



सत्यमेव जयते

Department of Commerce
Ministry of Commerce and Industry
Government of India



**Public Procurement
New Opportunities for
DICCI MSMEs on
GeM
BY
ANURAG AWASTHI, GeM
29TH JULY 2024, New Delhi**



Sections

Overview GeM Marketplace	03 - 15
---------------------------------	----------------

Journey of MSMEs	15 - 19
-------------------------	----------------

Market Interventions	20
-----------------------------	-----------

GeM #Vocalforlocal Stores	21 - 22
----------------------------------	----------------

Next Steps – Work-in-progress	23 - 24
--------------------------------------	----------------

GeM Assistance!	25
------------------------	-----------

GOVT. EMARKETPLACE; THE GENESIS

- 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 Govt Financial Rules [GFR] 2017 mandates all Central Ministries, State Depts, Central Public Sector Units [CPSE], and autonomous bodies to procure all common use Goods and Services from GeM.
- 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.



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

Hon'ble Prime Minister Shri Narendra Modi

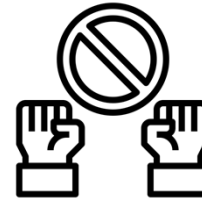
NEED FOR GEM | LIMITATIONS IN THE LEGACY PROCUREMENT SYSTEM



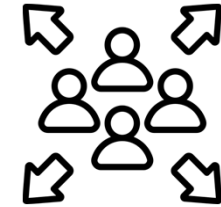
No Standardization of procurement processes



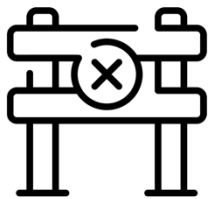
Incessant need for manual intervention



Lack of regulatory compliance



Scattered demand due to many portals



Huge entry barriers leading to limited supplier base



Information asymmetry and unavailability

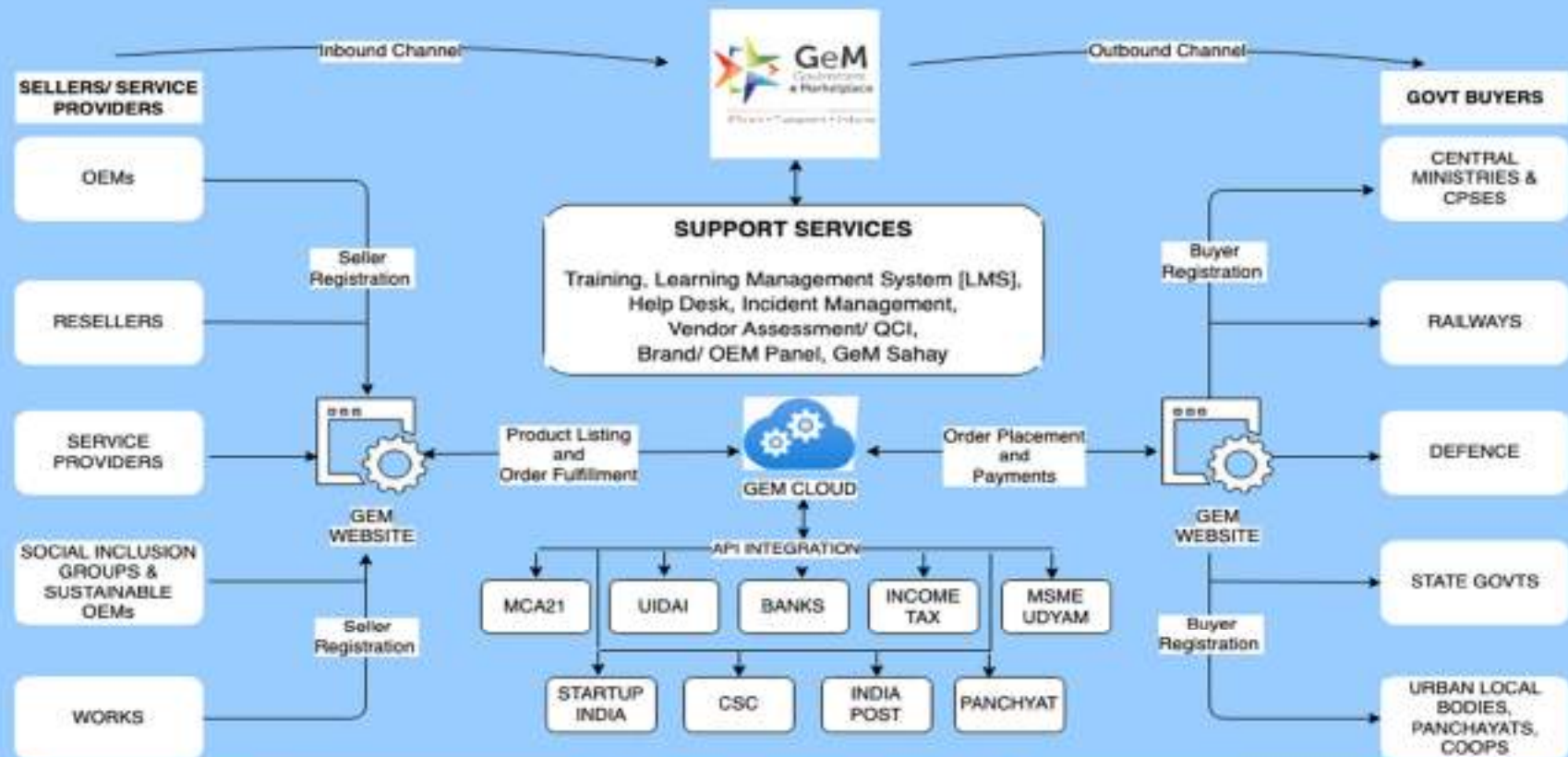


Nearly impossible for MSMEs to fulfil govt. tenders



Limited online integrations meant cumbersome and time-consuming transactions

GOVERNMENT EMARKETPLACE [GeM] - ONE MARKETPLACE, OPPORTUNITIES FOR BILLION+



- BENEFITS FOR SELLERS ON GEM**
- 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
 - Seller friendly dashboard for selling, and monitoring of supplies and payments
 - News and Event Section for Regular Updates
 - New on GeM - Shows list of new product categories added

- SOCIAL INCLUSION**
 Women, Tribal and SC/ST Entrepreneurs, MSEs, Startups, Artisans and Weavers, Khadi and Bamboo producers, Divyangjan/ Persons with Disabilities, Self-Help Groups, Farmer Producer Companies, Cooperative Societies, Prison Inmates

- BENEFITS FOR BUYERS ON GEM**
- End-to-end system from registration to payment
 - Provides transparency and ease-of buying
 - Provides options for search, compare, select and buy facility
 - Offers rich listing in individual product and service catalogues
 - Price trends and bunching of products
 - Up-to-date 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

ESTABLISHED FOOTPRINT ACROSS INDIA



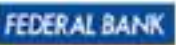
Partnered with Industry Associations & Other Institutes:



Federation of Indian Chambers of Commerce & Industry



MoU with Financial Institutions/Banks:



GEM'S JOURNEY – AS ON 15TH JULY 2024

Inception in August 2017

A unified online procurement platform offering a transparent, efficient and inclusive marketplace

Technological Innovation through Advanced Analytics, AI/ ML and Blockchain.

1.52 Lakh + Govt Buyers	22.5 Lakh+ Sellers & Service Providers	11,962 Product Categories	320 Service Categories
62.79 Lakh + Orders Fulfilled In FY 2023-24	4,03,706 Crores (GMV) in FY 2023-24	9.36 Lakh+ MSEs in FY 2024-25	46.56 % Order Value to MSEs - Cumulative
1.59 lakh+ Women MSE Entrepreneurs	48K + SC/ ST MSE Entrepreneurs	650+ Cooperative Societies	180+ Farmer Producer Organizations (FPO)

BENEFITS OF GEM – OTHER TYPES OF PROCESS COST SAVINGS VIA GEM ACKNOWLEDGED BY GOVT. BUYERS



Printing Costs

GeM **Bid Documents being more concise** in content has resulted in a **reduction in printing costs** related to Tenders, w.r.t. manual approvals & storage for record purposes.

- Sr. Manager, Strategic Planning,
Balmer Lawrie & Company Ltd.

Printing Cost has been reduced. All the **contracts are sent in e-Mode as Gem Contracts directly to the seller.** No separate printed PO copy needs to be sent.

- Manager,
Hindustan Petroleum Corp. Ltd.



Advertisement Costs

Saving of cost has been achieved in newspaper publicity of tenders. **Reduction of effort** on newspaper publication of advertisements.

- Indian Army, Min. of Defence

There is no requirement of RFI. **No requirement of advertising tenders in newspapers.** Creating/ opening/ finalizing bid in GeM is simpler.

- General Manager, Purchase,
Western Coalfields Ltd.



Other Costs (e.g., travel cost, courier costs etc.)

There is **reduction in post publishing tracking cost for tenders related to standard products and services** since the tender related information is readily available on GeM.


- Sr. General Manager,
Engineers India Ltd.

We achieve 5-10% reduction in admin costs for various service tenders floated through GeM. **Cost on courier services is nil.**

- Procurement Manager,
Bharat Petroleum Corp. Ltd.




TRANSPARENCY THROUGH GEM

- Data (incl. price, # of participants) for all Bids, Reverse Auctions and Contracts made available for public viewing on the Home page.
 - GeM has introduced the feature of tracking Business opportunity in public procurement at the category level
 - Seller, OEM and Catalog count available for each category
 - Comparison of Order value and Order volume in the current year versus last year
 - List of brands populating the category
 - Functionality of capturing the annual procurement potential of all buyers on GeM
 - Buyers can upload their procurement plan for the Financial Year
 - Demarcation for GeMmable vs non-GeMmable procurement
- 



COST-SAVINGS THROUGH GEM

GeM has facilitated cost savings of more than INR 80,000 crore for the government, in addition to providing a fair chance to marginalized sellers

- Independent study conducted by the **World Bank and IIM Lucknow (2020)**
 - Estimated an **average savings of 9.75%** from the median price.
 - Participation of each bidder translates into an additional saving of **0.55%**.
 - The **Economic Survey 2021-22** highlighted a cost comparison for 22 common-use goods
 - Prices on GeM were observed to be **9.5% lower** in comparison with other online platforms for 10 out of 22 commodities.
 - 90% of the buyers (out of 5,000 respondents) acknowledged savings of up to 20% while procuring through GeM (**Axis My India Survey**).
 - **Major reasons:** Higher seller participation, information symmetry and availability, bulk discounts, better price discovery functionalities such as reverse auction and demand aggregation
- 

WAY FORWARD WITH GEM

- GeM Works
- Global Tenders/ Procurement
- GeM Sahay
- Opening GeM for private buying (B2C model)
- GeM in FTA negotiations
- MoU with the Dalit India Chamber of Commerce & Industry (DICCI)



ADOPTION OF NEW AGE TECHNOLOGIES

Augmented Reality (AR)

- GeM has created QR codes for 300 products.
- Buyers will be able to scan QR codes on GeM website and view 3D models of objects in AR through their mobile device.
- Allow users to scale, zoom, pan, and place objects in their camera view.
- Implement a comparison feature that enables users to compare two objects in AR.

Artificial Intelligence Use Cases

Market Intelligence

Product Similarity

Price Gap analysis

Anomaly detection

Unstructured data analysis

Bid Health

Key benefits

- Empowering buyers to discover the right price for a given product or service
- Easier navigation and content design for both buyers and sellers
- Near-real-time identification of any abnormal activity between buyers and sellers
- High visibility for decision makers to take necessary steps and stop potential collusion practices

MARKETPLACE FILTERS AND ICONS

The screenshot shows a web browser window displaying search results for 'Revolving Chair' on the MKP (Marketplace) website. The URL is [mkp.gem.gov.in/revolving-chair/search/#?mse_applicable\[\]=women&shr=1](http://mkp.gem.gov.in/revolving-chair/search/#?mse_applicable[]=women&shr=1). The page features a left-hand sidebar with various filter categories: ADMINISTRATIVE, FINANCIAL, and MAKE/MODEL SELECTION. The main content area displays three product listings, each with an image, title, seller information, and price. The first listing is 'VF REVOLVING CHAIR WITH ARM central tilt' priced at ₹ 9,500.00 (37% OFF). The second is 'Artifex REVOLVING CHAIR With ARM 360 Degree ...' priced at ₹ 7,775.00 (39% OFF). The third is 'Manager Chair' priced at ₹ 5,849.00 (42% OFF). The page also includes a 'Filters' section at the top left, a search bar, and a 'Reading list' icon in the top right corner.

Filters:

- ADMINISTRATIVE
- Include Out Of Stock
- Make In India
- MSE
- Startup
- Seller Registered Address
- Seller Rating
- FINANCIAL
- MAKE/MODEL SELECTION
- PRODUCT SPECIFICATIONS
- PRODUCT COMPARE
- PRODUCT HISTORY

Product Listings:

Product Name	Price	Discount
VF REVOLVING CHAIR WITH ARM central tilt	₹ 9,500.00	37% OFF
Artifex REVOLVING CHAIR With ARM 360 Degree ...	₹ 7,775.00	39% OFF
Manager Chair	₹ 5,849.00	42% OFF

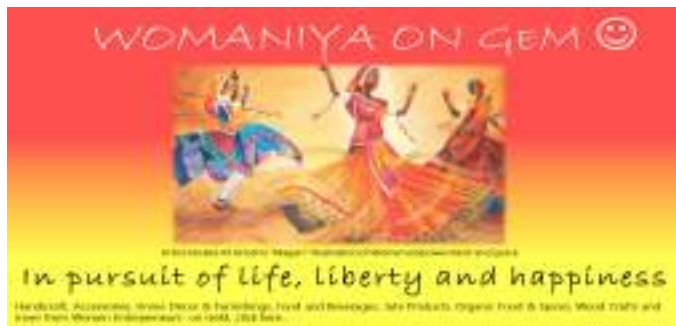
KEY ADVANTAGES

BUYERS

- End to End System - Registration to Payment
- 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
- Price Trend for Products
- Up-to-date 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

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
- Seller friendly dashboard for selling, and monitoring of supplies and payments
- News and Event Section for Regular Updates
- New on GeM
 - Shows list of new product categories added

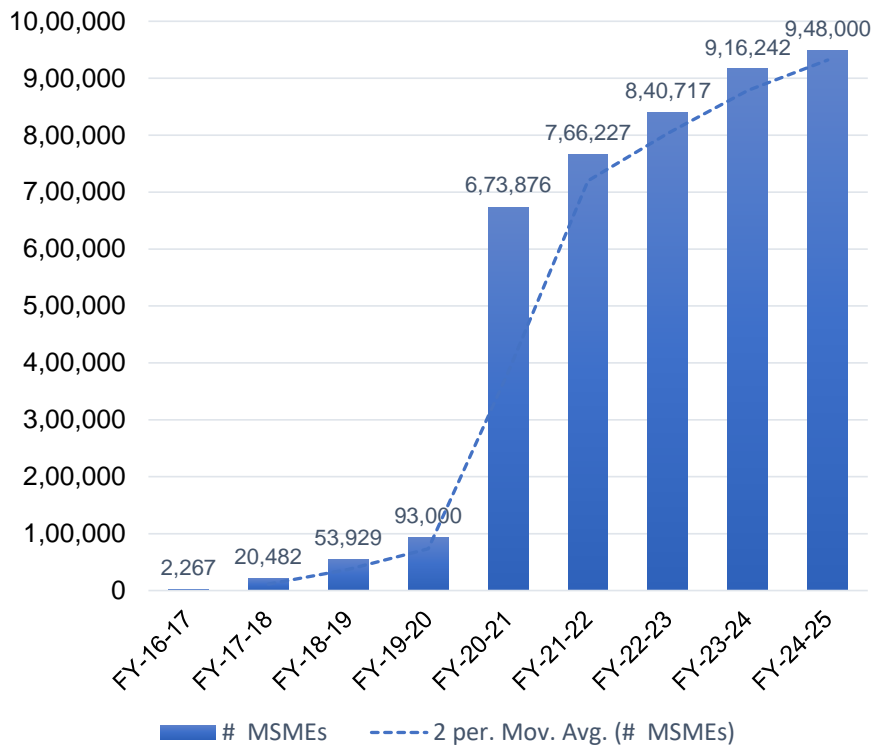


GeM is collaborating with MSME organizations to empower and align MSEs from the formal & informal sector in public procurement.

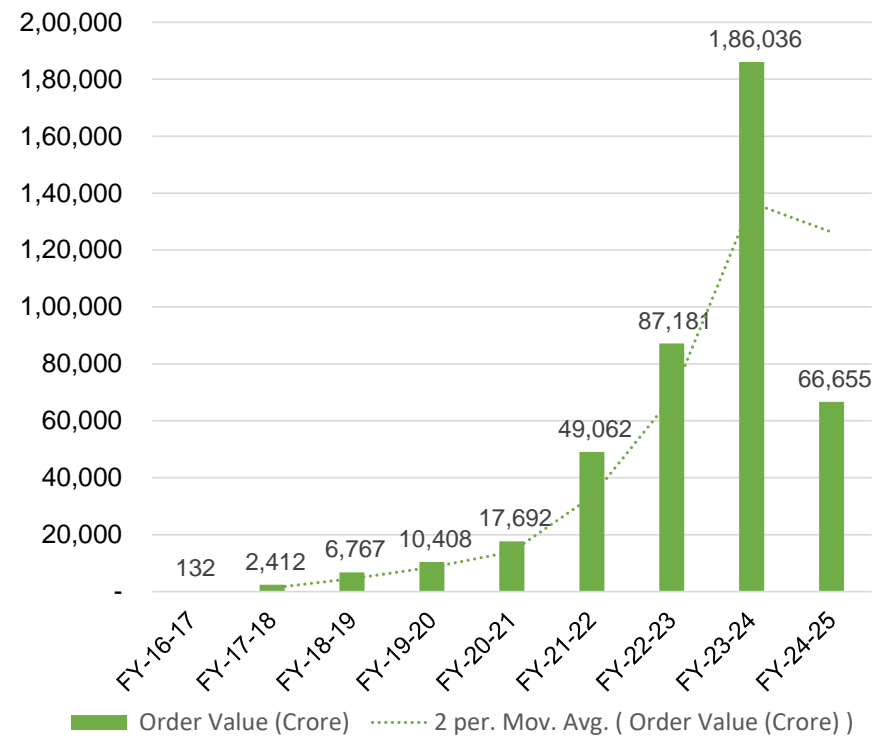


MSMEs ON GEM – 18TH JULY 2024

NUMBER OF MSEs - CUMULATIVE



VALUE OF ORDERS (CRORE) – YEAR ON YEAR



PROCUREMENT FROM MSMEs - FY 2023-24

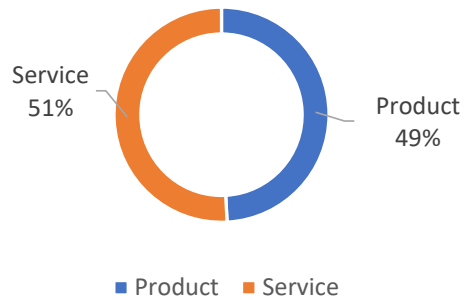
MSME_VOLUME_VALUE_BUYER_ORG_TYPE - FY2023-24		
Buyer_Type	Total Sum - MSME Order Volume	Total Sum - MSE Order Value (CR)
Miscellaneous	22	0.22
Bodies Created By Resolution Of Cabinet	958	42.30
Central Autonomous	4,12,642	9,505.93
Central Government	20,23,564	39,562.33
Central PSU	3,36,465	1,02,162.93
Comptroller General Of Accounts	332	1.22
Constitutional Bodies	9,223	205.80
Joint Venture Of Central And State Government	3,067	421.75
Judiciary Bodies	8,563	136.98
Multi-State Co-Operative Societies (MSCS)	82	1.25
Single-State Co-Operative Societies (SSCS)	529	128.91
Spv/Sec-8 Company	1,418	127.44
State Autonomous	77,607	2,809.18
State Government	9,61,940	24,578.21
State Local Bodies	41,688	3,377.91
State PSU	21,958	3,494.04
Statutory Bodies	20,215	540.71
Union Territories	31,726	310.34
Grand Total	39,51,999	1,87,407.44

CATEGORY_MIX & PROCUREMENT_MODE - FY 2023-24

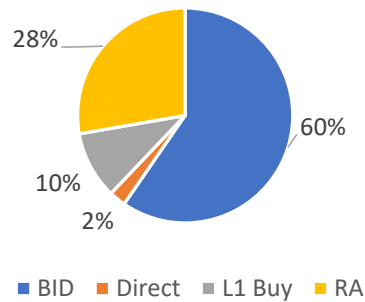
Category Type	Order Volume	Order Value (CR)
Product	37,66,693	92,146.30
Service	1,85,306	95,261.14
Grand Total	39,51,999	1,87,407.44

Procurement Mode	Order Volume	Order Value (CR)
BID	6,36,977	1,40,918
Direct	25,42,955	2,185
L1 Buy	6,58,879	8,789
RA	<u>1,13,188</u>	<u>35,515</u>
Grand Total	39,51,999	1,87,407

MSMEs Order Value (CR)

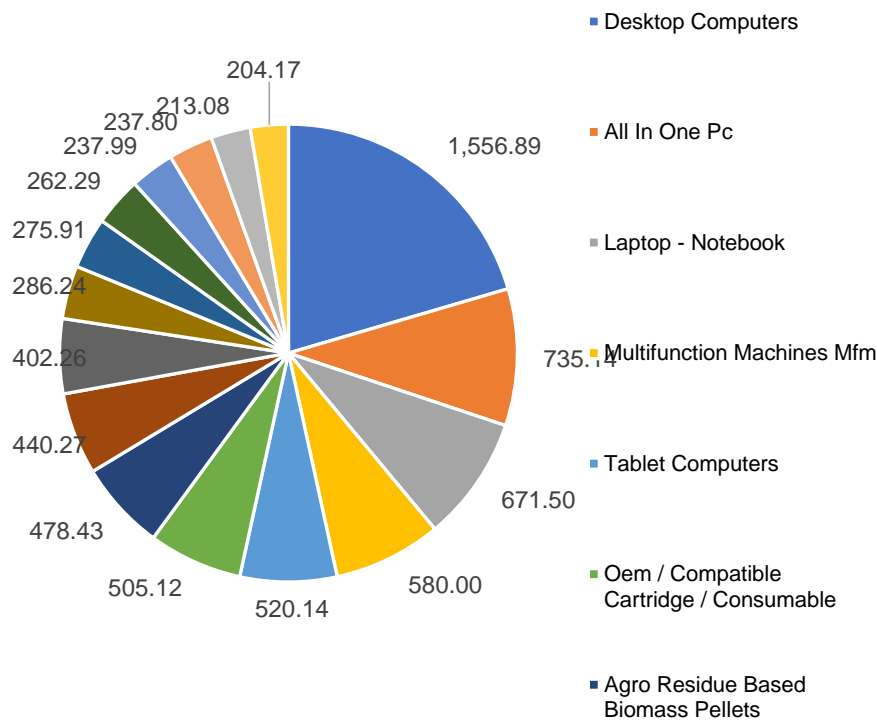


Value of Orders (CR)

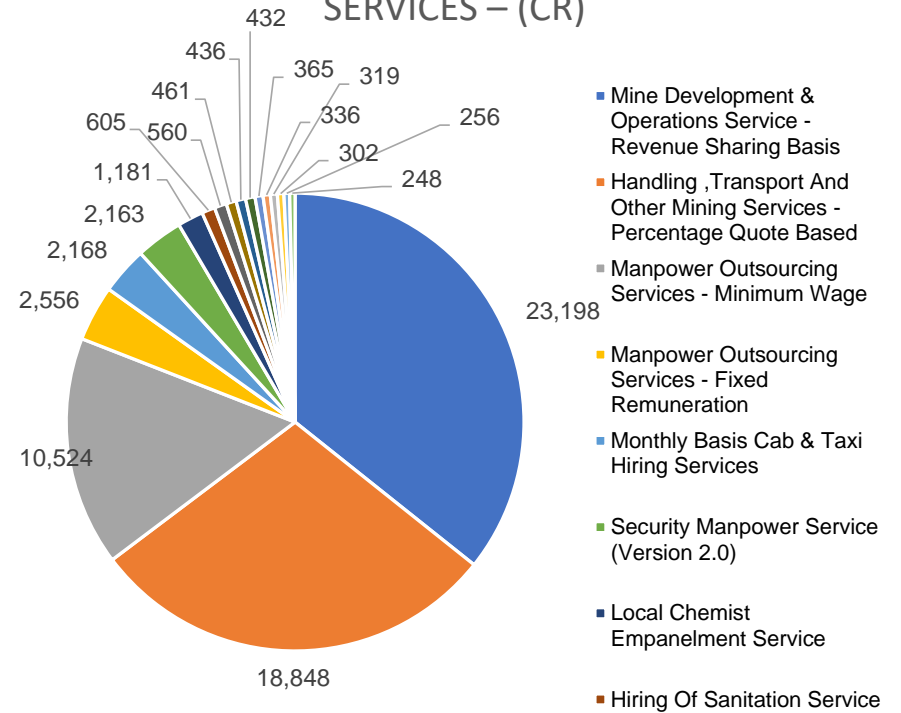


TOP 10 PRODUCT & SERVICE CATEGORIES - FY 2023-24

PRODUCTS - (CR)



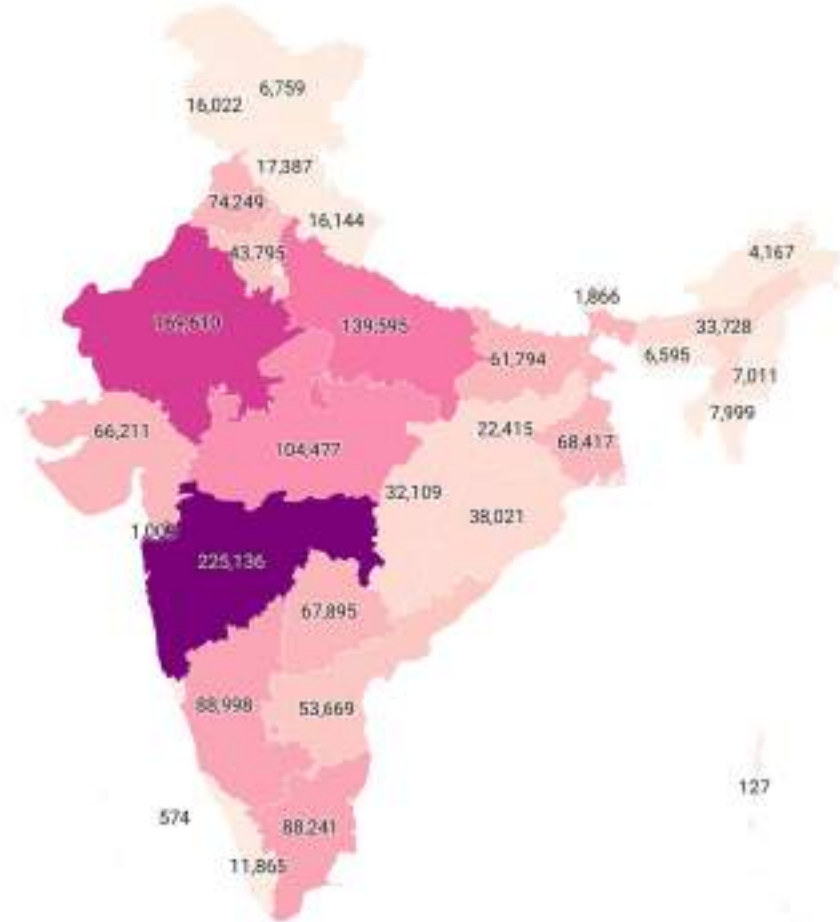
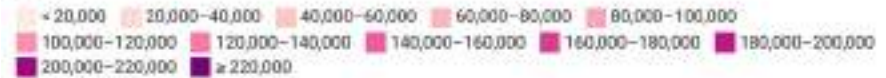
SERVICES - (CR)



DELTA - SC/ ST MSEs

Potential Udyam-verified MSEs yet to register on GeM, 28th Nov. 2023

Delta



DATA POINTS;

1. Delta-15.13 lakh Udyam verified SC/ ST MSEs are yet to register on the GeM portal
2. Maharashtra, Rajasthan, Uttar Pradesh, Madhya Pradesh, Karnataka, Tamil Nadu, Punjab, West Bengal, Telangana, Gujarat, Bihar, and Andhra Pradesh account for approx. 79.8 percent (%) of the DELTA

IMPLEMENTED - MARKET INTERVENTIONS

ACCESS TO MARKETS

- Creation of “GeM Outlet Stores”, dedicated market pages for Women MSEs, Startups, SHGs, artisans & weavers, FPOs etc.
- API integration with Udyam MSME databases for 2-step seller auto-registration
- 2-step registration of Udyam-verified MSMEs through email and SMS notification.
- Participation in all ITPO & IEML events, expos, roadshows, and product/ technology launch events
- Immersive seller onboarding journey from initial seller registration to product catalogue photoshoot/ upload in respective product categories

ACCESS TO FINANCE

- GeM Sahay - a mobile app-based inclusive lending platform enabling sellers to avail loan on acceptance of orders,
- Addresses “access to credit” challenges faced by MSMEs and enables frictionless “access to finance” by leveraging fintech,
- GeM Sahay 2.0 on India scale Digital Financial Lending using OCEN_4.0 and
- 5,723 loans worth 25 Cr disbursed with 95 % repayment rate, and
- New Lending platform being developed.

ACCESS TO VALUE-ADDITION

- Delivery of GeM seller services to last -mile MSEs through 5.2 lakh+ Common Service Centre Village-level Entrepreneurs (CSC-VLE)
- CSC-VLEs facilitate;
- seller registration, product catalogue upload and management, order acceptance, fulfilment and invoice generation, packaging & logistics services.
- Nominal charges for seller registration, product catalogue upload, packaging and logistics to be paid by the seller.

#vocalforlocal GeM Outlet Stores

WOMANIYA ON GEM 😊

In pursuit of life, liberty and happiness

Ministry of Textiles, Government of India

The Saras Collection

Authentic Tribal Handloom & Handicrafts

Explore Now

Authentic Tribal Handloom & Handicrafts

Explore Now

Startup Runway

Discover innovative products and solutions from the finest Startups in India.

GeM

Ministry of Textiles

GeM

Ministry of Textiles

Discover Pristine Khadi and Khadi Products on GeM

The Sakshara Collection

Ministry of Textiles

GeM OUTLET STORES – 18th July 2024

SR. NO.	GEM OUTLET STORE	REGISTERED SELLERS	COUNT OF PRODUCT CATALOGS	VOLUME OF ORDERS	VALUE OF ORDERS (INR)
1	MSEs –Women MSEs –SC/ ST MSEs	9.48 Lakh - 1.62 Lakh - 48.8 K		1.19 Cr - 19.00 Lakh - 3.76 Lakh	3,79,001 Cr - 35,139 Cr - 7,632 Cr
2	STARTUP – MARKETPLACE STARTUP RUNWAY	25 K -356	1108	3.19 Lakh - 4,841	26,910 Cr - 65.11 Cr
3	INDIA HANDLOOM	14,877	900	13,386	595.52 Cr
4	KHADI INDIA	10,015	300	12,573	249.92 Cr
4	INDIA HANDICRAFTS	57,000	5,064	44,336	130.75 Cr
5	GREEN GOLD BAMBOO	5,883	206	2,692	4.64 Cr
6	TRIFED – Tribal Entrepreneurs	01	859	269	1.62 Cr
7	ODOP	215	1,402	202	0.31 Cr
8	FPO – The Millet Store	104	142	232	0.22 Cr
9	SARAS COLLECTION – (FDRVC)	01	1098	90	0.049 Cr
	TOTAL	10.61 Lakh	11,079	1.22 Cr	4,06,894 Cr

* (-) Subset of above figure

WORK-IN-PROGRESS - MARKET INTERVENTIONS

ACCESS TO MARKETS

- GeM Seller Samvaad across approx. 60 cities for 2X+ increase in Udyam-verified Women and SC/ ST MSES – [Slide # 15](#)
- Participation in SARAS Melas, TRIFED, National & State Handicraft & Handloom Expos (NHE/ SHE), Toshali and Surajkund Craft Melas.
- Onboarding of Startups through DPIIT, State Startup Missions, NASSCOM etc.,
- Roll-out of the Aspirational Block Program (ABP) by NITI AAYOG for the onboarding of ODOP artisans and weavers in 500 blocks across 329 Districts.

ACCESS TO FINANCE

- Develop Backward and Forward linkages for women entrepreneurs to qualify and access finance at low-interest rates
- GeM Sahay Philosophy 10x10x10 – to ensure working capital loans up to INR 10 Lakh in 10 minutes under 10 % interest rates
- Design and development of **GeM_Udyam_RuPay Card** for ease-of-doing-business (EODB) in availing EMD short-term at low-interest rates during BID participation ([Write-up shortly](#)).

ACCESS TO VALUE-ADDITION

- GeM Sahayak – Last-mile accredited GeM Seller Specialists – [work-in-progress](#)
- Interactive procurement reports available for sellers in a push-pull mode
- 30-45 second teasers/ promos and seller testimonials to promote the women & SC/ ST MSES – [work-in-progress](#)
- Vlogs, and podcasts to highlight the ease of doing business and their success stories
- GeM interactive eLearning Management System available in – Hindi, English, Gujarati, Marathi, Odiya and Tamil.

FY 2024-25 GEM SAMVAAD - LIST OF CITIES

	TIER 1	TIER 2	TIER 3
MSME - DEVELOPMENT AND FACILITATION OFFICES (DFO) & BRANCH DFOS	Ahmedabad, Bengaluru, Chennai, Hyderabad, Kolkata, Sakinaka/ Mumbai, and Okhla/ New Delhi,	Jaipur, Jammu, Kanpur, Karnal, Ludhania, Patna, Guwahati, Cuttack, Raipur, Ranchi, Hubli, Thrissur, Vizag, Nagpur, Srinagar, Gwalior, Varanasi, Dhanbad, Rourkela, Siliguri, Durgapur, Coimbatore, Madurai, Aurangabad, Pune, Rajkot,	Agra, Allahabad, Haldwani, Indore, Muzaffarpur, Solan, Agartala, Gangtok, Imphal, Dimapur, Margao, Bhiwani, Rewa, Itanagar, Silchar, Tezpur, Karbi-Anglong, Shillong, Tura, Aizwal, Birbhum, Rayagada, Port Blair, Mangaluru Gulbarga, Silvassa,
TOTAL	7	25	26



Contact the GeM team for any support or assistance required

Help Desk Support

Mail us at: [helpdesk-gem\[at\]gov\[dot\]in](mailto:helpdesk-gem@gov.in)

Toll Free Numbers (Inbound): Call

1800-419-3436 / 1800-102-3436

(9:00 am - 10:00 pm Mon to Sat)

Gem Sahay

Email ID- gem-sahay@perfios.com

Helpline No.- 8595865855

To Raise a Support Ticket

visit <https://gem.gov.in/gemtickets>

