

REVISTING HANDLOOM INDUSTRY AFTER COVID 19 PANDEMIC 2020

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Abstract

The crisis caused by COVID-19 has resulted in a sudden disruption of businesses across the globe, with India not being an exception. All economic activities in Odisha have come to a standstill owing to the lock down necessitated by the COVID19 pandemic. The handloom sector too got severely affected owing to a total closure of the traditional and contemporary markets for artisans. The weavers mostly from rural and remote areas have lost their livelihood, owing to large scale cancellation of orders and/or orders being put on hold. The weavers, considered as skilled worker in the segment, who live on the earnings of everyday work, are now sitting at home, next to their tools without any work in hand. The present paper attempts to study the changes and adaptability that the handloom industry has undergone due to the pandemic and consequent lockdowns. The paper also attempts to throw some light on the aids that are provided by the Indian government to revive the handloom industry.

Keywords: weaving community, COVID 19, revival

1. INTRODUCTION:

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The decentralized power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world.

But the timing could not have been worse. A falling economy, unemployment, reduced spending, the pandemic and subsequent lockdown have had a devastating impact on the handloom sector. Artisans and weavers are the third largest segment among the poor in the present scenario. Most of their products are "non-essential" which could be the reason why their alarming situation is getting very little visibility despite the call for "vocal for local" and 'Atmanirbhar Bharat'. The handloom sector has been severely affected with their traditional and contemporary markets for artisans being totally closed. The handloom sector has, too, been severely affected as with all sectors in

the economy with their traditional and contemporary markets for artisans being totally closed. Prime hurdles that COVID-19 has caused resulting abrupt interruption to artisanal livelihoods. The sector has experienced sudden stalling of orders as retailers themselves are closed due to the worldwide lockdown and no sign of immediate recovery as the crisis unfolds. Cash flow has stopped, with buyers unable to make payments and no sales happening at all. Buyers are not in a position to place new orders - in the craft sector, orders are planned much in advance as usual lead time required to complete a production cycle is 2 to 3 months. Market of the summer season when cotton handlooms sell most will be entirely lost by the time things get back to normal. This not only will create a liquidity crunch, but also severely impact their ability to invest in yarns for creating products for festive seasons (August to November) and winter, spring (October and to February) which are the other 2 major selling seasons for handloom textiles. Small artisans and producer groups do not have the financial cushioning to hold through such a crisis nor would they get credit supplies from raw material suppliers.

2. GOVERNMENT AID AFTER 2020 PANDEMIC:

Textile sector is highly unorganized sector. The government has initiated special measures to help ameliorate the conditions in textile sector due to Covid pandemic and to boost production, marketing and job opportunities in the sector. Government has conducted a Symposium with textile Export Promotion Councils and other industry stakeholders for finalizing a list of potential export products against which exports of textile and apparel can be enhanced. The list of potential export products were shared with the Indian Mission abroad for identification of potential buyers in the respective countries. In order to make the textile sector competitive by rebating all taxes/levies in international market, the Government has decided to continue the RoSCTL (Rebate of State and Central Taxes and Levies) scheme until such time the RoSCTL scheme is merged with Remission of Duties and Taxes on Exported Products (RoDTEP) scheme. For this purpose, the Government has approved adhoc allocation of funds of Rs. 7398 crore for FY 2020-21 for issuance of duty credit scrips under RoSCTL scheme. Further, in order to boost exports in MMF sector, Government has removed anti-dumping duty on PTA (Purified Terephthalic Acid), a key raw material for the manufacture of MMF fiber and yarn. To mitigate the effect of the COVID-19 pandemic on trade, this Ministry has taken up the various trade facilitation related issues raised by the industry stakeholders from time to time with the concerned Ministries for early redressal. A special measure to alleviate the difficulties of beneficiaries under Amended Technology Upgradation Funds (ATUFS) was initiated in the Ministry of Textiles during the COVID pandemic. Under this measure, an option has been extended to the applicants, where the physical examination of the machineries by Joint Inspection Team (JIT) has been completed, to avail their subsidies released on submission of Bank Guarantee. The advance release of subsidy against bank guarantee is met from the regular budget allocation under ATUFS. The Government of India has also announced a special economic package viz. Aatma Nirbhar Bharat Abhiyaan for boosting economy of the country and making India self-reliant. Relief and credit support measures have been announced for various sectors. The weavers & artisans can avail benefits of these relief and credit support measures to revive their businesses which have suffered due to lock down necessitated by Covid-19 pandemic. Apart from the above special economic package, the Ministry of Textiles has taken following initiatives for the benefits of handloom weavers and artisans across the country: -

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- i. To support the handloom and handicraft sectors and to enable wider market for handloom weavers/artisans/producers, steps have been taken to on-board weavers/artisans on Government e-Market place (GeM) to enable them to sell their products directly to various Government Departments and organizations.
- ii. To promote e-marketing of handloom products, a policy frame work was designed and under which any willing e-commerce platform with good track record can participate in online marketing of handloom products. Accordingly, 23 e-commerce entities have been engaged for on-line marketing of handloom products.
- iii. A social media campaign #Vocal4handmade was launched on the 6 National Handloom Day by the Government, in partnership with all stakeholders, to promote the handloom legacy of India and to ensure people's support for the weaving community. It has been reported that the social media campaign has resulted in renewed interest of the Indian public in handlooms and several e-commerce players have reported increase in sale of Indian handloom products.
- iv. The Ministry of Textiles has requested the Chief Ministers of all States and UTs to instruct their State Handloom Corporations/Co-operatives/Agencies to make purchases of the finished inventory available with the handloom weavers/artisans so as to put some ready cash in the hands of the weavers to enable them meet their household needs.
- v. In the face of the unprecedented Covid-19 pandemic, it is not feasible to hold conventional marketing events such as exhibitions, melas, etc. To deal with this crisis, the Government endeavors to provide online marketing opportunities to our weavers and handloom producers.

Taking a step towards realizing "Aatma Nirbhar Bharat", the vision of our Hon'ble Prime Minister, Handloom Export Promotion Council has endeavored to virtually connect the Handloom Weavers and exporters from different corners of the country with the International Market. With more than 200 participants from different regions of the country showcasing their products with unique designs and skills, THE INDIAN TEXTILE SOURCING FAIR was organized on 7, 10 and 11th August 2020. The show has attracted considerable attention of the International Buyers.

- vi. Design Resource Centres are being set up in Weavers Service Centres (WSCs) through NIFT with the objective to build and create design-oriented excellence in the Handloom Sector and to facilitate weavers, exporters, manufacturers and designers for creating new designs.
- vii. Apart from the above initiatives, Ministry of Textiles is implementing various schemes through the Offices of Development Commissioner (Handlooms) for overall development of handlooms and welfare of handloom weavers across the country.

The Scheme details are as under: -

1. National Handloom Development Programme (NHDP)
2. Comprehensive Handloom Cluster Development Scheme (CHCDS)
3. Handloom Weavers' Comprehensive Welfare Scheme (HWCWS)
4. Yarn Supply Scheme (YSS)

Under the above schemes, financial assistance is provided for raw materials, purchase of looms and accessories, design innovation, product diversification, infrastructure development, skill up-gradation, lighting units, marketing of handloom products and loan at concessional rates.

1. National Handloom Development Programme (NHDP):

- *Block Level Cluster*: Introduced in 2015-16 as one of the components of National Handloom Development Programme (NHDP). Financial assistance upto Rs. 2.00 crore per BLC for various interventions such as skill upgradation, Hathkargha Samvardhan Sahayata, product development, construction of workshop, project management cost, design development, setting up of common facility centre (CFC) etc. is provided. Besides, financial assistance upto Rs. 50.00 lakh is also available for setting up of one dye house at district level. The proposals are recommended by the State Government.
- *Handloom Marketing Assistance*: It is one of the components of National Handloom Development Programme. In order to provide marketing platform to the handloom agencies/weavers to sell their products directly to the consumers, financial assistance is provided to the States/eligible handloom agencies for organizing marketing events in domestic as well as overseas markets.
- *Weaver Mudra Scheme*: Under the Weaver MUDRA Scheme, credit at concessional interest rate of 6% is provided to the handloom weavers. Margin money assistance to a maximum of Rs. 10,000 per weaver and credit guarantee for a period of 3 years is also provided. MUDRA Portal has been developed in association with Punjab National Bank to cut down delay in disbursement of funds for margin money and interest subvention.
- *Hathkargha Samvardhan Sahayata (HSS)*: Hathkargha Samvardhan Sahayata (HSS) was introduced on 1st December 2016 with an objective to provide looms/accessories to the weavers to enhance their earnings through improved productivity and quality of the handloom products. Under the scheme, 90% of the cost of loom/accessory is borne by the Government of India while remaining 10% is borne by the beneficiary. The Government of India's share is released to the supplier through Weavers' Service Centre.
- *Education of handloom weavers and their children*: Ministry of Textiles has signed Memorandums of Understanding with Indira Gandhi National Open University (IGNOU) and National Institute of Open Schooling (NIOS) to secure educational facilities for the weavers and their families. NIOS offers Secondary and Senior Secondary level education with specialized subjects on design, marketing, business development, etc. through distance learning mode for handloom weavers, whereas IGNOU offers continuing education programs through accessible and flexible learning opportunities relevant to the aspirations of handloom weavers and their children for career progression. The programme envisages reimbursement of 75% of the fee towards admission to NIOS/IGNOU courses in case of SC, ST, BPL, and Women learners belonging to handloom weavers' families.
- *"India Handloom" Brand*: During the celebration of 7th August 2015 as National Handloom Day, 'India Handloom' Brand was launched by Hon'ble Prime Minister for branding of high quality handloom products. It promotes production of niche handloom products with high quality, authentic traditional

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designs with zero defects and zero effect on environment. Since its launch, 1590 registrations have been issued under 184 product categories and sale of Rs. 1046.52 crore has been generated. Initiatives with various leading brands has been undertaken to bring out a separate range of handloom garments in their brand.

- *E-Commerce*: In order to promote e-marketing of handloom products, a policy frame work was designed and under which any willing e-commerce platform with good track record can participate in online marketing of handloom products. Accordingly, 23 e-commerce entities have been engaged for on-line marketing of handloom products. A total sale of Rs. 123.97 crore has been reported through the online portal.
- *Urban Haats* are set up in the big towns/metropolitan cities to provide adequate direct marketing facilities to the craft persons/weavers and eliminate middle agencies. 38 such Urban Haats have been sanctioned across the country so far.

2. Comprehensive Handloom Cluster Development Scheme:

The Comprehensive Handloom Cluster Development Scheme (CHCDS) is targeted at development of Mega Handloom Clusters in clearly identifiable geographical locations covering at least 15000 handlooms with the Government of India (GoI) contribution upto Rs.40 crore per cluster over a period of 5 years. Components such as conducting diagnostic study, corpus for raw material, etc., are fully funded by the Government of India (GoI) whereas components like lighting units, technological up-gradation of looms and accessories are 90% funded by the GoI. Other components such as creation of infrastructure for design studio/ marketing complex/garmenting unit, marketing development, assistance for exports and publicity are 80% funded by the GoI. 08 Mega Handloom Clusters viz. Varanasi (Uttar Pradesh), Sivasagar (Assam), Virudhunagar (Tamil Nadu), Murshidabad (West Bengal), Prakasam & Guntur districts (Andhra Pradesh), Godda & neighboring districts (Jharkhand), Bhagalpur (Bihar) and Trichy (Tamil Nadu) have been taken up for development.

3. Handloom Weavers' Comprehensive Welfare Scheme:

Weavers Comprehensive Welfare Scheme (HWCWS) is providing life, accidental and disability insurance coverage under the components Pradhan Mantri Jivan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Converged Mahatma Gandhi Bunkar Bima Yojana (MGBBY).

4. Yarn Supply Scheme:

Yarn Supply Scheme is being implemented throughout the country to make available all types of yarn at Mill Gate Price. The scheme is being implemented through National Handloom Development Corporation. Under the Scheme freight is reimbursed and depot operating charges @2% is given to depot operating agencies. A component of 10% price subsidy also exists on hank yarn, which is applicable on cotton, domestic silk, wool and linen yarn with quantity caps.

3. ADAPTING TO THE NEW CHANGE IN 2021:

Corona virus pandemic have forced the mankind to not only adapt the new habits of interacting with people but have also made the organizations restructure their business operations. The handloom industry could however take the maximum benefits even while following the set norms of COVID-19 pandemic situation like 1 meter distance between people at work and public. The traditional format of loom that is used by the tribal people of Northeast India have a unique frame which keeps the next loom at a distance of at least 2 meter from each other. The practice of weaving is normally done at the backyards of the households or in the weaving halls which are generally in big building infrastructures quite away from the hustle of people. The handloom industry is so much in discussion today because of the new trend of handloom woven mask. In the “*new normal*” wearing a mask has become a part of our life. The cost effective model, applying the traditional loom practice could easily grab the market of costly masks like N95 / single -use surgical masks which are sold with great enthusiasm and price tag in online platforms.

As such the weavers of the famed Maheshwari sarees of Madhya Pradesh. The weavers come from Maheshwar, which is a small town in Madhya Pradesh and is not only famous for the stunning and colourful handloom creations that come from here but is also considered to be the centre of handloom weaving since the 5th century. In a creative attempt to bring more awareness about their plight as well as to promote their craft, Maheshwari weavers along with Ahilya Community Service Club are encouraging vaccination in hopes of bringing an end to the deadly pandemic. The weavers got together at Ahilya Ghat, near Maheshwar fort, and used their stunning and colourful Maheshwari handloom sarees and wrote, “Covid-19 Vaccinate Yourself.” In the video shared by the Twitter and Instagram handle of Madhya Pradesh Tourism, one can see the glistening water of river Narmada as the text on the screen explains, "Maheshwar, like many small towns in India has been badly affected by the Covid-19 pandemic. People were lost, families were broken, and Maheshwar's famous handlooms fell silent. But now the weavers of Maheshwar have come together with a message of hope."

Abhihaara, a social enterprise, works with hundreds of artisans in three clusters of Telengana and Andhra Pradesh on handloom weaving and wooden toy making. It helps the artisans with contemporary designs, provides raw material, pays fair wages, buys the products, and markets the same with 25% margin to meet its own overheads. The monthly income of artisans before the pandemic and lockdown was between Rs 6000-Rs 20000. Since the COVID-19 lockdown, most of the artisans have been out of work. Only 15 out of 40 looms are operational. Stocks have accumulated and they are facing a severe cash crunch. Abhihaara has reduced its overhead costs, provided provisions to staff and artisans and is giving work just enough so that they are able to meet their urgent basic needs. They are unable to purchase raw material and are taking only small orders that can be managed. They designed several campaigns to clear the existing stock and are also making masks.

Responding to the grim circumstances caused by the outbreak of COVID-19 in India, the Antaran initiative (An Initiative of Tata Trusts) has devised a user friendly website to help artisans liquidate their stock on hand to take care of the immediate needs. Exquisite products from the Antaran led community initiatives across four states & six clusters-- Assam (Kamrup and Nalbari), Nagaland (Dimapur), Odisha (Gopalpur and Maniabandha) and Andhra

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Pradesh (Venkatgiri) are being offered by the Artisan Entrepreneurs at lower/wholesale prices. Customers are able to pay online immediately to the artisans, while the artisans pack the products for delivery as soon as lockdown is lifted,' says Sharda Gautam, Head (Crafts), Tata Trusts. This would help bring in the much-needed cash flow for artisans entrepreneurs to support themselves and their associate artisans. A wide range of textiles as below are on offer on the site named as Antaran Artisan Connect as below:

- Assam: Kamrup - Cotton & Eri Silk - Sarees, Stoles, Dupattas & Fabric
- Nagaland: Dimapur & Phek - Cotton loom weaves - Cushion covers, Table runners & Mats
- Andhra Pradesh: Venkatgiri- Fine cotton & silk weaves - Dupattas & Sarees
- Odisha: Sarees, dupattas and stoles in Fine cotton & silk weft Ikat from Maniabandha and in Tussar Silk from Gopalpur-Jajpur.

Union Minister Smriti Irani has called upon big commercial brands like BIBA and Arvind Mills to source cloth directly from the weavers, a move that will help provide remunerative prices to them by eliminating middlemen engaged in the process. The Government is appealing to people in the commercial segment, big brands such as BIBA, Arvind to come together with the weavers and source their cloth directly from the weavers, thereby bringing about a synergy that was long absent. The Minister for Textiles and Women and Child Development made the remarks in a virtual interaction with Sadhguru, Founder, Isha Foundation. The conversation centered around breathing new life into India's textile industry and reversing the fortunes of indigenous weavers. The conversation, a part of the 'In Conversation with the Mystic' series, was webcast live on August 7 to mark the National Handloom Day. Sadhguru, in the year 2019 launched 'Save the Weave', a campaign to revive and popularize India's ancient weaves. During the interaction, Sadhguru spoke about the need to encourage the Indian textile industry by introducing handloom products in schools, tourism circuits and aviation industry. He also pitched for school uniforms to be made from handmade weaves.

Amazon India has extended a 100 per cent SoA (Sell on Amazon) fee waiver for 10 weeks, a move aimed at helping over 10 lakh artisans, weavers and women entrepreneurs who are part of its 'Karigar' and 'Saheli' programmes on its platform. "The 'Stand for Handmade' initiative is aimed at helping over 10 lakh entrepreneurs including artisans, weavers and women entrepreneurs rebound from the economic disruption caused by COVID-19. The initiative will help generate demand for these products while helping these sellers with working capital needs as they look to rebound from the economic disruption caused by this unprecedented pandemic. Amazon.in has partnered with 22 government emporiums and five government bodies to showcase authentic crafts. Karigar programme showcases over 60,000 products, including more than 270 unique arts and crafts from over 20 states.

The pandemic has shown and taught numerous ways of handling the situation in a more suitable and beneficial way. In India the handloom industry is slowly reviving as the younger generation has come up with many online boutiques, promotion of handloom products and door-to-door marketing of the products. The lockdown gave opportunity to many creative minds to think out-of-the-box in promoting and marketing of handloom products, like handloom masks, bags, diaries and many household items. People have started finding new ways to ease the

economic burden caused by the pandemic. One can see a surge in online activities during the pandemic time. Handloom products which didn't had a strong digital presence before, now a wide number of people are using the digital platform to sell their handloom products. The handloom industry in 2021 is in a better position rather than in 2020, with renewed ways of coping with the situation.

4. CONCLUSION:

India is working on major initiatives, to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on rise. Government is supporting the sector through funding and machinery sponsoring. Top players in the sector are attaining sustainability in their products by manufacturing textiles that use natural recyclable materials.

The future for the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

Meanwhile, the sounds of handlooms working in units can be heard once again now. The industry also believes that government's initiatives such as Vocal for Local and Aatmanirbhar Bharat are expected to bring back the lost sheen of the handloom industry in India. In addition to this, businesses are also steering the narratives of such programmes to create a healthy ecosystem for both weavers and buyers.

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