

Under Rule 130 of the Tamil Nadu Legislative Assembly Rules, the following Bill which was introduced in the Legislative Assembly of the Tamil Nadu on 10th October 2023 is published together with Statement of Objects and Reasons for general information:—

**L.A Bill No. 27 of 2023**

**A Bill further to amend the Tamil Nadu Silkworm Seed (Production, Supply and Distribution) Act, 1956.**

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Seventy-fourth Year of the Republic of India as follows:—

1. (1) This Act may be called the Tamil Nadu Silkworm Seed (Production, Supply and Distribution) Amendment Act, 2023. Short title and commencement.

(2) (1) Section 7 shall be deemed to have come into force on the 20th day of December 1996.

(2) All remaining sections shall be deemed to have come into force on the 24th day of May 1990.

Tamil Nadu Act  
XXIII of 1956

2. In the long title of the Tamil Nadu Silkworm Seed (Production, Supply and Distribution) Act, 1956 (hereinafter referred to as the principal Act), after the expression “silkworm seed”, the expression “and raw silk” shall be inserted. Amendment of long title.

3. In the preamble of the principal Act, after the expression “silkworm seed”, the expression “and raw silk” shall be inserted. Amendment of preamble.

4. In section 1 of the principal Act, in sub-section (1), after the expression “Silkworm Seed”, the expression “and Raw Silk” shall be inserted. Amendment of short title.

5. In section 2 of the principal Act,- Amendment of section 2.

(1) in sub-section (1),--  
(i) for clause (b), the following clause shall be substituted, namely:--

“(b) “Director” means the Director of Sericulture;”;

(ii) after clause (b), the following clause shall be inserted, namely:--

“(bb) “Fund” means the Sericulture Development and Price Stabilization Fund established under section 9-B”;

(2) in sub-section (2), for the expression “the officer-in-charge of the Sericultural Section of the Department of Industries and Commerce, Tamil Nadu”, the expression “the Director” shall be substituted.

6. After section 9 of the principal Act, the following sections shall be inserted, namely:- Insertion of new sections 9-A and 9-B

**“9-A Levy of fee on seller and licenced buyer.—**(1) There shall be levied a fee of point seven five percent. (0.75%) of the value of the cocoon and raw silk on every seller and licensed buyer of cocoon and raw silk.

(2) The fee levied under sub-section (1) and collected from every seller and licensed buyer shall be credited to the fund.

(3) The Government may, by notification, increase the fee leviable under sub-section (1) to such extent, not exceeding two per cent. of the value of the cocoon and raw silk.

**9-B Sericulture Development and Price Stabilization Fund.—**(1) There shall be established a fund to be called the Sericulture Development and Price Stabilization Fund.

(2) The fee levied under section 9-A and grants, if any, made for the purpose by the Government shall be credited to the fund.

(3) The fund shall be operated by the Director.

(4) The fund shall be utilized for the purposes of the development of the Sericulture industry.”.

Insertion of new section 9-C

7. After section 9-B, as so inserted, the following section shall be inserted, namely:-

**“9-C Sericulture Development Committee.—**

(1) The Government may, by order, constitute a Committee to be known as the Sericulture Development Committee consisting of, --

(i) the Secretary to Government incharge of Handlooms, Handicrafts, Textiles and Khadi Department—*ex-officio* Chairman;

(ii) the Secretary to Government incharge of Finance Department – *ex-officio* Member;

(iii) the Director of Sericulture – *ex-officio* Member—Secretary;

(iv) the Deputy Director, Anna Silk Exchange, Kancheepuram – *ex-officio* Member; and

(v) a representative of the Central Silk Board, Bangalore – Member.

(2) The Committee shall meet atleast once in a year on such date and at such time, as the Chairman may determine.

(3) The Committee shall suggest measures for effective utilization of the fund for the development of the Sericulture industry.”.

Validation.

8. Notwithstanding anything contained in the principal Act or in any judgment, decree or order of any court or other authority, anything done or any levy and collection of fee or any action taken by the Director, the Sericulture Development Committee and the Government during the period commencing from the 24th day of May 1990 and ending with the date of publication of this Act in the *Tamil Nadu Government Gazette*, shall be deemed to have been validly done or taken under the principal Act, as amended by this Act.

**STATEMENT OF OBJECTS AND REASONS.**

The Tamil Nadu Silkworm Seed (Production, Supply and Distribution) Act, 1956 (Tamil Nadu Act XXIII of 1956) provides for the regulation of production, supply and distribution of silkworm seed in the State. The Government have issued orders for constituting a fund called "Sericulture Development and Price Stabilization Fund" and directed that a fee of 0.75% value of cocoon and raw silk be collected from both the buyers and the sellers of the cocoon and raw silk and credited to the Fund *vide* G.O.(Ms.) No.178, Handlooms, Handicrafts, Textiles and Khadi Department, dated 24.05.1990. Further, the Government have also constituted a Committee to suggest measures for effective utilization of the said fund *vide* G.O.(Ms.) No. 217, Handlooms, Handicrafts, Textiles and Khadi Department, dated 20.12.1996. To give legal sanctity to the above orders, the Government have decided to amend the said Tamil Nadu Act XXIII of 1956 suitably for the purpose and to validate the actions taken based on the aforesaid two Government orders.

2. The Bill seeks to give effect to the above decision.

**T.M. ANBARASAN,**  
*Minister for Micro, Small and  
Medium Enterprises.*

**MEMORANDUM REGARDING DELEGATED LEGISLATION**

Sections 9-A and 9-C of the Tamil Nadu Silkworm Seed (Production, Supply and Distribution) Act, 1956 (Tamil Nadu Act XXIII of 1956) as proposed to be inserted by clauses 6 and 7 of the Bill authorise the Government to issue notification and order, respectively, for the purposes specified therein.

2. The powers delegated are normal and not of an exceptional character.

**T.M. ANBARASAN,**  
*Minister for Micro, Small and  
Medium Enterprises.*

Secretariat,  
Chennai-600 009,  
10th October 2023.

K. SRINIVASAN,  
*Secretary.*