

प्रशासन विभाग

इंटर आफिस मेमो

From : GM (Admn.), Hqrs	To: All ROs/HSMI/ All Procurement Departments at Head Office
-----------------------------------	---

No. HUDCO/Admn-Procurement/2019/

Dated : 2nd May, 2019

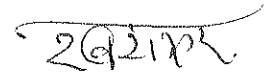
Sub: Procurement of goods and services

As per the directives of the Ministry, HUDCO has to procure product and service from Government E-marketing portal only. If the required product/services is not available, the same need to be recorded in the file and alternative process as per the Purchase Manual can be followed.

As you aware, the guidelines issued by the Ministry in terms of reservation for MSME, MSME-SC/ST, Women Entrepreneurs are to be complied with.

The threshold limit of procurement from GeM has been revised from Rs 50,000/- to Rs 25,000/- for direct purchase, and Rs 30 lakhs to Rs 5 lakhs for competitive bidding. Any procurement above Rs 5 lakhs has to be through reverse bidding or reverse auction modules. The details are available in the GeM portal.

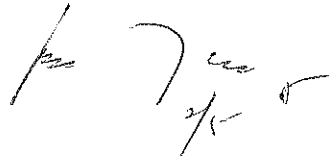
This is for information and compliance please.



डा.डी रविशंकर

महाप्रबंधक (प्रशासन)

कार्यकारी निदेशक (प्रशासन)



What's new on GeM?

Government e Marketplace (GeM) is happy to share with its users that we have relaunched the portal on **Government Community Cloud (GCC)** technical infrastructure which will offer enhanced stability, better performance and higher scalability of the platform.

In addition to technical upgrade, now GeM also comes with host of new features and functionalities for Buyers & Sellers in line with our endeavor to offer Efficient, Transparent and Inclusive Marketplace.

For Buyers on GeM

The following enhancements have been incorporated in the portal keeping in view the business needs of the various Buyer organizations on GeM:

1. **Direct Purchase up to Rs. 25,000/- based on Vendor Rating**

Buyers can now opt for applying an administrative filter on Seller Rating in Marketplace while choosing a Product. Only those Products that meet the Seller Rating criteria applied shall be displayed. This will enable Buyers to select Products from high rated Sellers thereby providing assurance of Quality and Delivery of Product.

2. **Filter on Seller's Location in Marketplace**

Buyers can narrow down search to locate Sellers closest to them by applying administrative filter based on Seller's location. Buyers can now choose "State", "District" or "PIN Code" based filters to get only those Products where the Seller(s) Location(s) are meeting the selected criteria. This will enable Buyers to source local products (local preferential purchase) and also get expedited delivery of the goods & services procured through GeM.

3. **Masking of Seller Names in Marketplace**

Buyers can no longer see the names of the Sellers in the Marketplace till the time Order is placed. This will improve transparency of the procurement where decisions will be made purely based on the merit of the Product offered.

4. **Display of Seller's Incident Details in Marketplace**

Buyers will now be able to view the details of the incidents raised against a Seller in the Marketplace. This will enable Buyers to take informed decisions based on the track record of Seller(s) thereby reducing the risk of default on delivery from the Seller.

5. Enhanced tools for establishing Price Reasonability

GeM has made enhancements in the user interface for Price Comparison and Price Trends in the Marketplace. More categories have been enabled for Price Comparison using third party comparison engines. Better UI for Buyers for taking Price Reasonability decisions.

6. Payment on time : Dynamic Classification of Buyers

Buyers will be able to view their Payment Due visually through “Red”, “Orange” and “Green” colors marked along with their name. This will enable Buyers to take actions on the Payments Due thereby improving efficiency of payment process.

Criteria for such classification would be:

- a. Red – More than 30 payments due for more than 60 days post CRAC
- b. Orange - More than 20 payments due for more than 60 days post CRAC
- c. Green – 20 or less payments due for more than 60 days post CRAC

Sellers will have the option of not accepting Direct Orders placed by Buyers that are flagged Red.

7. GeM Pool Account (GPA) for Payments

GeM has introduced GPA for Non-PFMS Agencies/Entities (NPAEs) for bringing efficiency in Payment Process for those Buyer organizations which are not on Public Fund Management System. Using this facility Buyers would be able to make assured and automated payments of orders above INR 10 lacs (unless otherwise this limit is reduced by HoDs) to Sellers promptly in simple steps.

8. MSE Purchase Preference for Bid Award

Buyers will have an option to request Price Match from up to top 5 MSE Sellers who are in the Price Range 15% of non-MSE L1 Sellers. If the MSE Sellers do not accept the Price Match, Buyers can split the order quantity between the non-MSE L1 Sellers. This will assist Buyers to comply with MSE Purchase Preference Policy of the Government.

9. Bid to RA automated at Buyer’s choice

Buyer can now indicate if they wish to go for RA option at the time of Bid creation itself. All technically qualified Sellers who have the same L1 prices or 50% of the technically qualified Sellers (+1 in case of odd number of participants) will go to RA automatically. This will enhance the efficiency and speed of procurement because of reduction in number of steps from Bid to RA.

10. Automatic Disqualification of Disabled Sellers during Bidding Process

All disabled Sellers will be auto disqualified by the system for both technical and financial evaluation during Bidding process. These Sellers will not be considered for L1 calculation and marked as Technically Disqualified due to "Serious" or "Severe" Incidents against them. This will increase efficiency of procurement because system will filter out the disqualified Sellers and hence reduce the time taken for Technical evaluation. Suspended & Watch-listed Sellers will be available for technical and financial evaluation.

11. Integrated Feedback Form for short-listed Start-Ups

Buyers can give online feedback of shortlisted Start-Ups participating in the Start-Up Runway program. This will reduce the manual process involved and expedite the process of Buyers reaching out to Start-Ups for procurement of innovative Products.

12. Enhanced Marketplace Sanity through GS1 Integration

GeM has integrated its Catalogue Management System with GS1 (<https://www.gs1india.org/>), for online standardized validation and verification of Products listed by Sellers in selected categories. This validation will be done using GTIN/EAN registered on GS1 and specified by Sellers while requesting listing of their Products on GeM.

13. Implementation of Amendments to GFR 2017 on GeM Portal

GeM has implemented the recent amendments made to GFR 2017 on the portal. These amendments revise the financial limits set for various modes of procurement on GeM.

Buyers can now procure:

- (i) Up to Rs. 25,000 through Direct Purchase from any of the available Suppliers on the GeM, meeting the requisite quality, specification and delivery period.
- (ii) Above Rs. 25,000 and up to Rs. 5,00,000 through L1 Purchase Mode from the GeM Seller having lowest price amongst the available Sellers (excluding Automobiles where current limit of 30 lakh will continue), of at least three different OEMs on GEM, meeting the requisite quality, specification and delivery period. The tools for Bidding and Reverse auction available on GeM can be used by the Buyers even for procurements less than Rs. 5,00,000.
- (iii) Above Rs. 5,00,000 through the Seller having lowest price meeting the requisite quality, specification and delivery period after mandatorily using Bidding or Reverse Auction modules provided on GeM (excluding Automobiles where current limit of 30 lakh will continue).

14. Launch of GeMmy – Chatbot based assistance on GeM Portal

GeM has launched “Ask GeMmy” services on GeM Portal to provide online assistance and answer queries of the Buyers transacting on GeM.

For Sellers on GeM

The following enhancements have been incorporated in the portal keeping in view the business needs of the various Seller organizations on GeM:

1. Filter on Seller Ratings in Marketplace

Sellers having higher rating on GeM now can be benefitted by Buyers applying an administrative filter on Seller Rating in Marketplace while choosing a Product. Only those Products that meet the Seller Rating criteria applied shall be displayed. Sellers who have an excellent track record hence higher Seller Rating on GeM are more likely to get more orders from the Buyers.

2. Filter on Seller’s Location in Marketplace

With the implementation of Seller Location based filter, Buyers can narrow down search to locate Sellers closest to them by applying administrative filters. Buyers can now choose “State”, “District” or “PIN Code” based filters to get only those Products where the Seller(s) Location(s) are meeting the selected criteria. This will improve the chances of local Sellers to be able to sell Products to Buyer community within their geographical region as well as reducing the logistics costs involved in delivering the Product to consignee locations.

3. Masking of Seller Names in Marketplace

Removal of names of the Sellers in the Marketplace will improve transparency of procurement where decisions will be made purely on the merit of the Product Offering and Seller’s rating thereby removing any possible favoritism. Also, Pre-Contract Incidents will now be purely based on the merit of the Product as against biases amongst Sellers competing with each other.

4. Display of Seller’s Incident Details in Marketplace

Buyers will now be able to view the details of the incidents raised against a Seller in the Marketplace. Sellers who have an excellent track record hence no incidents against them on GeM are more likely to get orders from the Buyers.

5. Buyer Classification based on Payment History

Sellers will be able to view the classification of Buyers based on their Payment history. This will assist Sellers to take informed decisions based on Buyer's Payment history before participating in a Bid or accepting an order.

6. GeM Pool Account (GPA) for Payments

GeM has introduced GPA for Non-PFMS Agencies/Entities (NPAEs) for bringing efficiency in Payment Process for those Buyer organizations which are not on Public Fund Management System. Using this facility Buyers would be able to make payments up to INR 10 lacs to Sellers promptly in simple steps. This will help Sellers in better Cash flow / Working Capital Management because of reduction of payments collection days.

7. MSE Purchase Preference for Bid Award

MSE Sellers will have an opportunity to do more business with the Government by matching their offer price with non-MSE L1 Seller(s) in case Buyers opts to give an opportunity to MSE Sellers for such Bids. Such opportunity will be available to top 5 MSE Sellers who have participated in the Bid and their offered prices are within 15% Price Range of non-MSE L1 Seller.

8. Automatic Bid to RA Process

Sellers will be aware if Buyer will go for Reverse Auction option at the time of participating in Bidding Process. This will enable Sellers to offer better pricing knowing that the 50% of the best Bid Offers will subsequently go to Reverse Auction.

9. Automatic Disqualification of Disabled Sellers during Bidding Process

Sellers who do not have "Serious" or "Severe" incidents raised against them will now have a better chance for getting the Bids awarded to them. GeM will auto-disqualify all disabled Sellers who have such Incidents raised against them and such Sellers will not be able to participate in Technical and Financial evaluation phases of Bidding. Suspended & Watch-listed Sellers will still be able to participate in the Bidding process.

10. Integrated Feedback Form for short-listed Start-Ups

Start-Ups participating in the Start-Up Runway program will be able to get feedback from the Buyers using the Online Feedback Form enabled on GeM.

11. GS1 Integration for Product Listing Requests

Sellers will now be able to list their Products (in certain categories) more efficiently by providing GTIN/EAN number. GeM will do online validation and verification of GTIN/EAN specified by the Seller with that of GTIN/EAN registered with GS1 database. Based on the outcome of the verification/validation, details of such Products will be automatically included in the Product Listing and hence reduce the manual work involved.

12. Launch of GeMmy – Chatbot based assistance on GeM Portal

GeM has launched “Ask GeMmy” services on GeM Portal to provide online assistance and answer queries of the Sellers transacting on GeM.
