

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:772
ANSWERED ON:24.07.2015
Restoration of Custom Duty of Raw Silk
Chandrappa Shri B.N.;Kateel Shri Nalin Kumar

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has examined the proposal received from ministry of textiles with regard to basic custom duty on raw silk;
- (b) if so, the details thereof and if not the reasons therefor; and
- (c) the time by which the decision in the matter is likely to be taken;
- (d) whether Government is aware that the reduction in customs duty has had an adverse impact on the price of mulberry cocoons consequently affecting livelihood of persons engaged in sericulture; and
- (e) if so, the details thereof and the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a), (b), and (c): Proposal for reduction in basic customs duty on raw silk from 15% to 10% was received from Ministry of Textiles. The same was examined and duty on raw silk (not thrown) was reduced from 15% to 10%, vide notification No. 28/2015-Customs, dated the 30th April, 2015 [G.S.R. 338(E), dated the 30th April, 2015].

(d): Following the reduction in basic customs duty on raw silk, there have been some reports from the State Government of Karnataka and Andhra Pradesh regarding fall in prices of cocoon and raw silk.

(e) Central Silk Board monitors price of cocoon and yarn, arrival of cocoon and silk yarn in important market, quantity of yarn/ raw silk being imported and change in price/ quantity, etc. Besides, the sericulturists are assisted under the ongoing schemes of the Central and State Governments as per field requirements.
