

CARPET EXPORT PROMOTION COUNCIL

In order to assess and review the situation in preview of COVID-19 Carpet Export Promotion Council (CEPC) organised a 4th meeting through Video Conferencing with COA Members, representatives of Regional Carpet Manufacturers Associations, Prominent Exporters and representatives of the Buying Agents Association (BAA) on 22nd April, 2020 from 2.30 p.m. to 4.30 p.m.

Sh. Siddh Nath Singh, Chairman, CEPC welcome the participants in the meeting and extended thanks for sharing their valuable time for the meeting. Chairman mentioned that today he invited representatives of the Buying Agents Association (BAA) to share our concerns with them and to know their view and to seek their support for the Carpet Industry.

Ms. Christine Rai, Chairperson conveyed her thanks for today's meeting and mentioned the need for meaningful discussions to understand the issues concerning the Indian Handmade Carpet Industry so that communicate the same to the Importers. BAA requested the feedback on the specific agenda of following 5 points :

- i. Impact of the lock down with regard to quantum of cancellation of export orders and further future business losses.
- ii. Plan of the industry to reinstate the manufacturing process once the lock down is over – whether we are able to move forward for our production.
- iii. Status of supply chain of raw material once the lock down is over – is there any lack of raw material.
- iv. View and status of the industry on labour migration – is industry able to get the sufficient manpower to complete the export order after lock down is over.
- v. CEPC's view and status for promotion of online platform – e-commerce for Handmade Carpets.

Chairman CEPC informed that all participants are well aware about the present scenario, units/ production is under lock down, weavers gone out, administration is very strict, members are unable to comply with the conditions imposed for opening units, we paid last month to our weavers and employees, production cycle of handmade carpet is 6-9 months and hence unable to resume the supply immediately once the lock down is over. Position of the industry is very bad, more than 50% orders already cancelled, members are not getting their payment from the buyers. Our main market is US and Europe, which is badly affected as on date.

Chairman wants to know how BAA is going to support the Carpet Industry and requested BAA to pursue with the Buyers not to cancel their orders, make pending payments to the exporters.

Shri Umer Hameed, 2nd Vice-Chairman mentioned that the nation is under lock down for only one month but as far as his area i.e. J&K is concerned that is under lock down for 7 months and are suffering for more than 7 months. Shri Umer further mentioned that weavers in the area will definitely wants to come to work as they have nothing to eat.

Concern of the Members received during meeting are summarized as under:

1. Most of the Exporters are small and are unable to comply with the conditions to re-start the work during the lock down.
2. Production cycle of the Handmade Carpet is 6-9 months and require time to complete the export order.
3. Weavers situation is different in each region, in some areas weaving is done by the weavers in the nearby villages and in some areas more than 80% labour already migrated.

4. When units are totally closed, how to ascertain the supply chain of raw material and other allied services. However some Members/ regions have raw material to start the manufacturing process.
5. Members already paid wages to weavers and their employ for the month of March, 2020 but in view of limited resources, non receipt of payments are unable to make further payments to weavers without work.
6. In view of present market scenario unable to decide/ continue with further production in anticipation of future export orders.
7. To workout a strategy to stop the migration of weavers and to retain the weavers to start the production and to complete the pending orders after the lockdown is over.
8. Request BAA to stand in support of the Carpet Industry by pursuing for non-cancellation of export orders, extending time for completion of pending orders, clearing the pending payment to avoid financial hardship in the hour of crises, to support the industry with further export orders.
9. Members requested for the feedback of the overseas market and status of the buyers to prepare strategy for future business.

Chairperson of BAA mentioned that they are counter part of Exporters and without exporters buying agents have no worth or can not be exists. Buyers are also facing the same problem of liquidity as not getting payments from retailers and stores, they are also in lock down. However some buyers are doing good in e-commerce during lockdown. Hope that buyers are not denying payments.

Representatives of the BAA mentioned that Handicrafts, Carpets and Handloom are same and more or less facing the same problems. BAA desired the support of the CEPC in supporting other EPCs in seeking Govt. support for financial support in form of special package for payment of wages to weavers.

BAA is organizing webinar and requested Council to advise their Members to participate in the webinar to get the education on new and modern technique of business.

BAA representatives are hopeful that after completion of lockdown the demand of carpets will increase and is of the view to make a strategy to maintain/ increase their production capacity to maintain the supply so that buyers may not look at other market or find alternate sources for their requirement.

Chairman CEPC informed that Council is already in touch with Govt. at higher level and already informed the concern and requirement of the industry to the Govt. and is hopeful that in few days will get any resolution.

Chairman convey his thanks to all the participants and assure that the Council will come back for the next meeting after 20th April, 2020 to access the situation for the benefit of the industry.

Meeting ended with vote of thanks to the chair.

List of Participants

1. Shri Siddh Nath Singh, Chairman, CEPC ----- on Chair
2. Ms. Christine Rai, Chairperson, BAA
3. Ms. Anchal, General Secretary, BAA
4. Shri Umer Hameed, 2nd Vice-Chairman, CEPC

5. Sh. Umesh Kumar Gupta, Member COC, CEPC
6. Shri Bodh Raj Malhotra, Member COA, CEPC
7. Shri Sandeep Kataria, Member COA, CEPC
8. Shri Shahid Husain, Hon'y Gen Secretary, AICMA
9. Shri Amit Kumar Singh, M/s Carpet Handicrafts Exports, Mirzapur
10. Rupesh Barnawal, Managing Director, M/s. Bhadohi International
11. Shri Ashwani Baranwal, Bhadohi
12. Shri Vivek Baranwal, Varanasi
13. Shri Praveen Bansal, Agra
14. Shri Yogesh Sharan Goel, Agra
15. Shri Pradeep Jaiswal, Bhadohi
16. Shri Vishal Narain Sinha, Rep. of BAA
17. Shri Manoj Rana, Rep. BAA
18. 18. Shri Ranganathan, Rep. BAA and M/s Surya Carpets
19. Shri Gaurav – RUSTA, Rep. of BAA
20. Ms. Rohini Suri, Rep. of BAA
21. Akhil Kumar Verma, Buying Agent, Panipat
22. Ajay Singh, Panipat,
23. Jitendra, M/s Heritage Carpet
24. Shri Nitin Mohan, Rep BAA
25. Shri Jugal Kishore Sharma, Buying Rep. , Jaipur
26. Shri Sanjay Kumar, Executive Director-Cum-Secretary., CEPC
27. Shri Jag Mohan, PO, CEPC
28. Shri Anuj, EPO, CEPC
