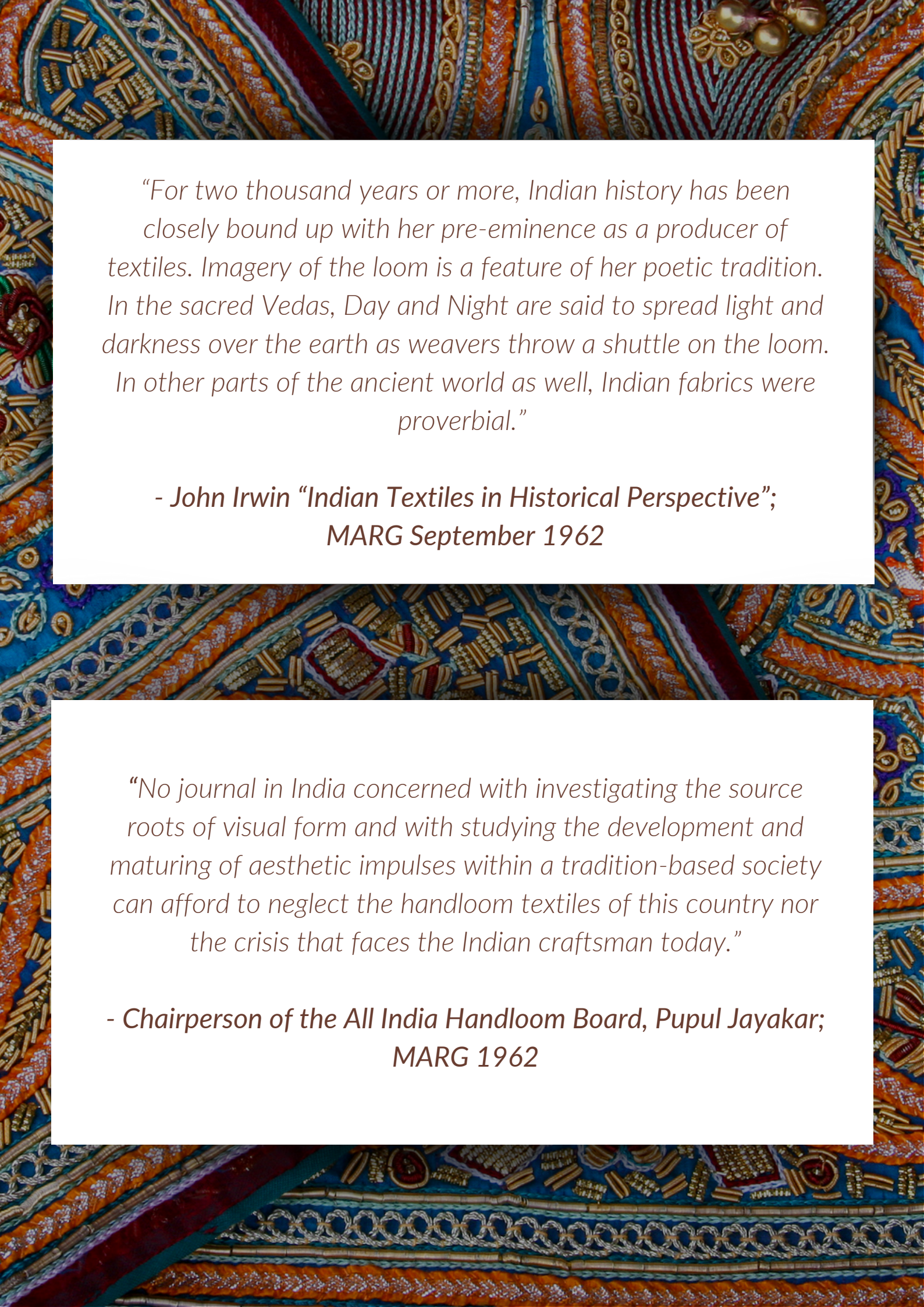




**THE/NUDGE** | Forum  
INSTITUTE

## Visioning for Viksit Bharat

*Navigating challenges & unlocking opportunities for the artisanal sector*



*“For two thousand years or more, Indian history has been closely bound up with her pre-eminence as a producer of textiles. Imagery of the loom is a feature of her poetic tradition. In the sacred Vedas, Day and Night are said to spread light and darkness over the earth as weavers throw a shuttle on the loom. In other parts of the ancient world as well, Indian fabrics were proverbial.”*

*- John Irwin “Indian Textiles in Historical Perspective”;  
MARG September 1962*

*“No journal in India concerned with investigating the source roots of visual form and with studying the development and maturing of aesthetic impulses within a tradition-based society can afford to neglect the handloom textiles of this country nor the crisis that faces the Indian craftsman today.”*

*- Chairperson of the All India Handloom Board, Pupul Jayakar;  
MARG 1962*



## Introduction:

India's artisan sector is a backbone of our cultural and economic fabric, with over 7 million artisans honing ancestral crafts out of rural areas and home-based workshops. However, beneath this rich and dynamic heritage lies a pressing reality — deep-seated challenges that have locked artisans in a cycle of underdevelopment for centuries.

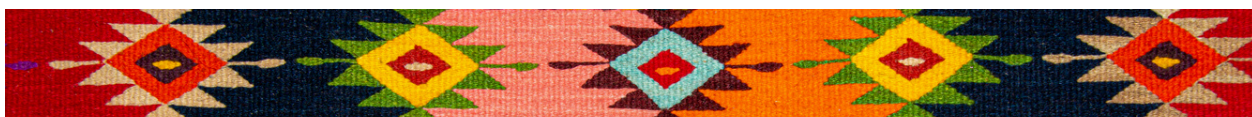
Generational skills, honed over centuries and practiced by a remaining few are at risk, inundated by some critical challenges such as:

- limited market access lowering bargaining power,
- restricted access to formal credit and working capital resulting in high-interest loans,
- poor or inadequate infrastructure causing inconsistencies in quality,
- outdated production techniques and
- knowledge gaps in design, business skills, etc.



The economic conditions for most artisans and their families remain challenging. It is believed that approximately 30% of Indian artisans have left the trade recently, highlighting diminishing interest in traditional crafts and threatening their survival. Furthermore, the majority of these artisans earn less than the average monthly income of India, with only 1-in-3 receiving consistent wages (*Income instability among artisans in South Asia - Ballard Brief, 2023*). Most remain dependent on intermediaries, further limiting their economic potential and disconnecting them from the true value of their craft.

This highlights an urgent need to promote increased interest in domestic consumption and exports of handicrafts and handlooms to ensure sustainable trade growth and enhance the livelihood opportunities for millions of artisans and those who rely on crafts, either directly or indirectly, for their livelihoods, estimated at over 200 million.





# Cultural and economic significance of India's artisan heritage:

India's artisans represent a profound tapestry of cultural continuity where generations of craftsmanship have woven together stories of resilience, innovation and collective human ingenuity. From the textile workshops of Benaras to the metalwork centers of Moradabad and pottery villages of Rajasthan, each craft cluster narrates a unique story of human creativity and adaptation that, for thousands of years, has embodied deep cultural legacies beyond economic transactions.

Globally, Indian crafts have earned recognition for their exquisite artistry and cultural depth. Designs like the paisleys of Kashmir shawls, the geometric intricacies of Jaipur's block prints and the delicate Zari embroidery of Lucknow have inspired international fashion houses and designers. Indian artisans are often sought after for bespoke collaborations and many traditional designs have been integrated into contemporary global markets, showcasing their relevance and adaptability.

The artisan sector not only preserves India's rich heritage and diverse cultural identities but also sustains millions of livelihoods, making it integral to cultural conservation and economic development. Programs by global organisations like UNESCO's Intangible Cultural Heritage and locally the work undertaken by Dastkar, AIACA (All India Artisans and Craftworkers Welfare Association), etc. underscore the urgent need to safeguard these traditions in the face of rapid modernisation.

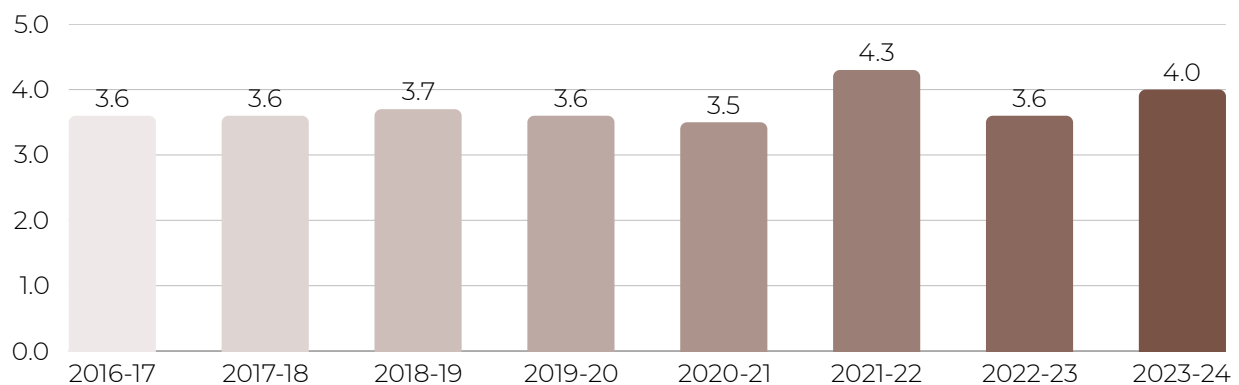




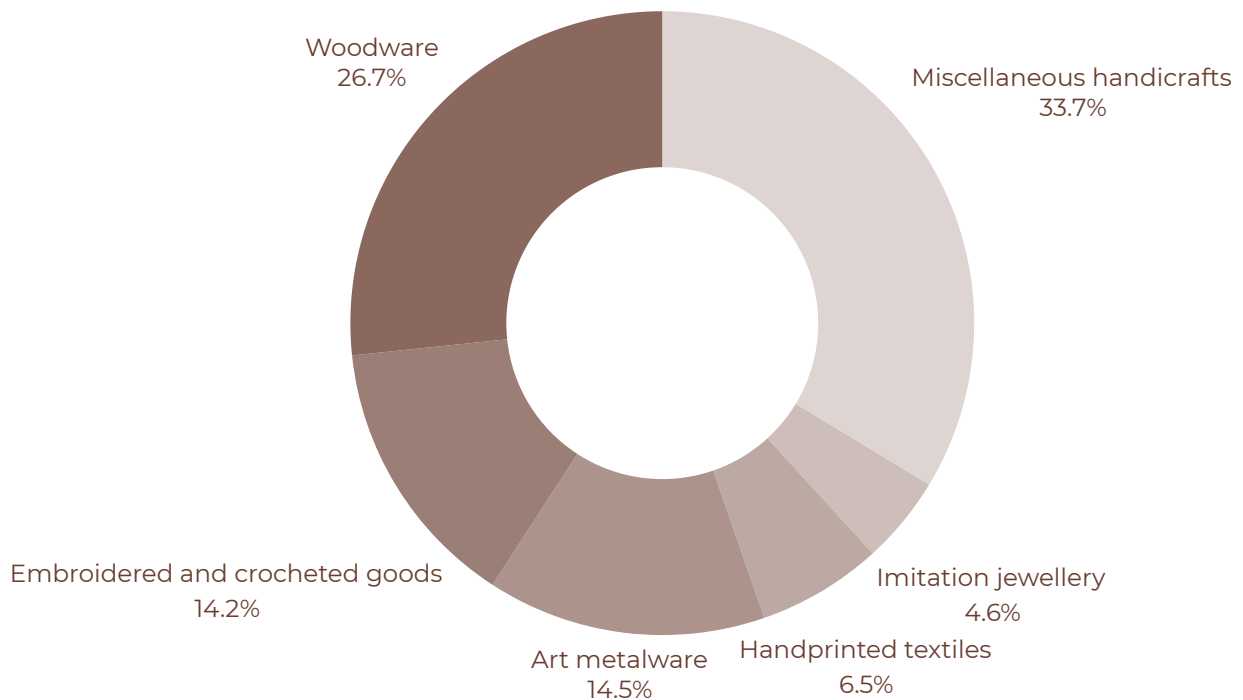
## Economic and cultural context:

The artisan ecosystem is a complex landscape characterised by remarkable depth and intricate challenges. With over 7 million artisans predominantly located in rural areas (~82%), the sector contributes approximately USD 4.0 billion to exports. The handicrafts market size in India was USD 4.3 billion in 2023 and is expected to grow to USD 7.8 bn by 2032 (*India Brand Equity Foundation*).

India's handmade exports (USD Billion)\*



Current share of handicrafts export value (USD Million)\*\*



\*Source: India Brand Equity Foundation | \*\*Data excludes exports of carpets





However, these statistics barely scratch the surface of the sector's true potential. Organisations such as the Crafts Council of India highlight the need for strategic interventions to unlock this potential and address multifaceted challenges that constrain growth, including market access, financial inclusion and skill development.



## Systemic challenges:

Here are just a few examples of systemic challenges plaguing the sector:

### **Economic Marginalisation:**

Production is predominantly home-based, relying heavily on individual skill and community knowledge. On account of this, there are unique economic challenges that conventional interventions cannot address. For example, traditional banking mechanisms often fail to comprehend the distinctive rhythms and production cycles of the sector, thereby leaving the artisans with inadequate formal credit mechanisms and overly dependent on high-interest informal lending.

### **Generational Skill Transmission:**

The erosion of traditional knowledge transmission poses a major challenge to the artisan ecosystem. Younger generations are increasingly drawn to more urban employment opportunities, perceiving traditional crafts as economically unviable. Factors such as limited economic opportunities, absence of formal recognition, automation, technological disruption, clubbed with evolving social aspirations contribute to this shift.





### Market Intermediaries:

Multi-layered supply chains and distribution networks complicate the industry as artisans tend to receive only a small fraction of the final product value, with intermediaries extracting substantial margins. This economic vulnerability disconnects artisans from the true value of their craft and products.

## Strategic transformation:

For large-scale social and economic transformation, we need to address the fundamentals by entirely reimagining how artisans and their handicrafts need to be perceived and valued. No longer can artisans be viewed as “labour” but they must be recognised as creative entrepreneurs, knowledge workers and cultural ambassadors, possessing sophisticated skills and significant leverage towards India’s development journey.

Revitalising the ecosystem requires synchronised efforts across economic, social and technological domains. By redefining artisans as knowledge workers and creative entrepreneurs, India can create a sustainable sector that honours its rich cultural heritage, while generating direct and indirect economic opportunities for millions.





# 1. Building aspirations:

India's handicraft and handloom sectors have to be repositioned as aspirational, culturally-rich products that embody extraordinary human skill and patience. Consider the intricate Baluchari saree from West Bengal, which takes an artisan 15-20 days of meticulous handloom weaving to complete a single piece. Or the traditional Kashmiri silk-on-silk carpet that might require 3-6 months of dedicated craftsmanship. These are living narratives of India's rich cultural heritage, comparable to Italian hand-stitched leather goods from brands like Gucci or Prada, which have transformed Italian artisanal leather work into globally coveted possessions.



Today customers increasingly value authenticity, sustainability and cultural depth. A narrative driven branding strategy will help position India's handcrafted sector as aspirational and coveted. By emphasising the extraordinary skill, time and heritage behind products, India can shift perceptions of handcrafted products from low-value commodities to high-value cultural expressions.

## Possible pathways:

The Government, must play an anchor role in creating an overarching brand campaign to take India's rich heritage in craft and textiles to the world akin to the Tourism Ministry's "Incredible India" or the "Make In India" campaign by the Ministry of Industry and Commerce. In the 1980s and 1990s, NECC ran the 'egg-ceptional' campaign on mainstream media, with brand ambassadors tackling myths and educating Indians about the benefits of consuming of eggs. A similar strategy needs to be adopted for the artisan sector, appointing brand ambassadors to make the sector aspirational and sought after. Additionally, lessons can be learned from GCMF's (Amul) cooperative model, with centralised quality control and marketing campaigns, whilst preserving individual craftsmanship and traditions.





## 2. Artisans as entrepreneurs, not workers:

The narrative of 'providing work' to artisans is fundamentally flawed. It reduces complex, multi-generational skills to a transactional 'labour exchange'. This strips artisans of their agency, relegating them to passive recipients of Government support and economic interventions instead of recognising them as creators and cultural preservers.

By framing the sector merely as an 'employment generator', we diminish the intellectual value and traditional craftsmanship, undermining the dignity and real economic potential of the individual artisan and the sector as a whole.

### **Possible pathways:**

To position artisans as 'creative entrepreneurs', with sophisticated skills as well as to optimise market



potential, we need to reposition India's handcrafted products as culturally-rich experiences. It is necessary to create compelling storytelling frameworks that can bridge the gap between the artisan and the end-customer.

Firstly, comprehensive skill development programs, which extend beyond technical training, are necessary. Such programs must focus on augmenting entrepreneurial skills, whilst integrating modern business practices and incorporating lessons in digital literacy, financial literacy, digital marketing, production planning, and more. In short, artisans need to be upskilled with 'Street MBAs', turning them from workers into entrepreneurs.

Secondly, modern technologies such as QR codes and blockchain, should be leveraged to build traceability into every handcrafted item. Scanning a QR code should 'transport' a potential customer to the handloom or pottery wheel, narrating the artisan's background, techniques used, time





invested in creation and the product's heritage. In short, traceability must showcase the human story behind every handcrafted product.

Thirdly, State Tourism Departments can develop experiential tourism experiences around handicraft and handloom clusters. These clusters should be positioned as a culturally immersive, experience-driven tourism destination, celebrating artisans as creative entrepreneurs.



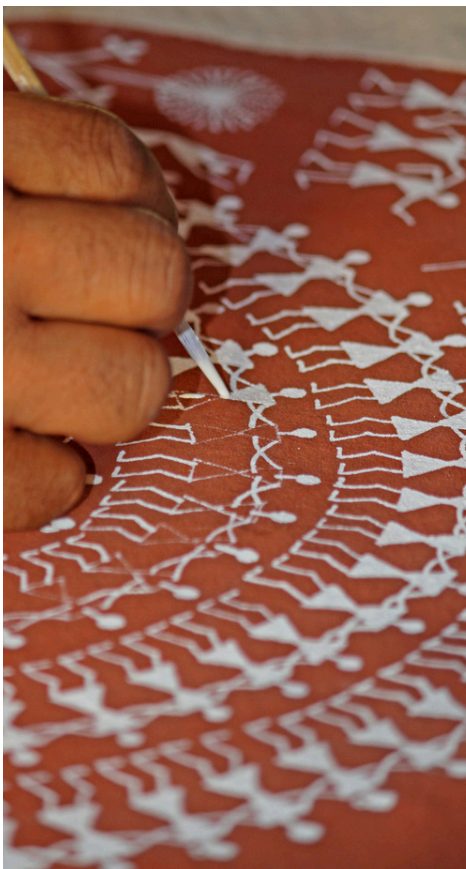
Traditional craft markets can also be transformed into experience-and-design centres, using support from industry bodies (such as CII, Assocham, FICCI, etc), corporate CSR initiatives, etc. Such engagement transforms an ordinary purchase into an immersive, cultural experience where customers can interact with artisans to learn more about their craft beyond haggling and undermining the value of their craftsmanship.





### 3. Knowledge capture and transfer:

The aging demographic of artisans in India's handloom and handicraft sector presents a critical challenge to the preservation of traditional arts. With master weavers and craftspeople in their latter years and younger generations showing diminished interest in pursuing these ancestral trades, many art forms face the risk of extinction. This generational gap is particularly evident in rural areas, where traditional skills like weaving, pottery, metal crafting and woodwork have historically been passed down through families.



The allure of urban opportunities, higher-paying modern professions and the perception of traditional crafts as economically unsustainable has led to a significant exodus of younger potential artisans. This trend is compounded by the physically demanding nature of many handicrafts, making it increasingly difficult for aging artisans to maintain production levels, while the lack of young apprentices means their extensive knowledge and techniques may be lost forever. The situation is particularly concerning in specialised crafts that require years of training and practice to master, such as intricate embroidery, complex weaving patterns or detailed metalwork, where the average age of skilled practitioners continues to rise without a corresponding influx of younger talent.

#### **Possible pathways:**

Educational institutions like the NIFTs and NID can serve as vital bridges in preserving and modernising traditional craft knowledge through a multi-faceted approach.

Expertise and intergenerational know-how of aging master weavers and craftspersons (the 'silver generation') needs to be recorded and preserved for systematic transfer. Digital archives using advanced technologies such as 3D scanning, motion capture, AR/VR, etc can record and document intricate craft techniques.





Design education must evolve, integrating mandatory handicraft and handloom exposure into its curricula and acknowledging artisan knowledge as intellectual property. Further, structured, incentivised mentorship programs should be instituted to encourage the 'silver generation' to transfer knowledge.

AI tools for pattern documentation and blockchain technology for certification and credentialing of unique clusters (e.g. ODOP) can be leveraged to create and authenticate digital records of traditional craft knowledge.

## 4. Ease-of-Doing-Business:

Revitalising the artisan sector and larger ecosystem requires, first and foremost, a robust data infrastructure that accurately captures the true scale, economic impact and potential of the sector.

Current estimates of artisan numbers, economic contribution and market size vary widely, hindering effective policy-making and strategic interventions. There is an urgent need for systematic documentation of artisan skills and products to create evidence-based strategies for sector growth. Access to finance and markets remain a challenge. Credentialing and certification is expensive and unaffordable to most artisans.

Even though there is ample Central and State Government support for the artisan and the sector through schemes, awareness and application to the relevant schemes is challenging, given that these schemes are spread across ministries including (but no limited to) Ministry of Textiles, Ministry of Social Justice and Empowerment, Ministry of Micro, Small and Medium Enterprises, Ministry of Rural Development, to name a few.



### Possible pathways:

A comprehensive national artisan census, leveraging India's digital infrastructure (DPIs) and physical (Asha workers, SHGs) infrastructure to collect granular data, which can be integrated into Aadhaar-equivalent platforms that map skills, specialisations and economic activities.





A cross-ministerial body that consolidates schemes and financing programs with simplified, streamlined registration and application processes, factoring into account unique characteristics of production and cyclicity of the sector.

Government-supported certification systems, integrating expensive IP/GI registration processes into ministry schemes, including costs related to verification and compliance.



## 5. Innovative funding:

Artisans, particularly rural artisans, face severe monetary constraints that fundamentally impact their sustainability. The absence of formal banking relationships forces many to rely on informal, high-interest lending mechanisms. Working capital shortages are pronounced during peak production seasons when input costs are high and payments get delayed.

Traditional financiers view artisans as high-risk due to their irregular, cyclical income patterns, lack of collateral and many operating without proper documentation or credit history. Government schemes are available and plenty, but processing time and complexities in the application process make them impractical for immediate working capital needs. Microfinance institutions and NGOs have attempted to bridge this gap, but their reach remains limited and rates remain high.

### **Possible pathways:**

The existing financing ecosystem for the artisan sector requires reimagining beyond the current, vanilla models. Adapting a flagship Government scheme like MNREGA, for example, to explicitly recognise





and integrate weaver and artisan work into the program can give a big boost to income predictability, particularly during off-peak seasons. Or modifying existing schemes to better align with the unique economic cycles and seasonality of artisan trade is an option. These approaches would not only provide direct economic support to the artisan and his/her family but would also validate their work within the larger Indian economic framework, giving them access to social security and other development-related funds and schemes.

Secondly, given the community-led and cluster-led nature of this sector, specialised financial instruments and lending models, mapped to communities or clusters, will ensure sustainable economic empowerment. Leveraging the collective strength of craft clusters, financial institutions and Government schemes can mitigate risks through collective accountability. Models could include revolving credit facilities that align with production cycles, community-backed guarantee mechanisms that reduce collateral requirements and pooled procurements for better bargaining power.



Thirdly, a nodal agency which can coordinate cross-ministerial artisan-focused schemes and develop innovative support mechanisms can play a pivotal role in transforming the ecosystem into a vibrant, economically significant domain of cultural entrepreneurship.

## Technology as a transformative enabler:

Digital platforms represent powerful catalysts for reimagining the artisan ecosystem, offering unprecedented opportunities for direct market linkages, transparent supply chain management and knowledge preservation. Digital transformation can create end-to-end solutions, addressing challenges with knowledge capture, effective transfer of skills, eliminating intermediaries and taking product direct-to-customer (D2C).





Platforms built using India's robust Digital Public Infrastructure (DPI) and Digital Public Goods (DPGs) can enable sophisticated tracking mechanisms, facilitate D2C connections, support credentialing and quality certification as well as improve the 'ease-of-doing-business' through simplified access to Government programs and financing options.

Additionally, collaboration with global online marketplaces (like Etsy), AI-powered digital marketing campaigns and blockchain-enabled traceability can transform global perception of the Indian handcrafted market into an aspirational, sustainable, culturally-rich experience.

## Government, a strategic partner:

Rather than treating artisan support through a welfare-centric lens, Governments must approach the sector with a comprehensive, integrated policy framework that view artisans as key contributors to economic and cultural capital. Government patronage is essential — not as protectionism, but as a strategic enabler of scale — cutting across brand-building, marketing, financing, logistics, learning and development and global market access.





## A living, breathing ecosystem:

Revitalising India's artisan sector is not about preserving a relic of the past but about fostering a vibrant, adaptive cultural and economic force. This vision requires a unified, collective effort from the Central and State Governments, industry leaders, civil society, academia, designers, branding agencies and conscious consumers to reimagine what is possible — and to turn that vision into reality.



The path forward is one of profound transformation — elevating artisans as creative entrepreneurs, celebrating their heritage and forging sustainable economic opportunities that empower individuals and communities alike through knowledge, technology and genuine respect. It demands synchronised efforts, innovative thinking and a genuine commitment to recognising the profound value of India's artisan communities.

By working together, we can create an ecosystem that honours India's rich cultural heritage, while generating meaningful economic, sustainable and dignified opportunities for millions — an enduring testament to India's legacy, creativity and shared progress towards becoming 'Viksit'.





## About the Roundtable:

The Artisan roundtable was conducted by The/Nudge Forum on 16th January 2025 at the Dr. Ambedkar International Centre - New Delhi, and comprised participants from policy, industry and civil society.

### **Roundtable Participants:**

#### **Sarkaar:**

Dr M Beena, IAS (Development Commissioner - Handlooms, Ministry of Textiles - Govt of India),

Smt Arti Ahuja, IAS (former Secretary - Ministry of Chemicals & Fertilisers - Govt of India),

Shri Amit Ghosh, IAS (Additional Secretary - Ministry of Social Justice & Empowerment - Govt of India),

#### **Samaaj:**

Ms Nandita Sharma (Lead, Social Sector - ONDC),

Mr Sourodip Ghosh (Co-founder - Karghewale),

Ms Sumita Ghose (Founder & Managing Director - Rangсутra Crafts),

Ms Shilpa Sharma (Creative Entrepreneur & Craft Evangelist),

Dr. Dimple Bahl (Associate Professor Design - NIFT Delhi)

#### **Bazaar:**

Mr Harminder Sahni (Founder & Managing Director - Wazir Advisors),

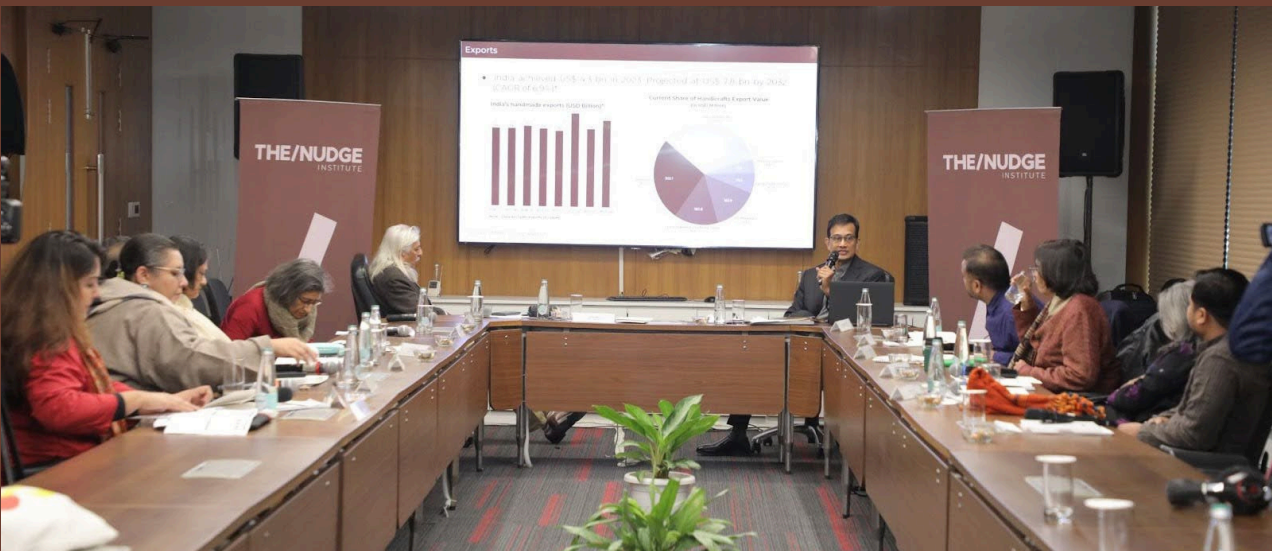
Mr Sanjay Garg ( Founder - Raw Mango),

Ms Pavithra Muddaya (Founder - Vimor)

The discussion was moderated by Mr Sanjay Roy (Managing Director - Teamwork Arts)



# Gallery:



# THE/NUDGE INSTITUTE

poverty-free India, within our lifetime

**The/Nudge Institute** is an action institute building resilient livelihoods to alleviate poverty. We work with women, farmers, tribals and youth on rural development, agriculture, skilling and economic inclusion, along with 15+ central and state government partners.

Our economic inclusion journey for 25 million Indians, has reached 10 states with \$250M of government funding to cover 1.25M people. Our incubator, accelerator and grand challenges have supported 200+ social entrepreneurs including 17 Forbes 30U30, 3 EarthShot Prize winners, 1 Time Magazine cover and more.

Set up with support from 100+ eminent philanthropists , 40+ corporates and 15+ foundations including Gates, Mackenzie Scott, Vinod Khosla, Nandan, Tata Trusts, Skoll, Meta, LinkedIn, HDFC, Mphasis, KPMG and L'Oreal, we are contributing towards a "poverty-free India, within our lifetime".

**The/Nudge Livelihood Ecosystem** programs are committed towards building a thriving livelihood ecosystem in our pursuit for a poverty-free India within our lifetime. The aspiration for a poverty-free India, is strongly anchored in deep, committed work in building resilient livelihoods for all. In that pursuit, The/Nudge Livelihood would like to chart out the focus area and potential pathway(s) that would be relevant in creating pathways for resilience and growth of India's handicrafts sector.

**The/Nudge Forum** is a platform for conversations, bringing together the best minds in Government, markets and civil society to accelerate progress towards our developmental goals. The/Nudge Forum is committed to building a thriving livelihood ecosystem in pursuit of a vision of a poverty-free India within our lifetime.