

Impact of Covid-19 Pandemic on Textile Industry

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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. The government has conducted a study viz. 'Impact of Covid-19 pandemic on Indian silk industry' to ascertain the crisis caused to the sector. The industry has faced various problems of production, cocoon and raw silk prices, transportation problem, non-availability of skilled workers, sale of raw silk and silk products, working capital and cash flow, reduced export/import orders, besides restrictions. The last three month orders and supply as given below shows declining trend in jute production during the peak Covid-19 period which is substantially improving now.

Month	Order	Supply by Mills
June 2020	2.75 bales	1.78 bales
July 2020	3.59 bales	2.48 bales
August 2020	3.52 bales	2.32 bales

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 fibre 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: -

- 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 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. 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: -

- National Handloom Development Programme (NHDP)
- Comprehensive Handloom Cluster Development Scheme (CHCDS)
- Handloom Weavers' Comprehensive Welfare Scheme (HWCWS)
- 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 upgradation, lighting units, marketing of handloom products and loan at concessional rates.

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

APS/SG/RC

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