

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

LOK SABHA
UNSTARRED QUESTION NO. 2146
ANSWERED ON 02/08/2023

GeM

2146. SHRI THIRUNAVUKKARASAR SU:

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

- (a) whether the procurement of goods and services through Government e-market place (GeM) has touched an all-time high;
- (b) if so, the details thereof along with the features of the process and the amount of savings made by the Government as a result thereof during the last three years, year-wise; and
- (c) the extent to which GeM would help the stakeholders to participate in a fair and equitable manner?

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): Yes, Sir. In Financial Year 2022-23, Government e-marketplace (GeM) registered its highest ever Gross Merchandise Value of ₹ 2,01,113 crore.

(b): Time and again, multiple studies have pointed out the impact created by GeM in terms of procurement savings to government buyers, including those by the World Bank and the National Economic Survey. A World Bank study in 2020 estimated an average of 9.75% cost savings via GeM and noted a significant increase in participation of sellers.

The Economic Survey 2021-22 included a cost comparison of offer prices for 22 common use goods listed on GeM versus listings on popular online platforms like Amazon and Flipkart. Prices on GeM were observed to be 9.5% lower in comparison with other online platforms for 10 out of 22 commodities.

Gross Merchandise Value (GMV) of GeM in ₹ crore in the last 3 completed financial years	
2020-21	38,573
2021-22	106,547
2022-23	201,113

GeM has achieved a cumulative GMV of more than 4.5 lakh crore until 23rd July 2023 (since inception). Hence, considering the saving estimates as reported above, GeM has facilitated savings worth more than ₹ 40,000 crore since its inception.

Major Features enabling savings: Higher seller participation, real-time price comparison, bulk discounts, better price discovery functionalities such as competitive bidding, reverse auction and demand aggregation.

(c): GeM aims to bring transparency, efficiency, and fairness to the Government procurement process. It benefits stakeholders in several ways, allowing them to participate in a fair and equitable manner. GeM encourages fair and equitable participation from all stakeholders in the Government procurement process, fostering a competitive and efficient marketplace. It enhances transparency, promotes inclusivity, and ensures that the best products and services are procured at the most competitive prices for the Government.
