

REPORT
OF THE
Indian Tariff Board
REGARDING THE
GRANT OF PROTECTION TO THE
SERICULTURAL INDUSTRY



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INTRODUCTORY NOTE.

Burma was separated from India in April 1937 and the statistics in Tables XV, XVI, LXI, LXVIII, LXXI, LXXV, LXXVI, LXXVII, LXXXI, LXXXIX and XC have been corrected in the statements accompanying this note by excluding the figures for Burma. Certain other minor statistical details in the Report have also been corrected.

(Page 32 of the Report).

TABLE XV.—Imports of raw silk into India (excluding Burma).

(Quantity in thousands of pounds and value in thousands of rupees.)

Year.	Burma.		China including Hongkong.			Japan.			Other Countries.			Total.		
	Quantity.	Value.	Quantity.	Value.	Average value per lb.	Quantity.	Value.	Average value per lb.	Quantity.	Value.	Average value per lb.	Quantity.	Value.	Average value per lb.
	lbs.	Ra.	lbs.	Ra.	Ra.	lbs.	Ra.	Ra.	lbs.	Ra.	Ra.	lb.	Ra.	Ra.
1933-34	8	18	2,101	64,27	3.1	220	657	3.0	58	90	1.6	2,387	71,92	3.0
1934-35	15	33	1,299	35,52	2.7	901	2,155	2.4	22	39	1.9	2,237	57,79	2.6
1935-36	20	80	563	15,22	2.7	1,610	4,204	2.6	2	4	2	2,195	58,10	2.6
1936-37	103	256	900	28,03	3.1	1,074	3,628	3.4	Negligible.	...	...	2,077	66,98	3.2
1937-38	94	273	1,018	34,06	3.3	1,405	5,724	4.1	18	64	3.6	2,535	94,67	3.7
1938-39	418	949	1,442	38,08	2.6	274	1,175	4.3	114	285	2.5	2,248	62,17	2.8

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TABLE XVI.—*Different kinds of silk imported into India (excluding Burma).*
(Quantity in thousands of pounds and value in thousands of rupees.)

Year.	From China (exclusive of Hongkong).						From Japan.					
	Hand-reeled.		Other sorts.		Total.		Hand-reeled.		Other sorts.		Total.	
	Quantity lbs.	Value Rs.	Quantity lbs.	Value Rs.	Quantity lbs.	Value Rs.	Quantity lbs.	Value Rs.	Quantity lbs.	Value Rs.	Quantity lbs.	Value Rs.
1934-35 . .	Figures not available in this form.				1,102	33,32	Figures not available in this form.				901	21,55
1935-36 . .	130	3,70	180	5,80	401	13,81	..	..	1,416	37,21	1,610	42,04
1936-37 . .	40	1,05	652	22,34	816	20,38	..	..	075	33,00	1,074	36,28
1937-38 . .	56	1,09	800	27,08	920	31,00	44	1,83	1,241	52,40	1,405	57,24
1938-39 . .	323	7,65	850	23,83	1,210	32,27	..	..	274	11,75	274	11,75

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TABLE LXI.—Imports of raw silk into India (excluding Burma).
(Quantity in thousands of pounds and value in lakhs of rupees.)

Year.	China (exclusive of Hongkong).		Japan.		Other Countries.		Total.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	lbs.	Rs.	lbs.	Rs.	lbs.	Rs.	lbs.	Rs.
1934-35	1,191.9	33.32	901.3	21.55	143.5	2.92	2,236.7	57.79
1935-36	400.7	13.81	1,610.4	42.04	94.2	2.25	2,105.3	58.10
1936-37	815.6	26.38	1,073.8	36.28	188.1	4.32	2,077.5	66.98
1937-38	928.7	31.09	1,405.4	57.24	201.1	6.34	2,535.2	94.67
1938-39	1,218.9	32.27	274.0	11.75	754.6	18.15	2,247.5	62.17

INTRODUCTORY NOTE.

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TABLE LXVIII.—Imports of silk yarns made from silk waste and noils into India (excluding Burma).

	Quantity Lbs. (000).	Value Rs. (Lakhs).
1934-35	3,135.0	72.63
1935-36	3,514.9	79.09
1936-37	2,267.1	63.59
1937-38	2,059.2	47.46
1938-39	820.7	19.03

(Page 107 of the Report.)

TABLE LXXI.—Quantity of raw silk imported and produced in India (excluding Burma).

(In lakhs of pounds.)

	1931-32.	1937-38.	Percentage of variation.
<i>Imports (less re-exports).</i>			
Raw silk	15.32	25.30	+64
Silk yarn	17.06	23.15 ^(b)	+36
Art silk yarn	78.43	315.59	+302
Spun silk	(a)	(c)	...
Staple fibre	...	26.32	...
<i>Production in India (less exports).</i>			
Raw silk	28.07	31.86	+22
Total	135.93	412.92	

(a) Not separately recorded.

(b) Inclusive of spun silk.

(c) Included under silk yarn.

(Page 114 of the Report.)

TABLE LXXV.—Imports of silk piecegoods into India (excluding Burma).
(Quantity in thousands of yards and value in lakhs of rupees.)

From	Quantity.						Value.					
	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.
	Yds.	Yds.	Yds.	Yds.	Yds.	Yds.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.
United Kingdom .	35·7	81·1	10·5	20·4	19·2	7·5	·53	·60	·21	·59	·39	·17
Ceylon . . .	20·7	204·7	179·3	22·0	15·7	49·2	·24	·81	·72	·09	·07	·14
Straits Settlements	17·3	48·6	155·0	50·3	264·3	251·5	·15	·30	·79	·12	·83	1·03
Hongkong . .	900·0	622·9	1,447·3	1,934·0	582·8	461·5	3·34	2·37	3·02	4·67	1·90	1·68
Japan . . .	32,360·0	25,103·6	19,949·5	15,229·2	18,718·4	11,800·9	141·86	94·62	67·52	60·12	73·12	45·02
China . . .	5,541·6	4,379·6	3,776·0	3,241·7	3,005·5	3,752·9	26·74	18·09	12·64	11·89	11·76	16·90
Other countries .	100·1	75·1	47·9	83·4	265·5	549·5	1·52	1·29	·52	·71	1·85	2·51
Total .	38,975·4	30,515·6	25,565·5	20,581·0	22,871·4	16,873·0	174·38	117·98	85·42	78·18	89·02	67·45

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TABLE LXXVI.—*Imports of goods of silk mixed with other materials into India (excluding Burma).*
(Quantity in thousands of yards and value in lakhs of rupees).

From	Quantity.						Value.					
	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.	1933-34.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39.
	Yds.	Yds.	Yds.	Yds.	Yds.	Yds.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
United Kingdom .	40·5	55·0	0·3	16·2	24·0	18·0	·73	·59	·20	·28	·30	·29
Ceylon . . .	1·2	68·5	253·4	135·0	7·0	20·0	Negligi- ble.	·32	1·03	·46	·03	·14
Germany . . .	241·7	305·0	200·7	235·7	223·0	107·0	3·04	3·85	2·28	2·46	2·87	1·44
Japan . . .	7,280·1	11,271·3	7,548·7	5,038·1	6,006·4	3,756·3	36·61	57·86	34·07	24·03	28·00	17·02
China . . .	1,200·2	813·8	250·0	581·8	503·8	1,640·0	6·93	4·70	1·37	3·38	3·53	8·51
Other Countries .	126·8	110·3	104·5	74·5	176·5	339·1	2·23	1·93	2·00	1·64	2·18	2·61
Total .	8,980·8	12,724·4	8,436·5	6,081·9	7,031·0	5,888·8	40·54	60·25	41·04	32·25	37·00	30·01

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TABLE LXXVII.—Imports of piecegoods entirely made of artificial silk into India (excluding Burma).
(Quantity in thousands of yards and value in lakhs of rupees).

From.	1932-33.		1933-34.		1934-35.		1935-36.		1936-37.		1937-38.		1938-39.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Yds.	Rs.	Yds.	Rs.	Yds.	Rs.	Yds.	Rs.	Yds.	Rs.	Yds.	Rs.	Yds.	Rs.
United Kingdom	401.50	3.25	418.12	2.66	446.72	2.78	337.35	2.31	445.15	3.30	795.55	5.72	845.00	6.08
Ceylon	25.14	.07	10.28	.04	14.74	.06	123.07	.29	26.70	.09	17.39	.06	256.63	.80
Straits Settlements	24.72	.08	16.85	.09	22.11	.08	71.52	.14	79.69	.13	52.16	.13	630.79	1.17
Kenya	48.09	.15	20.49	.11	26.93	.10	..	..	7.58	.02	..	..	..	..
Germany	3.94	.03	40.28	.35	9.98	.08	20.78	.12	78.69	.61	80.68	.85	92.16	1.10
Belgium	..	..	1.61	.03	1.06	.01	1.55	.03	4.03	.05	1.72	.04	.67	.01
France	112.16	1.00	70.32	.84	36.87	.34	16.88	.16	17.58	.32	28.78	.36	40.06	.36
Switzerland	3.12	.04	15.55	.14	15.98	.18	..	..	8.25	.05	.82	.01	7.74	.08
Italy	127.39	.67	79.17	.61	144.72	.93	58.95	.35	11.29	.09	23.35	.20	14.17	.12
Iraq	231.38	.52	2.29	.01	21.55	.10	25.36	.06	10.95	.03	.98	..	4.96	.02
Iran	Negligible	..	..	..	110.98	.18	..	..	..	..	..	..	..	..
China	12.04	.06	4.41	.03	4.67	.02	1.26	..	.89	..	24.74	.08	27.43	.09
Japan	105,916.66	234.21	38,695.21	100.58	65,144.06	173.18	70,817.76	175.66	97,299.30	222.07	88,455.09	209.68	26,291.51	87.08
Other Countries	53.84	.37	35.87	.14	45.65	.12	46.83	.22	107.45	.27	210.70	1.00	831.76	1.57
Total	106,957.98	240.50	39,410.48	195.43	66,043.42	178.14	71,522.51	179.34	98,097.55	227.03	89,694.94	218.13	28,592.88	98.28

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INTRODUCTORY NOTE.

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TABLE LXXXI.—*Consumption of raw silk (other than wild silk) in India (excluding Burma).*

(In lakhs of pounds.)

—\	Indian production.	Exports by sea.	Net consumption of Indian production.	Imports by sea.	Re-exports by sea.	Net consumption of foreign imports.	Total consumption.	Percentage of consump- tion met from Indian Production.
1931-32.								
Raw	20.69	.05	20.64	15.62	} .34	15.32	43.39	54.8
Silk waste	10.35	2.92	7.43	.04				
1937-38.								
Raw	15.22	.14	15.08	23.35	} .15	25.20	47.06	46.5
Silk waste	9.26	2.48	6.78	2.00				

INTRODUCTORY NOTE.

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TABLE LXXXIX.—Imports of artificial silk yarn into India (excluding Burma).
(Quantity in thousands of pounds and value in lakhs of rupees.)

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INTRODUCTORY NOTE.

From	1932-33.		1933-34.		1934-35.		1935-36.		1936-37.		1937-38.		1938-39.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	lbs.	Rs.	lbs.	Rs.	lbs.	Rs.	lbs.	Rs.	lbs.	Rs.	lbs.	Rs.	lbs.	Rs.
United Kingdom.	1,541	13·10	1,562	12·58	852	6·66	522	3·33	242	1·59	497	3·77	131	·78
Germany .	404	3·34	499	4·12	41	·41	37	·21	18	·22	·4	·02	Negligible.	
Netherlands .	840	7·08	212	1·96	30	·28	166	1·29	207	·78	14	·18	49	·53
Italy . .	5,524	47·17	4,216	37·02	6,425	45·92	3,901	23·64	1,940	11·89	2,766	18·94	10,546	53·18
Japan . .	1,721	13·12	2,506	19·70	8,788	60·90	9,926	52·92	15,118	84·32	28,238	181·93	6,509	41·27
Other countries.	680	6·05	674	5·33	307	2·16	275	1·85	94	·53	73·6	·51	13	·12
Total .	10,710	89·86	9,669	80·71	16,443	116·53	14,827	83·24	17,617	99·33	31,559	205·35	17,248	95·88

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TABLE XC.—Imports of piecegoods entirely made of artificial silk (excluding Burma.)
(Quantity in thousands of yards and value in lakhs of rupees.)

From	1932-33.		1933-34.		1934-35.		1935-36.		1936-37.		1937-38.		1938-39.	
	Quantity	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	yds.	Rs.	yds.	Rs.	yds.	Rs.	yds.	Rs.	yds.	Rs.	yds.	Rs.	yds.	Rs.
United Kingdom (including Channel Islands).	401	3.25	418	2.07	447	2.75	337	2.31	445	3.30	700	5.72	845	6.08
Straits Settlements.	25	.08	17	.08	22	.07	72	.14	80	.13	52	.13	631	1.17
Germany .	4	.08	40	.35	10	.08	21	.11	70	.02	81	.85	92	1.00
France .	112	1.00	70	.64	37	.24	17	.16	17	.32	29	.36	40	.36
Italy (including Fiume)	127	.67	70	.61	145	.92	50	.35	11	.08	23	.20	14	.12
Japan .	105,917	234.21	98,995	100.58	65,144	173.17	70,818	175.66	97,200	222.07	68,455	209.68	20,292	87.08
Other Countries.	372	1.22	91	.50	238	.81	108	.61	167	.51	256	1.10	679	2.38
Total .	106,958	240.51	39,410	105.43	66,043	178.14	71,522	179.34	98,098	227.03	80,995	218.13	28,503	98.28

INTRODUCTORY NOTE.

XVI.

MAJORITY REPORT.

PRELIMINARY.

This, the second tariff enquiry into the Sericultural Industry, was referred to the Tariff Board under the terms of a Resolution of the Government of India in the Commerce Department, No. 28-T. (2)/38, dated the 9th April, 1938, which is reproduced below:—

“ The Protection afforded to the Sericultural Industry in India by the Indian Tariff (Textile Protection) Amendment Act, 1934, will determine on the 31st March, 1939. The Tariff Board is requested to examine the question of the protection enjoyed by the Industry and to report what protective measures, if any, should be continued after that date.

2. The Tariff Board, in making its recommendations, will take into account all relevant considerations including the financial needs of the country and the dependence of the Government of India on import, export and excise duties for a large part of its revenue. It will have regard also to part (c) of the Resolution adopted by the Legislative Assembly on the 16th February, 1923, and will consider in particular how its recommendations will affect the handloom weaving industry.

3. Firms or persons interested who desire that their views should be considered by the Tariff Board should address their representations to the Secretary to the Board.”

2. The Board entered upon its duties on the 7th May, 1938, at Bombay and issued a Press Communiqué on the same day in the following terms:—

“ The Government of India in their Resolution No. 28-T. (2)/38, dated the 9th April, 1938, have directed the Tariff Board to examine the question of the protection enjoyed by the Sericultural Industry under the Indian Tariff (Textile Protection) Amendment Act, 1934, which will determine on the 31st March, 1939, and to report what protective measures, if any, should be continued after that date.

2. Firms or persons who desire that their views should be considered by the Board, should address their representations (with six spare copies) to the Secretary, Tariff Board, Matheran (Bombay Presidency), so as to reach the Board's office not later than the 1st June, 1938, and up to 15th June, at Board's office at Poona. On receipt of such representations the Board will issue, as early as possible, a questionnaire setting out the points on which detailed information is required. The dates for the public examination of witnesses will be notified in due course.”

3. In paragraph 3 of the preliminary Chapter of its report which issued in 1933 the last Tariff Board discussed the peculiarities of the enquiry and the complex nature of the problems to be investigated.

The problems of the raw silk industry.

In the main those observations hold good for the present day but one change of importance has occurred. Japan whose silk industry is highly organised and owes much to the assistance which it receives from her Government has taken the place of China as the principal exporter to India of raw silk and silk goods.

4. After the issue of the Press Communiqué the Board proceeded to Matheran where its office was situated, and halted there

Tour programme.

till the 3rd June, 1938, for the purpose of drafting the questionnaires and for the collection of relevant data. Thereafter it moved to Poona and stopped there up to the 5th August, 1938. At Poona the Board interviewed representatives of the Governments of Mysore, Bombay, Hyderabad and Kashmir and other bodies and persons interested in the enquiry. It issued four questionnaires between the 14th May and the 27th June, 1938. Copies of them were sent to all Provincial Governments and the Chief Commissioner, Delhi, and to the Indian States interested in the enquiry. (During the period of its stay at Poona the Board paid short visits to Bangalore, Mysore, Bombay, Surat and local handloom centres and held informal discussions with sericulturists, silk merchants and others.) It also received a deputation of Poona Handloom Weavers. After receipt of written replies to the questionnaires the Board proceeded on tour on the 5th August to record oral evidence, visiting Bangalore, Hyderabad (Deccan), Aurangabad and Bombay. From Bangalore the Board paid a visit to Kollegal, the centre of sericulture in the Madras Presidency. At Hyderabad and Aurangabad the Board inspected the local silk factories and the products of the local weavers known as Himru, Mashru, and Kimkhab; it also visited Paithan which is noted for its silk sari borders. The Board reached Simla on the 4th September and recorded there the oral evidence of the representatives of the Governments of Kashmir and Jammu and the Punjab. It also examined the Imperial Sericultural Committee and a number of officials and non-officials. While at Simla the Board received from the Government of India a representation from the Handkerchief Manufacturers' Association, Delhi, regarding the import duty leviable on silk handkerchiefs and proceeded to Bombay to initiate that enquiry on which a report has already been submitted to the Government of India. It took the opportunity to obtain further information from the Collector of Customs of that place. The Board arrived in Calcutta on the 7th October, 1938, and from there visited Jammu and Srinagar the headquarters of the Kashmir Sericultural Industry. While in Calcutta the Board inspected the Silk Conditioning House, the research laboratories and the Mulberry Nursery maintained by the Government of Bengal, and also paid a visit to Malda, the principal centre of

sericulture in Bengal. In Calcutta the Board recorded oral evidence of the representatives of the Governments of Bengal, Assam and Bihar. It also summoned a Conference of the Directors of Industries of the Provinces and States interested in sericulture in order to co-ordinate the results of its enquiries and ascertain the extent to which the local authorities were likely to assist the industry in the future. A detailed list of the places visited and witnesses examined will be found in Appendix A.

5. We desire to acknowledge the assistance which we received from the witnesses who appeared before the Board to give oral

Acknowledgments. evidence. Our special thanks are due to those gentlemen both official and non-official who made arrangements for our comfort in various places, and particularly to the Governments of His Highness the Maharaja of Mysore, His Exalted Highness the Nizam of Hyderabad and His Highness the Maharaja of Jammu and Kashmir for their hospitality to us during our visits to their States. We also desire to acknowledge the uniform courtesy shown by the representatives of local Governments and the Indian States and the prompt and willing response to many requests for supplementary information. We are also greatly indebted to the Indian Trade Commissioners in Japan and America for the prompt manner in which they have supplied us with information about the position of the industry in those countries.

6. We regret that it has not been possible to present a unanimous report, but there is a wide divergence between our views and those of our colleague, Mr. Anklesaria. He has, therefore, decided to present them in the form of a minute of dissent.