

14.18 hrs

The Lok Sabha re-assembled after Lunch at Eighteen minutes
past Fourteen of the Clock.

(Shrimati Margaret Alva in the Chair)

MADAM. CHAIRMAN : Now we will take up the Calling Attention.

Title: Regarding problems being faced by the producers of raw silk in the country and steps taken by the Government.

SHRI K. YERRANNAIDU (SRIKAKULAM): Madam, I call the attention of the Minister of Textiles to the following matter of urgent public importance and request that he may make a statement thereon:

"The problems being faced by the producers of raw silk in the country and steps taken by the Government in regard thereto. "

THE MINISTER OF TEXTILES (SHRI KASHIRAM RANA): Madam, at the outset I would like to assure the hon. Members who have moved the notice of calling attention to this matter, that the Government is already well aware of the issues and has taken necessary steps.

Sericulture is an important industry with a significant contribution to the economy. It provides livelihood to an estimated 60 lakh persons in farming, reeling, twisting, dyeing and weaving activities and adds above 500 million US dollars to the country's export earnings. The country's production of raw silk has risen to an estimated 17000 tonnes ranking it as a major world producer, next only to China.

Silk development is a concurrent subject. The Centre assists State Governments in sericulture by extending research and development, seed, technical and technology support and financial assistance to farmers and reelers through several Centrally-sponsored and Central sector schemes implemented by the Central Silk Board. Recently, a new package of technologies that pushes up productivity in sericulture by about two-and-a-half times has been introduced, thereby increasing farmers' and reelers' income significantly.

It is unfortunate that at the same time:

- Global economy has faced reversionary pressures;
- On liberalisation, imports of raw silk have increased to fill the demand-supply gap while its prices have declined steadily; and
- The handloom industry has seen an accumulation of unsold stocks due to financial difficulties of State apex societies.

These factors have indeed impacted adversely on domestic prices. Raw silk and silk cocoon sales have registered a decline in prices by approximately 33 per cent last year, causing hardship and anxiety to farmers and reelers, especially to those who have recently made investments in farm infrastructure and reeling equipment.

The Government has been closely monitoring this situation. It has already initiated several steps:

- Investigation has been started to see if there is any dumping of silk by China;
- Subsidies and financial support to farmers and reelers is being substantially increased. The X Plan budget for the sericulture sector has been increased by 30 per cent over the IX Plan to Rs.450 crore; and Rs.186 crore or 41 per cent of this amount has been kept aside for Centrally-sponsored Plan schemes;
- The Central Silk Board has agreed to provide a soft loan of Rs.1.5 crore to Karnataka Silk Industries Corporation (KSIC) for purchase of cocoons on condition of State Government guarantee; and
- Increase in import duties is under consideration.

I hope hon. Members would agree that the Government has been alive to the problem of producers of raw silk and has taken measures with a balanced view that keeps in mind the interests of both raw silk producers and down-

stream processors.

SHRI K. YERRANNAIDU (SRIKAKULAM): Madam Chairperson, I am sorry to state through you that the Government is not responding well on this issue.

The hon. Minister has agreed that it provides livelihood to an estimated sixty lakh persons in farming, reeling, twisting, weaving and other activities, particularly in Karnataka and Andhra Pradesh. The highest production is in Karnataka and the second largest State is Andhra Pradesh. Within Andhra Pradesh, particularly in Anantapur and Chittoor, most of the farmers are small and marginal farmers. Their livelihood depends upon small farming.

In the present year's Budget, customs duty has been reduced from 40 per cent to 30 per cent. Even raw silk is being imported from China to India; there is also smuggling taking place through Nepal and Bangladesh. That the Government is not preventing smuggling is one hardship for the sericulture farmers. The reduction in customs duty is another hardship. Recently, when my Chief Minister Shri Chandrababu Naidu and I personally met the hon. Minister of Textiles, we explained all these problems. If you do justice immediately, the farmers can get relief immediately. If you do something after some time, the benefit will not go to the farming community.

Silk cocoons that were selling at the rate of Rs.120 to Rs.160 per kilogram six months ago, depending upon quality, are now selling at the rate of Rs.60 to Rs.90 per kilogram and silk yarn prices have come down to around Rs.900 per kilogram from a level of Rs.1,300 per kilogram a year ago.

Even very cheap quality of raw silk is being imported from China. Even the reelers are also taking the imported silk. It is coming at a very cheap rate. They are not taking silk from our farming community. So, that is why, I have been suggesting to the Government on India on the following issues.

1. In the current year's Union Budget, duty on imported silk was brought down from 40 per cent to 30 per cent. In view of the current alarming situation, the duty should be immediately raised to about 60 per cent without any delay on a war-footing. If you do not do this, the benefit will not go to the farming community.
2. Anti dumping clauses of the WTO/MFA agreements should be immediately invoked. Under the WTO, you have put dumping duty also. You have to put the anti-dumping clauses of the WTO.
3. All duty free licensing for import of raw silk/silk yarn may be suspended with immediate effect. There is sufficient stock of silk yarn in the country and the exporters could be given other benefits like duty drawback for using duty paid yarn.
4. The Government should take up a special drive for preventing smuggling of silk yarn/raw silk into the country from Nepal and Bangladesh.
5. State level agencies like the KSIC, KHDC, KSMB in Karnataka, Serifed in Andhra Pradesh and TANSILK in Tamil Nadu should be asked to purchase cocoons and yarn. The Central Government and Central Silk Board should assist the State Governments with a revolving fund to make purchases of cocoons and silk yarn at remunerative prices to farmers and reelers.
6. Minimum support price for cocoons and silk yarn should be fixed by the State Governments based on production costs and quality.
7. All schemes meant for reelers and weavers should be implemented on a war footing so that all available subsidies would be drawn and utilized.

Madam, in Andhra Pradesh, particularly in Anantpur and Chittoor, during the last year, the crops like groundnut, paddy, etc. have failed. Anantpur is the lesser rainfall area in the country after Jaisalmer.

Madam, this year also, there is no monsoon. In Karnataka, Maharashtra, Kerala and even in Andhra Pradesh all the reservoirs are empty. The farmers are facing a lot of crisis like lack of power, lack of trains, etc. This is the situation prevailing in Karnataka, Andhra Pradesh and in Southern parts of the country. So, in this situation, the Government of Indiaâ€¦(Interruptions)

MADAM. CHAIRMAN : Please ask him the questions now.

SHRI K. YERRANNAIDU : Madam, I had asked all the questions. I am awaiting the answers from the hon. Minister. Even after some time if you do something, by that time the farmers will lose everything.

My Chief Minister and myself gave a representation to you about 20 days back. However, there is no increase of customs duty till now. You have to take first step of increasing the customs duty. In this way, we can save some expenditure. We can look after the remaining aspects one by one. So, this is the situation.

Madam, on behalf of the people of Andhra Pradesh, particularly sericulture farming community, I request that the Government of India should respond immediately to save the sericulture farming community. Otherwise they will suffer irreparable losses. Even in some areas the farmers are committing suicides. So, to prevent these suicides and to prevent their families from depriving their livelihood, the Government should act immediately to give justice

on all these points.

SHRI H.D. DEVE GOWDA (KANAKPURA): Madam Chairperson, at the outset, I would like to express my sincere thanks to you to call me to raise this important issue. I gave a notice under Rule 193 on 10th to raise farmers' issues. I do not want to make a debate. We have to go and pester them. This is the fate of the farmers.

Madam, now this is converted to Calling Attention. 'Yes,' I have to abide by the decision of the hon. Speaker.

My former colleague Shri Yerrannaidu raised this issue. It is a Concurrent Subject as mentioned by the hon. Minister in charge of textiles. Both the State Governments are competing with each other in IT and in both these States the farmers are committing suicide. Shri Yerrannaidu, you have forgotten this. You have said that only the farmers in in Andhra Pradesh are committing suicide. Both the States are competing for IT but they are not competing to save the farmers. I would like to draw the attention of the hon. Minister to his statement. From his own statement, I would like to pose this question. In the statement, he has said: "These factors have indeed impacted adversely on domestic prices. Raw silk and silk cocoon sales have registered a decline in prices by approximately 33 per cent last year, causing hardship and anxiety to farmers and reelers, especially to those who have recently made investments in farm infrastructure and reeling equipment." With due respect to the hon. Minister, does he need one year to monitor and assess the adverse effect on the farmers and the reelers? I want to ask this straight question. The hon. Minister has mentioned about 60 lakh persons. In Karnataka, we are producing 80 per cent of the total silk production in the country. One of the best qualities of silk we are producing. It is not 60 lakh persons – I do not know who gave this information to the hon. Minister – it is 25 lakh families in the whole country. Especially Kerala, Tamil Nadu, Andhra Pradesh and Karnataka are the major producers of silk and 80 per cent is produced by Karnataka. Do you need one year to assess the situation? Your Finance Minister has brought down the duty from 40 per cent to 30 per cent. Why? To help whom? Is this Government for the farmers? Let me ask this question. I do not want to lose my cool. Is this Government for the farmers? You want to assess the whole issue for one year.

Last year the import of raw silk from China was 6,797 tonnes. During my period – Shri Yerrannaidu was there in the Cabinet – it was 2,911 tonnes. Liberalisation is there during your period. 2911 tonnes was the import from China. I know, it must be imported to produce the end product which is going to be used for export purpose. I am not going to say that you should totally block it. You have brought it down and last year the import was 6,970 tonnes. In addition to this, it is coming through Nepal and Bangladesh. Nobody is there to check. What is the machinery doing, please answer.

I do not want to take much of the time. I know, under rule 197, under which the attention of the hon. Minister is being called, I do not have to make a lengthy speech. But the farmers are committing suicide.

The State Government is helpless. You are helping Andhra Pradesh in various ways regarding financial allocations. Nobody can deny that. You have got your political survival from my friend, Shri Yerrannaidu. You do not need the 18 Members of this House from Karnataka. I am only one Member from my Party.

MADAM CHAIRMAN : Shri Deve Gowda, please conclude.

SHRI H.D. DEVE GOWDA : I am sorry, Madam. Today the hon. Minister has to reply to this. Otherwise I want to bypass all your rules and sit in the well of the House. I am not worried. You can even throw me out. It is not for public consumption. I cannot see the condition of the farmers and the reelers. They are removing the crops. Let any Member from the Ruling Party go and see the condition in Kolar, Tumkur, Bangalore, Mysore, in nine districts of the State. The hon. Minister himself may come with me. If I uttered one word of exaggeration I will apologise to this House.

What is it that we should do? I had to go to the hon. speaker and request him that this matter is to be taken up. Ultimately he gave me consent for raising this issue. What is it that you want to do now? You have said :

"CSB has agreed to provide a soft loan of Rs. 1.5 crore to Karnataka Silk Industries Corporation for purchase of cocoons on condition of State Government guarantee."

You are giving Rs. 1.5 crore and that too on conditions. Today if you go any bank they will call you and say that they will give any amount of loan for other purposes. For a State Government Corporation you are giving Rs 1.5 crore on State Government guarantee to save those 25 lakh farmers. It burns every drop of my blood.

Madam, we have not come here to sign in the attendance register and go for Rs. 500. We have not come here for this purpose. Hon. Minister, you tell me what are you going to do. Shri Yerrannaidu, you have asked for raising of

the duty on imported silk to 60 per cent. It should be 100 per cent. Why is it that I am saying this? Today the stock which has been smuggled or as free import is lying and that itself is sufficient for more than two years.
...(Interruptions)

SHRI K. YERRANNAIDU : I requested for 100 per cent extra. That is why I calculated it as 60 per cent.

SHRI H.D. DEVE GOWDA : You calculated well. You are a good bargainer in Union politics also. ...(Interruptions) I want it should be stopped at once. There is no question. ...(Interruptions) Yes, you are doing it and that is regarding the Government in every State. He is not doing it individually, he is doing for his State. I advise him.

But the Chief Minister of my State wants to compete with him as if he is going to bring heaven. Let me speak on this on some other occasion. My worry is that you have so much of stock. I request the hon. Minister to please spare a day with me. We will go jointly and see their conditions. If they have not removed the crops, then I will apologise in this House. I cannot see the condition of the poor reelers who are Muslims in areas like Channapatna, Ramnagar and other places. Madam, you know of all these places. Hon. Minister, how can you allow this to go on?

MADAM CHAIRMAN : Women are also involved largely in these areas.

SHRI H.D. DEVE GOWDA : Hon. Minister, you please tell me as to what are you going to do. It is not a question of mere Rs. 1.5 crore.

SHRI K. YERRANNAIDU : Madam Chairperson is also from Karnataka and she knows everything.

MADAM CHAIRMAN : I said women are also involved in large numbers in the State.

SHRI H.D. DEVE GOWDA : That is why you permitted and gave me a second chance and thank you very much.

Mr. Minister, please tell me. This should be suspended and not in WTO and not in liberalisation. What is liberalisation? Is it at the cost of our farmers and at the cost of Indian rural economy? My hon. friend has suggested other issues. Do not be under the impression that it is a State subject. It is a Concurrent subject.

You forget that. What is the minimum support price? The minimum support price should be Rs. 140 to Rs. 150. You work out the cost of production taking into account the anti-dumping duty. When you suspend further imports at least they will have a sigh of relief.

With folded hands, I will request you that do not cause trouble to the farmers. Otherwise, they would die. Karnataka is producing more than 80 per cent of silk. I do not want to make a political gain out of this. My heart burns. Everybody thinks that Deve Gowda speaks only for farmers. I know what motive the whole world attributes to me. The allocation has been increased to Rs. 450 crore and Rs. 186 crore. Forty-one per cent of this amount has been kept aside for Centrally sponsored schemes, but what about the States? They have no money to pay salaries. I do not want to raise other issues. It may hurt you.

MADAM CHAIRMAN : No. I am neutral in the Chair.

SHRI H.D. DEVE GOWDA : He has said that they also have no money. They have no problems. We have got problems because the Centre is giving a step-motherly treatment to us. I know that. I will stand by my words. Please tell me what you have all mentioned about suspending. He has mentioned it and I do not want to repeat all those things. Anti-dumping duty should be increased and imports should be suspended. Special drive to prevent smuggling should be there. At least now, let the hon. Minister assure the House of stopping smuggling, of stopping import. There are only four people in this country who are importers. I know. When I was in the office, they tried to influence us also. I do not want to take their names. Importers and exporters are going to operate in their own way. Then, there is soft loan of Rs. 1.5 crore to Karnataka Silk Industries Corporation. Why is it being given like we give *baksheesh* in a hotel in the morning? It would be given on the guarantee of the State Government to save its farmers. I do not know what are the ways to save farmers by this money.

Shri Rana is also knowing the background of rural farmers. I would request him to please save sericulture, save this industry. This is the industry which is going to help small farmers, small reelers coming from various communities including minorities. Please help them and give a categorical assurance in this House. Please save them from this irony.

MADAM CHAIRMAN: There are two names hon. Speaker has approved, Shri K.H. Muniyappa and Shri R.L. Jalappa. You may speak for five minutes each. Just raise the questions. The problem has been mentioned.

SHRI K.H. MUNIYAPPA (KOLAR): Madam Chairperson, thank you very much for giving me the opportunity to speak because I come from a place where there is the largest production of silk in Karnataka, that is, Kolar district. More than one-third of the production comes from Kolar district in Karnataka. It has been rightly said by the hon. former

Prime Minister, Shri Deve Gowda, 25 lakh families and more than 1.5 crore of population from West Bengal to Kerala are depending on the silk industry, whether they are in the reeling, in the weaving or in the twisting and all these things.

Apart from all these things, 50 per cent of the families depend upon the silk industry in Karnataka. It has happened in the last one year that the farmers are going to remove this plantation because they are not able to get sufficient price for the crop. This is the situation which has arisen from the year 1993-94 when liberalisation was started.

At that time, we have urged the then hon. Prime Minister Shri P.V. Narasimha Rao, and the then Textile Minister Shri Venkataswamy to send a team to study the situation. Immediately, they have sent a team headed by a Minister. They have particularly those areas in Karnataka, like Bangalore Rural District, Kolar, Chitradurg, Tumkur, and found that the water-table has gone down to 500 feet to 600 feet, even in the Northern parts of Karnataka. The Minister visited these places and he has studied the situation of the farmers. Thereafter, he has taken very appropriate measures to stop dumping of silk, whether it is coming from Tibet or China.

MADAM CHAIRMAN : Shri Muniappa, you have to raise the question. It is not a debate; it is only a Calling Attention.

SHRI K.H. MUNIYAPPA : I will raise the question. I have to inform the august House about this Government's failure and where it has to correct itself.

At that time also, the price of the cocoons has come down to below Rs. 100. Now, it has come down to below Rs. 50 or Rs. 60. They have tried to stabilise it and the rate from that date till last year was varying between Rs. 120 to Rs. 160. Now, it has come down to Rs. 50 or Rs. 60.

As you rightly said, we have to give some suggestions. You have to protect the weaving sector and, therefore, you have to provide whatever they need. For the time being, to protect the silk industry, our country badly needs 6,000 metric tonnes of silk. You have to protect the weaving industry, and we have no objection for that. However, in the name of import, 18,000 metric tonnes of silk is being dumped in our country. That is the reason for the failure. This Government has utterly failed to protect the weaving community, silk-growers and the weavers because there is no control at all.

All right, liberalisation is there. There are provisions which the Government can use. As Shri Yerrannaidu has suggested, you have to impose 70 per cent duty, instead of 30 per cent or 40 per cent duty. The import duty has come down to 30 per cent. It will not be sufficient. You have to impose 70 per cent duty on imports and then only you will be able to protect the silk-growers.

MADAM CHAIRMAN: You have to ask questions.

SHRI K.H. MUNIYAPPA : I will ask the question. Now-a-days, what is happening is that you are supporting the increase of production. The Government of India is supporting that, and we have to welcome that. You are giving Rs. 25,000 subsidy for the construction of houses, and the State Government is also giving Rs. 25,000 as subsidy. On the one side, you are giving this assistance, but on the other side, the farmers are not interested. Basically, you have to protect the farmers, and then you have to give these things, which are also needed. In the Central Silk Board, we have suggested that these things are badly needed in order to encourage the small and medium farmers. The Government of India is giving Rs. 25,000 as subsidy and the State Government is also giving the same amount of subsidy.

Now, I would like to give some suggestions. My suggestion to the Government of India is that whatever percentage you are collecting from the State markets, you have to give that amount to the States in the interest of the farmers. With that amount, they have to have price stabilisation programmes in order to protect the farmers, producers of the cocoons and the reelers. You have to put altogether a new mechanism to protect the farmers. Otherwise, there is competition. There are very, very strong people in the silk industry who can control the whole thing, and as a result, people will be suffering.

MADAM CHAIRMAN: Please ask your question. You are making a speech. This is Calling Attention. Please raise your question.

SHRI K.H. MUNIYAPPA : On the one side, you are encouraging development by giving some assistance, and on the other side, you are discouraging improvement.

Sir, I would like to know as to what steps are being taken by the Government in this regard...*(Interruptions)* I know this is not a debate. But you could please bear with us on this matter because we are the farmers and we also are the growers and we know the problem. What would happen when the prices would get doubled?

MADAM CHAIRMAN : Shri Muniyappa, please come to the questions now.

SHRI K.H. MUNIYAPPA : Madam, Chairperson, the State of Karnataka in particular produces top quality silk in the world today. So, the Government has to give protection to the silk growing farmers in the State. Japan is losing out in competition in this field. China is already shifting its products to other countries. So, India would rank first in the silk market at the international level in the near future. So, the Government should give protection to the silk industry.

Madam, firstly, seventy per cent duty should be imposed on imported silk. Secondly, whatever amount of money is collected from the silk growers, an equal amount should be contributed by the State Government for protecting and stabilising the silk industry.

Madam, the World Bank gave an assistance of Rs. 550 crore for development of silk industry. That money has not been properly utilised. This point has been mentioned by our former Textile Minister, Shri Jalappa. This amount of money has not been properly utilised.

MADAM CHAIRMAN: Shri Muniyappa, please conclude now.

SHRI K.H. MUNIYAPPA : Madam, this is a very serious matter.

MADAM CHAIRMAN: Shri Muniyappa, I am limited by time. In a Calling Attention you can only ask questions and not to make a speech.

SHRI K.H. MUNIYAPPA : Madam, I would like to know as to what are the steps taken by the Government for the improvement of the production, reeling and weaving of silk when the World Bank had given an assistance of Rs. 550 crore for this purpose. What steps have been taken by the Government for improvement of the silk industry in order that they could compete with other countries like Japan and China? Finally I would like to submit that if the Government protects the interests of the silk growers in its totality then automatically the interests of the reelers and weavers of silk would be protected. I would like to earnestly request the hon. Minister to protect the interest of 1.5 crore people who are dependent on the silk industry in this country and would like to know as to what are the steps that have been taken to protect their interests.

MADAM CHAIRMAN: Shri Jalappa, please ask specific questions. You know the problem. You were once a Minister in-Charge of Textiles.

SHRI R.L. JALAPPA (CHIKABALLAPUR): Madam, Chairperson, I am thankful to Shri Muniyappa for having reminded me that I was a Minister of Textiles for some time and so I would like to request you to give me two more minutes to speak on this subject.

Madam, Chairperson, you represent the State of Karnataka and you know very well in what disastrous position the farmers have been put to owing to failure of monsoon in the last year and as well as this year. Nearly eighty per cent of coconut trees have failed because of their being infected by mites. Price of Coffee as well as arecanut crops have crashed and now the silk industry, which is the mainstay for the small and marginal farmers, has also crashed.

Madam, Chairperson, I heard with attention the statement of the hon. Minister. In the very first sentence itself he said that he was investigating the matter. I would like to know as to what sort of an investigation he was doing. The market is flooded with China cloth and China silk. Both of these are either imported or are smuggled through Nepal via Bhagalpur and from Bangladesh. What sort of an investigation was the hon. Minister doing?

When I was the Minister, I had written to the Enforcement Department to check smuggling of silk through Nepal, through Bhagalpur and also from Bangladesh. Nobody pursued it further.

Farmers also want to live comfortably. Now they have switched over to bi-voltine. They are forgetting multi-voltine. When I talked to experts, they advised me that if we have to compete with China the quality of our silk must be improved. I was the Minister I encouraged the multi-ended reeling machines to see that gum-knots are avoided and soft weaving is facilitated. That probably is still continuing. That was an important measure.

Madam, Chairperson, you do know about pure silk. It has lustre. The silk that is produced in Karnataka has got a special lustre and people like it. Unfortunately, that sector is crashing day by day. The hon. Minister says that he is giving one and half crore rupees on guarantee by the State. It is nothing but chickenfeeding. We do not want this sort of small things. We want the Government to impose at least 70 per cent of duty on imported silk, and stop smuggling of silk into the country. Till then, we will not be able to save our farmers. These offers of chickenfeed will not solve the problem.

Everywhere farmers are staging agitations. In Kolar they have recently called a *Kolar bandh*. In Kolar district all buses were stopped, passengers were put to a lot of inconvenience, patients were put to a lot of inconvenience, and some private vehicles were burnt. The same is the case with Andhra Pradesh also. In spite of that the Minister

says that he is still investigating. This sort of investigation will not help. He has to take a firm stand. Let him talk to the Prime Minister and see that the duty is enhanced to 70 per cent. Then only he can save us and not otherwise.

The Government is now giving some money for Technology Upgradation Fund. When the prices are crashing, who wants your technology upgradation fund? You have set aside a lot of money but I do not think even one-fifth of that money is spent for technology upgradation. If there are no buyers in the market, who will purchase the goods?

In my place Dodballapur, we had about 14,000 power looms and nearly 10,000 of them were running on pure silk. Now, we hardly find 1,000 power looms. They manufacture a saree costing about Rs.800 whereas in Surat and other places it is sold at Rs.360. They are able to do it because they are getting imported silk and they are mixing polyester and dupe yarn. One weighs more and the other weighs less. Our silk costs higher whereas the cost of silk used at Surat and other places where these are manufactured, is lower. How are we to survive?

Many people are selling away their looms in my place, in Bangalore and in Anekal. Still you are investigating the matter, hon. Minister? Please, for heavens' sake, come out of this slumberiness. Please understand the position. Please see that the import duty is increased. That would be sufficient for us. No sops will be required. This amount of one and a half crore rupees is nothing. If at all you want to help, please continue encouraging multi-ended reelers, which I did in Shri Deve Gowda's Government.

At that time the contribution of the reeler was 10 per cent, 10 per cent was Government of India subsidy; ten per cent was Karnataka Government subsidy; and 70 per cent came by way of loan without interest which was to be discharged within ten annual instalments.

15.00 hrs.

The scheme was there. I do not know what has happened to that Scheme.

I would request the hon. Minister to please look into it. This will improve the quality of silk also. He should encourage more and more on the production of bivoltine.

Now, they are uprooting mulberry. I would request him please do not give room for that. Our Chief Minister has written a letter to the hon. Minister in this regard. He will be meeting him personally. Probably, he must have taken an appointment with him. He will be meeting the hon. Minister and I will also be coming along with other MPs to request the hon. Minister to take a firm stand to save us from this disaster.

Lastly, Madam, Chairman, I do not agree with the hon. Member Shri H.D. Deve Gowda on the point that our Government do not have the money to pay salaries. We have purchased copra by giving the support price; we have purchased thousand of tons of maize by giving support price; and we are also giving support price on ragi, which no previous Governments had done it. But we have done it.

With only this exception, on the rest of the things, I agree with Shri Deve Gowda.

Thank you for giving me the opportunity.

SHRI K.H. MUNIYAPPA : When Shri Deve Gowda was the Chief Minister, even he did not take that step. But we have taken it.

श्री काशीराम राणा : समापति महोदय, रॉ सिल्क मैनुफैक्चरर्स और ककून ग्राउंस के बारे में जो चिंता यहां व्यक्त की गई है और जो भी खासकररै€ (व्यवधान)

SHRI R.L. JALAPPA : Madam, he should speak in English because I am not perfect in understanding Hindi....(Interruptions)

श्री काशीराम राणा : जो उन्होंने यहां चिंता जताई है, मैं उससे सहमत हूँ और माननीय श्री देवेगौड़ा जी ने जो इसके बारे में अपनी भावनाएं और बातें रखी हैं, उनकी भी मैं कद्र करता हूँ। जो भी आज स्थिति पैदा हुई है सरकार इसके बारे में बहुत ही चिंतित है और जो हमारे ककून ग्राउंस, रीलर्स और मैनुफैक्चरर्स हैं, उनकी इस परिस्थिति में हम कैसे मदद कर सकते हैं, इसके बारे में हम कर्नाटक के मुख्य मंत्री आर्ये तो उनके साथ हम बात करेंगे। आंध्र प्रदेश के मुख्य मंत्री श्री चन्द्रबाबू नायडू आये थे, उनके साथ भी हमने बात की और जैसा माननीय श्री देवेगौड़ा जी ने बताया कि जो भी उनके और सुझाव होंगे उनके आधार पर ...

समापति महोदय : उनके साथ चलेंगे।

श्री काशीराम राणा : अगर समय मिला तो साथ चलने में मुझे कोई आपत्ति नहीं है। I have no objection to go to the field. इस बारे में हम कोई सोल्यूशन निकालेंगे, इस बारे में उन्हें मैं आश्वस्त करना चाहता हूँ।

So many points have been raised by the hon. Members here. One of them was about the prevailing price of cocoon.

In his speech, Shri Muniappa said that it is Rs. 50 to Rs. 60. But it is not correct.

SHRI K.H. MUNIYAPPA : I said that the lowest price is Rs. 50.

SHRI K. YERRANNAIDU : On an average it may be Rs. 50 to Rs. 60.

SHRI K.H. MUNIYAPPA : We are selling it in the market. We are talking about purchasers. The lowest price is between Rs. 50 to Rs. 60. It may be Rs. 80 to Rs. 90 about the higher quality.

SHRI KASHI RAM RANA: I have got today's price list with me here. But I want to assure that whatever the hon. Members have said in the House, I will definitely enquire into it.

सभापति महोदया : राणा साहब, इंकवायरी करने में अभी एक साल और लगेगा।

SHRI KASHI RAM RANA: The hon. Member had mentioned about the prevailing price of cocoon and raw silk.

The raw silk manufacturers are getting more than the cocoon growers.

So far as import duty is concerned, all the hon. Members wanted to raise it to 70 per cent or 100 per cent. But I would like to assure the House that the proposal to restore the earlier import duty rate is under consideration. It is 30 per cent plus 5.5 per cent; that is, 35.5 per cent. We want to raise it from 30 per cent to 40 per cent. So, effectively it will come to 44.4 per cent. The Government has to look into cocoon growers on the one side and the industry on the other. With the increase of nearly 10 per cent of import duty, the cost of import will go up by Rs. 300 or more. So, the price of raw silk will definitely increase. I would like to say that the proposal of restoration of import duty is under consideration.

There was a demand from the hon. Members that we suspend the import under OGL. We are living in the modernisation and globalisation age; and all the hon. Members know that there is a gap in the demand and supply of raw silk in our country, to the extent of nearly 10,000 metric tonnes or even more. Our requirement is nearly 27,000 metric tonnes and our production is only to the extent of 17,000 metric tonnes. We succeeded in our effort to increase our production from 14,000 metric tonnes to 17,000 metric tonnes. So, there is a gap of nearly 10,000 metric tonnes and to meet that, we have to import.

They were expressing that in Karnataka and Andhra Pradesh, there were incidents of suicide, but I do not believe that there had been any such incidents for this reason. We should see what would be the situation, if we suspend the import under OGL. On the one side, we have to protect and help – financially also – the cocoon growers or manufacturers and on the other side, we have to help the silk industry, from which the country gets nearly Rs. 2,400 crore by way of export of silk yarn, fabric and garments, etc.

In 2000-01, the value of the import of raw silk amounted to approximately Rs. 475.15 crore; in 2001-02, it was nearly Rs. 620.78 crore.

SHRI K.H. MUNIYAPPA : You may please tell us, what it is, in metric tonnes.

SHRI KASHIRAM RANA: Shri Muniyappa, I am giving the figures of import of raw silk in detail. In 1996-97, it was 2,911 metric tonnes. He was correct in what he said. Shri Deve Gowda also said that. In 2001-02, we imported raw silk to the extent of 6,700 metric tonnes.

In terms of money, we spent Rs.790 crore on import of yarn, fabric, raw silk. At the same time, we got foreign exchange worth Rs.2400 crore by exporting silk commodities. So, I would like to clarify the Government's position. We want to restore our earlier import duty.â€¦ (Interruptions)

MADAM CHAIRMAN : Members are talking about the stocks which are not moving. Huge stocks are lying, which are not moving.

SHRI KASHIRAM RANA: I am coming to that point. ... (Interruptions)

SHRI K. YERRANNAIDU : Sir, the hon. Minister is giving the official figure, which is 6,700 MT. How has this been achieved? This is on account of reduction of import duty. Has the Government made any assessment of the extent to which smuggling in our country is going on? More than double quantity of smuggled material is available in the country and that is why there is a steep fall in the prices. Has the Government made any assessment with regard to the smuggling that is going on every year? On account of reduction of duty by 40 per cent, we could import 6700 MT. To some extent, even 40 per cent increase is also under consideration. Had it been done a few months earlier, to some extent we could have saved the farming community. So, my request is, without waiting for any long, the Government should enhance the Customs Duty by maybe 40,50 or 60 per cent.... (Interruptions)

MADAM CHAIRMAN: Whatever be the amount, Members want you to decide and announce here.

...(Interruptions)

SHRI MANI SHANKAR AIYAR (MAYILADUTURAI): We must protect the interest of the handloom producers....(Interruptions)

SHRI K.H. MUNIYAPPA : I agree that the Government of India is allowing import, but it is not 6000 MT. It is 18,000 MT and this import is without the support of the Government of India. The Government may find out a mechanism to check that. We are for the weavers. The Government can import whatever quantity is needed but not more than that. The Government should find out a mechanism to check it and if regulating duty is that mechanism, the Government can definitely control it.

SHRI KASHIRAM RANA: I have already said that the Government is considering that proposal....(Interruptions)

SHRIMATI SHYAMA SINGH (AURANGABAD, BIHAR): About 75 per cent of silk is being smuggled. What about the smuggling that is going on in our country? Why is that not being controlled and checked? That is the basic question.

MADAM CHAIRMAN: The Members are saying that export is not as much the problem as is smuggling.

SHRI KASHIRAM RANA: So far as raw silk is concerned, after introduction of OGL system, its smuggling is coming down day-by-day. Nepal border or Bangladesh border...(Interruptions)

MADAM CHAIRMAN: You cannot go on interrupting like this. We have to take up another Calling Attention also.

श्री काशीराम राणा : सभापति महोदया, जैसा मैंने बताया, स्मगलिंग को चैक करने की भी हम व्यवस्था कर रहे हैं। यदि हम और ज्यादा ड्यूटी लगा देते हैं, तो क्या हाल होगा, इसका भी ध्यान रखना चाहिए।

SHRIMATI SHYAMA SINGH : Please allow Half-an-hour discussion on this....(Interruptions)

श्री काशीराम राणा : जैसा आपने कहा जो स्टॉक है उसे क्लीयर करने के लिए जैसा मैंने कहा 1.5 करोड़ रुपए की धनराशि रखी गई है। हम उसको और बढ़ाएंगे। कर्नाटक गवर्नमेंट से भी हमने कहा है कि यह जो प्रपोजल है इसके लिए आप गारंटी दें, तो हम और पैसा दे सकते हैं। इतना ही नहीं हमने कर्नाटक गवर्नमेंट से कहा है कि आप हमें स्टॉक क्लीयर करने के बारे में और स्कीमें भेजिए। यदि स्टेट गवर्नमेंट के पास कोई स्कीम है, तो सेंट्रल गवर्नमेंट उसकी सहायता करने की अवश्य मदद करेगी।

SHRI H.D. DEVE GOWDA : I did not want to intervene till the hon. Minister completed his reply. I would like him to please give me a categorical answer. He has to save the industry; we have no objection to it. He wants about 7,000 MT of import to facilitate the requirement. He said that our production is hardly 17,000 MT whereas we want 25,000 MT. I would like to straightway ask him only one question. China wants to destroy the Indian sericulture industry.

SHRI KIRIT SOMAIYA : How can it be allowed? It would go on for hours together like this.

MADAM CHAIRMAN : He would have finished it by now if you had not interrupted him.

SHRI H.D. DEVE GOWDA : China wants to capture the entire market. Their whole object is to capture the entire market by destroying our sericulture industry. There is no doubt about it in my mind. We also know something about them.

Please answer me whether, while saving the industry, you agree that it is your responsibility to save the farmers also. Will you concede at least this much? Will you please tell us the Minimum Support Price that you are going to give? I demanded that. About the Duty, you said you have to strike a balance between the industry and the growers and that you can go only up to 40 per cent. Agreed.

SHRI KIRIT SOMAIYA : Madam, how can it go on like this? We respect the seniority of the hon. Member. But we have to abide by the rules also. The hon. Minister can call a special meeting in his chamber where he can invite all the hon. Members.

SHRI H.D. DEVE GOWDA : This is not a chamber matter. â€¦ (Interruptions)

MADAM CHAIRMAN: No cross talk, please. Please listen to the Minister, now. Please address the Chair.

SHRI KIRIT SOMAIYA : How can you allow everybody to raise the same questions again and again? This cannot go on like this.

MADAM CHAIRMAN: In that case, if you want to conduct the proceedings of the House, you can come and sit here. I would give up.

...(Interruptions)

MADAM CHAIRMAN: Please address the Chair and not one another.

...(Interruptions)

MADAM CHAIRMAN: Sir, he is replying to the point that you have raised.

SHRI H.D. DEVE GOWDA : I have asked him to provide the Minimum Support Price. He said he would disagree with us. Rs.50 per cocoon is the market price prevailing today; but he disagrees. It is okay. He does not trust us. He must have got some report from the officers. But please tell me whether you are prepared to concede the Minimum Support Price with the cooperation of the State Government, as it is a Concurrent Subject? My friend, Shri Jalappa was telling that you purchase copra. Why not purchase the cocoon also? ...(Interruptions) You must provide the Minimum Support Price. If you are agreeable to that, then both the Centre and the States should take the responsibility to provide the Minimum Support Price to protect the growers and also the industry. Will you concede this point?

सभापति महोदय : आप सबको बुलाकर बात करिये।

...(व्यवधान)

SHRI KASHIRAM RANA: The Government is fully committed not only to save the silk manufacturers and cocoon growers, but also to help them financially to clear whatever stock they have.

So, our Central Silk Board has agreed to sanction Rs.1.5 crore to clear the stock and if there is more need of financial support or monetary assistance from the Government; we would request the Government of Karnataka to send or submit a proposal so that we can share the burden equally.

MADAM CHAIRMAN : The Chief Minister is going to come. They will all meet you with the proposal. The matter ends there.

Now, discussion under Rule 193 may be taken up. Begum Noor Bano may initiate the discussion.

SHRI VILAS MUTTEMWAR (NAGPUR): Madam, what about matters under Rule 377?

MADAM CHAIRMAN: They may be treated as laid on the Table.

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