

FREQUENTLY ASKED QUESTIONS

FAQs are divided into following sub-sections:

- (A) Indent and tender stage
- (B) After opening of tender: Bid rejection issues
- (C) Procurement from Foreign Sources with no local value addition
- (D) Post Order Stage

(A) INDENT AND TENDER STAGE	
A.1	<p>What are the current procurement modes?</p> <p>Currently, 100% procurement is done through GeM and, ONLY for eligible cases through Central Public Procurement Portal.</p>
A.2	<p>When can the indent be processed through CPP Portal?</p> <p>Refer to Answer at A.17.</p>
A.3	<p>Why is it necessary to procure 100% goods through GeM?</p> <p>In accordance with DAE Office Memorandum No.10/8(3)/2021-SUS/4965 dated 17.04.2023, guidelines issued to all the Ministries and Departments by Government of India to ensure 100% procurement of goods and services through GeM.</p>
A.4	<p>What is the main difference between “Product ID” procurement and Custom Bid Procurement on GeM?</p> <p>Product ID procurement means that the item is available on GeM Portal under a specific Category and with 'Product Ids'. In this case, the Sellers as well as their registered Product Catalogue is verified by GeM.</p> <p>In case the item is not available on GeM under any Category, buyer creates the “Custom catalogue” based on the “Technical Specification” provided by Indenting Officer. In this case, the seller as well as the offered Product Catalogue and the authenticity of the offer is NOT verified by GeM.</p>
A.5	<p>How to notify prospective bidder about the publication of 'Custom Bid’ on GeM?</p> <p>In case of Product ID based Bidding, Indenting Officer can submit email IDs of prospective bidders along with the indent. Up to 100 mail IDs can be added while preparing the bid and once the bid is floated, GeM sends an alert to the respective bidders about publication of the bid.</p> <p>For Custom Bidding, the categories indicated by the Indenting Officer in the</p>

	Undertaking forwarded will be used while creating the Custom Bid and once the bid is floated, GeM will issue notification to all the suppliers registered under that category.
A.6	<p>What if the GeM Product ID available on the Portal does not fully match Indenting Officer's specifications?</p> <p>While creating a Product ID based bidding, there is an option to include additional desired 05 parameters and its values apart from the product ID specifications.</p>
A.7	<p>Many a times, the L1 quoted price is found to be very much on the lower side compared to the indent estimate. How to deal with such situations?</p> <p>Indent estimate should not be always based on the GeM Portal search results. Indent estimates can also be arrived at by considering the past purchases, obtaining budgetary quotes from other sources, etc.</p>
A.8	<p>What are Golden and Gray parameters on GeM?</p> <p>Specifications marked with yellow are Golden Parameters. These parameters of a product catalogue are those specifications which have maximum impact on technical aspects and also on the cost of the product. The grey specifications do not impact the cost of the product.</p>
A.9	<p>What is Direct Purchase on GeM?</p> <p>Direct Purchase enables a buyer to buy products available on GeM for value upto ₹ 25,000/- without the bidding process (except automobiles), through any of the available sellers on GeM, meeting the requisite quality, specification and Consignee Location.</p>
A.10	<p>Is it possible for a buyer to modify the Delivery Period?</p> <p>No, it's not possible for the buyer to modify the Delivery date. However, buyer can amend the Delivery period post contract generation, but the stipulated Delivery Period cannot be reduced.</p>
A.11	<p>What is L1 Direct Purchase Order on GeM?</p> <ul style="list-style-type: none"> i) As per GeM, L1 procurement enables direct purchase for orders valuing between ₹ 25,000/- and ₹ 5,00,000/-. ii) Buyer needs to compare three different Brands (OEM) and sellers/Service Providers on GeM, who meet the requisite quality, quantity, consignee location and specifications demand. System will then recommend L1 product, matching these requirements. iii) Buyer needs to select system recommended L1 to place a direct purchase order. There is no bidding in this case also.

A.12	<p>What tools are available on GeM to ensure Price reasonableness under Direct Purchase?</p> <p>GeM provides a robust decision support system for ensuring price reasonableness for Buyer. Buyer can also view price trends on the basis of historical transaction of that product on GeM.</p>
A.13	<p>What is “Bill of Quantity (BOQ)” bidding on GeM?</p> <p>Bill of quantity mode of bidding is used where there are multiple items with varying quantity in a single indent. The following options are now available to the buyer during the BOQ bid creation process:</p> <ul style="list-style-type: none"> • Total Value-wise evaluation • Item-wise evaluation • Group-wise evaluation <p>Buyer has to specify the bid estimated value for all types of Bid evaluation mode. In case of Item-wise evaluation, the Buyer will have to specify the bid estimated value for every schedule and for Group-wise evaluation, the Bid estimated value for each group needs to be updated.</p> <p>Buyer may specify the BOQ title so that, it could be easily searched after bid is published.</p> <p>The requirement under BOQ is uploaded as an excel sheet on GeM Portal.</p> <p>Buyer may also choose to take the Bid to Reverse Auction, post Technical Evaluation. However, as regards the Custom Bidding, the Indenting Officer has to provide an “Undertaking” for initiating the BOQ Bidding.</p>
A.14	<p>What is Reverse Auction (RA) option on GeM?</p> <p>Reverse Auction in GeM is a feature where suppliers submit online bids to compete against each other. Unlike Forward Auctions, where bids increase as the auction progresses, in Reverse Auctions, bidding starts with the highest possible price and decreases gradually and eventually, the lowest bid wins.</p>
A.15	<p>Where can I find training material on GeM?</p> <p>Please visit : https://gem.gov.in/training/training_module</p>
A.16	<p>What is the procurement mode available other than GeM?</p> <p>Central Public Procurement (CPP) Portal.</p>
A.17	<p>In which case, the items are allowed to be procured through CPP Portal (outside GeM)?</p> <p>i) If items fall under the categories covering IT, Cyber security, Surveillance, Medical equipment category and where there is a possibility of data transfer through equipment.</p>

	<p>ii) After obtaining approval to process through Global Tender Enquiry.</p> <p>iii) Spares of equipment from foreign origin with Proprietary Article Certificate (PAC) attached duly concurred by Finance and approved by Competent Authority.</p>
(B) AFTER OPENING OF TENDER: BID REJECTION ISSUES	
B.1	<p>Why large number of bids are getting disqualified/rejected by DPS?</p> <p>Any bid which is not submitted in line with NIT conditions are disqualified. Very often, bidders are not submitting the required documents like “Annexure-XI”, “Annexure-XII”, wrong claim of EMD exemption and other “Declarations documents”. Hence, those offers are being rejected/disqualified.</p>
B.2	<p>What to do if the L1 price is unreasonably below the estimated price? What if L1 is unworkable on GeM?</p> <p>An abnormally low bid is one in which the bid price, in combination with other elements of the bid, appears so low that it raises material concerns with respect to the capability of the bidder to perform the contract at the offered price. Indenting Officer may advise DPS to initiate L1 unworkable option with approval of competent authority after the concurrence of finance.</p> <p>Procuring entity may seek a written clarification from the bidder including complete analysis for such bids. If the procuring entity determines that the bidder has substantially failed to demonstrate its capability to deliver the contract at the offered price, the procuring entity may reject the bid/proposal.</p> <p>However, it would not be advisable to fix a normative percentage below the estimated cost, which would automatically be considered as a bid with abnormally low rate(s).</p> <p>Once the L1 is not workable, the order can be processed to next higher bidder through GeM in the same tender.</p>
B.3	<p>There is only one suitable offer, is re-tendering required?</p> <p>No, only suitable offer is not a reason for retendering, provided the market has been fully explored. The offer should be technically suitable and price reasonableness is justified based on independent cost estimation.</p>
B.4	<p>What is Annexure XI?</p> <p>Annexure-XI is a declaration sought from the bidders for compliance on the “Make-in-India” (MII) Policy wherein, the details of the local value addition done in the product quoted is to be declared. The declaration is mandatory, where the value of requirement is above ₹ 5 Lakhs.</p>

B.5	<p>Why even after filling “Annexure-XI” by bidder, bid is not accepted by DPS?</p> <p>Bids are not accepted under the following circumstances:</p> <ul style="list-style-type: none"> i) If annexure-XI is NOT filled and submitted strictly as per format attached along with NIT. ii) Bid reference number is not indicated in the “Annexure-XI”. iii) Annexure-XI submitted is not signed by the bidder. iv) Address of the place where local value addition was made is not mentioned by the bidder. v) Percentage of the local value addition is left blank. vi) Wrong Bid reference number is mentioned in the “Annexure-XI”.
B.6	<p>What is Annexure XII?</p> <p>Annexure-XII is a declaration called for from the vendors for compliance of GFR 144(xi) that quoted product is not manufactured by the countries which share the land border with India.</p>
B.7	<p>Are there any exemption for any bidder to participate with product coming from countries having land border sharing with India?</p> <p>As per OM F.18/37/2020-PPD dated 8th Feb., 2021 - Restriction under GFR 144(xi): A bidder is permitted to procure raw materials, components, sub-assemblies, etc. from the vendors from countries which share land border with India. Such vendors will not be required to be registered with the Competent Authority, as it is not regarded as 'sub-contracting'. However, in case a bidder has proposed to supply finished good procured directly / indirectly from vendors from the countries sharing land border with India, such vendors will be required to be registered with the Competent Authority.</p>
B.8	<p>What is EMD?</p> <p>Earnest Money Deposit (EMD) is a surety to our bid to avoid alteration of bid, backing out from the bid by the firms before awarding of the Contract. EMD is applicable only for indent of values above ₹ 25 Lakhs.</p> <p>The rate of EMD is 2% of the indent values upto ₹ 10 Crores subject to a maximum of ₹ 10 Lakhs and @ 1% of the indent value above ₹ 10 Crores subject to a maximum of ₹ 20 Lakhs.</p>
B.9	<p>Which bidders are exempted from submission of EMD?</p> <p>FOR TENDERS ISSUED THROUGH CPPP:-</p> <ul style="list-style-type: none"> i) Firms those are under Micro and Small category and registered with MSE/NSIC/

	<p>DPS are exempted from submission of EMD, provided they are registered for offered product/services.</p> <p>ii) A foreign bidder directly quoting in FE is also exempted from submission of EMD. However, if the quotation is submitted by an Indian agent in INR on behalf of Principal of foreign origin, then the Indian agent must submit EMD, if applicable, else the bid shall be rejected by DPS.</p> <p>FOR TENDER ISSUED THROUGH GeM:-</p> <p>i) Micro and Small Enterprises who are manufacturer of the Primary Product Category or Service Provider of the Primary Service Category and give specific confirmation to this effect at the time of bid submission and whose credentials are validated online through Udyam Registration / Udyog Aadhaar (as validated by Government from time to time) and through uploaded supporting documents.</p> <p>ii) Start-ups as recognised by Department of Industrial Policy and Promotion (DIPP).</p> <p>iii) KVIC, ACASH, WDO, Coir Board, TRIFED and Kendriya Bhandar.</p> <p>iv) Sellers who have got their credentials verified through the process of Vendor Assessment by Vendor Assessment Agencies for the Primary Product / Primary Service for which Bid / Reverse Auction has been invited.</p> <p>v) Sellers/Service Providers having annual turnover of ₹ 500 Crore or more, at least in one of the past three completed financial year(s).</p> <p>vi) Sellers / Service Providers holding BIS License for the Primary Product Category whose credentials are validated through BIS database and through uploaded supporting documents.</p> <p>vii) Central / State PSUs.</p> <p>viii) Seller / Service Provider registered with designated Agency / Authority as specified in the bid document by the Buyer – such bidder shall have to upload scanned copy of relevant registration document in place of Bid Security document while bidding.</p>
<p>(C) PROCUREMENT FROM FOREIGN SOURCES WITH NO LOCAL VALUE ADDITION</p>	
C.1	<p>Product is costing less than ₹ 5 Lakhs and is imported, how can Indenting Officer buy the item?</p> <p>The requirement will be processed through Custom Bidding mode through GeM Portal. As per OM, the items costing less than ₹ 5 lakhs and above ₹ 200 Crores are exempted to be processed under Global tender Enquiry (GTE) without obtaining the</p>

	GTE approval from Secretary, DAE. In this case requirement of Annexure-XI (MII) will not be applicable.
C.2	<p>Product is costing greater than ₹ 5 Lakhs and is imported, how can Indenting Officer buy the item?</p> <p>Initially explore the requirement by floating a Custom Bid on GeM Portal. If it is found that there are no bids with local content of at least more than 20% (item is totally imported) then, obtain the approval from DAE for GTE to process the case through CPP Portal.</p>
C.3	<p>The supplier for the indented item is of foreign origin and they do not have any Indian Agent, how can the prospective bidder participate in the tender?</p> <p>The Foreign supplier should get them registered on the CPP Portal to be able to participate in the tender process.</p>
C.4	<p>Where to find the guide for registration of Foreign vendors on CPP Portal?</p> <p>Please visit: https://eprocure.gov.in/cppp/</p>
C.5	<p>What is the procedure for obtaining approval of GTE?</p> <p>For obtaining GTE approval following procedure is to be followed:</p> <ol style="list-style-type: none"> Initially the requirement has to be explored locally by inviting tender through GeM Portal (Custom bidding) or CPP Portal and if no Indigenous offer is received (due to imported nature of Goods). Correspondence with DPIIT is done at the below given address and no source is provided by DPIIT. Shri Akhilesh Kumar, Director, DPIIT; Ph. 23062343, Mo. 9432015776 Email:<akhilesh.kumar1965@gov.in>. (To save time, step ii can be initiated concurrently with step I) Proposal for obtaining approval of GTE should be provided by user Department in the prescribed format along with supporting documents of correspondence made with DPIIT and extract copy of 3/5 years procurement plan published on the Unit's website. The proposal should be got approved by the Group Director and submitted to DPS, who will take approval of Head of the Unit before sending to DAE for obtaining the GTE approval. Certification as per para 3 of OM No.F.20/45/2020-PPD dated 8th January, 2021.
C.6	<p>Is there any exemption for import of goods without the need for GTE approval?</p> <p>For procurement of Spares parts of the equipment/Plant & Machinery etc. on</p>

	nomination basis from Original Equipment Manufacturer/Original Equipment Supplier or Original Product Manufacturer as no competitive tenders are invited in such cases.
C.7	Can an Indian Agent participate on behalf of foreign supplier on CPPP? Yes, they can participate subject to production to authorisation issued by the foreign supplier.
(D) POST ORDER STAGE	
D.1	Supplier on GeM is not supplying the goods even after Delivery Period extension and repeated reminders? If BG exists, the same may be forfeited with the approval of Competent Authority. The supplier will be prevented from entering into fresh transactions, uploading of new products/services. Their uploaded product will not be visible and will not be able to participate in bids. If already participated in ongoing bids, buyer will be notified on their dashboard of this suspension for appropriate action at their end. Carted products will be taken out. However, Sellers/Service Providers will be able to complete the transactions already finalised such as delivery, payment receipt, etc. The list of GeM suspended sellers is available at: https://gem.gov.in/incidentmanagement/sellers
D.2	The quality of goods supplied under GeM is very poor. In such cases, the supplied product is required to be rejected and intimation is to be sent to supplier stating that replacement should be made exactly as per the specification given in the contract. Indenting Officer is advised to recommend raising incident on GeM. GeM takes strict action against bidders which includes suspension from further participation in bidding process in Govt procurement across the country. Efforts to be made for reliable sellers known to Indenting Officer, buyer to encourage them to be on boarded on GeM.
D.3	In how many days acceptance of the material must be completed? On the GeM Portal, within 04 days of receipt of the item, the Provisional Receipt Certificate is generated and after 10 days, auto CRAC is generated if acceptance is not given.
D.4	What is Auto CRAC? Beyond 10 days, if the item is neither accepted nor rejected, GeM system will automatically generate "Consignee Receipt and Acceptance Certificate" (CRAC), indicating acceptance of goods by system itself.



D.5	<p>What if the material cannot be accepted within 10 days, as it involves Installation and Commissioning?</p> <p>Please inform the consignee, concerned Stores authorities about the same by mail so that appropriate action by them can be initiated to avoid Auto CRAC.</p>
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Note: As the procurement policies as well as GeM are evolving and dynamic in nature, readers are requested to visit the respective website for latest updates.