

Study on Indian Handloom Industry in Pre and Post Covid 19 Status

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Abstract: Export achievement of Indian handloom industry increasing trend from the year 2013-14 onwards. In the year 2018-19, the maximum export performance had been observed having 2393.39 crore . Due to pandemic situation, export performance was drastically reduced in the year 2019-20 and 2020-21 year. During pandemic situation, the export was totally disturbed. Total revenue generation from international fairs and exhibition were increasing trend and reached in the year 2019-20 of 248.26 crore . This rising trend of revenue generation from International fairs and exhibition were inspiring to the Nation. Now due to pandemic situation, the revenue generation from such area was drastically reduced in the year 2020-21 to 13.82 crore . Mats and Mattings, cotton Rugs of handloom were the highest Handloom products in export earning revenue from the year 2015-16 to 2019-20. This type of products export has been increasing from the year 2015-16 to 2018-19 from 551.82 to 622.9 crore . Due to pandemic situation the export of such type of products were reduced to 502.51 crore , having share of 22.35 % in the year 2019-20. Bed Sheets and Bed Covers of Cotton Handloom had 13.7 % export revenue earning share of the total handloom products. Terry Toweling of cotton, Handloom products had 3.26 % share of export earnings in the same year. Scarves of Silk handloom products had 6.50% share of export earning Table cloth and table covers of handloom had 3.47 % of export earning share and cushion covers of handloom had 6.14 % share of export earnings in the same financial year. Due to covid 19 situations, the handloom 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. The Government of India has also announced a special economic package. The activities are Aatma Nirbhar Bharat Abhiyaan for boosting economy of the country and making India self-reliant.

Keywords: Export, Handloom Industry, Silk, Cotton, Exhibition, Revenue.

INTRODUCTION:

The Handloom sector plays a very important role in the country's economy. It is one of the largest economic activities providing direct employment to over 65 lakh people engaged in weaving and allied activities. Handlooms have been known to India right from the historic ages. The handloom industry is one of the largest unorganized sectors of economic activity in India providing employment to 43.31 lakh weavers from rural and semi-urban areas. Most of them are women and people from economically disadvantaged groups and 77% of the adult weavers are women. Indian handloom products are known for their unique designs and finesse. The trend is to mix old designs with new techniques and create original products. The industry has a strong infrastructure with about 2.4 million looms of varied designs and construction, indicating significant production capacity. It provides employment to a vast segment of craft persons in rural & semi urban areas and generates substantial foreign exchange for the country, while preserving its cultural heritage. Presently, handicrafts contribute substantially to employment generation and exports. The types of Handloom products include handloom decorative, handloom fabric, handloom saree, handloom textiles, cotton clothes and more. Indian floral prints, dating back to the 18th century A.D were discovered by Sir Aurel Stein in the icy waters of Central Asia. The evidence shows that of all the arts and crafts of India, traditional handloom textiles are probably the oldest. There is no definite historical evidence as to when the handloom weaving industry started at Ilkal and Guledgudd. But according to the popular belief and circumstances, it might have started in the 8th century when the Chalukya Dynasty was in full swing in this region. Lack of modernization, the handloom industry has been using age old technology and looms. These results into low productivity and high cost.

OBJECTIVES OF THE STUDY

The present study is based on the following objectives-

- To make an overview of Indian Handloom Industry.
- To study the present status of the Handloom industry.
- To study the export performance of the industry.
- To investigate the various Govt. Schemes for development of such industry.

RESEARCH METHODOLOGY:

The study is based on the secondary data collected from various sources. Mainly Handloom related data are collected from the websites of Ministry of Textiles and Handloom census 2019-20. Various national and International Journals, websites of various news channels are studied to observe the post covid 19 related information of Indian Handloom Industry. The data and information of Indian Handloom industry are then taken into consideration for analysis and interpretation of this study.

LITERATURE REVIEW:

The Handloom is a traditional industry of India. The industry provides employment opportunities to millions of people in the rural and urban belts of India. After industrialization, the handloom industry has been decline. Most of the problems faced by handloom industry are perpetual in nature .As a result to sustain the cultural and economic importance of the industry; the various problems of Handloom Weavers of Varanasi in Uttar Pradesh are studied. The problems are invention of new technology (power-loom), capitalist control, drop off in wages, increased price of yarn etc. The handloom industry is one of the major industries that need immediate care and attention. With this declining trend in the handloom sector the problems of unemployment will aggravate. So the policy maker should realize the importance of handloom sector and allocate the required funds for the upliftment of handloom weavers to avoid the decline in handloom industry [1].

Handloom industry is one of the largest cottage industries in India. It is labor intensive and it is the second largest employment generator after agriculture in the rural sectors of the economy of our country. India contributes 95% to the total world exports of handloom products .As a result the industry is enjoying an almost monopoly. Spread across the country, the industry is known for its delicate, diverse, and fine craftsmanship. Out of the 344 GI tags held by India, 202 are of the handloom and handicraft products. The handloom industry’s present status in India is disturbing. It is due to the socio-economic conditions of the weavers. The socio-economic conditions and the wellbeing of the handloom weavers of three villages of Kota and Bundi districts in Rajasthan were studied for the Kota Doria handloom product. The study reveals that the weaver households in the survey regions had low standards and quality of living. The handloom weavers of Kota Doria were found to have extremely poor socio-economic conditions and various government schemes have failed to uplift the weavers ‘income levels [3].

Handloom sector is a major traditional industry in Kerala. A large number of looms were in existence in Kerala from the time immemorial and even during the early 19th century the factory system of handloom production existed here. This industry faces a large number of problems today in spite of a very glorious past and huge potential for employment generation as well as contributing to the GDP of the state. The handloom industry is also facing stiff competition. The competition, particularly from the power loom sector . In order to retain its market share and also to enter new market segments, the handloom sector needs some well thought-out and clearly articulated remedial strategies, supported by conducive policy initiatives [4].

RESULTS AND DISCUSSION:

From table 1 and figure 1, it is found that, export achievement of Indian handloom industry increasing trend from the year 2013-14 onwards. In the year 2018-19, the maximum export performance had been observed having 2393.39 crore . Due to pandemic situation, export performance was drastically reduced in the year 2019-20 and 2020-21 year. During pandemic situation, the export was totally disturbed. The result is observed in the figure in table 1 and figure 1.

Table 1 : Indian Handloom Export Achievement over Different years

Sl No.	Year	Achievement INR in Crore
1	2013-14	2233.11
2	2014-15	2246.48
3	2015-16	2353.33
4	2016-17	2392.21
5	2017-18	2280.18
6	2018-19	2393.39
7	2019-20	2248.33
8	2020-21[upto Dec 20]	1146.02

Source : www.texmin.gov.in

Figure 1 : Export Achievement in INR of Indian Handloom products over different years



Source: www.texmin.gov.in

Table 2, explained that Indian international fairs participation has been increasing from the year 2014-15 to 2016-17, from 14 to 21. In the next subsequent years the international fairs participation was constant to 14 up to the year 2019-20. Due to pandemic situation, International fairs and exhibition has been reduced to 8 of the Indian handloom products. It is interesting to note that, total revenue generation from international fairs and exhibition were increasing trend and reached in the year 2019-20 of 248.26 crore. This rising trend of revenue generation from International fairs and exhibition were inspiring to the Nation. Now due to pandemic situation, the revenue generation from such area was drastically reduced in the year 2020-21 to 13.82 crore. So it is found that covid 19 pandemic is impacted in the handloom sector drastically in the revenue generation from International Fairs and exhibitions.

Table 2 : Participation in International Fairs and Exhibitions

Sl No.	Year	No. of Fairs participated	Spot orders booked [Rs. in crore]	Enquires generated [Rs. In crore]	Total [Rs. In crore]
1	2014-15				
	Under MDA	2	3.72	4.64	8.36
	Under MAI	4	21.89	87.86	109.75
	Under CHCDS/NHDP	8	7.01	18.96	25.97
	Total	14	32.62	111.46	144.08
2	2015-16				
	Under MDA	2	2.05	8.61	10.66
	Under MAI	4	22.22	92.74	114.96
	Under CHCDS/NHDP	9	21.47	51.03	72.50
	Total	15	45.74	152.38	198.12
3	2016-17				
	Under MDA	3	5.53	16.10	21.63
	Under MAI	2	19.23	62.62	81.85
	Under CHCDS/NHDP	16	25.86	44.38	70.24
	Total	21	50.62	123.10	173.72
4	2017-18				
	Under MAI	4	32.64	78.62	111.26

	Under NHDP	10	20.48	34.45	54.93
	Total	14	53.12	113.07	166.19
5	2018-19				
	Under MAI	2	32.06	92.46	124.52
	Under NHDP	12	24.38	68.27	92.65
	Total	14	56.44	160.73	217.17
6	2019-2020				
	Under MAI	5	51.39	121.94	173.33
	Under NHDP	9	20.96	53.97	74.93
	Total	14	72.35	175.91	248.26
7	2020-21[virtual events upto feb .21]				
	Under MAI	1	0.89	2.34	3.23
	Under NHDP	7	1.64	8395	10.59
	Total	8	2.53	11.29	13.82
	Grand total	100	313.42	847.94	1161.3

Source: www.texmin.gov.in

Table 3 explained that major handloom products export performance in difference years. It is found that , Mats and Mattings, cotton Rugs of handloom were the highest in the five group of products in export earning revenue from the year 2015-16 to 2019-20. This type of products export has been increasing from the year 2015-16 to 2018-19 from 551.82 to 622.9 crore . Due to pandemic situation the export of such type of products were reduced to 502.51 crore in the year 2019-20. Now it is found that Bed sheet and Bed Covers of cotton handloom products are occupied in the five major group of export products. Export achievement of such type of products was rising from the year 2015-16 to 2019-20 from 212.39 to 309.62 crore. This achievement is now inspired to other handloom products. Furnishing articles and Silk handloom products exports has been increasing from the year 2015-16 to 2017-18 from 214.38 crore to 317.84 crore. Thereafter the export of such products has been decreased to 300.40 crore in the year 2019-20. Similar trends had been observed for Cushion Covers of handloom and terry Toweling of Cotton handloom products.

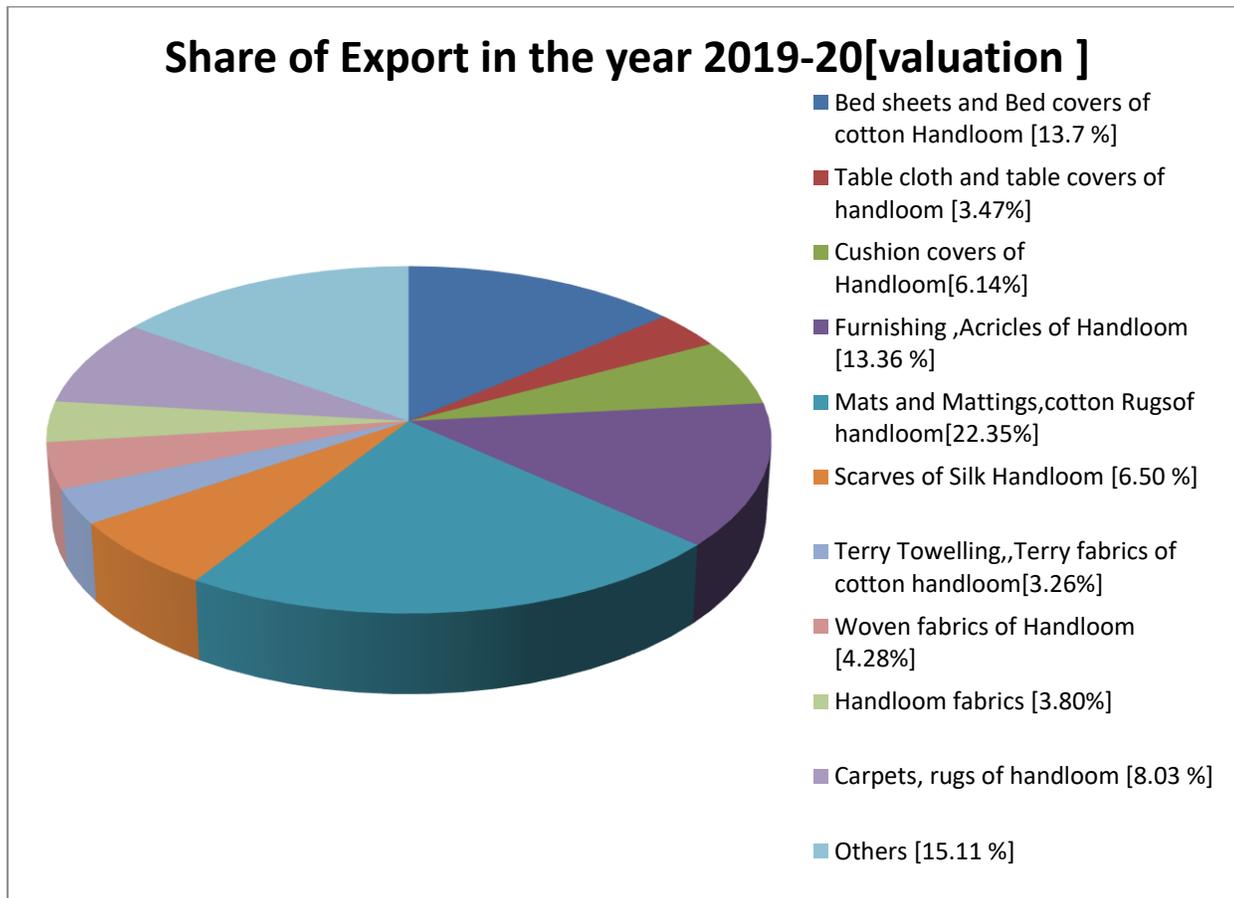
Table 3 : Major Handloom Products Export Performance[Figures are in INR crore]

Products	2015-16	2016-17	2017-18	2018-19	2019-20
Furnishing Articles of Silk Handloom	214.38	272.55	317.84	301.87	300.40
Cushion Covers of Handloom	165.41	179.02	197.28	173.61	138.14
Bed Sheets and Bed Covers of Cotton Handloom	212.39	203.66	250.78	260.81	309.62
Mats and Mattings, Cotton Rugs of Handloom	551.82	616.04	616.72	622.90	502.51
Scarves of Silk, Handloom	156.0	123.96	85.79	114.99	146.26
Terry Toweling of cotton, Handloom	141.71	171.82	137.35	106.85	73.32

Source: www.texmin.gov.in.

Figure 2 explained the ten major groups of products exported in the year 2019-20. Major share of products group were Mats and Mattings, Cotton Rugs of Handloom. ,having 22.35 % share of export revenue earning .Now , Bed Sheets and Bed Covers of Cotton Handloom had 13.7 % export revenue earning share of the total handloom products. Terry Toweling of cotton, Handloom products had 3.26 % share of export earnings in the same year. Apart from that , Scarves of Silk handloom products had 6.50% share of export earning Table cloth and table covers of handloom had 3.47 % of export earning share and cushion covers of handloom had 6.14 % share of export earnings in the same financial year.

Figure 2 : Major Handloom Products share of Exports in the year 2019-20 [in terms of valuation]



Source: www.texmin.gov.in

Table 4 explained the production distribution of major Handloom products in various states of India and their share of production of such products in that state. Now major products are Saree, Bedsheet, Furnishings, Blankets, Dress Materials [Salwar Kamez, etc.], suiting, shirting's, long cloth, Shawls, Mekhla Chadder, Loi, stole, scarf, muffler and Towel, Napkin, Duster, Gamcha. are given their production share in various states of India.

Table 4 : Distribution of Production of Major fabrics

Major Fabrics	Major producing States	Share of overall production	Remarks
Saree	West Bengal	35.3%	It is found that West Bengal dominates in saree production having major share of 35.3% .Silk saree from Assam and Tripura also shared 7.8 % and 7% respectively. In south India Tamil Nadu and Andhra Pradesh having share of 15.6 % and 13% in saree production .The major 5 states are contributing 78.6 % of saree production in the country.
	Tamil Nadu	15.6%	
	Andhra Pradesh	13 %	
	Assam	7.8%	
	Tripura	7 %	
	Assam	26.8 %	

Bedsheet, Furnishings, Blankets	Tamil Nadu	20.1 %	It is found that Assam is the major share in production of the given handloom items having share of 26.8 %. Tamil Nadu and Karnataka two south Indian states are producing such items with share of 20.1 % and 7.0% respectively of such items. Manipur and Uttar Pradesh has 14.5 % and 7.1 % share respectively in such item manufacturing .
	Manipur	14.5 %	
	Uttar Pradesh	7.1 %	
	Karnataka	7.0%	
Dress Materials [Salwar Kamez,etc.], suiting, shirting's, long cloth	Assam	23.6%	It is found that three north eastern states given production of such products around share of 54 %.Assam is the major share of such item manufacturing having 23.6% contribution in our country ,followed by Manipur and Tripura of 17.3 % and 13.2 % share of manufacturing of such items. Chhattisgarh and Andhra Pradesh has 9.7 % and 5.6% share respectively of manufacturing such items.
	Manipur	17.3%	
	Tripura	13.2%	
	Chhattisgarh	9.7%	
	Andhra Pradesh	5.6%	
Shawls, Mekhla Chadder, Loi, stole, scarf, muffler	Assam	77.4%	Assam is the largest manufacturer of shawls and other such items, having share of 77.4 % of total supplier in India. Other four states are Manipur, Arunachal Pradesh ,Nagaland and Meghalaya ,manufactured of such items of 15.5 % of total Indian production
	Manipur	4.9 %	
	Arunachal Pradesh	4.6 %	
	Nagaland	3.7 %	
	Meghalaya	2.3 %	
Towel,napkin,duster,gamcha	Assam	72.4 %	Two states , Assam and West Bengal are dominating in the production of Towel, Napkin, Duster and Gamcha production , having share in production of 72.4% and 12 % respectively .Other three states are Manipur, Meghalaya and Tripura has 9.3 5 total contribution in production of such items
	West Bengal	12 %	
	Manipur	4.2 %	
	Meghalaya	2.9 %	
	Tripura	2.2 %	

Source : Handloom Census 2019-20

Due to covid 19 situations, the handloom 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. Our government has initiated special measures to help ameliorate the conditions in Handloom sector due to Covid pandemic. This will boost production, marketing and job opportunities in the sector. The Government of India has also announced a special economic package. The activities are 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.

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.

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.

In the face of the unprecedented Covid-19 pandemic, it is not feasible to hold conventional marketing events such as exhibitions, melas, etc. The Government endeavors to provide online marketing opportunities to our weavers and handloom producers.

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.

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 given below

- National Handloom Development Programme (NHDP)
- Comprehensive Handloom Cluster Development Scheme (CHCDS)
- Handloom Weavers' Comprehensive Welfare Scheme (HWCWS)
- Yarn Supply Scheme (YSS)

The schemes will provide, financial assistance for raw materials purchase, 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.

A Few Handloom Products Picture

Figure 1 Raw silk handloom saree.



Source : <https://www.tradeindia.com>

Figure 2 : Cotton Handloom fabric



Source : <https://www.tradeindia.com>

Figure 3 : Craft handloom product



Source : <https://www.tradeindia.com>

Figure 4 : Kitchen Towel Handloom



Figure 5 : Handloom Dress material



Source : <https://www.tradeindia.com>

Figure 6 : Handloom Gent's Dhoti



Source : <https://www.tradeindia.com>

CONCLUSIONS:

The Indian handloom industry demonstrates the richness and diversity of Indian culture. Over 4.3 million people are directly and indirectly involved in the manufacturing process of Handloom products .The handloom industry is the second-largest employment provider for the rural population in India after agriculture. Indian handloom products are known for their unique designs and finesse to the National and International Market. The handloom products export between from April 2020 to January 2021 was US\$ 176.97 million. The other woven fabrics of handloom export were US\$ 6.03 million between April and December 2020. It is found that, nearly 15% of cloth production in India is from the handloom sector. 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. Amended Technology Up gradation Funds (ATUFS) was initiated in the Ministry of Textiles during the COVID pandemic.

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