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India's Government eMarketplace:

18 OCTOBER 2023

GeM®
Government
e Marketplace

Efficient • Transparent • Inclusive

Vision, Mission and Fundamental Values of GeM

- **Vision** for GeM: “To effect an evolution in public procurement promoting a **transparent**, **efficient** and inclusive marketplace”

- Five **Mission** statements for the GeM:

…iii. Build an easy to use, fully automated, **trust-based** platform to ensure **transparency** and **efficiency** in procurement.

- Seven **Fundamental Values**: Innovate to Simplify, **Ownership** and **Accountability**, Be Bold and Think Big, Responsiveness, Commitment, **Transparency** and **Integrity** and Social Inclusion

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GeM Charter

2. GeM shall constantly endeavor to enhance **transparency** and **efficiency** in the procurement Process.

3. GeM shall be a **trust-based** system with minimal manual intervention: GeM shall **leverage technology** and the existing database with domain Ministries to ensure ease and convenience in the processes of registration, procurement transaction and contracting.

5. GeM shall provide a **robust audit trail** along with an internal system of check and controls:

7. GeM shall in line with its principles of **transparency** and **openness** publish a monthly scoreboard on the platform: Key elements like GMV (Monthly), Number of buyers and sellers, Number of product and service categories, % savings achieved, Number of disputes/incidents registered and resolved.

Transparency on GeM

- Data (incl. price, # of participants) for the Bids, Reverse Auctions and Contracts are viewable publicly.
- Tracking category wise Business opportunity in public procurement.
- 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
- Transparent authentication through e-sign and DSC
- Faceless Online L1 Negotiations

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E-Procurement | Specs Representations/Clarifications/Challenge Rejection

- **Specs Representations**
  - Buyers added T&C, corrigendum, scope of work, drawings, etc. are published in the bid document and are made available to all prospective sellers.
  - Sellers can raise representation in the predefined categories.
  - Buyers cannot open the technical bids unless all representations have been responded.
- **Seek clarification**
  - Buyers may seek clarifications from Sellers multiple times during technical evaluation.
  - Sellers shall provide clarifications within Buyer Specified Period (minimum 48 hours).
- **Challenge Rejection**
  - Sellers may represent within 48 hours against technical disqualifications.
  - Buyers cannot open the technical bids unless all representations have been responded.

Incident Management

Incident Management

- GeM, being a trust-based system, Self-declaration is fundamental to the system.
- Strong automated processes to penalize any deviant behaviour on the GEM platform are in place.
- Good buyer behaviour generates seller confidence to offer the best quality and price on the portal.
- Incidents are categorized as **Mild, Serious, Severe** or **Grave** based on the severity of the deviations.
- Deviations are reported by sellers and buyers and handled by GeM through the Incident Management Module.
- IM policy is reviewed for compliance with government rules and guidelines.

Pre-Contract Incident: Workflow

1	2	3	4
Incident Creation	Incident evaluation	Escalation	Final Decision
Incident created by Buyer/Seller/ GEM – Admin from product page by clicking on report this product option	Product admin team evaluates the incident and escalates the incident	System sends Show cause notice to raised against party	Based on Response and merit of the case GeM officer can reject/close the incident or act on the incident.

Post Contract Incident: Workflow

1	2	3	4	5
Incident Creation	Incident Escalation	Evaluation	Recommendation	Final Decision
Incident created by Buyer/Seller/ GeM – Admin/System	7 days window provided to buyer and seller for resolution of issue mutually. If not resolved, incident creator can escalate the incident.	Once incident is escalated, system sends Show cause notice to raised against party	Based on information available, Evaluating officer (GeM) can recommend action/ closure/ rejection of the incident	Approving Officer (GeM) can accept or reject the recommendation and decide on the incident

Incident Management Principles

Action: Once Deviation is proved against Seller

- Seller is suspended from the portal.
- Suspension period depends on the severity of the incident.

Good behavior is rewarded (Seller)

- **Transaction History:** Suspension period can be reduced up to 70% based on good transaction history
- **Dues of the buyer to the seller:** Suspension period can be reduced to 30%.

Features of Incident Management System

Pre-defined reasons	Incident reasons are pre-defined based on deviations that may occur at various stages of user engagement, from product listing to order fulfilment.
Equipping Incident evaluators	All the data related to contracts, bids, fulfilment, policies, etc. is provided on the incident page to the incident evaluator to help them make an informed decision.
Pre-Checks for incidents creation	To ensure correct reporting and data sanity for further evaluations, pre-checks for incident creation are in place. It ensures incidents are not created in the wrong head.
Dashboard for all users	An incident dashboard has been provided to all the users (buyers, sellers, and incident evaluators) with proper bucketing.

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Automation in Incident Management Module

1 Incident Creation

System creates incidents automatically based on following:

DP/L1 order is rejected/ declined

Non-Delivery of product/ services

2 Incident Evaluation

Auto Show Cause Notice (SCN) on incident Escalation

Auto action if SCN is not responded.

3 Incident Closure

After completion of suspension period, incident gets closed automatically

Once cause of deviation is resolved, system will detect the same and close the incident.

Order Fulfilment

- Standardized process with definite timelines for order fulfilment.

- Online functionality to track the order fulfilment process and provides buyers and sellers.

- Timelines for the different stages of the process, such as delivery of the goods and services, generation of the Provisional Receipt Certificate (PRC) (within 4 days of the seller's proof of delivery updates) , and generation of the Consignee Receipt and Acceptance Certificate (CRAC) (Time mentioned during Bid Creation) are stipulated by GeM.

- Users are subjected to appropriate rating and action in case of non-adherence as per GeM policy notified from time to time on the portal.

Audit Trail

- A securitized chronological record that provides documentary evidence of the sequence of activities carried out on the platform

- enables Auditors to **evaluate the process transparently**, and review the choice of filters, data, evaluation criteria used on the platform.

- Audit trail also aims to ensure that fair practices are adopted in technical and financial evaluation of bids.

- Using a few key fields such as contract number, organization name etc. a bid summary sheet that captures different artefacts, input/output data and events, are generated for auditing purposes.

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Thank you

Azadi Ka Amrit Mahotsav