

GEM For Startup

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TENDER TRAINING INDIA



GeM
Government
e Marketplace

Agenda

- Introduction to GeM
- Why GeM is a Game-Changer for Startups
- Eligibility Criteria & Registration Process
- Product Listing & Service Offerings
- Tips to Get Your First Government Order
- Navigating Tenders, Bids, and Orders
- Startup-Specific Benefits
- Q&A Session

Brief About GeM

- Launched on 9th August 2016
- Registered products - approx. 3 Cr +
- 60000 + Govt. Buyer
- Sellers / Service provider - approx. 80 Lakhs
- **Who can sell:** Individual proprietors, companies, startups, MSMEs, artisans, SHGs

How much is Amazon / Flipkart Turnover ?

Company	Turnover
Amazon	25K Cr
Flipkart	18K Cr
Flipkart Group	70k Cr

GeM Turnover for FY 24-25 ?

Why it matters: Government is India's largest buyer

Rs. 5,000,000,000,000

Just Rs. Five Lakh Crore

Values of tender Govt . Published in 24 -25

Rs. 34,000,000,000,000

Just Rs. Thirty Four Lakh Crore



Efficient • Transparent • Inclusive



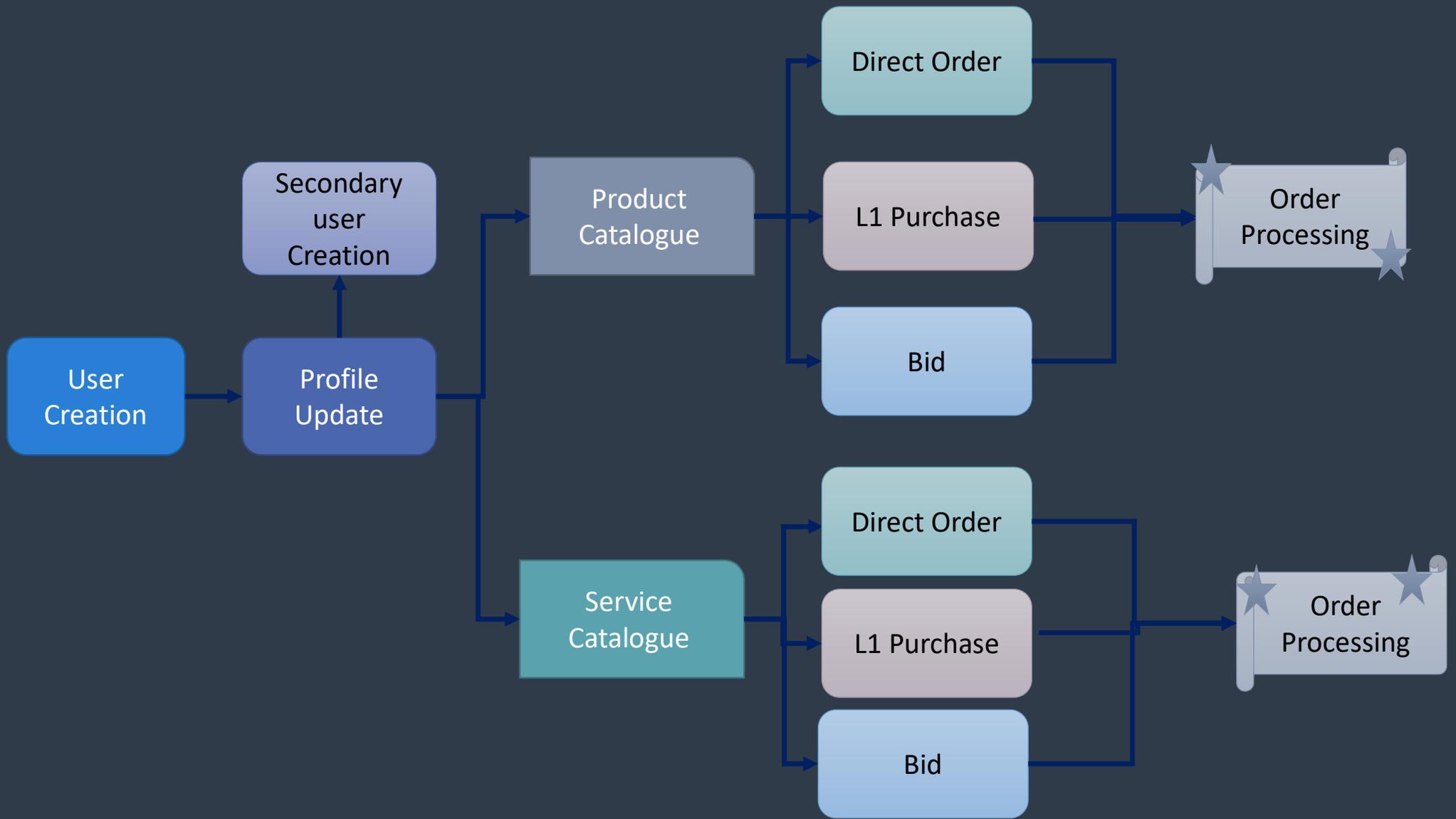
Government of India
Ministry of Commerce & Industry
Department of Commerce

Why GeM is a Game-Changer for Indian Startups

- Simplifies government procurement
- Transparent, cashless transactions
- Direct listing & purchase up to ₹50,000
- Faster payment cycles via PFMS
- L1 price comparison up to ₹10 lakh
- Special *Startup Runway* feature

Multiple modes of procurement

- Direct Purchase Up to Rs. 25,000
- L1 Comparison Purchase (Rs. 25,000 to Rs.5,00,000)
- Bidding
 - Can be of any value, mandatory for purchase above Rs. 5,00,000
- Bidding Plus Reverse Auction
 - To get the best possible price
- Forward Auction
 - To sell any thing (Assets, Scraps, Mementos etc.)



Eligibility Criteria & Registration Process Who Can Register:

- Proprietorship, Partnership, Pvt Ltd, LLP, OPC
- **Documents Needed:**
 - Authorised Person – PAN , Email, Mobile
 - PAN
 - GST
 - Bank Details
 - Business Registration Documents -Udhyam
 - Income Tax Documents (if applicable)
 - Startup India Certificate (if applicable)

Caution Money

- One-time deposit amount as under as caution money
 - Seller Turnover less than 1 Crore: Rs 2,000/-
 - Seller Turn over > 1 Crore but < 10 Crore: Rs 10,000/-
 - Seller Turn over > 10 Crore: Rs 25,000/-
- Exempted to – Women Entrepreneur and Social Backward Class
- Refundable Amount
- Forfeited if
 - Seller rejects or does not accept any Direct Purchase / L-1 Purchase order
 - Failure of the seller in executing any GeM contract (applicable only in contracts that did not have provision of Performance Security / PBG)
 - Withdraws any bid submitted on GeM within the period of validity of the bid
 - Fails to furnish requisite performance security / PBG as per GeM e-bid / RA conditions.

Product Listing & Service Offerings Types:

- Products (goods)
- Services (manpower, IT services, consultancy)

Tips to Get Your First Government Order

- List in high-demand categories
- Use GeM Startup Runway
- Competitive pricing strategy
- Participate in bids actively
- Maintain prompt service response
- Build relationship with Buyer

Direct Purchase & L1 Purchase

Bidding

- Product Quality / Spec
- Technical Qualification
- Financial Qualification

Technical Qualification

- Follow all regulatory compliance
- Have expertise in Product and service
- Have Sufficient Manpower / Machineries to supply and service (Capacity)

Technical Documents Needed

- PAN
- GST
- Udyam
- Startup
- Product Spec
- Turnover – Balance Sheet / Profit & Loss Statement *
- ITR*
- Past Experience*
- Machineries
- Manpower
- Affidavit / Declaration
- Authorisation

* Exempted for Start up

MSE Policy Applicable To

- Applicable only to **Micro and Small Enterprises** and does **not** applicable to **Medium Enterprises**
- Applicable to only to **OEM and Service Provider** and **not to Trader /Resellers**
- 358 products are reserved to be procure from the MSE only.
- For remaining product the purchase preference should be given to MSE.

MSE Policy Says

- In case of tendering item is splitable
 - If L-1 is not an MSE and MSE Seller (s) has/have quoted price within L-1+ 15% of margin of purchase preference /price band defined in relevant policy, such Seller shall be given opportunity to match L-1 price and contract will be awarded for 20%(selected by Buyer) percentage of total QUANTITY. And remaining 80% should be awarded to L1
 - Out of above 20% - 4% is reserved for SC and ST Entrepreneur & 4% to Women Enterprenure
- In case of tendering item is **NOT** splitable
 - If L-1 is not an MSE and MSE Seller (s) has/have quoted price within L-1+ 15% of margin of purchase preference /price band defined in relevant policy, such Seller shall be given opportunity to match L-1 price and 100% of contract will be awarded to MSE.

Make In India Policy

- The GOI to encourage the MAKE IN INDIA and promote manufacturing and production of goods and services in INDIA with a view to enhanced INCOME and EMPLOYMENT in India.
- To promote maximum local procurement.

Local Content

- Total Value of Item Procured (W/o Taxes) - Value of imported content in the item (Inclusive of all duties)
- CLASS I MII Product - local content is more than $> 50\%$
- CLASS II MII Product - $50\% > \text{local content} > 20\%$
- Not MII Product - Local Content $< 20\%$

MII Policy Says

- In case of tendering item is splitable
 - If L-1 is not Class I Local Supplier and Class I Local Supplier quoted price with the band of L1+15%(set by buyer) in the bidding , then lowest Class I Local supplied shall be given opportunity to match L-1 price and contract will be awarded for 50%(selected by Buyer) percentage of total QUANTITY.
 - Remaining 50% should be awarded to L1 bidder
- In case of tendering item is **NOT** splitable
 - If L-1 is not Class I Local Supplier and Class I Local Supplier has/have quoted price within L-1+ 15% of margin of purchase preference /price band defined in relevant policy, such Seller shall be given opportunity to match L-1 price and 100% of contract will be awarded to MSE.

CLASS II local supplier will not get purchase preference in any procurement

Startup-Specific Benefits under GeM Policies

- Exemption from EMD
- Relaxation in turnover, experience criteria
- Faster registration via Startup Runway
- Direct engagement opportunities
- Showcase innovative products/services

For more updates...

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