



Crafting Futures: Women's Entrepreneurships, Resilience, and Digital Transformation in India's Handloom Sector

Author- Rinki Kumari

Affiliation- Research Scholar, University Department of Commerce and Business
Management, Ranchi University

Abstract

This article delves into the pivotal role of women's entrepreneurship, resilience, and digital transformation in India's handloom sector. Despite historical significance and economic contribution, the industry faces challenges such as competition and technological limitations. Notably, over 23 lakh female weavers and allied workers are engaged in the sector, representing a significant workforce. Women entrepreneurs have emerged as key drivers of innovation and economic growth, constituting over 70% of the total handloom sector. However, barriers persist, including gender biases and access to credit. Government initiatives like the National Handloom Development Programme and Stand-Up India aim to empower women artisans, with around 250 applications from women entrepreneurs under the latter scheme alone. More efforts are needed to bridge the digital gap and promote gender equality. Through targeted policies and supportive ecosystems, India can harness the transformative potential of the handloom sector, contributing to sustainable development and social equity.

Keywords: Handloom Sector, Women's Entrepreneurship, Digital Transformation, Gender Equality, Market Access

INTRODUCTION

The handloom industry in India has a rich and enduring legacy, with its origins dating back to ancient times, including the Indus Valley Civilization (Ministry of Textiles Government of India, 2019). Throughout history, the handloom sector has been a vital part of the country's economy and cultural heritage. It is the second-largest employment provider in rural India, with over 4.3 million people involved directly or indirectly. The industry contributes nearly 15% of the country's cloth production and accounts for 95% of the world's handwoven fabric. Women entrepreneurship in the handloom sector is of particular importance, as women-owned micro, small, and medium enterprises are significantly contributing to the economic development of the nation. (Mishra et al., 2021).

Despite its historical significance and cultural importance, the handloom industry has faced various challenges, including competition from power looms, difficulty in credit availability, and technological upgradation and marketing. However, in the modern era, the industry has witnessed significant advancements, particularly in the context of women's entrepreneurship and digital transformation. In recent years, women entrepreneurs in the handloom sector have made remarkable strides, overcome gender inequities and playing a pivotal role in the industry's modernization. The handloom industry has seen a surge in women-owned micro-enterprises, with over 70% of the total handloom sector comprising women weavers and allied workers (UNDP.org, 2023). Women entrepreneurs have been instrumental in reviving and sustaining the handloom industry, making important contributions to the economy, enhancing the well-being of families, and eradicating poverty.

The process of digitalization has both positive and negative impacts on the sector, offering opportunities for growth while also presenting challenges. Despite transformation rate in India is growing exponentially, with the number of internet users reaching about 560 million by 2021 (Ghosal et al., 2020). This growth in digital connectivity has facilitated the expansion of the handloom industry, enabling artisans to reach a wider audience and adapt to the changing market landscape.

Additionally, the advent of online platforms has provided women entrepreneurs with new opportunities to showcase their products, reach a wider audience, and expand their businesses. This digital transformation has been a game-changer, enabling women entrepreneurs to overcome traditional barriers and thrive in the competitive market landscape. The handloom industry in India has evolved significantly from its ancient origins to the modern era, with women entrepreneurs playing a central role in its resilience and digital transformation. As women entrepreneurs continue to make remarkable strides in the handloom sector, their contributions to economic development, poverty eradication, and sustainable livelihoods are increasingly recognized and celebrated.

II Objective for the Study

1. Investigate the impact of women's entrepreneurship, resilience, and digital transformation on India's handloom sector, analysing the challenges faced and the government initiatives aimed at empowering women artisans.
2. Explore the role of digital platforms in facilitating market access and economic empowerment for women entrepreneurs in the handloom industry, examining case studies from different states and assessing the effectiveness of government schemes in promoting gender equality and sustainable development.

III. Review of literature

Anupama Mishra et.al. (2021) emphasized the potential of women in the handloom sector to take up entrepreneurship as a career. The study highlighted the need for capacity development, skill enhancement, and infrastructure support to empower women weavers.

The Statesman (2023) highlighted the indispensable role of women in the handloom industry for economic empowerment. The article discussed how handloom weaving serves as a catalyst for women's economic independence, providing opportunities for microenterprises and home-based businesses. It also addressed the challenges faces by the women entrepreneurs in balancing tradition with modern demands and suggested measures like financial support and market linkages to empower women in the sector

Mid- day (2023) discussed the importance of linking the handloom sector with the global market to expand business opportunities for women weavers. The article outlines strategies such as establishing an online presence, participating in export promotion events, and meeting international quality standards to enhance market access for women artisans. It also emphasized the role of government programs like the National Handloom Development Program and private initiatives in promoting gender equality and empowering women in the handloom industry .

Malhotra (2015) has conducted a study has conducted a study entitled “Empowering Women through Digital Technology: An Indian Perspective” to draw attention to the status of women in recently developing fields of information technology, the various ways that this field has benefited working women, and the role that IT plays in the empowerment of rural women. The study's foundation is secondary data. We might conclude that women are now more powerful than they were in the past thanks to information technology. The advancement of information technology has made it possible for women to engage in all facets of society. It has given women more income, knowledge, and skills, which has empowered them.

Bhalerao and Humbe (2018) in a study entitled “Social Media- A tool for empowering women working in handloom industry” recognizes and evaluates social media's effects on women working in the handloom sector. The study also employs a sample of 100 respondents from the city of Aurangabad to conduct the questionnaire. The study's conclusion is that businesses and industries are utilizing a combination of traditional and social media marketing to grow their businesses. This facilitates their client outreach and boosts revenue and sales. This aids in building brand equity for handloom products as well as brand awareness and image for the marketers.Social media has several advantages for female handloom weavers and significantly affects the sales of their goods.

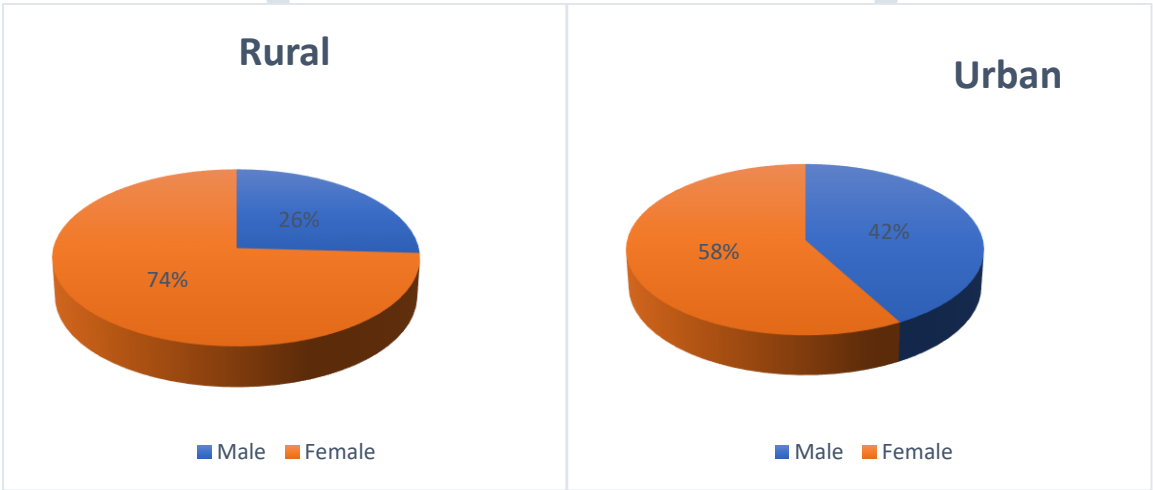
IV Research Methodology

The research adopts a descriptive research design . Notably, the data for this study has been exclusively sourced from secondary references, including journal article, government publications, annual reports, press information bureau and online newspapers.

V Women’s Entrepreneurship in the Handloom Sector

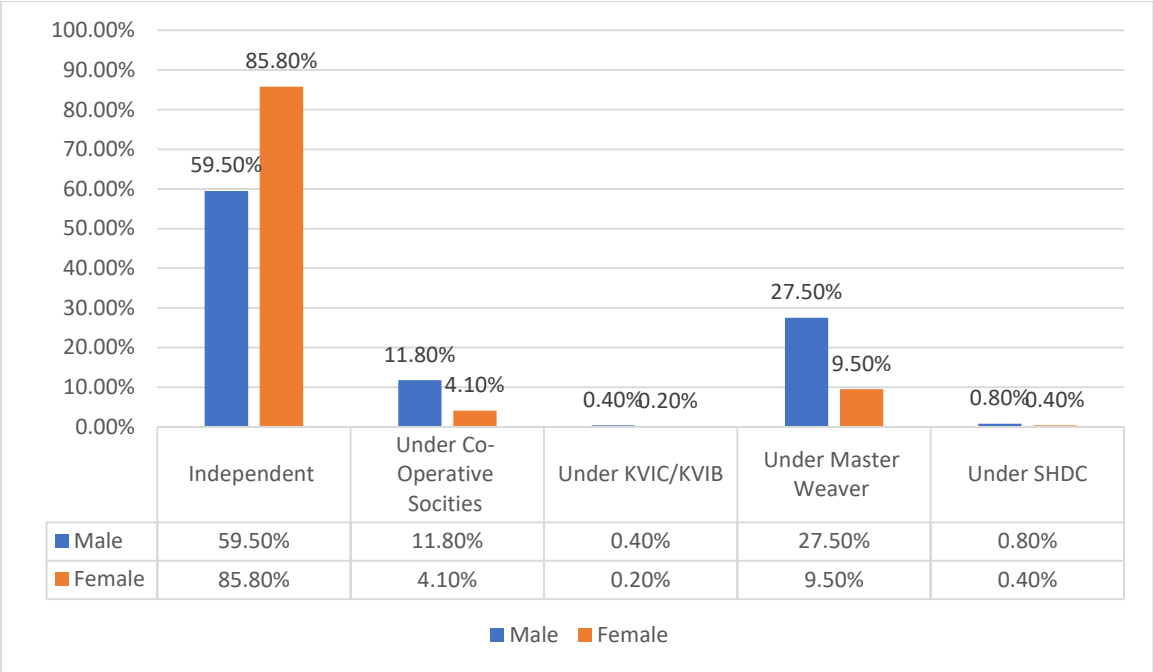
Handloom is a process of operation by hand of a wooden structure known as loom. According to section 2(b) of The Handloom (Reservation and Articles for Production) Act, 1985 handloom means “any loom other than Power loom”. Hence, handloom is simply a weaving machine. Whenever the handloom is in catastrophic situation, women have been getting end of discernment of all types, nevertheless they have been the main stabilization force in problems in the handloom sector. On the other side, handloom sector affords largest employment opportunity to females, who occupies an inimitable place in this age-old tradition i.e. handloom. Handloom sector has been directly empowering women. As per the Fourth All India Handloom Census 2019 - 20, this industry involves above 23 lakhs women weavers and allied workers. This sector is mainly household-based, carried out with labour backed by the whole family. This sector also enhanced self-worth of women both within and outside of their households. According to the handloom census issued by Ministry of Textile Government of India.

Table No. 1 Number of Handloom Workers



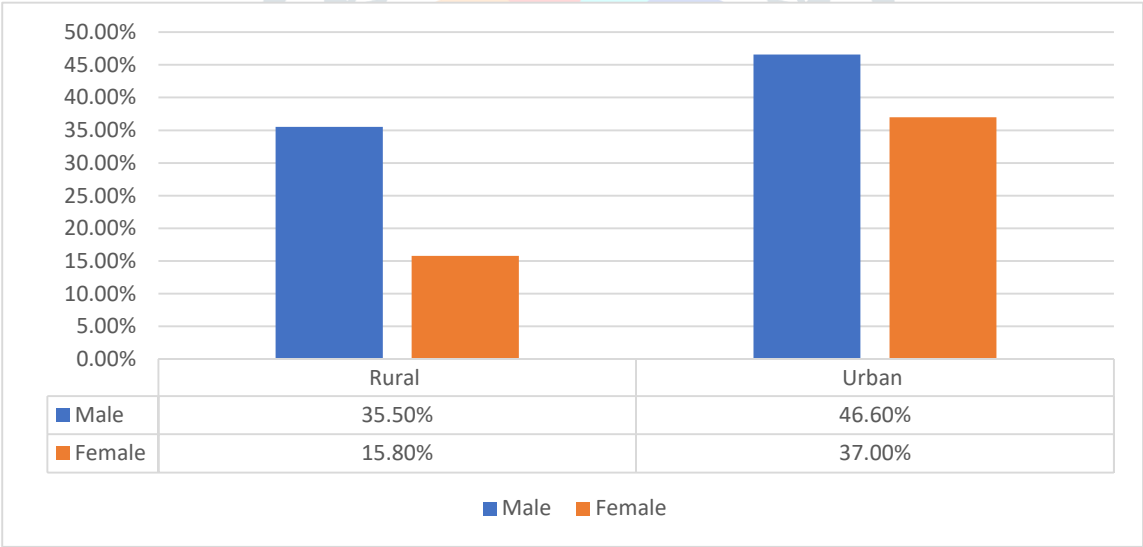
Source: Fourth Handloom Census 2019-2020

Table No. 2 Distribution of Weavers by Gender and Employer Category



Source: Fourth All India handloom Census 2019-20

Table No. 3 Banking Penetration among weavers by Gender and Location

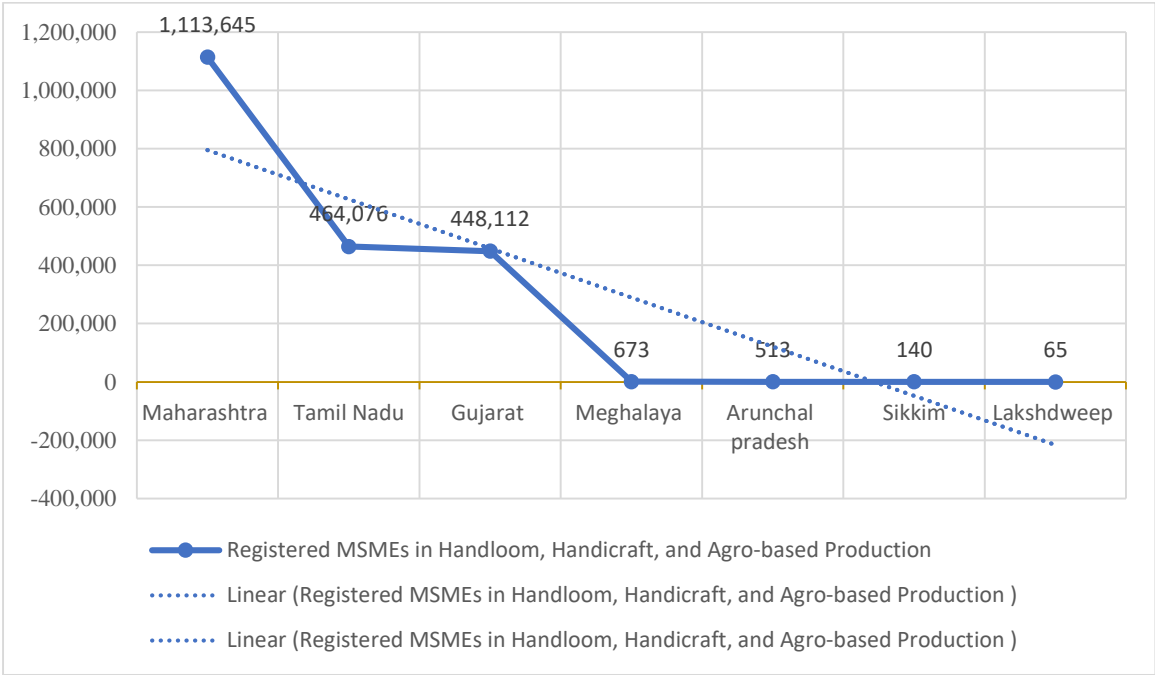


Source: Fourth All India handloom Census 2019-20

Ease of doing Business in MSME : 15.07 lakh Udyam- Registered MSMEs in handloom, handicraft and agro-based production sector have 43.15 lakh women employees across India. (Desk, 2022)

Table No. 4

Number of Women Employees in Handloom , Handicraft and Agro- Based Production in Units



Source : Author’s Creation according to the data provided by the reports

India Handloom Export Trend (US\$ Million)

India exports handloom products to more than 20 countries in the world. Some of the top importers are the USA, the UK, Spain, Australia, Italy, Germany, France, South Africa, the Netherlands, and UAE. The USA is the biggest importer of handloom products from India, consistently the top importer for the past 8 years. (Stitched With History: Government Initiatives and Insight. . . , 2023). On a global scale, there exists significant potential for industrial expansion within the handloom and textile industry, as indicated by recent assessments. Recent data highlights the sector's significant contributions to industrial output, Gross Domestic Product (GDP), and export revenues across various nations. For example, in India, the handloom and textile sector accounts for 14% of industrial production, 4% of GDP, and comprises 13% of export earnings. (Singh, 2024)

During 2022-23 (April- September) , the country imported handloom products worth US\$ 33.75 million. The exports to the UK, which as the second larges importer of handloom from India during the same period increased to US\$ 6050 million. European Union constituted a total of 18% of India’s exports during 2021-22, Bangladesh accounted for 12% , and UAE stood at 6% of total Indian handloom exports. Some of the other handloom importers from India are Canada, Brazil, Greece, Belgium, Chile, Denmark, Thailand, Sri Lanka , and Others. During 2021-22 these countries accounted for 37% of India’s total handloom exports.

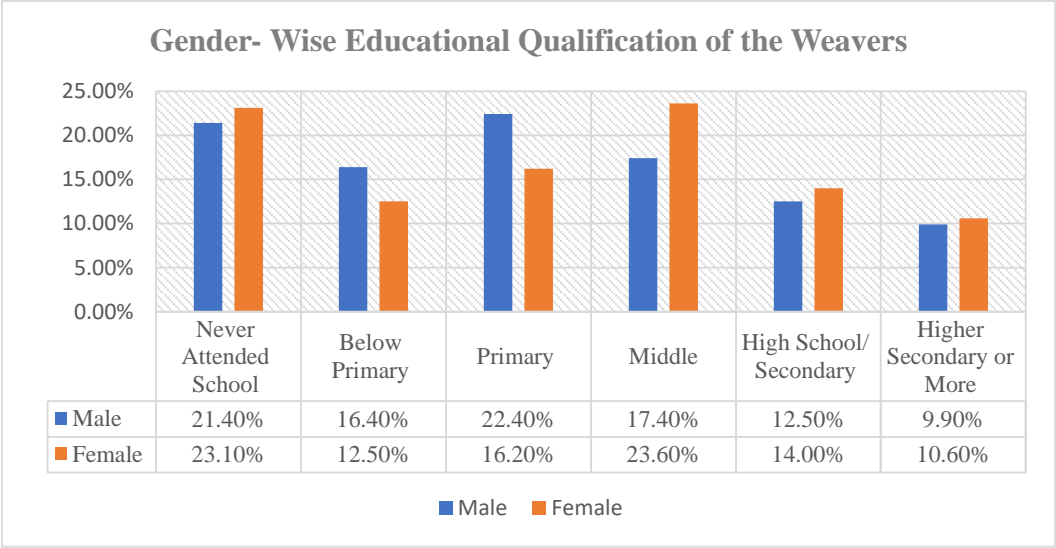
VI Challenges faced by women entrepreneurs in Handloom Industry

Despite forming an integral part of the Indian handloom industry, women weavers often face challenges that hinder their recognition and economic empowerment within the sector. Many of them are illiterate or semi-

literate due to impoverished conditions, which affects their social security and future prospects. While women in the Northeastern Region (NER) enjoy some cultural freedom in their work, women in other parts of India often operate within a male-centric environment where their contributions are undervalued. They are typically categorized as assisting menfolk and relegated to secondary roles, whereas men are formally recognized as owners of looms. I., & I. (2023, August 8).

Several challenges stifle the growth and sustainability of the handloom sector, affecting women entrepreneurs. These challenges include shortages of inputs and working capital, lack of credit availability. Capital constraints are particularly pronounced for women entrepreneurs due to a lack of property to use as collateral and reliance on family support for initial business funding. Additionally, lack of education further hampers women's entrepreneurial endeavours. (Debbarma & Geetha, 2017)

Table No. 5



Source: Fourth All India handloom Census 2019-20

Marketing issues such as unawareness of customer preferences and distinguishing between handloom and power loom products, insufficient promotional campaigns, inconsistent product quality, supply chain inefficiencies, competition from power looms and mills, technological backwardness, limited design innovation, decreasing numbers of weavers, poor policy dissemination, and data scarcity. Gender bias and social norms can further discourage women's participation, while innovation and skill enhancement pose additional challenges. Targeted support through training, market linkages, and financial aid is crucial for empowering women in this sector. The COVID-19 pandemic exacerbated existing challenges in the handloom industry,

It is important that the contribution of women weavers and women working in ancillary activities is fully recognise in official statistics. Women should have accorded same status as men during the census/ other remunerations and counted as primary workers. This would not only boost women’s participation in work force but also ensure that handloom workers are able to access institutional credit and other government schemes in their own name which will further improve their creditworthiness for future growth.

Entrepreneurship in the handloom industry offers women significant economic prospects but comes with hurdles such as limited resources, market awareness, and balancing tradition with modern demands. Gender bias and social norms can discourage participation, while innovation and skill enhancement pose challenges. Targeted support through training, market linkages, and financial aid is crucial for empowerment. Linking the handloom sector with the global market is essential for expanding opportunities. Utilizing online platforms, participating in trade fairs, and meeting international quality standards can enhance market access. Government incentives, branding efforts, and collaborations with global partners can further promote women-led handloom enterprises globally, fostering economic empowerment and preserving cultural heritage. Not only does this empower women economically, but it also contributes to the preservation of traditional crafts and cultural heritage on an international scale. (I., & I. (2023, August 8).

VII Government Initiatives for Women Entrepreneurship Development `

The Indian Government has introduced several initiatives aimed at empowering women entrepreneurs in sectors like handloom, handicrafts, and agro-based production. Despite the creation of various schemes such as Skill India, Stand up India, Government e-Marketplace, and e-Haat for handloom workers, only a few have effectively reached women weavers to empower them. These efforts are designed to address the challenges confronted by women weavers and artisans, thereby promoting their economic autonomy and augmenting their role in the workforce.

To support handloom weavers, the Government has established programs including the National Handloom Development Programme (NHDP), the Yarn Supply Scheme (YSS), the Handloom Weavers' Comprehensive Welfare Scheme (HWCWS), and the Comprehensive Handloom Cluster Development Scheme (CHCDS) (Press Information Bureau 2019) . Furthermore, the Government e-Marketplace (GeM) has introduced 'Womaniya on GeM' initiative in 2024, facilitating women entrepreneurs and Women Self-Help Groups (WSHGs) to directly vend handicrafts and handloom products to various Government ministries, departments, and institutions.

National Handloom Development Programme (NHDP) - One significant program that offers substantial support to women weavers. Under NHDP, 100% subsidy is provided to marginalised groups such as scheduled castes, Scheduled tribes, Below Poverty Line individuals , and women weavers for constructing work sheds. Additionally , NHDP extends a 75% subsidy for women weavers for enrolling in educational courses through institutions like NIOS and IGNOU.

Stand Up-India – Another crucial scheme is the stand-up India initiative, which facilitates financial assistance of up to Rs. 25 Lakh for establishing new power loom units, particularly benefitting women entrepreneurs. Notably, the scheme has seen significant participation from women , with around 250 out of 300 coming from them .(Press Information Bureau 2019)

Mudra Loan Scheme – Furthermore, the Mudra loan Scheme provides affordable credit to micro and small enterprises, including those in the handloom sector run by women . This scheme aims to enhance access to finance and stimulate entrepreneurial activity among women artisans.

Mahila Shakti Kendra – Moreover, the Mahila Shakti Kendra Scheme empowers rural women through community engagement and resource access, including financial assistance for setting up business. The scheme serves as a holistic approach to women’s empowerment , addressing socio-economic barriers and fostering entrepreneurship

VIII Digital Transformation and online Platforms

The handloom industry in India has undergone a profound transformation in recent years, largely catalyzed by the integration of digital technology into its traditional framework. Women entrepreneurs in India’s handloom sector have demonstrated remarkable resilience and adaptability, particularly in face of challenges like the covid-19 pandemic. The pandemic accelerated the digital shift of small-scale industries, creating an economic climate that encouraged innovation and entrepreneurship among artisans (Yadav et al., 2023). The Ministry of Textiles has created an E-commerce platform for the handloom and handicraft sectors to directly connect over 35 lakh handloom weavers and 27 lakh handicraft artisans with consumers, bypassing intermediaries. Shri Piyush Goyal , the Union Minister of Textiles , Consumer Affairs , Food and Public Distribution , as well as Commerce and Industry inaugurated the portal in Gujrat (*E-Commerce Portal Dedicated to Handloom & Handicraft Aims at Making Artisans & Weavers Self-reliant*, 2023).

The integration of digital tools and e-commerce platforms has opened up new avenues for women artisans to showcase their handloom products to a global audience, breaking traditional market barriers and expanding their reach beyond local boundaries . By leveraging social media platforms, retail websites, and e-commerce portals, women entrepreneurs can establish their unique brand identities, share their stories , and connect directly with consumers world wide.

Despite the remarkable strides made in leveraging digital tools for business growth, women entrepreneurs in the handloom industry continue to face challenges, notably the significant credit gap identified by the International Finance Corporation (IFC). Female entrepreneurs receive only a fraction, 5.2%, of the outstanding credit granted to enterprises by Indian financial institutions. This disparity underscores the urgent need for initiatives and interventions aimed at addressing the financial inclusion of women entrepreneurs, particularly in the handloom sector.

In response to these challenges, various government initiatives such as Digital India, Skill India, and the Mahila e-haat project have been instrumental in providing online marketing platforms and entrepreneurial support to women weavers. The Mahila e-haat project, for instance, offers Indian women citizens the opportunity to showcase their products online, thereby enabling them to participate in the Digital India campaign and manage their businesses conveniently through mobile phones. The adoption of online selling platforms like Amazon, Flipkart, and others offers a ready- made marketplace for women artisans to exhibit and sell their handloom creations, facilitating direct consumer engagement and transactions. Additionally , digital payment systems

streamline financial transactions, making it easier for women entrepreneurs to conduct business with a broader customer base. (Singh, 2024)

Furthermore, the private sector has also stepped up its efforts to support women entrepreneurs in the handloom industry. Leading e-commerce companies like Amazon India and Flipkart have collaborated with government bodies and launched dedicated platforms such as 'Weavesmart' and 'Flipkart Samarth' to facilitate the market access of handloom products. These initiatives not only provide women weavers with a broader customer base but also offer essential resources and support to navigate the digital marketplace effectively. Social media platforms have emerged as powerful tools for product promotion and sales, allowing women weavers to engage directly with customers and build brand awareness. Initiatives such as the "#IWearHandloom" campaign initiated by Textile Minister Smriti Irani and the "#ILoveHandloom" campaign have played a significant role in revitalizing interest in handloom products and celebrating India's rich textile heritage.

However, despite these advancements, challenges persist, including gender bias, societal norms, and the digital divide, particularly in rural and semi-urban areas where access to digital infrastructure and literacy remains limited. Addressing these challenges requires concerted efforts from government, private sector, and civil society stakeholders to ensure the continued empowerment and economic inclusion of women entrepreneurs in the handloom industry.

IX Global Reach: Handlooms Connection with International Markets Case Studies

Mizoram

In 2018, a program called Antaran launched in Assam is empowering women to become handloom entrepreneurs. These weavers, once limited by low wages and market access, are now thriving thanks to Antaran's training, design support, and even online marketing guidance. With social media platforms as their allies, the women are bypassing middlemen, increasing profits, and breathing new life into the Assam Handloom industry. Antaran's story is a testament to the power of empowerment and innovation in revitalizing traditions and transforming lives ("Weaving Ways to Better Days," 2023). Jyotshna Kalita: From homemaker to entrepreneur, Jyotshna Kalita used Instagram and online orders to transform her weaving hobby into a thriving business, Aalok Handlooms. She now employs other women artisans and even plans to expand by buying a Jacquard loom to create more intricate designs

Jharkhand

The handloom sector in Jharkhand, particularly driven by home-based women entrepreneurs, holds significant potential as a source of employment and economic empowerment. Traditionally learned through community-based methods, handloom weaving requires minimal educational qualifications, making it an accessible skill. The sector offers a diverse range of products, including sarees, stoles, shawls, shirts, and more, with prices ranging from approximately 300 for a stole to 15,000 for a saree. Notably, the handloom industry aligns with

the rising demand for sustainable living and slow fashion, contributing to its growth. NGOs like the Girl Power Project provide crucial marketing support, showcasing products online and offline, thus increasing market access for women entrepreneurs (Power, 2023).

The handloom sector's potential for growth is further supported by schemes from the Ministry of Small and Medium Enterprises (MSME) and the focus on sustainable and environmentally friendly practices. The Girl Power Project's efforts extend beyond training programs, providing marketing platforms and fostering collaborations with commercial and government brands to enhance market linkages. The long-term outcomes include the creation of women entrepreneurs, promotion of social entrepreneurship, and potential replication of successful models with other beneficiary groups, contributing to the preservation of India's cultural heritage and self-sustaining growth paths.

X Conclusion

In conclusion, the intersection of women's entrepreneurship, resilience, and digital transformation within India's handloom sector offers a promising pathway towards sustainable development and economic empowerment. Through initiatives that prioritize skill development, access to technology, and market linkages, women artisans have demonstrated remarkable resilience in adapting to changing market dynamics while preserving traditional craftsmanship. Digital platforms have not only facilitated market access but also enabled women to bypass intermediaries, thereby increasing their profit margins and agency within the industry. However, to fully harness the potential of digital transformation, it is crucial to address barriers such as digital literacy, infrastructure gaps, and gender inequalities. By fostering an enabling environment that supports women artisans through targeted policies, capacity-building programs, and inclusive business models, India can unlock the transformative power of women's entrepreneurship in the handloom sector, contributing to both economic growth and social equity.

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