Experience sharing by GeM: procurement by Panchayats through e-Gram Swaraj

Presented by Sh. Prakash Khichi, Dy. CEO, GeM
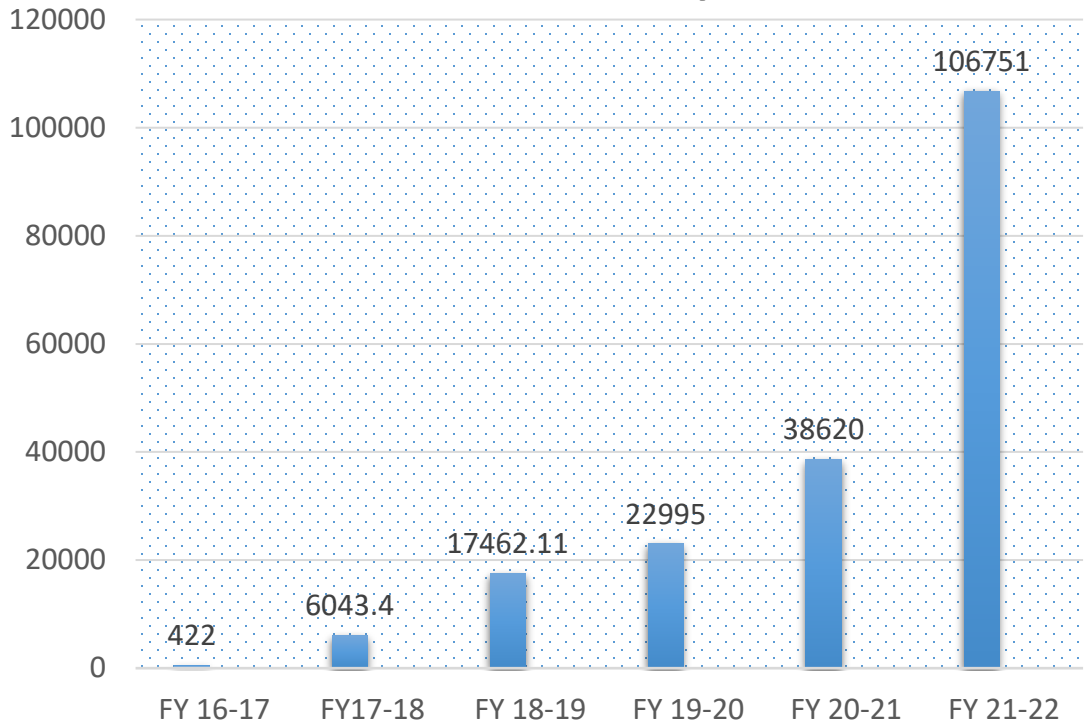
Government eMarketplace: The Genesis

❖ Launched on 9th August 2016, the Government eMarketplace (GeM) is a one-stop online procurement portal for all Government Buyers including Central/State Ministries, Departments, Bodies & PSUs (www.gem.gov.in).

❖ Rule 149 of the GFR 2017 amended thereby mandating the procurement of Goods and Services from GeM for all Ministries/Departments.

❖ GeM provides all the tools for the procurement journey including e-Bidding, Reverse Auctions and Direct Procurement to facilitate Government Buyers get the best value for their money.

❖ GeM's approach is underlined by a commitment to three key pillars: efficiency, transparency and inclusiveness in public procurement.

CASHLESS CONTACTLESS PAPERLESS

OPEN RIGHT PRICED INCLUSIVE END TO END SOLUTION EFFICIENT TRANSPARENT

The government is committed to curbing corruption. One of the key aspects of this objective is to minimize the Governments human transactional interface.

Growth in Scale & Impact of GeM

Growth in Order values on GeM (values in Crores)

FY	Value
FY 16-17	422
FY17-18	6043.4
FY 18-19	17462.11
FY 19-20	22995
FY 20-21	38620
FY 21-22	106751

In FY 2021-22, the order value to date is INR 106,751 Crores.

INR 193,873 Crores
Cumulative Order Value

2,23,544
# of Buyers

40,82,410
# of Sellers

9792
# of Product Categories

258
# of Service Categories

57%
% share of MSMEs of Total Order Value

All values are as on March 31st, 2022.

GeM STATISTICS

No. of Buyer Org – 59,598	Sellers & Service Providers- 4,082,410	Product Categories – 9,758	Service Categories 269
Products 5,445,839	Service Offerings 142,552	Orders 98,02,683	Transactions Value (INR Cr.) 226,871
	MSE Sellers & Service Providers 765,081	Orders Value (MSE %) 56.59	

* All values as on 5/04/2022

GeM has become one of the biggest, nationally and internationally recognized success stories of the Indian government

Hon'ble PM's speech at a national conference

'GeM' is benefitting small & medium entrepreneurs: PM Modi

International accolades

Bloomberg

Government's Version of Amazon Helps India Save $1 Billion

By Vrishti Beniwal
September 18, 2020, 9:44 AM GMT+5:30

GeM has increased transparency and efficiency of procurement; and is leading to time & cost saving as well as quality improvement in procurement.

National Workshop with States

GeM is a gift of PM Modi to country

-Suresh Prabhu (Minister of Commerce & Industry)

Union Budget 2019

GeM has transformed public procurement by making it fully transparent, inclusive & efficient. Transactions of over 17.5 K crore INR (~1.8 B £) have taken place with average savings of 25-28%

Value delivered by GeM is widely recognized across the buyer and the seller ecosystems, especially MSMEs

e-GramSwaraj

Simplified Work Based Accounting Application for Panchayati Raj

- New initiative of MoPR under e-Governance to provide GPs with Single Sign On (SSO) interface to prepare and implement GPDP

- Single Application amalgamating e-Panchayat Applications

- **Focus on Work Based Accounting** - *Tracking every expenditure incurred for each of the activities proposed under the GPDPs*

Single Interface

Work Based Flow

Improved Reporting and Tracking

Monitoring of Public Expenditure

Rationalised

Secure

Launched by Hon'ble Prime Minister on National Panchayati Raj Day, 24th April, 2020

eGramSwaraj-PFMS-GeM Interface

Accounting   **Payment Processing**   **Procurement**

eGramSwaraj-PFMS-GeM Interface

Process flow

PRIs do one time registration on GeM using pre-provided GeM buyer ids

PRI to login using same username as eGS in GeM portal and place the order, order processing to happen in GeM

Order details ported to eGS

PRI to create voucher and make payment through eGS

Expenditure details shared with GeM

For non-GeM based payments system shall continue to work with the current operating procedures

E-GramSwaraj - GeM Integration

❖ Recently a Pilot Project to integrate e-GramSwaraj and GeM Interface has been successfully completed on 06.04.2022 at Gram Panchayat Level in Gurugram.

❖ Further registration of all the Panchayat would be taken up as per MoPR.

❖ Training programs and Capacity building at each level to be taken up for easy adoption.

❖ Gram Panchayat will be benefitted by having access to larger marketplace on GeM. This would bring more savings, improve efficiency and transparency in procurement.

Government eMarketplace: Advantages for Buyers

End to End System
from Registration to Payment

EASE-OF-USE

Provides transparency
and ease of buying

Provides options for search,
compare, select and buy facility

Offers rich listing of products
for individual categories
of Goods/Services

Up-to date and user-friendly
dashboard for buying, monitoring
supplies and payments

Order Process redesigned
for ease of use

Option to provide multiple
consignee locations and quantity
after authentication

Bunching for products/services

Price Trend for Products

Government eMarketplace: Multiple Procurement Modes

Direct Purchase

For amounts less than INR 25,000/-.

L1

For amount Greater than INR 25,000/- and Less than INR 5 Lakhs.

Intent of Buying - PAC

Procurement of specific product as per requirement is also possible .

Intent of Buying - Bid

If objective is to go for BID (ONLY BID) — there is no need of Ccomparison.

Bid/RA

Procurement via Bid/RA to get the best price quote.

Government eMarketplace: Advantages for Sellers

Direct access to all Government departments

One-stop shop for bids/ reverse auction on products/services

Dynamic pricing: Price can be changed based on market conditions

Strong vendor rating system

New Product suggestion facility available to Sellers

New Product suggestion facility available to Sellers

News and Event Section for Regular Updates

New on GeM – Shows list of new product categories added

Increased Efficiency

- ✓ Ease of catalog upload by suggesting categories for Sellers to upload their products

- ✓ Flexibility in procurement lifecycle by allowing extension of Offer Validity, Bid Lifecycle and Delivery Period

- ✓ Availability of STC and ATC library to select specific clauses in the bid and provision for inclusion of ATC by user

- ✓ Integration with Banks/ TReDS/ ERP Systems of various entities to speed up the payment process to Sellers and help their cash conversion cycle

- ✓ Giving facility to Buyers to procure from local Sellers for direct purchase

- ✓ Revamp of major services like vehicle hiring, transport, printing

Increased Transparency

- ✓ Introduced user ratings for end user to rate sellers based on his experience

- ✓ Visibility of all contracts on GeM homepage

- ✓ Introducing buyer specific ATC's and anonymizing complaints, queries, clarifications from sellers

- ✓ Revamped and automated Incident Management Policy

- ✓ Improving marketplace sanity by taking stringent action against defaulting sellers

Increased Inclusiveness

- ✓ Enhancements to Start-Up Runway to on-board innovative products on GeM and allowing non-DPIIT registered startups to onboard GeM

- ✓ Making it easy for sellers to choose serviceability locations and exclude certain states/ regions to ensure lower rejection rates

- ✓ Preference to MSE and Make in India as per Government Policy

- ✓ Availability of products from SHG and Women Entrepreneurs

Mechanisms / Tools to Empower Users

a) Mechanisms to ensure quality and timely delivery:

i. Vendor assessment (VA) by Quality Council of India (QCI).

ii. Online Incident Management (IM) module.

iii. Online Vendor Rating System.

b) Mechanisms to monitor delay in payment

i. Real time dashboards have been provided to Secretaries/AS&FA/Chief Secretaries/CMDs of CPSEs to review the payments due.

ii. Issues related to payments due are discussed in SCoGeM meetings regularly.

iii. Flagging of orders on all buyer dashboards whenever any order is due for payment beyond 40 days of generation of CRAC.

iv. GeM is already integrated with PFMS, Defense payment system, Railway payment system, IFMS system of states, GeM Pool account(GPA) , online banking payment gateway systems etc.

c) Business analytic tools to empower buyers:

i.   Business Analytics (BA) tools viz. Last Purchase Price (LPP) on GeM, last six month price trends, Department's own Last Purchase Price, etc.

ii.   Dashboard with trends of procurement, payment pendency and procurement related information is available to buyers.

iii. Online reporting facility (Incident Management) for users to report insanity of any nature that are raised as incidents and acted upon for sanitizing.

iv.   Offering price of any product on marketplace is dynamic (sellers can decrease their price at any time, but seller can increase only once in a month).

GEM Support – Channels to Assist You

GeM Government e Marketplace
Efficient • Transparent • Inclusive

FAQs — Need help?

Ask GeMmy 24x7 Assistant

08:00 AM to 08:00 PM

helpdesk-gem@gov.in

1-800-102-3436
1-800-419-3436

GeM Office
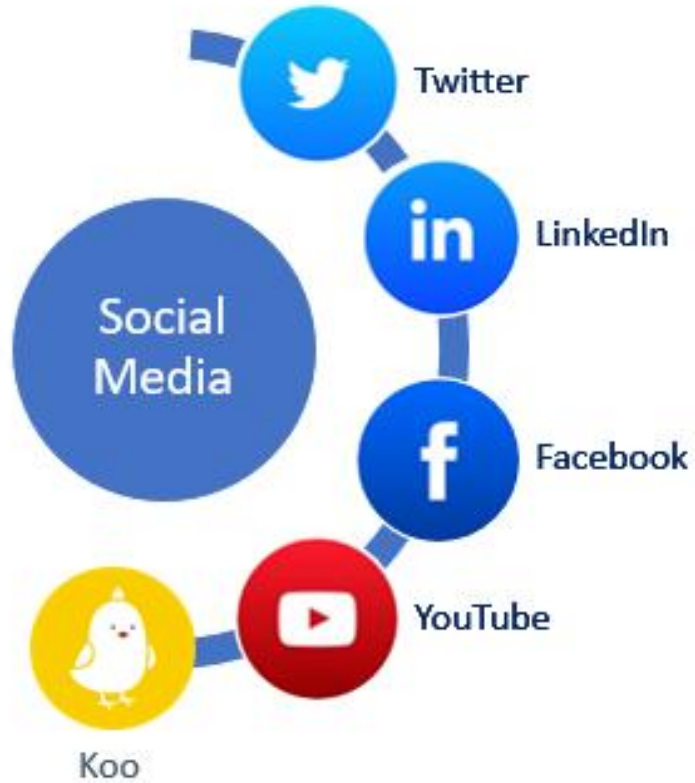2nd Floor, Jeevan Tara Building, Patel Chowk, (Near Patel Chowk Metro)

Through the GeM Portal

Monday to Saturday

GeM Support Channels - II

Social Media
- Twitter
- LinkedIn
- Facebook
- YouTube
- Koo

Scheduled Outreach events & Buyer – Seller Trainings

- Webinars & Seminars
- Focused Online Conferences
- Online Trainings
  New feature introductions
  Buyer/Seller Trainings

Thank You