



PHD Research Bureau
PHD Chamber of Commerce and Industry



Decisions taken by the Union Cabinet (1st June 2022)

- **Cabinet approves Expanding the mandate of Government e Marketplace - Special Purpose Vehicle (GeM - SPV) to allow procurement by Cooperatives as Buyers**

The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi has given its approval for expanding the mandate of GeM to allow procurement by Cooperatives as buyers on GeM.

The Government e Marketplace (GeM) was launched on August 9, 2016 by the Ministry of Commerce and Industry, Government of India to create an open and transparent procurement platform for Government buyers. A Special Purpose Vehicle (SPV) by the name of Government e- Marketplace (GeM SPV) was set up as the National Public Procurement Portal on 17th May, 2017 in pursuance of the approval, of the Union Cabinet accorded on 12th April, 2017. At present, the platform is open for procurement by all government buyers: central and state ministries, departments, public sector enterprises, autonomous institutions, local bodies, etc. As per existing mandate, GeM is not available for use by private sector buyers. Suppliers (sellers) can be from across all segments: government or private.

No. of beneficiaries:

More than 8.54 lakh registered cooperatives and their 27 Crore members would be benefitted with this initiative. GeM portal is open for all the buyers and sellers across the country.

Details:

1. GeM is already adequately developed as a one stop portal to facilitate online procurement of common use Goods and Services. It is transparent, efficient, has economy of scale and is speedy in procurement. Cooperative Societies will now be allowed to procure goods and services from GeM.
2. Allowing Cooperative Societies to register on GeM as Buyers would help Cooperatives in getting competitive prices through an open and transparent process,
3. The validated list of cooperatives to be onboarded on GeM - for pilot as well as subsequent scale up - will be decided by Ministry of Cooperation in consultation with GeM SPV. This will ensure that technical capacity and logistics requirement of the GeM system are taken into account while

deciding the pace of on boarding of Cooperative as buyers on GeM.

4. GeM will provide a dedicated onboarding process for cooperatives, provide the technical infrastructure to support additional users on existing portal, as well as provide assistance to cooperatives for onboarding and transaction journeys, via available contact centers, in-field training and other support services.

5. Ministry of Cooperation would issue necessary advisories to encourage the Cooperative Societies to make use of the GeM platform for procurement of goods and services in order to benefit from increased transparency, efficiency and competitive prices.

6. To protect interests of the broader seller community on GeM and ensure timely payments, the modalities of payment systems shall be decided by GeM in consultation with the Ministry of Cooperation.

Implementation strategy and targets:

GeM will initiate suitable actions, which would inter alia include creation of necessary features and functionalities on GeM portal, upgradation of infrastructure, strengthening of the helpdesk and training ecosystem, and onboarding of cooperatives. The overall pace and mechanism of roll-out would be decided by Ministry of Cooperation. The milestones and target dates will be aligned mutually between Ministry of Cooperation and GeM (Ministry of Commerce and Industry).

Impact including employment generation potential:

The Ministry of Cooperation wanted the Cooperative Societies to be allowed to procure goods and services from GeM as it is already adequately developed as a one stop portal to facilitate online procurement of common use Goods and Services. It is transparent, efficient, has economy of scale and is speedy in procurement. In the above context, allowing Cooperative Societies to register on GeM as Buyers of Goods & Services required by them would help Cooperatives in getting competitive prices through an open and transparent process. Moreover, since the societies have more than 27 Crore members, procurement through GeM would not only economically benefit the common man, but it would also enhance the credibility of the cooperatives.

GeM has also developed a rich understanding of running an advanced procurement portal including the functional needs, managing the technical infrastructure, and dealing with multiple stakeholders involved. It is felt that the rich experience gained in creating the procurement ecosystem in the country can be significantly utilized to produce efficiencies and transparency in procurement processes for cooperatives also. This is also expected to enhance overall "Ease of Doing Business" for cooperatives, while providing a larger Buyer base to the GeM registered sellers also.

Expenditure involved:

While the GeM SPV will continue to leverage the existing platform and organization for supporting the proposed expanded mandate, it may need some investments in additional technology infrastructure, and additional training and support resources. To cover for these incremental costs, GeM may charge an appropriate transaction fee from cooperatives, to be decided in mutual consultation with the Ministry of Cooperation. Such charges shall not be more than the charges which GeM would charge to other Government buyers. This will be planned to ensure self-sustainability of operations for GeM, and hence no major financial implication is expected for government.

- **Cabinet approves relaxation in educational qualification for the post of Constable to recruit native tribal youth as Constables in CRPF through recruitment rally from the interior areas of Bijapur, Dantewada and Sukma districts of Chhattisgarh State**

The Union Cabinet, chaired by Prime Minister Shri Narendra Modi, has approved a proposal of the Ministry of Home Affairs to relax requisite minimum educational qualification from 10th class pass to 8th Class for the recruitment of 400 candidates as Constable (General Duty) in CRPF from 03 districts of South Chattisgarh namely Bijapur, Dantewada and Sukma.

Apart from issuing advertisement in local newspapers and adopting all means for wider publicity of this rally in these interior areas of these three districts, CRPF would subsequently impart formal education during the probation period to these newly recruited trainees.

400 tribal youths from interior areas of three districts namely Bijapur, Dantewada and Sukma of Chhattisgarh State will get employment opportunities. Appropriate relaxation in physical standards for recruitment will also be given by Ministry of Home Affairs.

CRPF is one of Central Armed Police Forces, basically meant for duties like maintenance of law and order, tackling Counter Insurgency and maintaining Internal Security. In the instant case, CRPF proposes to recruit 400 native tribal youths as Constables (General Duty), from the relatively backward areas of Chhattisgarh. They will be confirmed in service only after acquiring the prescribed minimum educational qualification of standard 10th pass, thus formal education will be given to these recruits and CRPF would extend all possible support like providing study material, books and coaching assistance during their probation period. The probation period may be extended suitably, if required, to facilitate new recruits to acquire the prescribed education qualification. In order to facilitate them to take the 10th standard exam, these recruits will be registered with National Institute of Open Schools recognized by Central/State Govts.

CRPF during 2016-2017 had raised one Bastariya Battalion by recruiting Scheduled Tribe candidates from four districts namely, Bijapur, Dantewada, Narayanpur and

Sukma of Chhattisgarh. However, it could not yield optimum results as native youths from interior areas could not compete in the recruitment process due to non- fulfilling of requisite educational qualification i.e. 10th pass.

Please contact for any query related to this mail to Ms Kritika Bhasin, Senior Research Officer at kritika.bhasin@phdcci.in with a cc to Dr S P Sharma, Chief Economist | DSG at spsharma@phdcci.in , PHD Chamber of Commerce and Industry.

Warm Regards,

Dr S P Sharma



Chief Economist | DSG

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area

August Kranti Marg, New Delhi-110016, India

Tel: +91 49545454

Fax: +91 11 26855450

Email: spsharma@phdcci.in

Website: www.phdcci.in

Follow us on



"Voice of Industry & Trade"



PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450, 49545451 • E-mail : phdcci@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

Connect with us:

