

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:1513  
ANSWERED ON:03.03.2006  
SILK BANK  
Sugavanam Shri E.G.

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether there is a long pending demand for setting up of a Silk Bank to check the frequent rise in the prices of silk and to facilitate its availability to the weavers at reasonable prices;
- (b) if so, the action taken by the Government thereon and the time by which the Silk Bank would be set up; and
- (c) if not, the reasons therefore?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGO VAN)

(a): Representations have been received about setting up of Silk Bank to check rise in the prices of silk and to facilitate its availability to the handloom weavers at reasonable prices.

(b)& (c) : The Government of India is implementing a scheme called Mill Gate Price Scheme (MGPS) under which the National Handloom Development Corporation (NHDC), a Government of India Undertaking, is arranging supply of all types of yarn, which includes silk yarn, required for the handloom weavers at Mill Gate Price.

Silk yarn prices are market determined and depend upon availability and demand. Manufacturers engaged in manufacturing of silk handloom products, who make available silk yarn to weavers, have been making arrangements of silk yarn by tie up directly from silk twistors/manufacturers and usually do not place their requirement on NHDC for arranging supplies on firm indent basis.

NHDC on receipt of demand from weaver's organizations arranges supply of yarn by tie up directly from silk twistors /manufacturers. NHDC can arrange supplies of silk yarn on Mill Gate Price on receipt of firm indents from silk weaver's organizations.