

Analysis of Handicraft Exports of Jammu & Kashmir

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Abstract

Handicraft practices have started to emerge as an important contributor to the economic structure of the J&K. Since these practices are eco-friendly, they are best suited to the UT as they are more employment-intensive and less capital-intensive in nature. Therefore are able to generate employment on a large scale. Kashmir handicraft items had also managed to earn international fame for their attractive design, high-quality craftsmanship and functional utility. Due to the lack of other industries in the UT, handicrafts have continued to remain a key economic activity since ancient times. The creative talent and craftsmanship of the Craftsmen, expressed in a variety of products, has always been a treat to the world's connoisseurs for decades. Crafts like Chain Stitch, Shawls, Namdha, Wood Carving, Crewel, Paper Machie, Costume Jewellery, Kani Shawls and the Carpets hold an important share in the overall production and export of the State. In particular, silk carpets are a specialty which has no parallel in quality and design at domestic level and therefore occupy a powerful position on the international market. The handicraft industry has a significant contribution to foreign exchange earnings for the UT and the country in particular.

KEYWORDS: Handicrafts, Craftsmanship, Growth, Production, Employment and Exports.

Introduction:

The handicraft is a sector in which the machine does not dominate, and its decentralized structure protects it from exploitation by a capitalist industrialist who from far away are controlling production and people. Crafts, by their very nature, are not mass-produced. And if people work with their hands, even with the aid of machinery and machines, producing things which are needed in a wide demographic area selling to make profits, thus adding to national wealth. Craft may be called a decentralized creative industry where human brains and hands are more relevant than small machines and equipment that they can use. There is, thus, a world of sector without urbanization in the traditional sense, and there is both adequate scope and the need for it to emerge from the disorganized, decreasing and low-end profile that it has had for a long time. One of the really important developments that have taken place in the last few years has been the increase in exports of handicrafts from India to China. Indian handmade goods are much more in demand than most of the Chinese machine-made products in the giftware, metal ware, art ware and wood craft categories. It really suggests that Indian "handmade" handicraft items are gaining demand on the international market including China.

Literature review:

Sunita Sharma (2010) during her study, "Role of handicraft industry in the production, employment and export promotion: A case study of Jammu and Kashmir state" tells about the structure of businesses in J&K state. She says that the state of Jammu and Kashmir is heavily dependent on the small-scale sector and to a little extent on medium industries. Heavy industry is absolutely not present in the state. But, the small scale industry has shown a constant progress in number from 2203 in 1973-74 to 49,426 in 2006-07. The author added that among the small scale industries, the handicraft sector has an important place in the economy of J&K state. The author also highlighted the contribution of handicraft sector towards employment, production and exports as well

Syed Khalid Hashmi, (2012) during his study revealed that India is one of the important suppliers of handicrafts to the global market and has good name in the international market. Handicrafts industry of India is highly labour intensive industry. This industry is totally decentralized and is spread all over the country in rural and urban areas.

Effat Yasmin, (2013)claims that the sector is making conspicuous contribution in sustaining export trade of the state. She revealed that handicraft activities are mainly carried out in Kashmir valley and it has earned a worldwide fame due to its uniqueness. She further states that the exports in the handicraft sector have increased to Rs.1200.47 crores during 2007-08 as against Rs.34.60 crores during 1990-91, also their growth rate is at a satisfactory level.

Objective

Assessing the flow of handicraft export from UT of Jammu and Kashmir

Research Methodology

Research methodology plays a crucial role in any investigative process. Data were obtained from secondary sources for the present study. Secondary data is the information which is already collected by others and is available in printed format is also called as second-hand information. The main sources of secondary data are:

1. Journals and Books.
2. Directorate of Handicrafts, J&K (official records).
3. Directorate of Handloom Development, J&K (official records).
4. Directorate of Craft Registration, Srinagar (official records).
5. J&K Handicrafts (S & E) Corporation Limited (official records).
6. Digest of Statistics, Statistics and Planning Department, 2014-15.
7. Economic Review of J&K, 2014-15(Statistics and Planning Department).
8. Economic Survey of J&K, 2014-15 (Statistics and Planning Department).

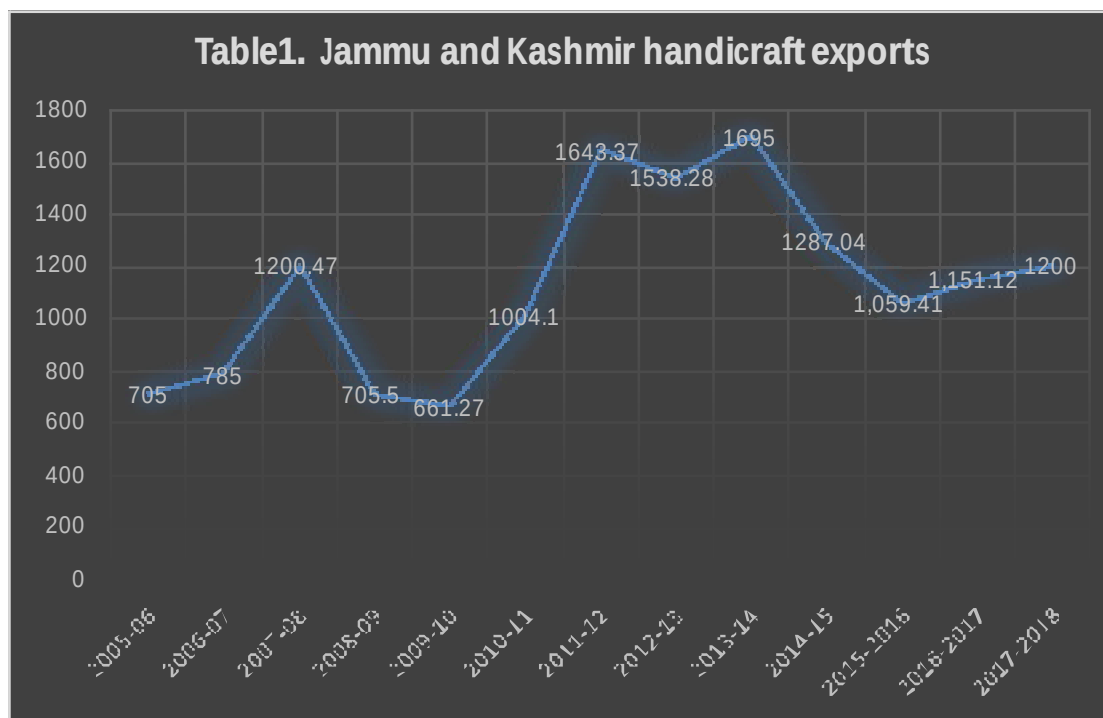
Results and discussion

The handicraft sector of Jammu and Kashmir has rich history of craftsmanship. Residents of the valley have beautifully encouraged their cultural legacy since ancient times. Handicraft items of Kashmir are world famous. Handicraft items of Kashmir like shawls, carpet etc. are being exported to different countries of the world like U.S, Canada, Egypt, and other European countries. Handicraft exports year wise have been presented in the table below.

Table1. Jammu and Kashmir handicraft exports

Year	Exports (in crores)	% Growth rate
2005-06	705.00	9.81
2006-07	785.00	11.34
2007-08	1200.47	52.92
2008-09	705.50	(-)41.23
2009-10	661.27	(-)6.26
2010-11	1004.10	51.84
2011-12	1643.37	63.66
2012-13	1538.28	(-)6.39
2013-14	1695	10.18
2014-15	1287.04	(-)24.06
2015-2016	1,059.41	(-)17.68
2016-2017	1,151.12	8.65
2017-2018	1200	4.24

Source: Government of Jammu & Kashmir Economic Survey



The table1 shows that in 2007-08 the Jammu and Kashmir handicraft exports touching the 1200.47 crores and suddenly shows the decline trend in 2008-10 the reason behind the declining exports are the global meltdown and unrest in the state. After 2010 the Jammu and Kashmir handicrafts exports again gained the pace but the year 2014-15 again shows the downward trend the reason for the same was devastating floods which hit the state in 2014. Table 1 reveals that handicrafts worth Rs 1,287.04 crore were exported in 2014-15 which is Rs 400 crore less than 2013-14 when the total exports were recorded at 1,695 crore. Handicrafts exports in 2016-17 has increased Rs 92 crore to Rs 1,151.12 crores from Rs 1,059.41 crore in 2015-16. However, the figures show that the handicraft export are much below the pre-2014 flood mark of Rs 1,600 crore. Flood then the law and order problem during 2016 has badly affected the handicraft sector it will take many years to gain the pace again. During the year 2017-18 slight increase was seen initially in the exports but GST affects it rudely. 12% GST was imposed on the handicraft industry and after opposition from the business community it was reduced to 5% but it took almost one year.

Suggestions:

If systematic efforts are not made for the promotion of handicraft exports it is going to affect the lives of more than 3.5 artisans connected with it in one or the other way. This industry is

export oriented and there is huge demand for handicraft items of Kashmir in global market. Government need to take concrete steps for this industry as it could emerge as a major foreign exchange earner in the future. There is also need for organizing market network for handicrafts in the UT. Government should also organise buyer seller meets of international level every year twice to boost the handicraft industry. There is also need to start international flights from Srinagar airport as it will increase the footfall of international tourists in the valley and in turn will help promoting the handicraft industry.

Conclusion:

Handicraft industry is one of the important industry in the UT. Kashmir handicrafts has its name in international market and they are also contributing to the economy by earning foreign exchanges. Unemployment is one of the main problem in UT (J&K) government need to take steps to ensure upliftment of this industry and also allocate more budget for the export promotion of Kashmir handicrafts as this industry is employment oriented it can help in solving the problem of unemployment.

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