

LOK SABHA
UNSTARRED QUESTION NO. 595
TO BE ANSWERED ON 03.02.2026

TRADITIONAL HANDLOOM PRODUCTION

595. SHRI PUSHPENDRA SAROJ:

Will the Minister of TEXTILES वस्त्र मंत्री
be pleased to state :

- (a) the present customs and tax structure applicable to raw silk and silk yarn used in traditional sectors such as Banarasi silk and Chikankari;
- (b) whether any review has been undertaken in view of the lower effective duty on imported finished synthetic fabrics under recent trade agreements, if not, the reasons therefor;
- (c) the steps taken by the Government to protect the livelihood of weavers and artisans in Uttar Pradesh who are shifting away from pure silk to cheaper synthetic yarn due to higher input costs, and the support provided to sustain traditional handloom production; and
- (d) the amount of unutilised Input Tax Credit (ITC) pending with Micro, Small and Medium Enterprises (MSME) units engaged in Banarasi silk and Chikankari work in, and the impact of delayed ITC refunds on their working capital, district-wise?

उत्तर
ANSWER
वस्त्र राज्य मंत्री (श्री पबित्रा मार्गेरिटा)
THE MINISTER OF STATE FOR TEXTILES
(SHRI PABITRA MARGHERITA)

(a) & (b): The present customs duty and tax structure applicable to raw silk and silk yarn is as follows:

	Customs Duty	GST
Raw Silk	16.5%*	NIL
Silk Yarn	16.5%*	5%

**(Basic Customs Duty (BCD) of 15% & Social Welfare Surcharge (SWS) of 10% of BCD)*

The current customs duties are prescribed in order to provide adequate level-playing field for the sericulture farmers and the domestic industry vis-à-vis imports.

(c): The Ministry of Textiles is implementing following schemes to protect the livelihood of weavers and artisans and to sustain traditional handloom production across the country including Uttar Pradesh:

1. National Handloom Development Programme(NHDP);
2. Raw Material Supply Scheme(RMSS);

Under NHDP, financial assistance is provided to eligible handloom agencies/workers for procurement of upgraded looms & accessories, solar lighting units, construction of workshed, product diversification & design innovation, technical and common infrastructure, publicity and brand development through India Handloom Brand (IHB), Handloom Mark (HLM) and GI tag, e-commerce facilities, marketing of handloom products in domestic/overseas markets, concessional loans under weavers' MUDRA scheme and social security etc.

Under the Raw Material Supply Scheme, the Ministry provides transport subsidy for transportation of all types of yarn to the doorstep of the beneficiaries and 15% Price Subsidy on Cotton Hank yarn, Domestic Silk, Woollen & Linen yarn and blended yarn of natural fibres. This scheme provides support for quality inputs to handloom weavers, aiming to reduce the production costs.

Under the above schemes, the following supports have been provided to weavers of Uttar Pradesh during the last three years and current year:

- i. 34 Handloom Clusters provided financial assistance of Rs.22.19 crore.
- ii. 30 marketing events organised to facilitate and promote sales of Handloom Products.
- iii. 13 Handloom Producer companies have been formed to enhance productivity, marketing capabilities and facilitate better incomes.
- iv. 8.23 lakh kg of subsidized yarn supplied under Transport subsidy & Price subsidy; 1,18,339 handloom organizations/weavers benefitted.

(d): As in GST return, there is no identifier for a registered person working in a specific product or industry.
