

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

UNSTARRED QUESTION NO:986  
ANSWERED ON:20.08.2007  
REBATE SCHEME FOR COIR PRODUCTS  
Radhakrishnan Shri Varkala

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

- (a): the details of the amount sanctioned and released by the Union Government towards rebate for Coir-Products during each of the last three years;
- (b): whether the Government has decided to replace the 20% Rebate to Coir-Products with Market Development Assistance(MDA) Scheme;
- (c): if so, the details thereof and if not, the reasons therefor;
- (d): Whether requests have been received from some States for re- introduction of 20% rebate scheme for Coir-Products; and
- (e): if so, the details thereof and the reaction of the Government thereon?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF MICRO, SMALL & MEDIUM ENTERPRISES (SHRI MAHABIR PRASAD)

- (a): The Rebate Scheme on Coir Products has been discontinued since 2000-01. As such no funds have been released under this scheme during last three years.
- (b) & (c): The market Development Assistance (MDA) Scheme has been introduced w.e.f. 2000-01 in lieu of Rebate Scheme. Under the scheme, financial Assistance is provided to the Apex co-operative Societies, Manufacturing and Primary Societies, Public Sector Undertakings and sales depots of Coir Board @ 10% of their Annual Sales Turnover of Coir and Coir Products. The Assistance is shared by the Central and the concerned State/Union Territory Government on 1:1 basis.
- (d) & (e): A request was received from the Government of Kerala for continuance of the rebate scheme in July, 2006. It has been observed that the assistance provided under the MDA scheme can be utilized for varied purposes such as Publicity, Opening New Showroom/Sales Outlets, Renovation of existing Sales Outlets, Market Study, Setting up of Market Intelligence Net Work/ Upgradation of design facilities like installation of Computer etc. This scheme, therefore, allows more flexibility than the Rebate Scheme for promotion of coir products. As such it has not been found possible to accommodate the request of the State Government. The decision has been communicated to Government of Kerala.