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Title: Need to increase excise duty on silk import and providing better methods for reeling.

SHRI D.K. SURESH (BANGALORE RURAL): Hon. Deputy-Speaker, Sir, sericulture is probably the most important agro-based cottage industry for rural India, especially in Southern India. There are over 60 lakh families engaged in sericulture related activities.

Sericulture has not reached its full potential in India and is way behind China. The R&D to produce better quality seeds and disease-free cocoons is not sufficient. More R&D funds should be allocated to increase production and improve quality.

The cost of cocoon production is increasing year by year. The production cost is around Rs.250 to Rs.275 per kg. However, the average cocoon rate in the market is less than Rs.250 per kg. As a result many sericulture farmers are quitting farming and are moving to cities for menial jobs.

The main reason for the low market rate is due to the excise duty being reduced to 15 per cent from 31 per cent. Reducing the excise duty has led to dumping by China and other neighbouring countries thereby reducing the demand for Indian raw silk.

I urge upon the Union Ministries of Finance, Textiles and Commerce to increase the excise duty on import silk. In addition, I also urge the Government to improve technology for better reeling methods. Thank you.