

## For personal attention of CEO-GeM

Ref.No.MAIT/PY/2466

April 28, 2022

Shri Prashant Kumar Singh, IAS CEO Government e-Marketplace

## Subject: - Request for Appointment regarding the challenges faced by industry after operationalization of Unified Category of "OEM/Compatible Cartridges/Consumables"

Respected Sir,

## Greetings from MAIT!

At the outset, we thank you and the GeM Team for arranging a Training Session for Printer OEMs on Unified category of "OEM/Compatible Cartridges/Consumables" at Jiwan Tara Building on **26<sup>th</sup> April 2022**. Our members had a detailed interaction with the GeM team.

The meeting, as you are aware, was organized to provide OEMs with an opportunity to experience the new merged category for consumables. While undergoing the training session, our member OEMs realised that some of the **concerns discussed and highlighted during** stakeholder consultations to GeM officials over the last year are left unaddressed in the New Category that has been operationalised.

While member OEMs had highlighted these issues to the GeM team in situ, we are writing to you to seek your personal intervention to resolve these critical challenges at the earliest in the recently operationalised new category:

 Radio Button: In the interest of Consumers of their products, one of the key requests from our members has been the introduction of a Radio Button in the New Category' to enable customers to distinguish between OEM and Compatible cartridges /consumables and enable consumers to make an informed choice. While the radio button has been introduced, <u>there is a third choice available for the buyers which says "Any Value" where both OEM and Compatibles are shown together</u>.

This is against the ask of the industry and the assurance given that GeM will not treat Printer OEM Cartridges as equivalent to Compatibles cartridges in the December meeting held with industry. Our member OEMs were informed that during the meeting that GeM is working on incorporating the Radio Button with only 2 options i.e., OEM Cartridges and Compatibles but it is still not done.

The concern of the industry is that <u>GeM has taken down the existing categories</u> (i.e., OEM and Compatible) and has not included the Radio button in the spirit of <u>understanding given for the new merged category</u> where these 2 categories would not be mixed and be clearly differentiated in in interest of the customers.

- 2. **Category Specific Terms and Conditions**: Sir, it was agreed during in the last industry meeting that GeM would introduce 'Category specific terms and conditions' for buyers so that they can take informed buying decisions. This has also been omitted and the long-standing request may kindly be considered favourably.
- 3. **Generalised Definition of Compatibles**: The current product description in the New Category gives a universal statement that Compatible Cartridges match OEM Cartridges in all aspects which is misleading and biased. The definition is misleading

for our Consumers as it fails to convey that the difference in quality of the two categories of cartridges and wrongly mentions them equivalent in all aspects without any technical basis. During the training session our member OEMs discussed these anomalies in the definition of 'Compatibles' in the new category which GeM staff agreed to change.

- 4. Definition of OEM: As per the industry, Original Equipment manufacturer (OEM) are those entities who are manufacturing the equipment under their own brand & spares & consumables supplied by them are considered the genuine consumables & genuine spare parts. Vendors who are manufacturing spare parts/ consumables which are compatible with some brand cannot be defined as OEM & thus should not be allowed to get registered as OEM on GeM platform.
- 5. Warranty statement of OEM: The unique selling point of OEMs is the assurance of Warranty and the quality of their product. It was discussed and agreed earlier on implementing a mechanism to inform buyers to refers to warranty conditions published in the respective OEM website. This reference has not been included as yet which is inimical to buyer/customer interests.
- 6. Issue of Brand infringement: This issue of Brand Infringement on GeM is a persistent issue and had been raised during our last meeting. We would like to highlight this issue with a specific example where on the GeM platform Compatible Manufacturers are also registered in MFP FG product category "Multifunction Machines MFM" & are blatantly using OEM's details in their products. We request for removal of this and other such Brand Infringements.
- 7. Under the Minimum Manufacturing Process and machineries required: The point which States Toner Filling Machine, industry has requested specifying "Manufacturer" instead of Filling Machine i.e., Toner Manufacturing Machine/Process.

Sir, OEMs would like to seek assistance for quick resolution to the challenges mentioned above and other persistent issues like brand infringement, new vendor assessment norms etc. These issues while adversely affecting business for industry are also inimical to Consumer interests.

In this context, MAIT request for an opportunity on a date & time convenient to your good self where the undersigned along with key industry representatives can discuss the way forward in person at your good office.

Looking forward to hearing from you.

With regards,

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George Paul Chief Executive Officer

CC: Shri Rajesh Jain, Addl. CEO, GeM CC: Shri Paritosh Singhal, Addl. CEO, GeM CC: Ms. Alka Chauhan, Jt. Director, GeM