



Government e-Marketplace

Why in News?

During the 'Kreta-Vikreta Gaurav Samman Samaroh 2023' event held in New Delhi, **significant growth in procurement from the [Government e-Marketplace \(GeM\)](#)** over the past three years, was highlighted.

What is GeM?

▪ About:

- **GeM** facilitates **online procurement of common use Goods & Services** required by various Government Departments / Organisations / PSUs.
 - The initiative was launched in **August 2016**, by the **Ministry of Commerce and Industry, Government of India**.
 - The current version of GeM, i.e., **GeM 3.0** was launched on **January 26, 2018**.
- It provides the **tools of e-bidding, reverse e-auction and demand aggregation** to facilitate the government users, achieve the best value for their money and aims to **enhance transparency, efficiency and speed in public procurement**.

Note: Public procurement refers to the **process by which governments and state-owned enterprises purchase goods and services from the private sector**.

Public procurement amounts to 15-20% of a [India's GDP](#) and therefore an efficiently run public procurement process is critical to our nation's economy.

▪ GeM Statistics:

- As of March 31, 2023, **GeM recorded a staggering ₹2 lakh crore of Gross Merchandise Value** (value of goods sold via customer-to-customer or e-commerce platforms) **during FY 2022-23**, contributing to a **cumulative GMV of over ₹4.29 lakh crore since its inception**.
- The total number of transactions on GeM **has also crossed 1.54 crore**.
- Studies indicate that the platform has generated minimum savings of about 10%, amounting to approximately **₹40,000 crore worth of public money**.

▪ Significance:

- GeM eliminates **human interface in vendor registration, order placement and payment processing**, thereby reducing delays and corruption.
- It provides **complete visibility of all transactions on its platform**, ensuring fair and equal opportunity for all sellers.
- It enables **price comparison and selection of competitive and quality products**.
- It ensures compliance with **standards and specifications for all its listed products and services** and offers a user-friendly online feedback system.
- It promotes innovation by providing **opportunities for startups, [MSMEs](#), women entrepreneurs and artisans** to showcase their products and services.

▪ Major Developments on GeM:

- **GeM Outlet Stores:** GeM has launched outlet stores for various categories of products such as **SARAS, Ajeevika, Tribes India, Startup Runway, Khadi India, India**

- Handloom, India Handicraft, Divyangjan** etc.
- **GeM-CII MoU:** GeM has signed a memorandum of understanding (MoU) with [Confederation of Indian Industry \(CII\)](#) to establish a **GeM-CII Centre of Excellence (CoE)**, which will provide training, research and advocacy support to GeM.
 - **GeM, CSC and India Post:** The **integration of India's postal system [India Post](#) and [Common Service Center \(CSC\)](#)** with the GeM is operational across the country.
 - This allows India Post to **provide logistics service into the remotest parts of the country** to sellers and buyers transacting via GeM.
 - **Bamboo Market Window:**
 - The National Bamboo Mission and GeM have created a dedicated window on the GeM portal for marketing Bamboo Goods.

[Source: PIB](#)

PDF Reference URL: <https://www.drishtias.com/printpdf/government-e-marketplace-2>

