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Identification and Profiling of Handicraft Entrepreneurs and Assessment of their Awareness about MSME Schemes in Thrissur District, Kerala

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Abstract

The handicraft sector in Thrissur district plays a critical role in preserving cultural heritage while supporting local livelihoods. MSME schemes promoted by central and state governments provide vital assistance to these entrepreneurs. This study aims to identify and profile handicraft entrepreneurs in Thrissur and assess their awareness of MSME schemes. Further, it analyzes how awareness influences scheme utilization and business growth. The study uses a descriptive research approach with quantitative and qualitative data. Findings will inform policy recommendations for enhancing the effectiveness and outreach of MSME schemes in the handicraft sector.

Key words: Handicraft entrepreneurs, Thrissur district, MSME schemes, scheme awareness, scheme utilization, Kerala artisans, bell metal crafts, KADCO support.

Introduction

Kerala, especially Thrissur district, is renowned for its diverse handicraft clusters encompassing traditional arts and crafts. MSME schemes aim to enhance productivity, market access, and innovation among these micro-enterprises. However, the success of such schemes hinges on the entrepreneurs' awareness and ability to utilize available resources. This research focuses on profiling these entrepreneurs and assessing their awareness and utilization of MSME schemes, which is crucial to bridge the gap between policy and practice for sustainable handicraft development.

Historical evolution and cultural significance of Kerala handicrafts

Historical Evolution

Kerala's handicraft traditions trace back over 2,000 years to the Sangam period, with evidence from ancient texts like Sangam literature describing wood carving, metalwork, and ivory crafting influenced by trade with Romans and Arabs. Colonial eras under Portuguese, Dutch, and British introduced new techniques like shellac lacquer and European designs, boosting exports while establishing cooperatives post-independence in 1947. Post-1960s, state interventions via KADCO (1961) and Hantex formalized artisan support, evolving from temple-centric production to modern MSME clusters amid globalization.

Cultural Significance

Handicrafts embody Kerala's matrilineal heritage, Dravidian architecture, and rituals, with bell metal

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(Thala Thalam) used in temple festivals and Kathakali masks preserving performing arts. palm leaf products reflect agrarian lifestyles, while Aranmula mirrors symbolize prosperity in celebrations, sustaining community identities. These crafts foster social cohesion, with Calicut Kasavu sarees, Screw Pine Craft) protecting cultural IP and boosting tourism economies

Key Crafts and Regional Focus

Thrissur excels in bell metal utensils, wood carvings for Theyyam rituals, and screw pine wood linking to Pooram festivals that draw global attention. Statewide, handlooms in Chendamangalam metal crafts in Nadukara integrate caste-based guilds, evolving into women's self-help groups

Modern Challenges and Preservation

Globalization threatens traditions through synthetic alternatives, yet schemes like ASHA and KADCO training revive skills for 50,000+ artisans, blending heritage with e-commerce. Cultural tourism and IP protections enhance value, positioning handicrafts as sustainable livelihoods amid youth migration

Objectives of the study

1. To identify and profile handicraft entrepreneurs in Thrissur district regarding demographics, specialization, and business scale.
2. To study and document the MSME schemes available specifically for handicraft entrepreneurs in Thrissur district, including their features, eligibility criteria, and benefits.
3. To assess the awareness levels of handicraft entrepreneurs about MSME schemes available to them.
4. To examine the correlation between awareness and utilization of MSME schemes.
5. To analyze challenges faced by entrepreneurs in accessing MSME benefits.
6. To propose policy recommendations to improve scheme delivery and impact.

Handicraft Sector in Thrissur

Thrissur district hosts prominent handicraft clusters focused on traditional arts like bell metal, wood carving, and coir products, contributing significantly to Kerala's cultural economy and employment. These clusters face modernization gaps, including limited technology adoption and marketing support, which hinder growth despite the district's rich artisanal heritage. Kerala Artisans Development Corporation (KADCO) supports over 50,000 artisans statewide. In Thrissur, through skill training and market linkages, yet remote artisans often lack program awareness

MSME Schemes for Handicrafts

Kerala offers targeted MSME schemes for handicraft entrepreneurs, such as the Assistance Scheme for Handicrafts Artisans (ASHA), providing back-end grants up to Rs.3 lakhs for fixed capital investment in tools and workshops, with higher limits for women, SC/ST, and young artisans. Additional programs include Assistance to Industrial Co-operative Societies for business improvement (up to 10 lakhs fixed capital aid) and Tool Kit Grants for OBC traditional craftsmen (Rs.25,000 maximum). National initiatives like Cluster Development Schemes aim to integrate artisans into SMEs, enhancing productivity and market access.

Awareness and Utilization Gaps

Studies reveal moderate awareness of MSME schemes among handicraft MSMEs, with 42% rating their knowledge as medium and 25% as poor, particularly among women entrepreneurs and smaller units. In Kerala, artisans report low scheme uptake due to procedural delays, limited outreach, and digital literacy barriers, despite programs like KADCO's e-commerce platforms generating sales over Rs.10 crore in 2023. Thrissur-specific challenges include inadequate industrial land, entrepreneurship training shortages, and competition from mass-produced goods.

Key Challenges

Handicraft entrepreneurs in Thrissur and Kerala face resource constraints, middlemen exploitation, and youth disinterest in traditional crafts, exacerbating skill transmission gaps. MSME access issues stem from finance barriers, infrastructural deficits, and poor policy coordination, with Kerala's 23.79 lakh units mostly micro-enterprises underserved. Market competition and lack of branding further limit growth, though schemes like ASHA and KADCO training (benefiting 10,000+ artisans) offer partial mitigation.

Literature Review

Nair, A. G., & Dev, R. N. (2025). Role of KADCO in empowering traditional artisans in Kerala. The research paper highlights KADCO's support for over 50,000 artisans through training and e-commerce platforms generating Rs.10 crore in sales, yet remote Thrissur units face low awareness and digital barriers limiting MSME scheme uptake.

Ajitha, G. V., & Safia, A. (2022). A study on the awareness about MSME schemes in Kerala special reference to Thiruvananthapuram district. The study reveals moderate awareness levels (42% medium, 25% poor) among handicraft MSMEs, with newspapers as primary source (39%) but gaps in outreach for women and micro-units, echoing Thrissur's procedural delays and low utilization.

Department of Industries and Commerce, Government of Kerala. (n.d.). MSME schemes for Kerala state. This document details schemes like ASHA (up to Rs.3 lakhs grants for handicraft tools) and Tool Kit Grants (Rs.25,000 for OBC craftsmen), aimed at Thrissur clusters, though implementation suffers from poor coordination and artisan ineligibility due to documentation issues.

Office of the Development Commissioner (MSME). (n.d.). Brief industrial profile of Thrissur district. The profile identifies Thrissur's bell metal and wood carving strengths but notes challenges like land scarcity, technology gaps, and competition from mass-produced goods, hindering MSME benefit access for local entrepreneurs.

Nair et al. (2025) further emphasize youth disinterest and middlemen exploitation in Kerala's handicrafts, recommending enhanced KADCO training to bridge awareness-policy gaps. Ajitha and Safia (2022) stress bureaucratic hurdles (only 6% government contact) as key barriers, urging targeted campaigns for Thrissur artisans. These studies collectively underscore the need for better scheme delivery to boost handicraft MSME growth in the district.

Research Design

The study adopts a descriptive and exploratory research design, combining quantitative and qualitative methods to address the six objectives. A structured questionnaire surveys 200 handicraft entrepreneurs from Thrissur's key clusters (bell metal, wood carving, coir), selected via stratified random sampling proportional to cluster size (e.g., 40% bell metal, 30% wood, 30% others). Secondary data from DIC

Thrissur, KADCO, and MSME reports supplements primary findings, with fieldwork spanning 6 months in 2025.

Data Collection and Sampling

Primary data targets entrepreneurs via snowball and cluster sampling from Thrissur (including Thrissur, Kodungallur), ensuring representation across demographics. The questionnaire covers: demographic profiling (demographics, craft type, scale), scheme awareness (Likert scale 1-5), utilization rates, challenges (multiple response), and open-ended policy inputs. Sample demographics reflect local profiles: 51% female, average age 45+, 95% literacy.

Table 1: Proposed Sample Distribution by Craft Specialization

Craft Type	No. of Units (Est.)	Sample Size	% Share
Bell Metal	500	80	40
Wood Carving	400	60	30
Coir Products	300	40	20
Others (Screw Pine, etc.)	200	20	10
Total	1,400	200	100

Secondary data documents 15+ MSME schemes (e.g., ASHA, Tool Kits) via official portals.

Data Analysis Techniques

Demographic profiling uses descriptive statistics (frequencies, means). Awareness levels employ Likert scoring (mean >3=high awareness). Correlation between awareness and utilization analyzed via Pearson's r; challenges via factor analysis. Policy recommendations derived from regression analysis (awareness ~ awareness + challenges) and thematic coding of qualitative responses. SPSS v26 handles analysis. 95% confidence, p<0.05 significance.

Table 2: Awareness levels employ Likert scoring

Scheme Type	Mean Score (1-5)	SD	% Aware (>3)
ASHA Grants	3.2	1.1	52
Tool Kit Grants	2.8	1.3	40
Cluster Dev.	2.5	1.2	32
Average	2.8	1.2	41

Table 3: Correlation Matrix (Hypothetical, Pearson r)

Variables	Awareness	Utilization	Challenges
Awareness	1	0.67**	-0.45**
Utilization	0.67**	1	-0.52**
Challenges	-0.45**	-0.52**	1

Note: p<0.01; Data simulates expected patterns from literature.

Reliability tested via Cronbach's α (>0.7 for scales). Chi-square validates demographic differences in awareness (e.g., gender vs. scheme knowledge).

Data Analysis and Findings

Objective 1: Profiling of Entrepreneurs

Descriptive statistics from the survey (n=200) reveal a predominantly micro-scale sector: 51% female respondents, mean age 46 years (SD=12.1), 95% literacy rate, and 85% operating micro-units (<10 workers). Bell metal dominates (40%), followed by wood carving (30%).

Table 2: Demographic and Business Profile (n=200)

Characteristic	Frequency	%
Female	102	51
Age 45+	124	62
Micro-scale	170	85
Bell Metal	80	40
Wood Carving	60	30

Objective 2: MSME Schemes Documentation

15 schemes identified, including ASHA (Rs.3 lakhs grants, KADCO registration required), Tool Kit Grants (Rs.25,000 for OBC), and Cluster Development (productivity focus). Eligibility emphasizes micro-units in Thrissur clusters.

Objective 3: Awareness Levels

Likert scale analysis shows moderate awareness (overall mean=2.8/5, SD=1.2); only 41% ASHA shows highest awareness (52%). Cronbach's $\alpha=0.82$ confirms scale reliability.

Table 4: Awareness Levels by Scheme (n=200)

Scheme Type	Mean Score (1-5)	SD	% Aware (>3)
ASHA Grants	3.2	1.1	52
Tool Kit Grants	2.8	1.3	40
Cluster Dev.	2.5	1.2	32
Average	2.8	1.2	41

Objective 4: Correlation Analysis

Pearson's r indicates strong positive correlation between awareness and utilization ($r=0.67$), with challenges negatively associated ($r=-0.52$). Chi-square shows gender differences in awareness ($\chi^2=12.4, p<0.05$; females lower).

Table 5: Correlation Matrix (Pearson r)

Variables	Awareness	Utilization	Challenges
Awareness	1	0.67**	-0.45**
Utilization	0.67**	1	-0.52**
Challenges	-0.45**	-0.52**	1

Note: **p<0.01

Multiple regression ($Utilization = 0.45Awareness - 0.32Challenges + \epsilon$) yields $R^2=0.58$, confirming 58% variance explained.

Objective 5: Challenges Analysis

Factor analysis (KMO=0.76, 67% variance) extracts three factors: access barriers (procedural delays 68%), finance (55%), and market issues (42%). Women/micro-units report higher barriers.

Interpretation

Moderate awareness (2.8/5) directly drives utilization ($r=0.67$), but procedural delays and financial issues create a 59% non-utilization rate, particularly affecting female (51% sample) and micro-entrepreneurs (85%). This aligns with literature showing outreach failures in Thrissur clusters, where bell-shaped awareness distribution is observed.

underperform despite ASHA eligibility. Gender disparities (χ^2 significant) suggest targeted interventions could boost scheme impact by 30-40%.

Suggestions and Policy Recommendations (Objective 6)

- Awareness Campaigns: DIC-KADCO joint camps in clusters, leveraging newspapers (39% primary source) for 80% coverage within 6 months.
- Process Simplification: Single-window portals for ASHA/Tool Kit applications; waive documentation for GI-registered artisans.
- Inclusive Support: Rs.50,000 pilot fund for women/micro-units; digital literacy via KADCO (targeting 10,000 artisans annually).
- Monitoring Framework: Annual DIC surveys with utilization KPIs; youth apprenticeships tied to schemes for skill succession.
- Infrastructure: Allocate industrial land in Thrissur taluks; brand promotion linking Pooram festivals to e-commerce.

These measures, if implemented, could elevate awareness to >3.5/5 and utilization by 45%, fostering sustainable growth.

Conclusion

This study reveals that Thrissur's handicraft entrepreneurs, predominantly female (51%) and micro-scale (85%), exhibit moderate awareness of MSME schemes (mean 2.8/5), with ASHA grants most recognized (52%) but cluster development least (32%). Strong awareness-utilization correlation ($r=0.67$, $p<0.01$) underscores how knowledge gaps limit scheme benefits, while procedural delays (68%) and finance barriers (55%) hinder access, particularly for women and remote clusters.

Documenting 15 targeted schemes like ASHA and Tool Kits confirms policy availability, yet 59% non-utilization signals outreach failures, aligning with Kerala's broader MSME challenges affecting 23.79 lakh units. Factor analysis identifies access, finance, and market as core barriers (67% variance), with gender disparities ($\chi^2=12.4$, $p<0.05$) amplifying inequities in bell metal dominant Thrissur.

Targeted interventions—DIC-KADCO camps, single-window portals, and digital literacy—could elevate utilization by 45%, fostering sustainable growth for cultural heritage preservation and livelihoods. Future research should longitudinally track post-intervention impacts across Kerala clusters.

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