

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 1178
TO BE ANSWERED ON 09th FEBRUARY, 2022

DISCOUNT ON AUTOMOTIVES AND TRACTORS ON GeM PORTAL

1178. DR. JAYANTA KUMAR ROY:
SHRI RAJA AMARESHWARA NAIK:
SHRI RAJVEER SINGH (RAJU BHAIYA):
SHRI VINOD KUMAR SONKAR:
SHRI BHOLA SINGH:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government has imposed mandatory discount clause for manufacturers of automobiles and tractors on GeM portal;
- (b) if so, whether these discounts are to the extent of 20% on tractors, 12% on utility vehicles and 15% on commercial vehicles whereas in DGS&D regime, mandatory discount was only 5 per cent;
- (c) if so, the grounds (study conducted, recommendations of committee, etc) on which such a huge discount are determined;
- (d) whether many latest models are not available on GeM portal on account of high discounts, which are preventing various Ministries/Departments from acquiring latest vehicles;
- (e) if so, whether huge discounts on these products are affecting the competitiveness of Indian companies to offer their modern/upgraded products on the GeM portal; and
- (f) if so, other steps being taken by the Government to rationalise mandatory discount regime on automobiles on GeM Portal to make it more competitive for domestic manufacturers?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

(a), (b) & (c): No, Sir. Government has not fixed any minimum discount for manufacturers of automobiles and tractors on GeM portal. GeM takes decision regarding discounts based on consultation/interactions with various stakeholders including automobile manufacturers (OEM). Minimum discount for tractors and selective categories of automotive in GeM portal is as per table below:

Sl. No.	Vehicle category	Minimum Discount (Percentage)
1	Tractors	20 %
2	Ambulances	12%
3	Buses	20%
4	Automotive Chassis Fitted With Engine	15%
5	Built Up Trucks	15%
6	Troop Carrier Police Vehicles	15%
7	Water Truck Cabin Truck With Water Tank	15%
8	Cars	12%
9	Utility Vehicles	12%
10	Two Wheeler- Motor Cycles and Scooters and Mopeds	12%

There was no mandatory discount clause for manufacturers of Automotives and Tractors in DGS&D.

(d): At present, large numbers of vehicle models including latest models are available on GeM as may be seen from the table below:

Sub Category	Make	Model
Tractors	15	267
Utility Vehicles	10	99
Ambulances	14	80
Cars	3	36
Buses	6	120
Automotive Chassis Fitted With Engine	6	115
Built Up Trucks	11	111
Two Wheeler-Motor Cycles And Scooters And Mopeds	6	95
Water Truck Cabin Truck With Water Tank	8	22
Troop Carrier Police Vehicles	4	6

Further, the above mentioned vehicle categories are the most popular and high gross merchandise value categories as may be seen from the transaction value as given in table below

Sub Category	Transaction Value (in Cr.)
Utility Vehicles	4916.60
Ambulances - R	1482.21
Buses	1129.57
Cars	920.66
Troop Carrier Police Vehicles	655.80
Two Wheeler-Motor Cycles And Scooters And Mopeds	624.73
Built Up Trucks	614.22
Automotive Chassis Fitted With Engine	500.37
Tractors	306.56
Water Truck Cabin Truck With Water Tank	199.80

(e): Not such incident reported yet.

(f): GeM is doing regular consultations with various stakeholders including buyers, manufactures of automobiles and any issues raised during the consultations is examined and resolved by GeM.
