

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO. 3475
TO BE ANSWERED ON 24.03.2022

BAMBOO INDUSTRY

3475. SHRI THIRUNAVUKKARASAR SU:
SHRI RAVNEET SINGH BITTU:
SHRI GIRISH BHALCHANDRA BAPAT:
DR. PRITAM GOPINATHRAO MUNDE:
SHRI RAHUL RAMESH SHEWALE:
SHRI CHANDRA SEKHAR SAHU:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether the Indian bamboo industry is facing the challenges of extremely high input cost owing to inadequate utilisation of bamboo, if so, the details thereof;
- (b) whether the KVIC / industry has requested lifting of export ban on bamboo charcoal in order to ensure adequate utilization of bamboo / raw bamboo and more profitability of the bamboo industry and if so, the action taken by the Government thereon and if not, the reasons therefor;
- (c) the details of the steps taken by the Government to reduce the input cost of Indian Bamboo Industry in the country;
- (d) whether the waste generated in Agarbatti and bamboo craft industries is not utilised commercially in the country, if so, the details thereof and the reasons therefor;
- (e) whether the bamboo waste in the country can be best utilised by making bamboo charcoal which has a high demand overseas even as it has very limited use in the country, if so, the details thereof;
- (f) the steps taken by the Union Government to utilise the bamboo waste to strengthen the bamboo industry; and
- (g) whether the Government proposes to take any measures to help the bamboo industry and enhance profitability in this industry and if so, the details thereof?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI BHANU PRATAP SINGH VERMA)

(a) to (c): On the request of Khadi and Village Industries Commission (KVIC), the Ministry of Commerce & Industry, Govt. of India, has amended the import policy of Agarbatti and placed it from “Free” trade to “Restricted” trade, w.e.f. 01.09.2019, to restrict the import of raw Agarbatti and give boost to the indigenous production of Agarbatti, thereby safeguarding rural employment. Further, on the request of KVIC, Ministry of Finance, vide notification dated 09.06.2020, has enhanced the import duty from 10% to 25% on round bamboo sticks used for manufacturing of Agarbatti. This decision of the Government will further boost local employment in the manufacturing sector of bamboo sticks.

Further, in order to tackle all aspects of the bamboo sector including high input costs, etc. Government of India has launched the restructured National Bamboo Mission (NBM), as a Centrally Sponsored Scheme, in 2018.

NBM works for promoting the holistic growth of the bamboo sector by increasing the area under bamboo cultivation in non-forest land and to link growers with consumers starting from planting material, plantation, creation of facilities for collection, aggregation, processing, marketing, skill development and brand building initiative in a cluster approach mode.

(d) to (g): The NBM has provisions for establishment of Bamboo treatment and seasoning plants, value addition of bamboo including the bamboo wastes generated in the primary processing and product manufacturing units, etc. in Government as well as in private sector. The State Bamboo Missions (SBM) have been advised to focus on complete utilization of bamboo as a raw material by value addition and waste management as provisioned in the scheme.

National Bamboo Mission has a component of “Management of Bamboo waste in primary processing units” under the activity of “Product Development and Processing” which is envisaged for the effective utilization of bamboo waste generated during various processes of the value chain. So far, 34 units of management of bamboo waste in primary processing have been established under the restructured National Bamboo Mission (NBM) from 2018-19 to 2021-22.

Ministry of MSME is also implementing a major credit-linked subsidy programme named Prime Minister’s Employment Generation Programme (PMEGP) for generating employment in the country by setting up of micro-enterprises in the non-farm sector **including under Bamboo industry**. Under PMEGP, General Category beneficiaries can avail of Margin Money subsidy of 25% of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to Special Categories such as Scheduled Castes, Scheduled Tribes, OBCs, Minorities, Women, Ex-servicemen, Physically Handicapped, beneficiaries belonging to North Eastern Region, Hill and Border areas, etc., the Margin Money subsidy is 35% in rural areas and 25% in urban areas. The maximum cost of project is Rs.25 lakh in the manufacturing sector and Rs.10 lakh in the service sector. The number of PMEGP units assisted under the Bamboo industry during the last three years and current year is given as under:

Year	No. of Bamboo units assisted	Margin Money subsidy disbursed (Rs. in lakh)
2018-19	228	282.17
2019-20	264	290.05
2020-21	274	374.42
2021-22 (upto 21.03.2021)	309	461.68

Besides, Ministry of MSME is implementing Scheme of Fund for Regeneration of Traditional Industries (SFURTI), to organize traditional industries and artisans into collectives and make them competitive, provide sustained employment and enhance marketability of products. The scheme supports creation of Common Facility Centers (CFCs), procurement of new machineries, production infrastructure, setting up raw material banks, skill development and training, market promotion initiatives, etc. Under this scheme, financial assistance of up to Rs. 2.5 cr. is given to 'Regular Clusters' having up to 500 artisans, and up to Rs. 5 cr. to 'Major Clusters' having more than 500 artisans. Major sectors supported under SFURTI are Bamboo, Honey, Textiles, Agro Processing, Handicraft, Khadi, Coir, etc.

Since 2014-15 till date, 41 bamboo clusters have been approved with Government of India assistance of Rs. 98.64 cr. benefitting 9197 artisans.
