

Effects of Covid-19 Pandemic on Textile Sector

Posted On: 18 SEP 2020 5:12PM by PIB Delhi

The global pandemic of Covid-19 has affected the existing modus operandi of various textile sectors by posing restriction of social gathering, migration of laborers as well as affecting all the stakeholders right from farmers to traders/exporters in the value chain of textile sector and at the same time it has opened new window of opportunities which were previously less explored. The government has conducted a study viz. 'Impact of Covid-19 pandemic on Indian silk industry' to ascertain the crisis caused to the sector. It has been observed that there was a production decline and monetary loss at every stage of the value chain. The industry has faced various problems like loss in production, crash in cocoon and raw silk prices, transportation problem, non-availability of skilled workers, problems in selling raw silk and silk products, working capital and cash flow problems, non-availability of raw materials, reduction in demand for silk fabric, cancellation of export/import orders besides export and import restrictions. Since, textile sector being highly unorganized sector therefore, the government has not made any formal assessment with regard to the losses incurred by the sector.

To withstand in COVID 19 pandemic, the Government of India has announced a special economic package viz. AatmaNirbhar Bharat Abhiyaan for boosting economy of the country and making India self-reliant. Relief and credit support measures have been announced for various sectors including MSMEs. The weavers & artisans/karigars 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. Taking a step towards realizing "Atmanirbhar Bharat", Handloom Export Promotion Council has endeavoured 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 organised on 7, 10 and 11th August. The show has already attracted considerable attention of the International Buyers. In order 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.

A social media campaign #Vocal 4 handmade was launched on the 6th 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.

The Chief Ministers of all States and UTs have been requested 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.

To deal with the pandemic crisis, the Government endeavours to provide online marketing opportunities to our weavers and handloom producers. Chaupals/e-Chaupals have been organised in weavers concentrated areas by the Weavers' Service Centres (WSCs) across the country to create awareness amongst the handloom weavers about the schemes of Government of India and to facilitate them.

Further, to promote e-marketing of handloom products, a policy frame work has been designed 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.

Government is implementing various policy initiatives and schemes for supporting the development of textile

industry. These schemes and initiatives which promote technology upgradation, creation of infrastructure, skill development and sectoral development in the textile sector, create a conducive environment and provide enabling conditions for textile manufacturing in the country. Thus, government of India only facilitates the textile industry for development and modernization by providing subsidy on investments made under various Schemes. Funds are released to achieve the desired objectives under various schemes on year to year basis. The textile agencies/organisations in the States involved in textile activities are the beneficiary agencies of above schemes. Proposals of eligible beneficiary agencies duly recommended by the State Directorate of textiles are considered for financial assistance as per the guidelines of the schemes.

This information was given in a written reply by the Union Minister of Textiles, Smt. Smriti Zubin Irani in Lok Sabha today.

APS/SG/RC

(Release ID: 1656233)