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Title: Need to enhance custom duty on import of silk with a view to safeguard the interest of indigenous sericulture industry particularly in Karnataka.

SHRIMATI MARGARET ALVA (CANARA): Sir, sericulture is an agro-based industry providing gainful employment to the weaker sections in rural India. About 2.52 lakh sericulture farmers and 13,000 silk reelers in Karnataka are depending for their livelihood on this vocation.

Since September, 2001, the prices of cocoon and silk have started declining due to dumping of silk from China. The prices of cocoons and silk have fallen drastically. This has resulted in uprooting of mulberry gardens.

An all-Party delegation led by hon. Chief Minister of Karnataka submitted a memorandum to the hon. Prime Minister, hon. Union Textile Minister and hon. Union Finance Minister to consider the following:

1. To increase import duty under OGL from 35.03 per cent to 85 per cent.
2. Greater vigilance to stop smuggling/illegal entry of silk from border countries like Nepal and Bangladesh.
3. Release of Rs.5.00 crore grant to Karnataka Silk Industries Corporation.
4. Imported silk to be restricted to the extent required for manufacture of export fibres.
5. To release Rs. 5.96 crore towards share of Central Silk Board for the incentive paid to the sericulture farmers at Rs. 10/- per kilogram of cocoons transacted in the Cocoon Markets of Karnataka from 16.9.2002 to 15.12.2002.

I request the Central Government to raise the custom tariff further to safeguard the sericulture industry in Karnataka and bring relief to the sericulture farmers.