

Government e-Marketplace [GeM]

The fourth version of the Government e-Marketplace, known as GeM 4.0, was launched by the Ministry of Commerce & Industry. Students preparing for the [IAS Exam](#) or any other Government exam can learn more about the scheme here.

The UPSC Syllabus covers this scheme under [Government Schemes](#) by the Centre and the States in General Studies Paper-II.

What is Government e-Marketplace?

The Government e-Marketplace (GeM) is a dedicated online platform where goods and services can be procured by various organizations and departments under the Government of India, and by the PSUs also.

- GeM is aimed at enhancing the efficiency, speed and transparency in public procurement of goods and services. It also serves the objective of eliminating corruption.
- It is administered by the Ministry of Commerce and Industries under the Directorate General of Supplies and Disposals (DGS&D).
- It is a completely paperless, cashless and system-driven e-marketplace that enables the procurement of common use goods and services with a minimal human interface.
- It is an online marketplace for government officers and others for procurement.

GeM 4.0

GeM 4.0 is the latest version of the e-marketplace. It adds on to the features that were already in place in the third edition of GeM. Some of the new features include the following:

1. Sellers will get timely payment.
2. Natural Language Processing (NLP) based advanced search engine.
3. Demand aggregation wherein buyers can collate several orders of the same product for different consignees across many organisations within one ministry.
4. The user interface has been revamped and made more user-friendly.
5. Staggered or flexible delivery is allowed.
6. The bidding module has been redesigned and now consignee-wise and item-wise bidding is permitted.
7. Advanced analytics, machine learning, deep learning and AI are integrated into the portal.
8. The grievance redressal mechanism has been improved.
9. Cataloguing has been made simpler for sellers by introducing price variance.
10. Ease of Payment options with integration with many banks and ERPs.
11. Seller rating is now introduced making it easier for buyers to make their decisions, and also incentivising sellers to upgrade.
12. Many new services and categories have been included.
13. Now, sellers and buyers can interact with each other thus offering scope for improvement and a better understanding of the market.
14. This version has dedicated pages for CPSUs (central PSUs).

GeM 3.0

The third version of the marketplace, GeM 3.0 has been envisaged as the **National Procurement Portal** of India by the Government. In August 2016, the earlier version of GeM 3.0, GeM 2.0 was launched as a pilot project.

- GeM 3.0 offers advanced Management Information System (MIS), user rating, e-Performance Bank Guarantee (e-PBG), e-Earnest Money Deposit (e-EMD), demand aggregation, template-based bidding and RA creation, powerful search engine and standardized and enriched catalogue management, analytics and more.
- It has a powerful search engine and price comparison tool using third party sites which are real-time and multisource.
- Online vendor assessment and Performance-based User Rating are also available. It has market based-bundling and bunching of products and services.
- It offers more services, RA Facility & with a bid, and at the same time has Multi-Cart Functionality.

Benefits of GeM 3.0

GeM 3.0 offers many benefits like the following:

- Providing transparent transactions for all ranges.
- Market-based generic requirements across all government agencies.
- Open and dynamic marketplace.
- Rating based on the performance of users on the website.
- Generic standards are established through universal service levels.
- Cost comparison enabled.
- Standardisation of specifications of both products and services enabling empirical price comparability.

The Government e-Marketplace (GeM) has signed an MoU with Small Industries Development Bank of India (SIDBI) to benefit MSMEs, women entrepreneurs, Self Help Groups (SHGs), Women Self Help Groups and various loan beneficiaries under MUDRA and [Stand-up India scheme](#).

Details:

- This will enable the promotion of special initiatives of GeM like Womaniya and Start-up Runway with SIDBI stakeholders.
- Both parties will take steps to ensure payments within a guaranteed timeframe to sellers, enhance working capital availability through bill discounting and control NPAs through control of end-use.

Start-up Runway

This scheme was launched in February 2019.

- It was initiated by GeM to promote entrepreneurship through innovation.
- It is an opportunity for agile and lean Startups to reach out to the universe of Government Buyers by offering products and services that are unique in concept, design, process and functionality through the StartUp Runway corner.
- This scheme will help startups to:
 - Introduce their unique innovations to government and PSU buyers.
 - Assess utility and market acceptability of startup products/services.
 - Spur hyper-local job-creation and wealth generation to achieve inclusive growth by way of helping startups.

Womaniya

It is an initiative to enable women entrepreneurs and women self-help groups (WSHGs) to sell handicrafts and handloom, accessories, jute and coir products, home décor and office furnishings, directly to various Government ministries, departments and institutions.

- The initiative seeks to develop women entrepreneurship on the margins of society to achieve gender-inclusive economic growth.