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## EFFECT OF COVID 19 AND LOCK DOWN ON HANDLOOM **TEXTILES: A CASE STUDY IN ASSAM**

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#### ABSTRACT:

Handloom textiles and crafts hold a special place in India's cultural heritage; weaving being a source of livelihood for millions of families. Nowhere in the world can so many diverse weaving techniques be found together in one country. The crisis caused by COVID-19 has resulted in a sudden disruption of businesses across the globe and the Indian economy is not immune to this pandemic. Players across the spectrum have felt the effect of the resultant downturn. 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 signs of immediate recovery as the crisis unfolds. Cash flow has stopped, with buyers unable to make payments and no sales happening at all. This paper aims on the effect on COVID 19 and lock Down on handloom textiles in Assam.

Key words: - Covid 19, Handloom, Textiles

### INTRODUCTION:

Assam a state with diversity is famous for its rich cultural heritage. Handloom industry is a part of the Assamese culture and tradition. From time immemorial, Assam has attained a mark of excellence manufacture of fine fabrics. The tradition of handloom weaving in Assam has been long and glorious and the skill of the hand spinner and handloom weaver of a very high order. The artisans of Assam are also known from early times for hand spinning, hand printing, hand dyeing and hand weaving . Sharma (1961 ) has recorded that Assam has been prod all specimens of fine textiles, both simple and coloured.

Assam has a rich textile tradition that also embodies its colourful cultural heritage. Having said that, there is an existential crisis for the state's handloom sector that lies subtly hidden beneath the hue of expensive silk and the intricate designs the showcasing the craft of the weaver. Of late, the novel coronavirus has only made it worse .The handloom sector has, too,

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### Methodology:

Field investigation will be done personally in Assam by interview and observation through specially designed interview schedules. Samples will be selected randomly for the proposed study. In this study both primary and secondary sources have been used. The present study was based on primary data. Secondary data were collected from government and non-government

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organization in the form of records, reports, census, books, newspapers, journals, thesis and internet data consisting of ethnographic, socioeconomic and demographic records.

While dwelling on the methodology, it may be noted that depending on the nature of the data that were sought to be generated, different standard anthropological techniques were used in the field. Emphasis, however, was always put more on observation (preferably a participant one), interview and collection of concrete cases. Whenever necessary, the data obtained through one technique and / or from other information cross-checked through alternative technique and / or from other informants. Again, sometimes more than one technique (eg., an observation had to be clarified through an interview) had to be used simultaneously to have a better understanding of a particular issue. Besides, my own prolonged personal association with, and observation of the life and activities of the people have provided me with added opportunities to understand their life pattern in a better and holistic way.

### Findings and Discussion:

For the handloom sector in Assam, the period prior to Rongali Bihu or the Bohag Bihu, which heralds the beginning of the Assamese New Year and the arrival of spring, is a major season to make the bulk of the business for the year. Better the business during the March-April period, higher is the chance of sustenance throughout the year. Weddings provide for another major source of income but they are off and on. This year the lockdown that came into effect from 24 March due to the novel coronavirus was a bolt from the blue for the industry. During Rongali Bihu period in Sualkuchi the seller sell Rihas for female Bihu dancers as many of them compete in Bihu competitions across the state. Sale of Muga, Pat Mekhela-Chador took a hit because all the weddings have been postponed. The Rongali Bihu season is the main period for them to reach the break-even point. Neither there is production nor there are sales.

The sector has experienced sudden stalling of orders as retailers themselves are closed due to the worldwide lockdown and no signs of immediate recovery as the crisis unfolds. Cash flow has stopped, with buyers unable to make payments and no sales happening at all. Being part of an informal economy, artisans are also not able to access credit from banks and financial institutions.

While the government may provide free ration to some extent, the majority of the artisans who earn on a daily basis working for bigger weavers or traders will find it extremely difficult to feed their families and take care of any medical exigencies.

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. Retail events through which artisans get cash sales may not happen for next few months. Market of the summer season when 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.

Due to lockdown all over the country supply of raw materials, deployment of labour, employees and other related services disrupted. This has imparted 1ot ofinconvenience in supply and production of raw materials. In every site of production availability of raw materials depend upon the raw materials supplied by other state or country. The raw materials like pat silk yarn is generally imported from the neighbouring country like China. In



that case supplied chain is severely disrupted due to prevailing pandemic situation which has carried great damage to Assamese handloom industry.

Assam handlooms have been picking up in the "slow fashion" market internationally, but with this uncertainty, no overseas orders will be forthcoming. Customer priorities may change with tightened budgets. 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.

The wide segment of artisans of clusters have consensus in attributing their demand to a continued support from buyers and designers by placing advance orders and buying out their existing inventory of finished product rather than request for financial assistance. This translates to a better margin in terms of cost efficiency for the buyers and faster cash generation for the weavers with stockpiles of finished materials. The artisans want to present a positive picture and the beauty of their crafts and bond with customers offering them value in exchange for their support. The economic shocks that follow the COVID-19 pandemic come at a time when the sector was already struggling from the after effects demonetisation and other declining economic indicators. While there is no denying the need to arrest the spread of the virus by any means possible, including a full or partial lockdown, the need to manage its economic aftermath is just as urgent. Across the globe, there is near unanimity on the fact that the global economy is already in a deep and prolonged recession of the kind not witnessed since the Great Depression.

Data emerging from most corners of the globe do not hold out any positives for an Indian economy that was already in the midst of a slowdown. Many global buyers are expected to file for bankruptcy or go into liquidation, which would leave textile manufacturers including those in India with crippling levels of bad debt. Around the world, governments have announced record financial aid packages worth trillions of dollars for their industrial sectors. In the wake of this unprecedented crisis, it is important for policymakers to recognise and plan for welltargeted, industry-specific measures to address these issues. It is certain that closing stores and factories across the country for a period of three weeks will cost Indian textile and apparel industry dearly. The export sector is already besieged with cancelled orders and a drying up of future orders for the next four to six months. Domestic consumption was probably the last oasis, but with the shutdown of all forms of commerce, stakeholders are left with few options.

In urban centres across the state apparel retailers and garment factories employ millions of semi-skilled and unskilled workers. Without export orders and a restarting of the economy, many will be either forced to shut shop entirely or inflict stringent cost-cutting measures, including layoffs. For those employed here, the option to work from home is largely impractical. In some of the most backward districts of the state, the handloom sector - which employs a significant and often forgotten labour force - will also be forced to drastically reduce output, or cut wages to compensate for the decline in retail sales across the state. Add to that the fact that the sector is driven by consumer sentiment and discretionary spending, both of which are at an all-time low.

# Aids Provided by Government : Wage Support:

In a bid to contain the adverse economic fallout of COVID-19, this is by far one of the most direct means of reaching government assistance to those who need it the most. Governments

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given its role as the second-largest employer of human capital in the country.

around the world have favoured this approach. While it may be impractical for the government to fund the wage bills of every sector, the textile industry is most in need of such relief. Providing direct wage support of anywhere between Rs 5000-Rs 7000 per worker for even one month (assuming the lockdown is lifted by mid-April) will ensure that the most pressing problem – layoffs and unemployment – is at least partially staved off.

### **GST Refund:**

The swiftest way to reach the maximum number of stakeholders is to refund GST payments made in part or full for the past six months. This will cover almost the entire gamut of industry stakeholders, right from the handloom weavers in the remote parts of the country to the shopkeepers and traders in the now deserted high streets.

### **Interest Subvention:**

While the RBI has already announced a rate cut this can be further augmented by an interest subvention scheme of 1-2 percentage points to be disbursed by the Ministry of Textiles on all Term loans availed by the sector as has been done in the past under the Technology Upgradation Fund Scheme (TUFS).

### Reduced GST:

Once the lockdown is lifted, the government can provide a reduced GST rate on all textile articles to kick-start demand until the industry recovers sufficiently just as they had done for the auto industry in the recent past.

This is equally if not more true in India, where this sector has employed millions of ordinary Indians since Independence. This is one of India's leading textile industry – Sualkuchi (Assam) – where thousands of skilled and unskilled workers depend on the textile sector for their livelihoods. All of these measures may also be addressed by fiscal and monetary stimulus by the government and RBI, the textile and apparel industry requires special attention

### CONCLUSION:

The demand for textile products abroad and domestic sales have come down to a grinding halt due to the panic situation created by the Covid -19 outbreak. Due to the lockdown, all sorts of textile-related handloom industry are closed and it is tough to hazard a guess when those will be allowed to open. Workers have been running here and there amid all sorts of confusion. The business community is scared on account of cash crunch, supply chain disturbance and manpower-related issues.. It may take a minimum of four to six months to see businesses back to normal, as estimates of direct losses are difficult to make now and it is also tough to foresee the issues that will crop up later. Financially strong companies are expected to recover faster. Strategic planning, effective administration and governance, along with the people cooperation can only rebuild the State economy post- pandemic to a certain degree.

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