

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:139

ANSWERED ON:01.08.2011

PROTEST AGAINST DUTY-FREE IMPORT OF SILK

Haque Shri Sk. Saidul; Sampath Shri Anirudhan

**Will the Minister of TEXTILES be pleased to state:**

(a) whether the Government has taken note of protest by the silk farmers, reelers and other stakeholders in sericulture sector over the duty-free import of silk as well as reduction of excise duty on silk import in the recent past;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF TEXTILES(SMT. PANABAAKA LAKSHMI)

(a) to (c): Yes, Madam. In order to safeguard the interest of the Silk weavers of the country and to bring in stability to the abnormal increase in the raw silk prices of both domestic & imported silk, the basic customs duty on raw silk was reduced from 30% to 5% in the budget. There has been a slump in prices of cocoon and domestic raw silk in the market, though international price of Raw Silk is still above US\$ 50 per Kg. The Government has got the price situation of domestic raw silk and cocoon analyzed through field visits and stakeholder consultancies. It appears that the slump in domestic prices of cocoon and raw silk is largely due to significantly higher arrival of cocoons in different markets in last 2/3 months and relatively poor quality of cocoon. Government is keeping a close watch on the price situation of both domestic raw silk and cocoons.