

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:4243
ANSWERED ON:03.08.2009
APPROVAL FOR ELECTRIC ITEMS
Ram Shri Purnmasi;Singh Shri Sushil Kumar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether Directorate General of Supplies and Disposals (DGS&D) have approved inferior and unbranded electrical items such as copper/electronic chokes, CFLs, fans, tubelight starters etc. at higher rates than available in Kendriya Bhandar/open market causing financial loss to the Government;
- (b) if so, the details thereof alongwith the rates approved by DGS&D of electrical items mentioned in said items;
- (c) whether there is any proposal to direct CPWD/other Government Departments to purchase electrical items from Kendriya Bhandar to save public money; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JYOTIRADITYA M. SCINDIA)

(a) DGS&D is concluding rate contracts for electrical items with BIS Mark/IS specifications. Copper/electronic chokes, tubelights starters are reserved for purchase from small scale industries. Whereas CFLs and fans, though, not reserved for purchase from small scale industries, DGS&D rate contracts are available on branded/reputed suppliers. The quality of the products supplied against the DGS&D rate contracts is checked through pre-dispatch inspection.

Except for electronic chokes, the rates available under DGS&D rate contract are much cheaper as compared to Kendriya Bhandar rates.

The prices paid in the rate contracts are much lower than the market prices and all rate contracts are governed by fall clause and, therefore, the rate contract holding firms can only sale the same products at a higher price than the DGS&D rate contract price in market. Hence under DGS&D rate contract, prices are cheapest.

- (b) Rates approved by DGS&D of electrical items mentioned in the said items at (a) above is at Annexure-I
- (c) No, Madam there is no such proposal.
- (d) Does not arise.