

**GOVERNMENT OF INDIA
TEXTILES
LOK SABHA**

UNSTARRED QUESTION NO:2393

ANSWERED ON:18.03.2005

IMPORT OF SILK FROM CHINA

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Will the Minister of TEXTILES be pleased to state:

- (a) whether silk items from China are flooding the Indian Market;
- (b) if so, the details thereof;
- (c) whether it is affecting the domestic silk industry; and
- (d) if so, the measures taken by the Government to safeguard domestic silk industry?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) to (c) Yes, Sir. There has been significant increase in imports of raw silk and silk fabric from China. From 2001-02 to 2003-04 raw silk imports have risen from 6317 MT to 7576 MT and silk fabric import has risen from 766 MT to 2824 MT. These imports are coming in at prices lower than the domestic prices, causing distress to domestic industry.

(d) Major steps taken by the Government of India to safeguard domestic silk industry are given below:-

(i) Antidumping duty has been imposed by Govt. of India with effect from 2nd January, 2003 on all imported mulberry raw silk (not thrown) of international grade 2A and below, originated in or exported from People's Republic of China, so as to keep the landed value of these goods at US\$ 27.97 per kg.

(ii) Several programmes and schemes to increase the quality, productivity and the competitiveness of the domestic silk industry have been instituted. The important ones are: -

- Research and Development efforts of Central Silk Board have been stepped up to improve quantity and productivity of sericulture, by evolution of more productive and stress tolerant breeds and hybrids of mulberry and non-mulberry food plants and silkworms; and development of low cost reeling and processing technologies in silk;

- Seed Support & Technical Assistance is being given by the Central Silk Board to State Governments, farmers & reelers by maintenance of parent races and basic seed, supply of commercial seed, and augmentation of grainage facilities for production of disease free high yielding and drought resistant seeds;

- Central assistance is being extended to states through Centrally Sponsored & Central sector schemes to strengthen farm infrastructure, increase area under sericulture, upgrade reeling facilities, improve finishing processes, strengthen seed supply, cocoon & silk testing systems;

- Low cost and productivity enhancing technologies developed by the Central Silk Board are being popularized through central assistance to beneficiaries, training to the States' extension machinery and beneficiaries, organizing of various awareness programmes, etc;

- For technology upgradation of the indigenous silk industry loan at 5% point less than applicable bank rate, under the Technological Upgradation Fund Scheme (TUFS) for the textiles sector is available inter alia to silk sector.

- Supply chain issues between the farmers, raw silk producers and the weavers are being addressed by advocating contract farming models, price linked grading, etc.

- Establishing quality certification systems for silkworm seeds, cocoons, yarn and fabric.
- An amount of Rs. 450 crores has been provided in the X Plan for the Sericulture sector to support the above strategy & programmes;