

**GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA**

UNSTARRED QUESTION NO:1815
ANSWERED ON:09.03.2010
ITEMS OF COIR PRODUCTS
Kodikunnil Shri Suresh

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

- (a) whether the Union Government has ordered that all the items of coir products required by the Central Government Departments are reserved for exclusive purchase from the Coir Board;
- (b) if so, whether such order would adversely affect the business of PSUs such as Kerala State Coir Corporation, etc;
- (c) whether the State Government of Kerala has requested the Union Government to amend the such order so as to give direct purchase order to the Public Sector Undertakings and Apex Federation in Kerala;
- (d) if so, whether the Union Government has considered the request of the Kerala Government;
- (e) if so, the time by which final decision in this regard is likely to be taken; and
- (f) if not, the reasons therefor?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI DINSHA PATEL)

- (a) Yes, Sir. The Department of Commerce, Ministry of Commerce and Industry, Government of India vide their correction slip No.16 dated 4.11.2008 have made modifications in the DGS&D Manual by adding a provision that all items of coir products required by Central Government Departments are reserved for exclusive purchase from Coir Board.
- (b) No, Sir. The contract system is expected to be advantageous to the Public Sector Undertakings (PSUs), in the coir sector of Government of Kerala as well, as they are likely to get better prices for the products and also due share of the orders.
- (c) to (f) The request of Government of Kerala to maintain status quo or to include the State Government Coir PSUs also in the order has been considered and Coir Board has been asked to take on board the legitimate interests of Kerala State PSUs/ Coir Federation/Co-operative Societies while finalizing the rate contract with DGS&D so that their interests are not adversely affected.