

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3454**  
**TO BE ANSWERED ON 08.08.2016**

**HAND-MADE PAPERS**

3454. SHRI BHANU PRATAP SINGH VERMA:

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

- (a) whether the manufacturing of handmade paper comes under the Micro, Small and Medium Enterprises;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government promotes the manufacturing of hand-made paper in the country; and
- (d) if so, the details thereof along with the steps taken by the Government in this regard?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF  
MICRO, SMALL AND MEDIUM ENTERPRISES  
(SHRI GIRIRAJ SINGH)

(a)&(b): Yes Madam, manufacturing of Hand-made paper is defined as a Village Industry under Khadi and Village Industries Commission Act, 1956. Manufacturing paper by hand comes under Hand Made Paper & Fibre industry of Khadi and Village Industry activities of Khadi and Village Industries Commission (KVIC). The performance of Hand Made Paper & Fibre Industry under the Prime Minister Employment Generation Programme (PMEGP) scheme being implemented by KVIC during 2013-14, 2014-15, 2015-16 & the current financial year is given below:

<b>Year</b>	<b>No. of Projects</b>	<b>Margin money (in crore)</b>	<b>Employment Numbers</b>
2013-14	1144	35.88	12023
2014-15	1057	34.42	11883
2015-16	989	32.64	10493
2016-17(P)	761	22.50	503

Items covered under Hand Made Paper & Fibre industry are card sheets, drawing paper, silken paper, mottle paper, bond paper, marble paper, leatherite paper, watermark paper, file cover paper, envelopes, file covers, gift wrappers, greeting cards, visiting cards, carry bags, photo albums, diaries etc.

(c): Yes Madam. For the year 2016-17, it is targeted to set up 1231 units to create employment opportunities to 14330 persons by utilizing margin money amounted to Rs. 35.20 crore for Hand Made Paper & Fibre Industry.

(d): The following steps have been taken by the Government for better implementation of Prime Minister's Employment Generation Programme (PMEGP) scheme in the country.

1. Publicity is being made through print and electronic media about PMEGP scheme for the benefit of Rural and Urban areas.
2. Awareness camps at District level and State level are being organized in order to propagate the PMEGP scheme for the development of micro industries.
3. To bring in transparency in implementation of PMEGP scheme as well as to create data base of PMEGP beneficiaries, e-tracking of PMEGP applications introduced.
4. For speedy completion of EDP training and to generate IRG, policy decision has taken to conduct EDP training through Departmental Training Centres as well as RSETIs/RUDSETIs as per MOU executed between KVIC & MCR.
5. Where there is no mechanism of KVIC's Departmental and Non-Departmental Training Centers exist, the infrastructure of KVIC's Khadi/VI Institutions, professional training associates like NIESBUD etc. will be utilized to conduct EDP under PMEGP.
6. Trading activities/sales outlets have been included in PMEGP in the LWE Districts.
7. Industries such as Khadi, processing of Pashmina Wool, handloom and power loom units are now eligible for funding under PMEGP.
8. Ceiling of 10% on the extent of projects to be financed for transport activities is imposed in the states/UTs except in specific regions (hilly region, NER, A&N Island, Goa, Puducherry, Lakshadweep, Daman & Diu, Dadra Nagar Haveli, J&K and LWE affected districts).
9. Relaxation in per capita investment from Rs.1.00 lakh to Rs.4.50 lakh has been given to A&N Islands and Lakshadweep.
10. Exhibitions are also conducted at district/state/zone and national level for providing marketing support to the entrepreneurs/units.
11. An online grievance handling system for PMEGP is set up to provide prompt and online redressal.
12. To increase the registration of MSMEs in the country, the Government has undertaken measures that the PMEGP units can adopt the Udyog Aadhar Memorandum (UAM) to register online for filing for industrial land application for credit, pollution clearance etc.  
Online system for direct transfer of fund to the financing banks:
13. Ministry through KVIC has set up an online system PMEGP-MIS portal for end to end monitoring of the scheme right from online application filing, application tracking, sanction of loans, disbursement of loans and repayment of loans including online transfer of PMEGP Margin Money funds directly to Financing Bank Branches.
14. The online system of transfer of Margin Money subsidy to the Financing Bank Branches will remove the delay for settling the Margin Money Claims and thus, quality implementation and better timely progress and utilization of funds will result.