

“An Assessment of Government Initiatives for the Promotion and Development of Handloom Startups in Western Vidarbha (during 2015–2020)”

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Abstract: In India, this handloom industry is a traditional handicraft enterprise that has been important in providing employment, maintaining indigenous skills and techniques, boosting the livelihoods of rural people, and creating imagination and identity. Different handloom activities in the regions like Western Vidarbha have helped in providing livelihood along with income opportunity to the artisans and small entrepreneurs mostly in the rural and semi-urban areas. The Government of India and Government of Maharashtra have taken and implemented various steps to enhance access to finance, technology, skill development, marketing support, infrastructure and entrepreneurial support to handloom growers and new genesis over the last five years (2015-2020). The present study examines the role and performance of these Government policies to promote and support handloom start-ups in Western Vidarbha. The study highlights the level of support given by Government schemes for establishment, modernization, expansion and market development of Handloom units. It also analyzes key obstacles entrepreneurs must overcome to access the institutional support, including both lack of knowledge and the lack of procedural support, insufficient financial support, lack of access to markets, technology limitations and lack of institutional coordination. The study is descriptive type analytical with the technique used secondary data and descriptive analysis with the concept of data field. The results are likely to help develop a precise understanding of the role played by the government interventions in the handloom entrepreneurship development and highlight the dimensions that will need more policy inputs. The study could help in planning future policies and support based on the experiences gained for policymakers, handloom development agencies, financial institutions, and handloom organizations to make it easier and more region-specific to develop more sustainable handloom production in Western Vidarbha.

Keywords: Handloom, Startups, Government Initiatives, Entrepreneurship, Western Vidarbha, Artisans, Development

Introduction:

Handloom industry is a unique industry, that is a marriage of employment generation, knowledge of traditional craftsmanship and cultural heritage and small entrepreneurship. Handloom weaving, in contrast to the highly mechanised textile industry, relies heavily on the expertise and experience of individual weavers and households of artisans. This role of seeing to the conservation of traditional design, weaving technique, motifs and the regional identity therefore sets the sector not

only as a source of textile production but also as a provider of traditional designs and identities. In many handloom villages, handlooms serve as an alternative source of income for the rural families.

Maharashtra handloom is grown with the participation of a traditional weaving community, cooperatives, domestic industries and small industries. Western Vidarbha which includes Akola, Amravati, Buldhana, Washim, Yavatmal etc has a good potential to develop entrepreneurship in Handloom and Textile



Department on decentralized pattern. The region has the following features: traditional skills, available labour in the area and the rural population can be provided with an employment-oriented enterprise development. But handloom men and women in the area, at times, suffer from the conditions of economy and markets.

India experienced the growth of small businesses and traditional industries more significantly between 2015 and 2020. There was a growing emphasis on government policies to promote entrepreneurship, financial inclusion, skill development, digital marketing, modernization and market-oriented production. Various programmes and institutional mechanisms were aimed to strengthen and boost the handloom sector productivity, finance, technological upgradation, establishment of clusters and market facilitation. Areas where interventions were related to handloom development were skill development programmes, credit facilities, cluster-based development, financial support, infrastructural support, marketing assistance, and finding ways to increase the competitiveness of traditional producers.

Limited bargaining power and financial resources have been the forte of individual artisans and small entrepreneurs and that is why interventions from the government are critical in the handloom sector. These can include accessing modern machinery, working capital, good raw materials, organized markets, responding to the changing preferences of consumers, and developing a brand. These constraints can be partially alleviated through the provision of financial support, training, provision of common facilities, market linkage and institutional support to the enterprises by the government.

However, there is no guarantee that government schemes are used effectively even at the same time. Knowledge of the artisans, the availability of the application process, the financial qualifications, financial assistance delays, the lack of follow-up and inadequate coordination among the implementing bodies

can affect the actual advantages received by entrepreneurs. Thus, an evaluation of government programmes should take into account both the volume and quality of programmes, as well as their actual role in promotion of the enterprises.

This integration of promotion and development of handloom startups is specific to the Western Vidarbha region during the period 2015-2020. Handloom startups in this study are broadly defined as the newly started or emerging handloom-based entrepreneurship/relevant small enterprises engaged in being a weaver, weaving handloom, creation of design, value addition, marketing or related activities. This study tries to establish the environment in which both these enterprises exist are supportive or otherwise and whether it enabled entrepreneurs to surmount financial, technological, managerial and marketing hassles.

Two major context aspects of this study are relevant to the region of Western Vidarbha: it is a region with a number of socio-economic issues and of great potential in terms of traditional and rural entrepreneurship. To enhance handloom entrepreneurship is helpful in creating employment opportunities, engage women in the economic activities, preserve the traditional art, diversify the rural income sources and to create local economic development. But such objectives will not be realised by policies that are not responsive to local circumstances, but rely only on general schemes.

The paper, therefore, analyses and assesses the importance of the major government initiatives undertaken between 2015–2020 and their applicability as per the handloom entrepreneurship in western Vidarbha. It also reviews the key factors that hindered the effective use of government support and suggest ways to improve the implementation of the policies. The study's purpose is to help breathe into a better understanding of the linkage between public policy and the



development of traditional-industry startups at the regional level through this assessment.

Review of Literature:

Barooah and Dedhia (2015) discuss socio-economic status of the handloom weaver's women and possible actions for their sustainability improvement. This study emphasized "traditional weavers" and the significance of providing women weavers to the household income and continuity of traditional weaving. It was found however that limited access to resources, lack of institutional support, inadequate income levels and problems of accessing better market opportunities became important constraints. The study recommended that necessary financial, capacity building and marketing facilitation will lead to sustainable women entrepreneurship in handloom activities. This study is significant for the ongoing research because handloom startups can be evaluated to a certain extent from the contribution they make towards the economic sustainability of artisan.

Basu (2004) dwelled on the issues and future of the hand loom industry in India. The study also highlighted the need to push handloom production in terms of employment creation and economic development of the rural sector and remarked certain issues of antiquated technology, poor finance, the competition of power loom and marketing system. The study highlighted that the institutional support and modernization efforts are crucial for handlooms' competitiveness. The findings reflect the fact that it offers a set of early building blocks to look at the subsequent development of government action in the hand loom sector.

Basumatary and Khawzawl (2024) explored handloom weaving as a tool for the construction and maintenance of cultural identity of the Bodo women weavers of Assam. The study showed that handloom production is not only an economic activity but handloom production is an important aspect of social and cultural identity. The

authors pointed out the importance of women in sustaining traditional designs and weaves. This research argues that the handloom development policies must be carefully designed so that a compromise is achieved between developments in commerce and the preservation of the traditional knowledge. This view is crucial for its present study because promotion of handloom startups need not be restricted to economic growth but has to help preserve the craftsmanship of a region.

Bhowmik (2011) studied handloom weaving addressing the question of sustainability of rural livelihood. It noted that handloom crafts are employment generators and are economic pursuits for the rural households, especially when there are less employment opportunities. Some important enablers and challenges were identified as irregularities in income, intermediation dependence, limited access to institutional credit, and lack of infrastructure. Because, it was pointed out in the study that financial, institutional, technological and marketing support are needed to achieve sustainable development of the rural handloom activities.

spectrophotometric studies were made of the socio-economic conditions of women weavers in Jorhat District, Assam in village Kosukhat by Brahma (2020). The study revealed that handloom weaving is a livelihood activity for the women and pointed out various socio-economic challenges of women's earning potential. Some important concerns were limited access to finance, poor marketing opportunities and low economic returns. The study highlighted the importance of better institutional and government support for enhancing the economic status of women weavers. The results of the present study are equally important since women entrepreneurs is a significant potential segment in the context of handloom start-up ecosystem.

This study titled "Impact of Globalization on Handloom Industry in India" by Chandra (2008) focused on handloom industry in India. The study highlighted the problems that emerged due to the growing competition from



the mechanized textile industries and customer preference. The globalization on the other hand was seen as promising opportunities for Indian handloom products in its enhanced domestic and international market. The study highlighted need areas of quality enhancement, design, productivity and marketing to forge a robust sector. These observations will help to provide proof of whether Government programmes for handlooms during 2015-2020 have properly equipped handloom startups to meet the shifting market demands.

Das (2006) reported about how small businesses and entrepreneurship can influence in livelihood generation in the village. The study highlighted the role of small enterprises in delivering significant employment and value added to the local economy and process of economic development. But financing, infrastructure, technology, information, and markets are often a challenge for rural entrepreneurs. The finding of the study indicated that there was a need for supportive policies and institutional mechanisms for the development of rural entrepreneurship. Its more entrepreneurial attitude is useful for a conceptual understanding of handloom units as small businesses though they might have been traditional jobs.

Datta (2005) has analysed the linkage of handloom industry and employment in rural areas of India. Handloom production being labor intensive and need of providing employment to the rural poor was highlighted in the study. But the industry was hit by low productivity, restricted investments, and insufficient infrastructures and competitiveness with the other textile technologies. The study also recommended that the policy measures that focused on improving the productivity and market opportunities of handloom activities could give boost to their employment generating capacity. This is significant for the present study as one of the important indicators of handloom startups development is generating employment.

Datta (2016) had made the study on handloom weaving organization, women enterprise owners and livelihood in India of the rural people. The paper emphasised the importance of women's participation in the handloom sector, which is conducted in the home, and observed that women's role is underestimated in the process. There are wage constraints, and constraints relating to access to productive resources and decision making and market participation facing women workers. Livelihood oriented interventions and institutional support were highlighted as two essentials for the economic participation of women. The results confirm the need to review and evaluate if the government's handloom initiatives during 2015-2020 gave sufficient opportunities to the women entrepreneurs and workers.

Devi, Lakshmi, Rajitha & Kameswari (2019) conducted a study on socio-economic overview of hand-loom weavers of Warangal Urban District. Their research revealed that although handloom weaving is a means of livelihood, the handloom community went through various socioeconomic challenges. The study identified problems like poor income, lack of resources and access issues on the general economic condition of the weavers. Furthermore, the study proves the need of implementing region specific interventions to enrich the livelihood of handloom communities. It offers insightful comparisons for Churches in Western Vidarbha and such issues likely may occur.

Kundu (2014) studied Government interventions and socioeconomic development of handloom weavers in India. The study was focused on the role of public programmes in the provision of financial assistance, training, infrastructure etc. to the communities of Handlooms. Meanwhile, it had made clear that awareness among beneficiaries, accessibility of schemes and their appropriate implementation is a key component of the effectiveness of Government programmes. This study is relevant to the present study as; it establishes the direct link between



Government initiative and Socio-economic Development in Handloom sector.

Olive, Mahendran, Lavanya and Kumar (2022) studied the situation of handloom industry in India and Tamil Nadu and reviewed the policies of the government supporting the handloom industry. The study brought to fore various modes of governmental support, aimed at giving a boost to handloom industry production, employment, sale and the economic condition of the handloom weavers. It said that government intervention is needed to solve the structural weakness in handloom sector to some extent. Though the study is based in Tamil Nadu, it is the study of the government initiatives which gives lessons for assessing similar schemes/schemes in Western Vidarbha.

In India, Ramaswamy (2013) analysed the link papered by handloom sector, informal sector and livelihood security. The study highlighted the significance of handloom production in terms of giving employment opportunities and livelihood support in the informal sector. But most of the activities in the informal sector such as handloom are vulnerable to issues of income security, access to credit, social protection, and market power. The present study suggests that enterprise development and livelihood security should be the focus of policies aimed at handloom development.

Roy (2009) investigated about the historical growth and present problems of handloom industry in India. The study contextualized handloom industry in the overall development of Indian textile industry and highlighted the relevance of decentralised production. It also touched on the constraints due to competition, market fluctuations and differences in productivity stemming from technology. Support for handloom through specialization, quality enhancement, product diversification and institutional support is recommended to keep it economically viable, it was suggested in the study. The reflections in these observations help explain the shift in crafting from traditional to entrepreneurial handloom businesses.

The handloom sector has been examined by Saha (2010) using the view point of decent work. The study highlighted various issues like employment-based wages security, working conditions, and livelihood vulnerabilities of handloom weavers. It recommended development be evaluated in the sector not just by production and sales □but also in terms of enhancements to employment quality and security□. The emphasis of this perspective is applicable to the current research as any successful handloom start-up should be able to give the growth of enterprise along with livelihood improvement and sustainable employment.

Sarma (2007) discussed the issues and potentials of handloom industry in Assam. The study revealed the challenges include financial constraints, marketing issues, technological constraints, competition and institutional constraints. Concurrently, it also acknowledged the potentiality of handloom products due to its cultural distinctiveness and demand of a conventional fabric. The study called for a better marketing system, financial support, technical advancements and institutional support. While geographically on Assam, the results of this study are found to be useful for comparative assessment on issues encountered by handloom businesses in other parts of India.

The Sharma et al (2017) article focused on issues and future of the handloom industry in India. These difficulties, which included financial problems, lack of infrastructure, technology and market constraints, were revealed in their study. The study also identified opportunities for traditional and sustainable products, driven by changing demand. It was recommended that increased efforts needs to be put in place for handloom product development, product branding, modernization and market promotion. The above findings clearly align with the present study which deals with the development of handloom startups to become commercially viable enterprises.



Singh and Devi (2018) analysed the government schemes and its correlation with socioeconomic development of handloom weavers. The government role in promoting access to financial resources, training, technology, and other development facilities were highlighted. The advantages of schemes were however determined by the knowledge and capability of beneficiaries to build up through institutional procedures. Information dissemination and effective mechanisms of implementation were recommended in the study. This study is closely related to the current study as it enabled assessment of the Government schemes available and their usefulness.

Venkatesh (2012) focused on ruralization of employment in relation to the handloom industry. The study highlighted the fact that handloom continues to offer employment opportunities in the rural areas but at the same time faces challenges due to shift in job preferences, technological advancement and competition from alternative means of textile production. The study recommended that enhancement of productivity/modernisation of skills and creation of improved market opportunities can lead to the resumption of economic relevance of handloom activities. It proves that the application of government policies for the change of the traditional weaving skill to sustainable entrepreneurial opportunities is the right idea.

Objectives of the Study:

- To examine the major government initiatives undertaken during 2015-2020 for the promotion and development of handloom startups in Western Vidarbha.
- To assess the effectiveness of government support in providing finance, skill development, technology, infrastructure, and marketing assistance to handloom startups.

- To identify the major challenges faced by handloom startups in accessing government initiatives and suggest measures for improving their effectiveness.

Research Methodology:

This present study uses descriptive and analytical research design. The role of the government initiatives focusing on promotion and development of Handloom Startups in Western Vidarbha during the period 2015-2020 has been evaluated. The study includes major center of handloom-weaving area in Western Vidarbha which is Akola, Amravati, Buldhana, Washim and Yavatmal. The study aims the baguette of emerging entrepreneurs of handloom, the studied groups are the weavers, handloom workers of cooperatives and other stakeholders related to handloom-based enterprise.

Both secondary and primary data is used in the study. The data collected could be primary data from selected handloom entrepreneurs / artisans using the structured questionnaire and follow up personal interviews with them. This paper uses purposive sampling technique due to the specific need of the study to tap on the respondents who have handloom production or have received or availed the government support programmes during the period 2015 - 2020. The questions for the questionnaire are centered around consciousness of government-sponsored schemes, availability of money related assistance, courses for skill improvement, help with innovation, facilities, promoting support and the general usefulness of government-sponsored efforts.

Secondary data involves information gathered from the government publications, development reports of handlooms, statistical reports, policy documents, research reports, books, and

the records and information related to handloom and entrepreneurship. Government Schemes-institutional interventions in the period 2015-2020 have been studied to explore the objectives and expected benefits for the handloom entrepreneurs.

The responses are summarized as frequency and percentage; mean and standard deviation are used to do the analysis of data. Comparative analysis is conducted to analyse the differences in the accessibility and perceived effectiveness of government support between selected districts and selected categories of government's support. For associations between awareness and utilization of the government schemes with perceived

Analysis of the study:

Table 1. Awareness of Government Initiatives among Handloom Entrepreneurs

Awareness Level	Frequency	Percentage
Highly aware	38	19.0
Moderately aware	76	38.0
Partially aware	54	27.0
Not aware	32	16.0
Total	200	100.0

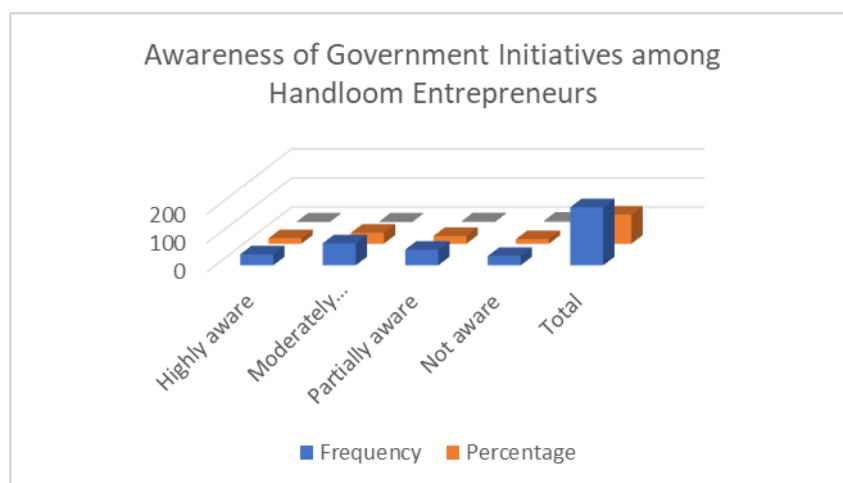


Table 2. Utilization of Government Support by Handloom Startups

Type of Government Support	Utilized	Not Utilized	Total
Financial assistance/credit	92 (46.0%)	108 (54.0%)	200
Skill development/training	118 (59.0%)	82 (41.0%)	200
Technology/modernization support	74 (37.0%)	126 (63.0%)	200
Marketing assistance	86 (43.0%)	114 (57.0%)	200
Infrastructure/cluster support	68 (34.0%)	132 (66.0%)	200

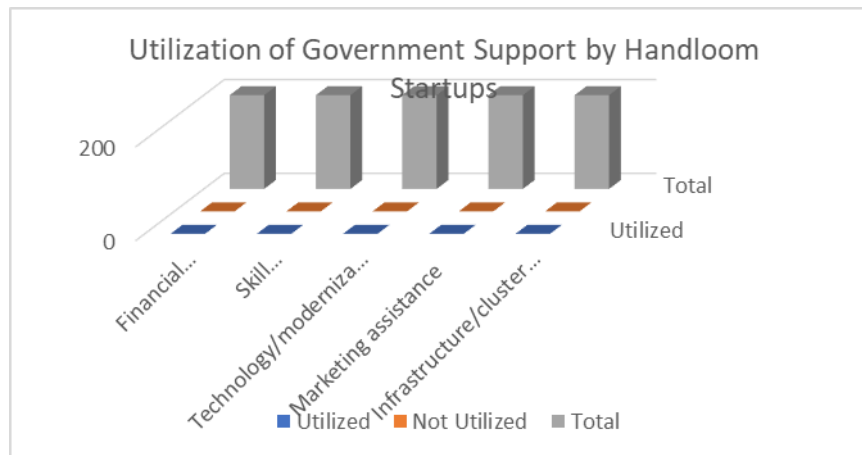


Table 3. Perceived Effectiveness of Government Initiatives

Effectiveness Level	Frequency	Percentage
Highly effective	32	16.0
Effective	84	42.0
Moderately effective	52	26.0
Less effective	22	11.0
Not effective	10	5.0
Total	200	100.0

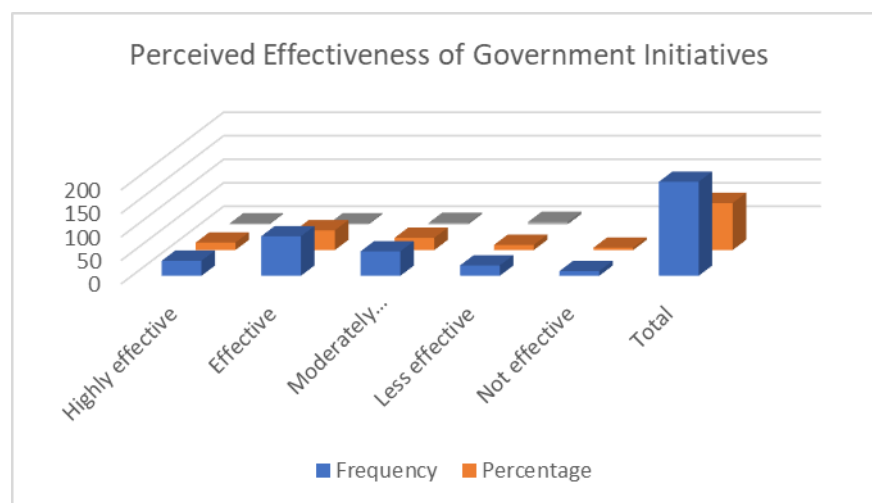


Table 4. Major Problems Faced by Handloom Startups

Major Problem	Frequency	Percentage
Lack of adequate finance	48	24.0
Lack of awareness about schemes	36	18.0
Complicated application procedures	32	16.0
Limited market access	34	17.0
High raw-material cost	26	13.0
Lack of modern technology	14	7.0
Other problems	10	5.0
Total	200	100.0

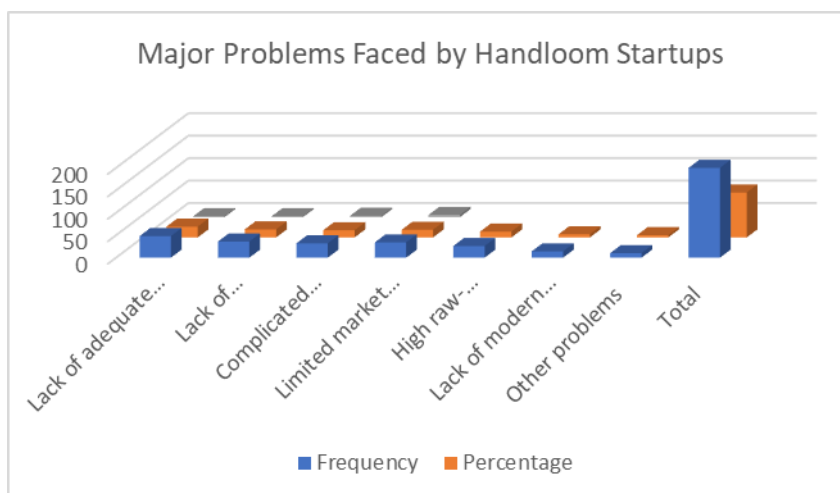
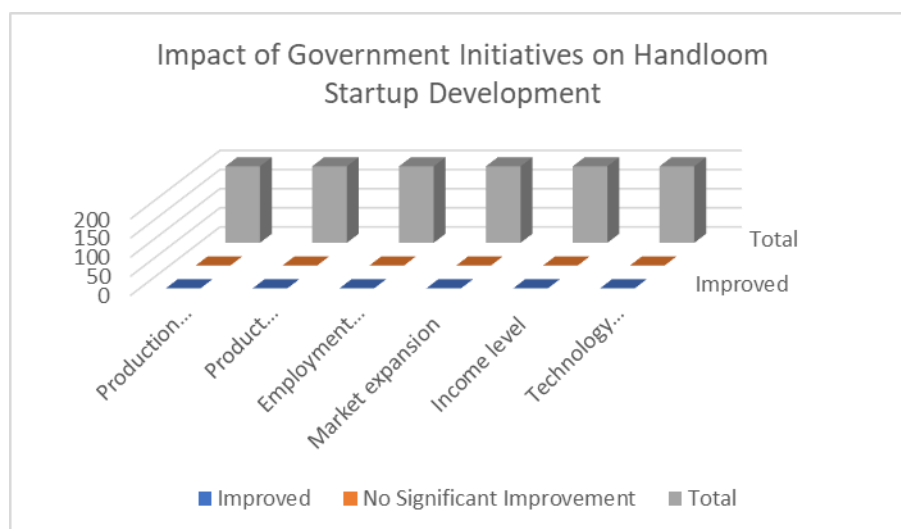


Table 5. Impact of Government Initiatives on Handloom Startup Development

Development Indicator	Improved	No Significant Improvement	Total
Production capacity	112 (56.0%)	88 (44.0%)	200
Product diversification	106 (53.0%)	94 (47.0%)	200
Employment generation	98 (49.0%)	102 (51.0%)	200
Market expansion	90 (45.0%)	110 (55.0%)	200
Income level	104 (52.0%)	96 (48.0%)	200
Technology adoption	82 (41.0%)	118 (59.0%)	200



Results:

Analysis of all five tables reveals that the Government initiatives during 2015-2020 had moderate impact in promoting and developing startups in handloom business in Western Vidarbha. The results reveal a moderate to high awareness rate for measures launched by the government, with 57% of respondents expressing awareness, and 43% partially or not at all, suggesting a gap for improved

communication of government measures. Skill development training was the most widely used and utilized form of support (59%), followed by financial assistance (46%) and marketing assistance (43%), while technology/infrastructure support was the least utilized form of support (current only utilization). Overall, respondents expressed a favourable perception of government initiatives: 58 per cent rated the initiatives either effective or very effective. But there still



were a number of major barriers, such as insufficient finance (24%), lack of awareness (18%), limited market access (17%), and complex application procedures (16%). The initiatives of the government were especially responsible for production capacity (56%) and product diversification (53%) and for income levels (52%), with comparatively smaller improvement of technology adoption (41%) and market expansion (45%). Hence, the general findings indicate that handloom entrepreneurs had benefited from government interventions, which can be further improved through technology upgradation, improvement on infrastructure, financial market linkages, digitization and establishment of modern technologies, and awareness raising programmes.

Conclusion:

The present study focuses on an analysis of handloom start-ups, and the role of the government initiatives towards promotion and development of handloom start-ups in Western Vidarbha during 2015–2020. The study evidence shows that the government formulation programs have contributed to financial support, skill development programmes, technological supports, infrastructures and market access to become important factor for the support of handloom entrepreneurs. These programs provided exposure to both the existing handloom artisans as well as the new entrepreneurs in the field, and enabled them to enhance their production practices, but ultimately to transition to more professional and market-driven handloom businesses.

The results show that progressive reach of skill development and training support was observed compared to the low level of technology, infrastructure and marketing supports. For a significant number of handloom entrepreneurs, the government support led to an increase in their

production capability, diversification of products, improvement in livelihoods and employment. This suggests that right kind of government support of the public could enhance the entrepreneurial capacities of the handlooms and help in the economic development of the rural community.

The study finds that there is a huge potential of employment generation, income diversification, preservation of traditional skill and development of the economy in these handloom startups of Western Vidarbha. To achieve this potential, the government should focus on making schemes easy to access, enhancing awareness programming, credit support mechanism, boost digital and physical marketing, promote and develop technology, and establish robust clusters of handlooms. The importance should also be given to branding and product innovation packaging, e-commerce, and direct market linkages to get a maximum return on the products of the entrepreneurs.

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