

**GOVERNMENT OF ODISHA
FINANCE DEPARTMENT**

No. 28899 /F.,
FIN-COD-MISC-0008-2017

Dated. 22.08.2019

From

**Shri Ashok K.K. Meena, IAS
Principal Secretary to Government**

To

**Additional Chief Secretary to Government/
Principal Secretary to Government/
Commissioner-cum-Secretary to Government/
All Departments
All Heads of Department**

Sub: Procurement of Goods and Services in Government e Marketplace (GeM).

Madam / Sir,

Administrative Departments, Government Offices and Non-Government entities were instructed vide Finance Department letter no. **5972/F dated 20.2.2019** for maximum government procurement through Government e Marketplace (GeM) with a view to achieving the best value for money. In exceptional cases, where the procurement is made through open bidding, the procuring authorities will furnish certificates that the item procured either is not available on GeM, or the price discovered in open market is less than the price discovered on GeM.

2. While comparing the prices of GeM with that of open market, the procuring authorities should satisfy themselves that the effective price on GeM can be ascertained only after placing e-bid on GeM. Hence for comparing the price of GeM with that of open market, placing of orders (Through Direct Purchase/L1 Buying/E-Bid/Reverse Auction) on GeM is a pre-requisite for accurate assessment of lower price between two methods.

3. Quite often it has been noticed that some of the Administrative Departments / Government Offices/PSUs are procuring goods and services outside the GeM through manual tendering or floating quotations

without furnishing mandated Certificate as provided in FD Letter No 5972/F Dated 20.02.2019 with the record of e-Bids floated through GeM.

4. Adoption and use of GeM increases overall efficiency leading to significant cost saving on Government expenditure on procurement with an average overall saving of **25%** than the prevailing market rates. Hence it is the responsibility of the Procuring Authority to ensure that all Government procurement are made through GeM. **In case procurement is made outside GeM, a certificate as mandated in FD Letter No 5972/F Dated 20.02.2019 signed by the procuring officer and countersigned by the Head of Office with the record of e-bid floated through GeM should be kept in the file before placing the order for future reference.**

5. When goods or services of required specification are not available on GeM, procuring authority can request GeM for addition of those products or services. Instruction has been issued in F.D letter no 28021 dtd 16.08.19 along with the prescribed format for placing request for addition of New Category/Sub Category of products or services on GeM. After lapse of 2 weeks from the date of such request if the item is not found available on GeM, the procuring authority may proceed for open market procurement keeping in view the urgency of the procurement.

6. It is incumbent upon all Administrative Departments, Heads of Department and Subordinate offices to help their local existing Suppliers getting registered on GeM which will help improve the ease of availability of products for buyers. In addition, it will promote local coverage as well as help the Government Offices benchmark their current sellers to compete against the large number of national sellers on GeM, besides providing them a larger market to increase their business.

7. Further, it has also come to the notice of Finance Department that some officers and staff are reluctant to share their AADHAR number and AADHAR linked mobile number while registering on GeM as Primary Users or Secondary Users. Here, AADHAR No and Aadhar enabled Mobile no. of the User are used for verification of User credentials of the concerned user. There should not be any apprehension that these credentials will be used even after transfer or retirement of the government servant. Once the Govt servant is transferred, retired or assigned role is changed, his/her credentials will be automatically taken off by the Primary User by deactivating or transferring the account as the case may be. Primary and

Secondary users are advised to share their AADHAR number and AADHAR linked mobile number for registration on GeM. **It may be noted here that in public procurement either through GeM or otherwise, the procuring officer has a responsibility, which cannot be avoided on any ground.**

8. Administrative Departments are once again advised to take all necessary steps to increase procurement on GeM for all Government Offices/ PSUs/ Autonomous Bodies/Local Bodies etc. State GeM Procurement Unit, O/o DTI, Odisha will resolve any on-boarding and procurement issues brought to their notice.

Yours faithfully,

**Sd/-
Principal Secretary to Government**