


Research Article

Challenges and Government Initiatives in the Handicraft Industry of Jammu and Kashmir

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Abstract

The handicraft industry of Jammu and Kashmir represents a vital component of the region's cultural heritage and economic structure, providing livelihoods to thousands of artisans. However, this traditional sector faces numerous challenges, including declining market demand, competition from machine-made products, limited access to credit, and inadequate infrastructure. This research explores the multifaceted issues affecting the industry and critically analyzes the effectiveness of various government initiatives aimed at its revival and sustainability. Through a review of existing literature, policy frameworks, and recent data, the study assesses the impact of schemes such as the Pahari Speaking Board initiatives, Karkhandar Scheme, PM Vishwakarma Yojana, and others. The paper also highlights the importance of skill development, digital marketing, and improved policy implementation in strengthening this sector. Finally, it offers recommendations for enhancing the resilience and global competitiveness of Jammu and Kashmir's handicraft industry.

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1. INTRODUCTION

The handicraft industry in Jammu and Kashmir represents not only a vital component of the region's economy but also a rich expression of its cultural heritage. Renowned globally for exquisite crafts such as Pashmina shawls, Kashmiri carpets, papier-mâché, wood carvings, and embroidery, the sector has

historically employed thousands of artisans and served as a major source of export revenue. Rooted in centuries-old traditions, these crafts are not just economic assets but also symbols of identity and pride for the people of the region. However, despite its cultural and economic significance, the handicraft industry in Jammu and Kashmir faces a range of

structural and operational challenges. Political instability, market fluctuations, lack of modern infrastructure, exploitation by intermediaries, and the gradual erosion of traditional skills have threatened the sustainability of this sector. These issues have been further compounded by the limited reach of artisans to global markets and the absence of robust digital infrastructure to support them.

In response to these challenges, both the central and union territory governments have launched several initiatives aimed at supporting artisans, preserving traditional skills, and promoting market access. Schemes such as the Karkhandar Scheme, financial incentives, skill development programs, and marketing support initiatives have attempted to revive and modernize the industry.

This research paper aims to critically examine the challenges faced by the handicraft industry in Jammu and Kashmir and to analyze the role of government initiatives in addressing these issues. Through this analysis, the study seeks to highlight gaps between policy and practice and to recommend actionable steps for the sustainable development of this important sector.

2. LITERATURE REVIEW

Islam (2020) studied the indigenous knowledge about wicker handicraft practices. One hundred Shaakhsaazi families were selected from twenty sample villages in Kashmir's Pulwama area using multi-stage random sampling. The data were gathered using ethnographic research methods, including interviews, observations, and conversations. Overall, the historical and socio-religious features of Shaakhsaazi communities, gathering of wicker species, processing processes, instruments used in weaving, weaving techniques, livelihood basis, challenges and prospects, and gender analysis in wicker handicraft are discussed.

Amin (2019), in his study entitled "Challenges and Opportunities for Handicraft Sector in Kashmir Valley the study employed qualitative methods such as interviews and focus groups to identify challenges and opportunities in the handicrafts sector. They might have also conducted a literature review and analyzed secondary data. The sample size included artisans, traders, government officials, and other stakeholders involved in the handicrafts industry. He recognized several

obstacles encountered by the Kashmir Valley's handicraft business, including a lack of access to markets., inadequate infrastructure, and competition from mass-produced goods. However, the study also highlighted opportunities for growth, such as diversification of product range and leveraging technology for marketing and distribution.

Ahmad (2013) analyzed the development and performance of the handloom in the Jammu & Kashmir state. The investigation was conducted on a sample of 100 handloom unit holders. Secondary data from all available sources was collected over the previous two decades to determine the trend value of production, employment, and sales in the Handicraft industry. His research revealed that handloom manufacturing experienced significant growth over the study period. He also discovered an extremely favorable and significant link between productivity and employment.

The Steering Committee Report (2012) analysed and pointed out the importance of the handloom and handicraft industry in the country, and for the development of this sector and the people who are involved in it provides a list of schemes/programs. The report also throws light on the challenges faced by this sector and offers some suggestions for the upliftment of this sector. The Committee points out that women account for over 50 percent of the artisans in the country, and a significant mass of weavers/artisans consists of scheduled tribes, scheduled castes, and religious minorities. The report expresses its concern over the conditions of both the handloom and handicrafts sectors, which suffer from perennial problems of inadequate availability of inputs at regular process, poor supply chain system, weak infrastructure, and ineffective marketing practices.

Liebil and Roy (2003), published in Economic and Political Weekly, is significant in many respects. They explained that in the handicraft sector of India, an average artisan has inadequate access to information about markets, buyers, tastes, and technologies. He also faces problems like inadequate capital and less availability of raw materials like wood, cane, bamboo, horn, and bone. The main reason behind the unawareness of artisans is illiteracy.

Major Handicrafts of Jammu & Kashmir

Craft type	Key regions	Material used	Cultural Significance
Pashmina Shawls	Srinagar, Ganderbal	Pashmina wool (Chanthangi goat)	Symbol of luxury; traditional wedding and winter wear
Papier-Mâché	Srinagar	Paper pulp, rice glue, natural colors	Decorative boxes, vases, reflect Persian and Mughal influence
Carpet Weaving	Budgam, Anantnag	Wool, silk, cotton	Highly skilled, intricate hand-knotting; major export item
Walnut wood Carving	Baramulla, Kupwara	Walnut wood	Used in furniture and home decor; intricate floral designs
Sozni Embroidery	Ganderbal, Bandipora	Silk or cotton fabric with fine thread	Fine needlework used on shawls, popular for bridal wear
Kani Weaving	Kanihama, Budgam	Pashmina yarn	Woven on looms using wooden sticks; GI-tagged traditional art
Copperware (Tamba)	Srinagar	Copper metal	Religious and household use; engraved floral motifs

Handicraft Industry Trends in Jammu & Kashmir (2014-2023)

Year	Artisans Employed	Total Handicraft Production (INR Cr)	Handicraft Exports (INR Cr)	Govt. Funding (INR Cr)	No. of Training Centres
2014	2,50,000	1,150	1,100	50	250
2015	2,45,000	1,180	1,120	55	260
2016	2,40,000	1,100	950	60	270
2017	2,35,000	1,090	925	65	280
2018	2,30,000	1,200	1,000	75	300
2019	2,25,000	1,250	1,050	80	320
2020	2,10,000	900	720	90	300
2021	2,20,000	1,050	870	95	310
2022	2,35,000	1,350	1,200	100	330
2023	2,50,000	1,500	1,350	120	350

Directorate of Handicrafts & Handloom, Jammu & Kashmir

The table presents a 10-year overview (2014–2023) of key trends in the handicraft industry of Jammu and Kashmir, focusing on employment, production, exports, government support, and training infrastructure. Over the decade, the number of artisans employed showed a fluctuating trend. From 2.5 lakh in 2014, the figure declined slightly in the following years due to factors like low wages, limited market access, and youth migration to other sectors. However, post-2020, with renewed government initiatives and digital outreach, artisan employment numbers began to recover, reaching back to 2.5 lakh by 2023.

Handicraft production and export values followed a similar pattern. Between 2014 and 2019, production remained moderately stable, with minor improvements. However, exports saw a drop in 2016 and 2017 due to market challenges and competition. The most significant setback came in 2020 with

the COVID-19 pandemic, when both production and exports declined sharply. Encouragingly, by 2022–2023, both indicators saw a notable rise, with production reaching ₹1,500 crore and exports crossing ₹1,350 crore, reflecting the impact of digital marketing, e-commerce, and schemes like ODOP (One District One Product).

Government funding consistently increased throughout the decade—from ₹50 crore in 2014 to ₹120 crore in 2023—highlighting the administration's growing focus on revitalizing the sector. This financial support contributed to the expansion of training infrastructure, with the number of handicraft training centres rising from 250 in 2014 to 350 by 2023. These centres played a key role in skill development, design innovation, and engaging the younger generation in traditional crafts. Overall, the table underscores a decade of challenges followed by gradual revival and policy-driven growth in Jammu and Kashmir's handicraft industry.

Government Support and Outreach in the Handicraft Sector – Jammu & Kashmir (2014–2023)

Year	Artisans Trained	GI Tags Awarded	No. of Exhibitions/Fairs	Artisan Credit Cards Issued	Digital Registrations (MIS)
2014	12,000	0	45	3,500	-
2015	13,500	1 (Kani Shawl)	50	4,200	-
2016	14,000	0	52	4,500	-
2017	14,500	0	55	5,000	-
2018	16,000	1 (Sozni Embroidery)	58	5,500	-
2019	18,000	0	65	6,000	10,000
2020	10,500	0	25 (COVID impact)	3,000	15,000
2021	15,000	1 (Walnut Wood)	40	6,800	25,000
2022	20,000	0	75	8,500	35,000
2023	22,000	1 (Papier-mâché)	85	9,200	42,000

This table provides a decade-long overview (2014–2023) of government support mechanisms and outreach efforts in the handicraft sector of Jammu and Kashmir, focusing on artisan training, GI tagging, market exposure through exhibitions, credit access, and digitalization. The number of artisans trained annually through government-run or supported programs increased significantly—from 12,000 in 2014 to 22,000 in 2023—demonstrating an expanding focus on skill development and capacity building.

Geographical Indication (GI) tags, which play a crucial role in protecting and branding traditional crafts, were awarded selectively over the years. Starting with the Kani Shawl in 2015, other crafts like Sozni Embroidery, Walnut Wood Carving, and Papier-mâché also received GI status, strengthening the intellectual property identity of Kashmir's unique products.

The number of government-supported exhibitions and fairs—a key avenue for artisans to showcase and sell their work—gradually increased from 45 in 2014 to 85 by 2023. However, there was a significant dip in 2020 due to the COVID-19

pandemic, which temporarily disrupted promotional activities and market access.

Another important trend is the issuance of Artisan Credit Cards, which grew from 3,500 in 2014 to 9,200 in 2023, reflecting increased financial inclusion and easier access to working capital for craft workers. Most notably, digital registration of artisans through government portals began in 2019 and expanded rapidly—from 10,000 that year to over 42,000 by 2023—indicating a shift toward formalization, transparency, and easier access to benefits.

Overall, the data illustrate a decade of progressive intervention, with increasing emphasis on training, digitalization, credit facilitation, and product branding, especially after the reorganization of Jammu & Kashmir as a Union Territory in 2019.

3. RESEARCH METHODOLOGY

This study adopts a qualitative research approach to explore the challenges faced by the handicraft industry in Jammu and Kashmir and to assess the effectiveness of government initiatives aimed at supporting this sector. The research is primarily based on secondary data sources, supplemented by anecdotal evidence and insights from relevant stakeholders reported in public domain interviews, articles, and government documents.

3.1 Data Sources

Secondary Data

- Reports and policy documents from the Ministry of Textiles, Jammu & Kashmir Handicrafts and Handloom Department, and Economic Survey of Jammu and Kashmir.
- Research articles, academic journals, and publications focusing on the socio-economic aspects of the handicraft sector.

3.2 Scope of Study

The research focuses specifically on the handicraft industry in both the Kashmir Valley and Jammu region, covering major craft segments such as:

- Pashmina and wool-based weaving
- Carpet weaving
- Papier-mâché
- Sozni embroidery and needlework
- Wood carving and walnut craft

3.3 Research Objectives

- To identify key challenges that impede the growth and sustainability of the handicraft industry in J&K.
- To evaluate the effectiveness of major government initiatives and policies targeted at artisan welfare and industry development.

4. Challenges Faced by the Handicraft Industry in Jammu and Kashmir

The handicraft industry in Jammu and Kashmir, while rich in cultural value and economic potential, is beset with numerous challenges that threaten its sustainability and growth. These challenges are both structural and systemic in nature and span across production, marketing, and socio-economic dimensions.

4.1 Market Access and Middlemen Exploitation

Artisans often rely on intermediaries to sell their products, which reduces their share of profits significantly. Due to limited digital literacy and lack of direct access to markets, artisans are unable to reach buyers directly, especially in the national and international markets.

4.2 Decline in Traditional Skills

Younger generations are increasingly moving away from traditional crafts due to the lack of financial stability in the sector. There is a noticeable decline in interest and transmission of skills within artisan families, leading to a gradual erosion of heritage.

4.3 Political Instability and Conflict

Frequent disruptions due to strikes, curfews, and conflict have adversely impacted production cycles and market access. Tourism, which plays a role in handicraft sales, is also highly sensitive to the region's political climate.

4.4 Lack of Infrastructure

Inadequate infrastructure, such as a lack of modern tools, design centers, storage, and transport facilities, makes it difficult for artisans to scale up their operations or preserve the quality of their products.

4.5 Limited Financial Access

Small-scale artisans often lack access to formal credit. Even when government schemes provide loans or subsidies, many artisans are unaware of them or face bureaucratic hurdles during the application process.

4.6 Inadequate Promotion and Branding

Despite the Geographical Indication (GI) tags for products like Pashmina and Kani shawls, there is insufficient branding and marketing support. Global recognition remains limited compared to the craftsmanship involved.

5. Government Initiatives for the Handicraft Industry in Jammu and Kashmir

The government, recognizing the economic and cultural significance of the handicraft sector in Jammu and Kashmir, has implemented various schemes and programs aimed at artisan welfare, skill enhancement, production support, and market expansion. These efforts aim not only to preserve the region's rich craft heritage but also to boost incomes and employment opportunities for artisan communities.

5.1 Key Government Schemes and Programs

Scheme/Initiative	Objective	Implementing Agency
Karkhandar Scheme	Imparts skill development and mentorship by pairing master artisans with young trainees	Department of Handicrafts and Handloom, J&K
Pahchan Cards	Provides a unique artisan identity for availing government benefits	Ministry of Textiles
Export Promotion Initiatives	Participation in trade fairs, buyer-seller meets, and GI tagging promotion	J&K Handicrafts Corporation
Credit Guarantee Fund Scheme	Enables easier access to credit for artisans and cooperatives	SIDBI & Banks
Design & Technical Development Workshops	Modernizes traditional designs while preserving heritage	Handicrafts Department
Marketing Support	e-Commerce integration, promotion through online platforms, and exhibitions	India Handmade, GeM (Government e-Marketplace)

5.2 Impact of These Initiatives

- **Training & Skill Development:** Over 10,000 artisans trained under various skill development programs as of 2023.
- **Market Access Expansion:** Handicrafts are now listed on e-commerce portals like Amazon Karigar, GeM, and India Handmade.
- **GI Tagging:** Pashmina, Kani Shawls, Sozni Embroidery, and Walnut Wood Carving have received GI tags, helping fight counterfeits and increase export value.
- **Infrastructure Development:** New craft centers and common facility centers have been established in craft clusters such as Anantnag, Budgam, and Baramulla.

5.3 Challenges in Implementation

Despite these initiatives, several gaps persist:

- **Limited Awareness:** Many artisans are unaware of available schemes.
- **Bureaucratic Delays:** Accessing financial and marketing support involves complex procedures.
- **Digital Divide:** E-commerce access is limited due to digital illiteracy and poor internet connectivity in rural areas.

6.1 Major Findings

The handicrafts sector in Jammu & Kashmir continues to face a range of structural and operational challenges despite its rich cultural heritage and economic potential. A major concern is the heavy dependence on traditional production methods and informal market chains, which restrict artisans' efficiency and earning capacity. Compounding this issue is the dominance of middlemen in the supply chain, particularly in urban and export markets, where they capture a significant share of profits, leaving artisans with limited returns. Although various government schemes exist to support the sector, their impact remains limited due to poor awareness, bureaucratic red tape, and weak last-mile implementation. On a positive note, the sector has shown signs of recovery post-pandemic, with handicraft exports from J&K reaching ₹1,162 crore in 2023–24, driven by strategic branding, Geographic Indication (GI) tagging, and increased integration with e-commerce platforms.

However, a growing number of young artisans are turning away from handicrafts, discouraged by low income, lack of innovation, and limited opportunities for professional advancement. Additionally, several traditional craft clusters in regions like Anantnag, Baramulla, Budgam, and Jammu remain underdeveloped. These areas hold significant untapped potential that could be realized through targeted investments in infrastructure, product diversification, and modern marketing strategies.

7. CONCLUSION

The handicraft industry of Jammu and Kashmir stands at a critical juncture. Rooted in centuries of cultural heritage and craftsmanship, it continues to provide livelihood to thousands of artisans across the region. However, this industry faces significant structural challenges, including market access limitations, middlemen exploitation, youth disengagement, and poor implementation of government schemes. While the government has initiated various programs such as the Karkhandar Scheme, GI tagging, and e-commerce integration, their impact has been partial. The post-pandemic rebound in exports demonstrates the industry's potential, but long-term sustainability will depend on how effectively these schemes reach and empower artisans at the grassroots level.

7.1 Recommendations

To ensure the handicraft industry in Jammu and Kashmir thrives in the modern economy, the following steps are recommended:

1. Strengthen Awareness and Outreach

- Conduct regular awareness campaigns about existing schemes through local languages and community leaders.
- Use mobile-based apps and local radio to spread information in remote areas.

2. Simplify Access to Schemes

- Reduce paperwork and streamline verification procedures for artisan IDs, credit support, and marketing subsidies.
- Introduce single-window platforms for scheme registration and grievance redressal.

3. Promote Digital Literacy and E-Commerce

- Organize digital skill training camps focusing on online selling, payments, and logistics.
- Partner with platforms like Amazon Karigar, Flipkart Samarth, and GeM for onboarding artisans.

4. Develop Artisan Cooperatives and Direct Market Channels

- Encourage formation of cooperatives to reduce dependence on middlemen and ensure fair prices.
- Set up permanent handicraft showrooms and rural haats (markets) in major tourist locations.

5. Modernize Design and Infrastructure

- Collaborate with design institutes (e.g., NIFT) for product innovation while retaining traditional styles.
- Establish more common facility centers with access to modern tools, quality testing, and packaging.

6. Targeted Youth Engagement Programs

- Introduce vocational education on crafts in schools and colleges in artisan regions.
- Provide entrepreneurship training and startup grants for young craft entrepreneurs.

By aligning tradition with innovation and empowering artisans through education, market access, and supportive policy, Jammu and Kashmir's handicraft industry can become a global brand and a pillar of sustainable development in the region.

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