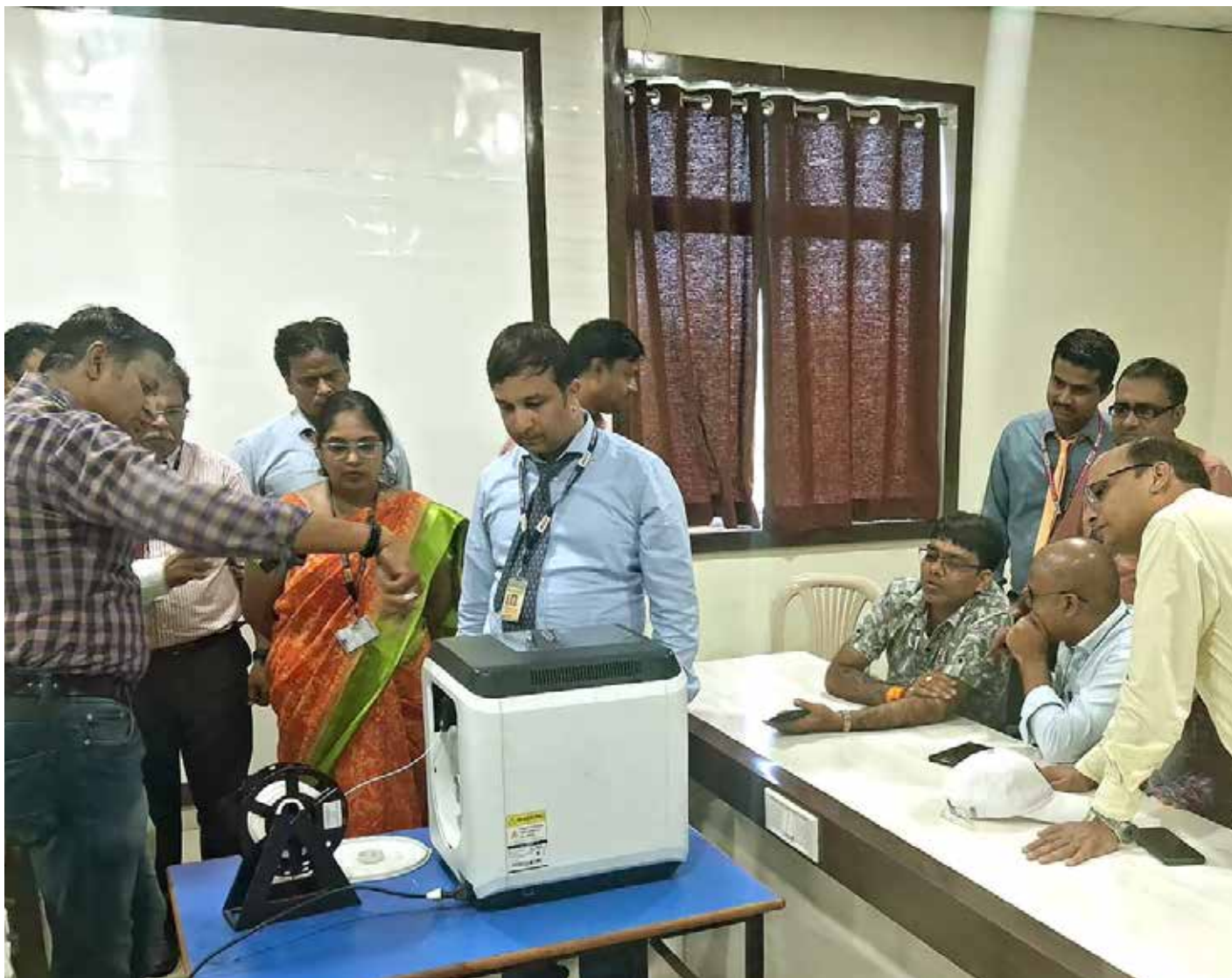
## NSDC Trust Chatbot Initiative

NSDC Trust now has an AI-enabled virtual assistant, Alex, to enhance customer experience. Sonia allows users to ask questions about NSDC Trust services and receive real-time responses 24/7. If a customer prefers to interact with a live agent, the chat can be seamlessly transferred. Additionally, the AI-enabled assistant provides users with real-time status updates on applications, reducing the need for human intervention. Since its implementation, Sonia has addressed over 4,500 conversations, each being addressed within time. This initiative has also led to a ~30% reduction in grievances.



## PMKVY 4.0: Training at CRISP

The PMKVY 4.0 scheme envisages trainers and assessors as a key piece for uplifting and quality assurance of the scheme. The scheme mandates the creation of a 'National Pool of Trainers and Assessors' so as to ensure availability of quality trainers and assessors across different courses and geographically covering all parts of the country. Under the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 4.0, the Training of Trainer Programs was launched at Centre for Research and Industrial Staff Performance, Bhopal, Madhya Pradesh was initiated. There are 60 trainers who have completed training and 34 undergoing ToT in courses on 3D Additive Manufacturing and Editor, PLC Programmer and Troubleshooter, Solar PV Installer and Still Photographer.





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