GOVERNMENT OF INDIA COMMERCE AND INDUSTRY LOK SABHA

STARRED QUESTION NO:78 ANSWERED ON:11.07.2014 IMPORT AND EXPORT OF SILK Thambidurai Dr. Munisamy

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the quantum and value of raw silk/ silk yarn and silk garments imported and exported during each of the last three years and the current year, country-wise;
- (b) whether the Government has imposed anti-dumping duty on import of silk and if so, the details thereof; and
- (c) the other measures taken/being taken by the Government to promote the domestic silk industry and boost the export of silk from the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE) (SMT. NIRMALA SITHARAMAN)

a)to c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO.78 FOR ANSWER ON 11TH JULY, 2014 REGARDING "IMPORT AND EXPORT OF SILK"

(a) The quantum of value of raw silk/silk yarn and silk garments imported and exported during each of the last three years and the current year is given below:

Values in US \$ Millions

Export Commodity 2011-2012 2012-2013 2013-2014(P)

NATURAL SILK YARN, FABRICS, MADEUP 198.85 155.35 141.45

READY MADE GARMENTS OF SILK 266.65 236.7 239.79

SILK WASTE 10.17 11.58 16.25

SILK CARPET 4.17 3.92 2.57

Total 479.84 407.55 400.06

Import of Commodity

SILK, RAW 232.13 227.21 148.51

SILK YARN & FABRICS 108.09 80.24 65.52

Total 340.22 307.45 214.03

SOURCE: DGCI&S, KOLKATA

Values in US \$ Millions

Values in US \$ Millions

(P); PROVISIONAL

- (b) Yes Madam. The Government has imposed anti-dumping duty on import of silk fabric from China, which started in December 2011 and will be in force till December 2016 with a reference price of US\$ 2.05 7.59/meter for a fabric weight ranging from 20-100 grams/meter. Similarly, anti-dumping duty imposed on import of raw silk from China, with a reference price of US\$ 37.32 /kg, was in force till January 2014.
- (c) Various measures have been taken by the Government to save the domestic silk industry and boost the export of silk from the country, which inter-alia include the following:
- (i) Central Silk Board (CSB), in association with various silk reelers Associations, has filed an application/petition before the Directorate General of Anti-dumping & Allied Duties, Ministry of Commerce on 8th May 2014 for imposing anti-dumping duty on import of raw silk of 3A grade & below, originating in or exported from China.
- (ii) Under XII Plan, for the development of the sericulture sector with a central share allocation of Rs 889.00 crore, Catalytic Development Programme (CDP) in association with State Governments has been implemented. The focus under CDP is towards taking the improved technology package in a cluster approach. Brand Promotion Scheme under XII Plan for creating brand image for Indian silk in the international market has also been implemented.
- (iii) Under the Foreign Trade Policy, various schemes like Advance Authorization Scheme, Duty Drawback Scheme, Export Promotion Capital Goods (EPCG) scheme, Export Oriented Unit (EOU) scheme are being implemented to support the export from silk sector. To encourage silk exports under Focus Product Scheme (FPS), the duty scrip entitlement was enhanced from 2% to 5%

with effect from 1st May, 2013. Further Duty Drawback rates were enhanced with effect from 14-9-2013.

- (iv) The basic Customs duty on import of Textile Machinery has been reduced from 7.5% to 5%, and duty exemption has been provided to the specific silk machinery such as Automatic Reeling Machine, Automatic Dupion Machine etc., which will help the domestic silk industry to upgrade and modernize and contribute towards improved export performance. Basic custom duty of 15% on import of raw silk and silk waste, 10% on twisted silk yarn, spun silk yarn and silk fabric and 30% on cocoons are in place to protect the domestic sector.
- (v) The capital subsidy for handloom and silk sectors has been increased from 25% to 30% under Technology Up-gradation Fund Scheme (TUFS), which will aid modernization and export promotion.