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**Winner of the South Asia Procurement Innovation Awards of the World Bank, 2016**
Procure the goods and services for government at

✔ Right price
✔ Right Quantity
✔ Right Quality
✔ Right time
✔ Right source
✔ Right place

Why GeM
Why Government e-Marketplace

- Traditional manual system
- Potential of digital revolution and e-commerce

- End-to-end digitization of public procurement
- Online & inclusive solution for sellers
- Increased coverage & access to procurement for buyers
- Common, unified and transparent platform
- Enhanced speed & efficiency of public procurement

Minimum Government, Maximum Governance realized through a digital ecosystem
GeM – Main Features

- Buyer/Supplier/Service Provider Registration
- Various Products/Services on offer with multiple sellers
- Market Search/Comparison
- Direct Purchase/e bid/RA
- Online Ordering/Contract Generation
- Integrated Payment System
- Contact Centre and Online Training Modules
CATALOGUE/CMS
- Catalogue Based Standardization of Specifications.
- Services also on catalogue based generic Standardisation.

BUNDLING AND BUNCHING
- Bundling of Products and Services.
- Bunching of Products and Products

USER RATING
- Performance Based Buyer and Vendor rating
- User Feedback

PRICE COMPARISON
- Price comparison using third party sites – multisource and real time

STANDARD BID/RA
- Products and Services Integrated leading to Seamless Bid/RA, Templates
- e-EMD, e-PBG

SECURITY
- Encryption and Enhanced Security Feature involving eSigning and Hash module

UPGRADED SEARCH
- SOLR, Full Text and Navigational Search

DEMAND AGGREGATION

VENDOR ASSESSMENT
- Online Vendor Assessment Enabled
GeM – Enhancements

- **MULTIPLE CARTS**
- Integration with **CPPP**
- Linked with Certification Agencies (Online)
- Non RC Price Framework
  - Working Groups
  - Standing Committees
  - **PRICE ENGINE ENABLED** (Catalogue Based)
- Filters - Govt. Policy of **MSME**, Make in India(PMA), Start-Up Enabled
- **USER ANALYTICS** as Decision Support System for Buyers including for establishing price reasonableness.
- Features of **ADVANCE ANALYTICS** such as product recommendation, demand forecasting etc.
- SoPs and Manual on **CONSULTATION** Mode
- Sourcing of **PRICE REASONABLENESS** through **BUYER**
GeM – Benefits to Buyers

Offers **RICH LISTING OF PRODUCTS/SERVICES** for individual categories of Goods/Services

Enables **BUYING** Goods and Services **ONLINE**, as and when required

Ensures continuous **VENDOR RATING** system

Up-to-date user-friendly **DASHBOARD** for buying, monitoring supplies and payments.

*Makes available SEARCH, COMPARE, SELECT and BUY FACILITY*

*Provides TRANSPARENCY and EASE of buying*

Integration with **ONLINE PAYMENT SYSTEM**

**NEWS AND EVENT SECTION** for regular updates
<table>
<thead>
<tr>
<th>Benefits to Sellers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DIRECT ACCESS</strong> to all Government departments with <strong>SERVICE LEVELS</strong></td>
</tr>
<tr>
<td>One-stop shop for <strong>MARKETING with MINIMAL EFFORTS</strong></td>
</tr>
<tr>
<td><strong>ONE-STOP SHOP</strong> for Direct Purchase/Bids / Reverse Auction on products / services</td>
</tr>
<tr>
<td>Provides <strong>TRANSPARENCY</strong> and <strong>EASE</strong> of selling</td>
</tr>
<tr>
<td>New <strong>PRODUCT SUGGESTION</strong> facility available to Sellers</td>
</tr>
<tr>
<td><strong>DYNAMIC PRICING</strong>: Price can be changed based on market conditions</td>
</tr>
<tr>
<td>Seller friendly <strong>DASHBOARD</strong> for selling, and monitoring of supplies and payments</td>
</tr>
<tr>
<td>Consistent and <strong>UNIFORM PURCHASE PROCEDURES</strong></td>
</tr>
<tr>
<td><strong>NEWS AND EVENT SECTION</strong> for regular updates</td>
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**GeM – Improved eProcurement Lifecycle**

1. **Registration of Buyer**
   - Time: 20 Mins

2. **Buyer – internal purchase approval**
   - Time: 48 hrs

3. **Buyer – search comparison and add to cart**

4. **Order placement – DP/ Bid/ RA by buyer**
   - DP: 20 Mins
   - Bid/ RA: 7 days

5. **Registration of Seller / SP**
   - Time: 20 Mins

6. **Approval of uploaded product**
   - Time: 48 hrs

7. **Payment**
   - Time: 10 days from acceptance

8. **Acceptance and CRAC generation**
   - Time: 10 days from delivery

9. **Order delivery to consignee**
   - Time: As per contract (Min 15/45 for Automobiles)
GeM – Numbers

Market Statistics

- Total Orders: 2,35,095 (INR 4,318 Cr.)
- Demand Aggregation: 559 (INR 28.2 Cr.)
- Service Categories: 13
- Product Categories: 393/1053
- Service Providers: 17,450
- Sellers: 57,684
- Government Organizations: 16412/72466

Orders (Services): 2,34,534 (INR 4,208 Cr.)
Orders (Product): 2,34,534 (INR 4,208 Cr.)
GeM – Savings

On an Average GeM Based savings is ~ 25% excluding automobiles (it is standard 12%)
PUBLIC PROCUREMENT: GLOBAL E-MARKET PLACE SCENARIO AND POTENTIAL IN INDIA
Global G2B e-procurement space: more than $250 Bn.
E-procurement platforms have existed for over 15+ years and attained significant scale over time.

<table>
<thead>
<tr>
<th></th>
<th>ChileCompra</th>
<th>GeBiz</th>
<th>KONEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total GMV(^1)</strong></td>
<td>125,000+</td>
<td>42,000+</td>
<td>340,000+</td>
</tr>
<tr>
<td><strong>Suppliers</strong></td>
<td>15,000+</td>
<td>10,000+</td>
<td>44,000+</td>
</tr>
<tr>
<td><strong>Buyers</strong></td>
<td>14 years</td>
<td>17 years</td>
<td>15 years</td>
</tr>
<tr>
<td><strong>Lifespan</strong></td>
<td></td>
<td></td>
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\(^1\) Gross Merchandise Value

Source: GeBiz website, KONEPS website, BCG analysis
## GeM – Worldwide G2B Platforms - Models

<table>
<thead>
<tr>
<th>Vision</th>
<th>Full Govt. organizations</th>
<th>Federal Govt. only</th>
<th>World body</th>
</tr>
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<tbody>
<tr>
<td>Lifespan</td>
<td>14 years</td>
<td>17 years</td>
<td>15 years</td>
</tr>
<tr>
<td>Public Works</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Revenue model</td>
<td>Funded by the Chile Government</td>
<td>Annual fee charged to sellers</td>
<td>Transaction fee charged to buyers</td>
</tr>
<tr>
<td>Operating model innovations</td>
<td>Observatorio - Ombudsman and whistleblower protection</td>
<td>GeBIZ mall - repetitive purchases of low value items</td>
<td>Predictive tools to model pricing for public projects</td>
</tr>
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India's total Public Procurement Spend is ~28 L Cr

1. FY17 GDP at current prices  2. World Bank Country Procurement Assessment Report  
3. Products basis case study of MoR and ONGC |  Services basis case study of ONGC Source: OECD Stats, Central Statistics Office  
Note: All data for FY’ 17
3-4 L Cr ($450B) addressable market for GeM in the short term
Potential to create far reaching impact beyond online procurement

5 centers of excellence to play advisory role on select topics of strategic importance/academic research

- Pricing (Benchmarking & discovery)
- Contract Management
- Payment Solutions
- Marketplace Policy
- Indigenous Product Development

- Catalyst for Make in India, Digital India and other schemes to fuel innovation
- Unification & transformation of policy landscape
- Enhanced ease of doing business with the Indian Government
- Funneling of savings through efficiency to fuel alternative schemes and projects
Thank You