

A STUDY ON IMPACT OF MAKE IN INDIA INITIATIVE GROWTH AND SUSTAINABILITY OF THE HANDLOOM INDUSTRY IN PALAKKAD

Dr.P.Gomathi, Associate Professor, Sree Saraswathi Thyagaraja College, Pollachi
Mrs.Keerthy K, Research Scholar, Department of Commerce, Sree Saraswathi Thyagaraja College, Pollachi

ABSTRACT

The handloom industry is a vital component of India's traditional economy, contributing significantly to employment generation, cultural preservation, and sustainable production practices. This study examines the impact of the Make in India initiative on the growth and sustainability of the handloom industry in Palakkad. The research adopts a descriptive design and is based on both primary and secondary data. Primary data were collected from 65 handloom weavers using a structured questionnaire. Statistical tools such as percentage analysis, mean score analysis, paired sample t-test, factor analysis, and ranking analysis were used to analyze the data. The findings reveal a significant improvement in the growth of the handloom sector after the implementation of the Make in India initiative. Factor analysis identifies three major dimensions of sustainability economic, social, and cultural indicating the initiative's contribution to holistic development. However, the study also highlights key challenges, including high raw material costs, competition from power looms, and limited market access. The study concludes that while the Make in India initiative has positively influenced the development and sustainability of the handloom industry, addressing existing challenges is essential for ensuring its long-term growth. The findings provide valuable insights for policymakers and stakeholders to strengthen the handloom sector.

Keywords *Make in India, Handloom Industry, Sustainable Development, Rural Employment, Artisan Livelihood, Indigenous Products, Economic Growth.*

INTRODUCTION

The handloom industry is one of the oldest and most significant sectors of the Indian economy, deeply rooted in the country's cultural heritage and traditional craftsmanship. It represents a vital source of livelihood for millions of rural households, particularly in states like Kerala, where weaving has been practiced for generations. The sector not only contributes to employment generation but also plays an important role in preserving indigenous art forms, traditional skills, and eco-friendly production practices. Despite its cultural and economic importance, the handloom industry has faced numerous challenges over the years, including competition from mechanized power looms, rising input costs, limited access to markets, and lack of technological advancement. In this context, the Government of India launched the Make in India initiative in 2014 with the objective of promoting domestic manufacturing, encouraging investment, and enhancing the global competitiveness of Indian industries. The initiative aims to strengthen various sectors, including traditional industries like handloom, by providing policy support, improving infrastructure, and facilitating innovation and skill development. By focusing on local production and promoting "Vocal for Local," the initiative seeks to revitalize traditional industries and integrate them into the broader framework of economic development. The handloom sector stands to benefit significantly from such initiatives, as it aligns with the principles of sustainable development. Handloom products are largely eco-friendly, require minimal energy consumption, and promote the use of natural fibers and dyes. Moreover, the sector has a strong social dimension, as it supports rural artisans, empowers women, and contributes to inclusive growth. Therefore, the promotion of handloom under the Make in India initiative not only enhances economic growth but also strengthens social and cultural sustainability in Palakkad district of Kerala is known for its traditional weaving activities and represents a microcosm of the larger handloom sector in India. The weavers in this region face both opportunities and challenges in adapting to changing market dynamics and policy interventions. Understanding the impact of national initiatives like Make in India at the local level becomes essential to assess their effectiveness and relevance. Against this background, the present study aims to analyze the impact of the Make in India initiative on the growth and sustainability of the handloom industry in Palakkad. The study focuses on evaluating the changes in growth indicators, examining the role of the initiative in promoting sustainability, and identifying the key challenges faced by the sector. By doing so, the research seeks to provide insights into how policy interventions can be strengthened to support the long-term development and preservation of the handloom industry.

REVIEW OF LITERATURE

The handloom industry in India has been widely studied for its role in employment generation and cultural preservation. Sanjay Shrivastava (2020) emphasized that the handloom sector serves as a backbone for rural livelihoods and promotes eco-friendly production using natural fibers, thereby contributing to sustainable development. Sheikh I. Ishrat et al. (2020) examined sustainability issues in traditional textile supply chains and identified operational inefficiencies and environmental concerns affecting long-term viability. Anthony P. D'Costa (2021) analyzed employment sustainability in the handloom sector and argued that increasing industrialization poses a threat to traditional occupations. Sangeeta Agasty, Fawzia Tarannum, and Sapna A. Narula (2021) highlighted that innovation within traditional clusters enhances resilience and helps sustain handloom practices despite market pressures. These studies collectively underline the importance of balancing tradition with innovation to ensure sectoral growth.

Shruti Sudha Mishra and A. K. Das Mohapatra (2023) found that although the sector has strong cultural value, it continues to face economic instability due to weak market penetration and competition from power looms. Studies have also emphasized the importance of improving market access and institutional support to sustain the industry. Suman Kumar Das (2025) examined circular economy practices in the textile sector and identified barriers such as supply chain inefficiencies and lack of regulatory frameworks. These findings indicate that sustainability in the handloom sector is closely linked to structural reforms and improved coordination among stakeholders.

Ansuman Das and Pranaya Kumar Swain (2025) highlighted that the handloom industry contributes significantly to economic growth, social inclusion, and environmental protection, aligning with sustainable development goals. Similarly, Kiran Soibam (2025) pointed out that the sector is facing a sustainability crisis due to rising raw material costs, outdated marketing practices, and infrastructural issues. Rajat Kanti Bhattacharjee et al. (2025) explored the application of modern technologies such as artificial intelligence in handloom design generation, suggesting that technology can enhance creativity and efficiency. These studies highlight that while sustainability opportunities exist, technological adoption and cost management remain critical concerns.

Md Rabiul Hasan et al. (2024) discussed sustainable supply chains and emphasized the role of innovation and digitalization in improving efficiency. Supriya Sanjay Nikam and Satyanarayan Kothe (2025) highlighted the importance of policy frameworks and fiscal strategies in achieving sustainable industrial growth in India. These studies indirectly support the relevance of initiatives like Make in India in strengthening domestic industries, including handloom. However, they also indicate that policy implementation and accessibility at the grassroots level remain key challenges.

Overall, the existing literature clearly indicates that the handloom industry plays a vital role in economic development, cultural preservation, and sustainable production. While previous studies have highlighted the importance of innovation, sustainability, and policy support, there remains a gap in understanding the localized impact of initiatives such as Make in India in Palakkad. Therefore, the present study attempts to bridge this gap by examining growth, sustainability, and challenges at the grassroots level, providing a more focused and region-specific analysis.

STATEMENT OF THE PROBLEM

The handloom industry in India, despite being a vital part of the country's cultural heritage and a major source of rural employment, has been facing continuous challenges that hinder its growth and sustainability. Traditional weavers struggle with issues such as rising costs of raw materials, limited access to modern technology, lack of adequate financial support, and intense competition from power looms and machine-made products. These challenges not only affect the economic stability of weavers but also threaten the survival of traditional weaving practices and cultural identity. With the introduction of the Make in India initiative, the Government of India aimed to promote domestic industries, encourage local production, and enhance global competitiveness. While the initiative offers significant opportunities for the development of traditional sectors like handloom, its actual impact at the grassroots level remains uncertain. There is a need to understand whether the benefits of the initiative have effectively reached handloom weavers, particularly in rural areas such as in Palakkad, where the industry plays a crucial role in livelihood generation. The sustainability of the handloom sector depends not only on economic growth but also on social and cultural factors, including the well-being of weavers, preservation of traditional skills, and adoption of eco-friendly practices. However, there is limited empirical evidence on how the Make in India initiative influences these dimensions of sustainability within the handloom industry. Therefore, the problem lies in assessing the extent to which the Make in India initiative has contributed to the growth and sustainability of the handloom industry, while also identifying the key challenges that continue to affect its development. This study attempts to bridge this gap by analyzing the impact of the initiative and providing insights into measures that can strengthen the long-term sustainability of the handloom sector.

NEED FOR THE STUDY

The handloom industry plays a crucial role in providing employment and sustaining the livelihoods of a large number of rural artisans in India. It is also an important sector for preserving traditional skills, cultural heritage, and eco-friendly production practices. However, despite its significance, the industry continues to face several challenges such as high production costs, competition from mechanized sectors, and limited market access, which affect its growth and long-term

sustainability. The introduction of the Make in India initiative has created new opportunities for strengthening domestic industries, including the handloom sector. The initiative focuses on promoting local production, enhancing competitiveness, and supporting small-scale industries through various policy measures. There is a need to examine whether these benefits have effectively reached the grassroots level, particularly in regions like in Palakkad where handloom activities are prominent. Sustainability has become a key concern in the present economic environment, encompassing not only economic growth but also social well-being and cultural preservation. Understanding how the Make in India initiative contributes to these dimensions within the handloom sector is essential for evaluating its overall effectiveness. Therefore, this study is necessary to assess the impact of the initiative on the growth and sustainability of the handloom industry, identify the challenges faced by weavers, and provide insights for improving policy implementation. The findings of the study can help policymakers, researchers, and stakeholders in formulating strategies to strengthen the handloom sector and ensure its long-term development.

SCOPE OF THE STUDY

The present study focuses on analysing the impact of the Make in India initiative on the growth and sustainability of the handloom industry in Palakkad. The study covers key aspects such as growth indicators, sustainability dimensions, and challenges faced by handloom weavers in the selected area. The scope of the study includes examining the economic, social, and cultural sustainability of the handloom sector. It considers factors such as income generation, employment opportunities, skill development, women empowerment, and preservation of traditional designs. The study also evaluates how far the benefits of the Make in India initiative have reached the grassroots level and influenced the development of the industry. The study identifies major challenges such as high raw material costs, competition from power looms, limited market access, and lack of awareness about government schemes. Based on these findings, the study provides suggestions to enhance the long-term sustainability of the handloom industry. However, the study is limited to a specific geographical area and a selected sample of respondents, and the findings may not be generalized to the entire handloom sector in India. Despite this limitation, the study offers valuable insights into the functioning and development of the handloom industry at the local level.

OBJECTIVES OF THE STUDY

1. To analyze the impact of the Make in India initiative on the growth and development of the handloom industry in Palakkad.
2. To examine the role of the initiative in promoting sustainability, including economic, social, and cultural aspects, within the handloom sector.
3. To identify the challenges faced by the handloom industry and suggest measures to enhance its long-term sustainability under the Make in India framework.

RESEARCH METHODOLOGY

Research methodology refers to the systematic approach used to collect, analyze, and interpret data for achieving the objectives of the study. The present study adopts a structured methodology to examine the impact of the Make in India initiative on the growth and sustainability of the handloom industry in Palakkad.

1. Research Design: The study is based on a descriptive research design, as it aims to describe and analyze the impact of the Make in India initiative on the handloom industry. This design helps in understanding the current conditions, opinions, and experiences of handloom weavers regarding growth, sustainability, and challenges.

2. Nature of Data: The study is based on both primary and secondary data.

Primary Data: Primary data were collected directly from handloom weavers through a structured questionnaire. The questionnaire included questions related to growth indicators, sustainability factors, and challenges faced by the respondents.

Secondary Data: Secondary data were collected from various sources such as government reports, journals, articles, books, and official websites related to the handloom sector and the Make in India initiative.

3. Study Area: The study is conducted in Palakkad which is known for its traditional handloom activities. The area provides a suitable setting to understand the real-time impact of government initiatives on the handloom sector.

4. Sampling Design

Sampling Method: The study adopts a simple random sampling method, where respondents are selected randomly from the population of handloom weavers in the study area. This ensures that each respondent has an equal chance of being selected.

Sample Size: A total of 65 respondents were selected for the study.

5. Data Collection Instrument: A structured questionnaire was used as the primary data collection tool. The questionnaire consisted of both closed-ended and Likert scale questions to measure respondents' opinions regarding growth, sustainability, and challenges.

6. Tools for Data Analysis

The collected data were analyzed using the following statistical tools:

Percentage Analysis: Used to present the distribution of responses in terms of percentages.

Paired Sample t-Test: Used to compare the growth of the handloom industry before and after the Make in India initiative.

Factor Analysis: Used to identify the key dimensions of sustainability (economic, social, and cultural).

Ranking Analysis: Used to identify and rank the major challenges faced by the handloom industry.

LIMITATIONS OF THE STUDY

- The study is limited to Palakkad, and may not represent the entire handloom industry in India.
- The sample size is relatively small, which may affect generalization.
- The study relies on respondents' perceptions, which may involve personal bias.
- Time and resource constraints limited the scope of the study.

DATA ANALYSIS AND INTERPRETATION

Table 1: Paired Sample t-Test Showing the Impact of Make in India Initiative on the Growth of the Handloom Industry

Null Hypothesis (H₀): There is no significant difference in the growth of the handloom industry before and after the Make in India initiative.

Alternative Hypothesis (H₁): There is a significant difference in the growth of the handloom industry before and after the Make in India initiative.

Paired Samples Statistics					
		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Before Make in India	2.1692	65	.69752	.08652
	After Make in India	3.6615	65	.73478	.09114

Paired Samples Test									
		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Before Make in India - After Make in India	-1.49231	.50383	.06249	-1.61715	-1.36746	-23.880	64	.000

The paired sample statistics reveal that the mean growth score of the handloom industry before the Make in India initiative (Mean = 2.1692) is considerably lower than the mean score after the initiative (Mean = 3.6615). This indicates an apparent improvement in growth levels following the implementation of the initiative. The paired sample t-test shows that the mean difference between the two periods is -1.49231, with a t-value of -23.880 and a significance value of $p = 0.000$, which is less than the standard significance level of 0.05. The 95% confidence interval of the difference (-1.61715 to -1.36746) does not include zero, further confirming the significance of the result. Since the p-value is less than 0.05, the null hypothesis is rejected and the alternative hypothesis is accepted. Therefore, it can be concluded that the Make in India initiative has had a statistically significant positive impact on the growth and development of the handloom industry.

Factor Analysis on Sustainability Dimensions of the Handloom Industry under the Make in India Initiative

Table 2- KMO and Bartlett's Test

Test	Value
KMO Measure of Sampling Adequacy	0.812
Bartlett's Test of Sphericity (Sig.)	0.000

The KMO value of 0.812 indicates that the sample is adequate for factor analysis. Bartlett's test is significant ($p < 0.05$), confirming that the variables are correlated and suitable for factor extraction.

Table 3- Total Variance Explained

Factor	Eigenvalue	% of Variance	Cumulative %
Economic Sustainability	3.85	38.5%	38.5%
Social Sustainability	2.41	24.1%	62.6%
Cultural Sustainability	1.36	13.6%	76.2%

Three factors with eigenvalues greater than 1 were extracted, explaining 76.2% of total variance, which is considered satisfactory.

Table 4- Rotated Component Matrix

Variables	Economic	Social	Cultural
Increase in income	0.812		
Employment opportunities	0.798		
Market expansion	0.765		
Financial support	0.721		
Living standards		0.804	
Skill development		0.776	
Women empowerment		0.741	
Cultural preservation			0.832
Heritage promotion			0.801
Eco-friendly practices			0.768

The factor analysis grouped the sustainability variables into three major dimensions: economic, social, and cultural sustainability. The economic factor includes variables such as income, employment, market expansion, and financial support, indicating that the Make in India initiative has significantly contributed to improving the financial conditions of the handloom sector. The social factor consists of variables like improvement in living standards, skill development, and women empowerment, highlighting the initiative's role in enhancing the social well-being of weavers. The cultural factor includes preservation of traditional designs, promotion of heritage, and eco-friendly practices, showing that the initiative supports the sustainability of cultural values and environmentally friendly production methods. Overall, the results indicate that the Make in India initiative has played a crucial role in promoting sustainability across multiple dimensions within the handloom industry.

Table 5: Ranking of Challenges Faced by the Handloom Industry

Challenges	Mean Score	Rank
High cost of raw materials	2.10	I
Competition from power looms	2.45	II
Limited market access	3.02	III
Lack of modern technology	3.58	IV
Inadequate financial support	4.01	V
Lack of skilled labour	4.36	VI
Low awareness of government schemes	4.88	VII

The ranking analysis shows that the high cost of raw materials is the most significant challenge faced by the handloom industry, securing the first rank. This indicates that rising input costs directly affect production and profitability. The second major challenge is competition from power looms, which highlights the difficulty faced by traditional weavers in competing with mechanized production in terms of price and speed. Limited market access is ranked third, suggesting that weavers face difficulties in reaching wider markets and customers. Other challenges such as lack of modern technology and inadequate financial support also impact the growth of the sector but to a lesser extent. The least ranked challenge is low awareness of government schemes, though it still plays a role in limiting the benefits that weavers can receive under initiatives like Make in India.

FINDINGS

- The study finds a significant improvement in the growth of the handloom industry after the Make in India initiative. The mean score increased notably from before to after implementation, indicating positive development. The paired sample t-test confirms that this improvement is statistically significant.
- The analysis reveals that sustainability is influenced by three key dimensions: economic, social, and cultural factors. Among these, economic sustainability has the strongest impact, followed by social and cultural aspects. The initiative has contributed positively to overall sustainability in the handloom sector.
- The ranking analysis shows that high cost of raw materials is the most critical challenge faced by the handloom industry. Competition from power looms and limited market access are also major issues affecting sustainability. Other challenges exist but have comparatively lesser impact on the sector.

SUGGESTIONS

- Financial assistance and subsidies can be enhanced to reduce the burden of high raw material costs faced by handloom weavers.
- Market access can be improved through digital platforms, exhibitions, and stronger distribution networks to increase sales and visibility.
- Skill development and training programs can be expanded to improve productivity, design innovation, and adoption of modern techniques.
- Awareness initiatives can be strengthened to ensure better utilization of government schemes and support programs.
- Promotion of eco-friendly practices and traditional designs can help preserve cultural heritage while supporting sustainable production.
- Collaboration between government and private sectors can enhance infrastructure, technology adoption, and overall development of the handloom industry.

CONCLUSION

The study concludes that the Make in India initiative has had a significant positive impact on the growth and sustainability of the handloom industry. The findings indicate improvements in income, employment opportunities, and overall development of the sector after the implementation of the initiative. The analysis also highlights that the initiative supports sustainability through economic, social, and cultural dimensions. However, the study identifies several challenges such as high raw material costs, competition from power looms, and limited market access, which continue to affect the industry's progress. Addressing these issues through effective policy implementation, improved market linkages, and enhanced support systems can strengthen the long-term sustainability of the handloom sector. Overall, the Make in India initiative plays a crucial role in promoting the development and preservation of the handloom industry, while continued efforts remain essential to overcome existing challenges and ensure sustained growth.

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