



General Terms and Conditions of Sale / Purchase of Goods and Services in Government e-Marketplace (GeM)

1. GeM Portal :

- The “GeM” i.e. Government e-Marketplace is for the government users to cater to their demand of commonly required Goods & Services.
- “Buyer(s)” is the Contract placing authority, which includes Central/State Government Ministries/Departments including its attached/subordinate offices, Central/State Public Sector Units (PSUs) and Autonomous Bodies acting through its authorized officer(s) for and on behalf of President of India/Governor of the State /PSU/Autonomous Bodies, as the case may be, for purchase of Goods/Services offered by “Seller(s)”.
- “Seller(s)” is the firm(s) a proprietorship/partnership firm/Limited Liability Partnership/Private Limited/Limited company/Society registered under Society’s Act that offers its Good(s)/Service(s) on GeM and agree to accept the contract placed by “Buyer(s)” for supply of the Good(s)/Service(s) as per the terms and conditions of GeM.
- The “Seller(s)” on GeM will be the OEMs (Original Equipment Manufacturers) and/or their authorized channel partner(s)/ resellers (having any general authorization / dealership of the OEM to sell their product in open market) and e- Marketplaces.
- The individual(s) registering on GeM and/or offering or buying Goods/Services and/or participating in e-bidding/reverse auction on GeM, must ensure that they have the requisite authorization to enter into contract with Buyer(s)/Seller(s) in GeM for and on behalf of the concerned legal entity, failing which such individual(s) shall be individually liable for its actions and also for any liability arising out of such actions.
- If any firm has been de-registered or debarred from business dealings with DGS&D then such firm or their agent/partner shall not be permitted to register and offer/sell their products on GeM in terms of DGS&D Circular No.112 dated 19-09-2016.

2. Annual Procurement Plan(s):

- The Buyer(s) will provide projection of their annual demands in the GeM indicating required Goods/Services with specification & quality, quantity, consignee location and Delivery Period requirements etc by way of Annual Procurement Plan.

3. Offer of Goods/Services on GeM by Seller(s):

- The seller shall offer their Goods/Services indicating specifications, prices in Indian Rupees, and quantity which can be supplied over the specified time period, Warranty/Guaranty, validity etc as per template prescribed in GeM. Seller would ensure that the Goods/Services offered are latest, new and complete in all respects. The same can be modified at any point of time until it has been accepted by the Buyer by awarding the Contract. Buyer is required to come to GeM for ordering the Goods/Services with prior sanction and

approval of competent authorities required for award of Contract to the seller(s). Seller can offer any number of products. However, it will be the sole responsibility of the seller to satisfy themselves regarding possessing the requisites for doing business for the offered product(s). The authorised channel partner(s)/ resellers can offer products of only one OEM in a particular product category.

- By offering any product on GeM, indicating particular specifications, Seller guarantees that the offered product/model is compliant with the specifications and any deviation in the supplied product from the offered product shall make them liable for removal of their registration with GeM as deemed fit.
- It is the seller's responsibility to keep all their information furnished at the time of their registration on GeM updated with the latest change(s), if any within 7 days of such occurrence. Any change regarding the offered products and their parameters must be updated by Seller on GeM immediately i.e. not later than 24 Hours of such change. Any non compliance of the aforesaid time line for updating information on GeM shall be treated as concealment of facts and such act shall make the Seller liable for administrative action such as removal/debarment/suspension of their registration with GeM, as considered appropriate.

4. Contract(s):

- Buyer shall award the digitally signed/e-signed on-line Contract(s) in the GeM after due diligence to meet their requirements including the requisite specification and delivery period. The Buyer shall satisfy themselves that the price of the selected offer is reasonable. In case of Services, the agreed SLA (Service Level Agreement) would also constitute the integral part of the Contract(s). For award of Contract(s), Buyer is at liberty to utilize all the data/information and tools made available in the GeM including e-bidding and reverse e-auction. On award of the Contract(s), it would be construed that the Buyer has obtained all necessary Administrative & Financial sanctions of the competent authority and adequate funds are available indicating the relevant Head of accounts in the awarded Contract(s). These Contract(s) in the GeM shall be governed as per terms and conditions specified in this document.
- Contracts placed on GeM through e-bidding and Reverse Auction shall also be governed by the special terms and conditions as given in annexure 1 and annexure 2 respectively in addition to these General Terms and Conditions of Sale / Purchase of Goods and Services in Government e-Marketplace (GeM) - Pilot (Phase).

5. Prices:

- The prices of the offered Goods/Services shall be firm and fixed at any point of time and shall be indicated in INR for each accounting unit. The Seller can chose to offer Goods/Services on all India basis or for specified locations at District level across India. The Seller may chose to offer Good(s) with uniform all inclusive unit price for deliveries at locations across India, or he may chose to quote one unit price inclusive of all taxes & duties with additional delivery charge(s) payable extra for delivery at the specified district(s). Accordingly, the price of Goods/Services ordered shall be inclusive of all taxes & duties and the location specific delivery charges (if applicable) and the same shall be indicated in contract. As such, for supply of Goods contract, no additional charges such as local levies/transportation/loading unloading charges etc., shall be payable over and above the contract price. The

offered prices in the GeM shall in no case exceed Maximum Retail Price (MRP) and/or those concurrently offered by the Seller elsewhere including any e-commerce sites. In case any such infringement by Seller is noticed, the Seller shall be liable to be removed/debarred or suspended from the GeM.

- The Seller agrees for sharing of the offered Product/Service price details as well as the Maximum Retail Price (MRP) by GeM authorities with Department of Excise & Customs, Income tax, GST etc.

6. Terms and Conditions in GeM:

- The offer (s) and resultant Contract(s) to be awarded will be governed by this “General Terms & Conditions of Sale/Purchase in GeM. The offer(s) and resultant Contract(s) are required to be digitally signed/e-signed on-line by the competent authority of the Seller and Buyer respectively.

7. Performance Security and Performance

- There shall be no Performance security / PBG requirement for contracts placed under Direct Purchase Option on GeM.
- For procurement through reverse Auction/e-bidding, Security Deposit / Performance Bank Guarantee (PBG) @2% of contract value, shall be applicable in respect of contracts valuing above Rs. 25 Lakh, as per special terms and conditions applicable for e-bidding / RA.
- Such Performance Bank Guarantee from a scheduled commercial bank must be submitted by seller to the Buyer within 15 days of award of contract and shall be in the format provided on GeM. Payments against such contract shall not be released till acceptable Performance Bank Guarantee is furnished by the seller.
- There shall be no Performance security / PBG requirement for contracts placed against the seller ‘Energy Efficiency Services Limited (EESL)’ under Direct Purchase/e-bidding/Reverse Auction option on GeM, since such contracts shall be governed by MoU/ Agreement signed between EESL and DGS&D.

8. Duties & Taxes:

- Prices shall be all inclusive basis i.e. including excise duty taking into account the MODVAT benefits if any, sales tax (ST/CST/VAT/), Service Tax, Customs duty, Entry Tax etc.. Statutory variation, if any, shall be to the Seller’s account and no variation in contract price, on account of such variations shall be allowed during the delivery period.
- The Bill Form shall be on-line provided to the seller by the Buyer which may inter alia include the following confirmations from the Seller:
 - Certified that the Excise Duty charged on this Bill is not more than what is payable under the provision of the relevant Act or the Rules made there under.
 - Certified that the amount claimed as Excise Duty in this bill is in accordance with the provisions of the Rules in all respects and that the same has been paid to the Excise Authorities in respect of the Goods/Items covered by this Bill
 - Seller hereby undertakes that after reimbursement of the Excise Duty from the Paying Authority of the Contract, in case the Seller obtains any refund from Excise Duty Authorities the same shall be refunded to the Paying Authority, giving details and particulars of transactions and the Paying Authority will have full authority to recover such amount from the Seller’s outstanding bills against a particular contract or any

other pending Government Contract and no dispute on this account would be raised by the Seller.

- Certified that the goods on which Sales Tax/VAT has been charged have not been exempted under the Central Sales Tax Act or State Sales Tax/VAT Act or the rules made there under and the charges on account of Central Sales Tax/VAT on these goods are correct under the provisions of that Act or the Rules made there under
 - Certified that the Seller is registered with above indicated TIN as dealer in the State where in their Billing address is located for the purpose of Central Sales Tax/VAT (As applicable).
 - **Octroi Duty and/or other local taxes:** The Seller shall have discretion to offer Goods/Services for the select consignee location(s) in the country and they are expected to account for all local taxes (such as levy of town duty, Octroi Duty, Terminal Tax and other levies of local bodies etc.) also while quoting the price for the listed Goods/Services and as such no reimbursement over and above the contract price(s) shall be allowed to Seller towards payment of such taxes.
9. **Registration / Transaction Fee from Sellers for utilization of GeM :**
- Till further notification, no Registration / Transaction fee shall be charged from the Seller for Registration and usage of GeM."

10. **Integrity Pact:**

- All the users in GeM i.e. Seller as well as Buyer agree not to exercise any corrupt influence on any aspect of contract and commit to take all measures necessary to prevent corruption maintaining complete transparency and fairness in all activities related to GeM.
- We have seen the content of Integrity Pact from the link below and we agree that content of integrity pact becomes part and parcel of all orders being placed on GeM and same are binding to us.
https://gem.gov.in/resources/pdf/Integrity_Pact_SW_Developer.pdf
https://gem.gov.in/resources/pdf/Integrity_Pact_Goods.pdf

11. **Guarantee/Warranty :**

- The Goods/Services supplied under the Contract(s) shall be in accordance with the contract specifications & quality and the Goods shall be brand new and have Guarantee/Warrantee for one year period from the date of receipt. Seller at the time of listing /offering their products may choose to provide longer guarantee period (i.e. more than 1 year) and in such case, guarantee period stipulation made in Technical particulars / Specifications as offered by the seller shall prevail over those stipulated in General Terms and Conditions. Notwithstanding the fact that the Buyer or its Quality Assurance Officer may have inspected and/or approved the said Goods, it is further guaranteed that if during the said period, the Goods be discovered not to conform to the requisite description and quality and/or not giving satisfactory performance or have deteriorated, and the decision of the Buyer in that behalf shall be final and binding on the Seller and the Buyer shall be entitled to call upon the Seller to rectify and/or replace the Goods or such portion thereof as is found to be defective by the Buyer within 7 days and in such an event, the above period shall apply to the Goods rectified and/or replaced from the date of rectification and/or replacement mentioned in warranty thereof. Otherwise, the Seller shall pay to the Buyer such compensations that may arise by reasons of the warranty therein contained. In cases requiring Spares, the Seller guarantees

that they will supply Spare Parts, if and when required on agreed basis for an agreed price. The agreed basis could be an including but without any limitation an agreed discount on the published catalogue or an agreed percentage of profit on the landed cost. The aforesaid provisions made specifically for Goods, shall also be applicable for Services to the extent the same are practically possible.

12. Purchaser's/Consignee's Right of Inspection for Acceptance/Rejection (Return Policy):

- The Goods delivered shall bear the self certified Manufacturer's/Seller's Warranty/Guaranty (applicable for Goods). Buyer / Consignee shall have the right to inspect the supplied Goods themselves and/or through its appointed agency at consignee's own cost, at Consignee's site(s) on receipt and accept or reject on proper justification any consignment of the Goods received within a period of 10 days of receipt.
- In case of Services contract, the Buyer reserves right to reject the same in conformance with the terms and conditions of the agreed Service Level Agreement (SLA). However, such right to reject services offered by the Seller under the contract shall be exercise by the Buyer within 10 days of the date of receipt of the Service as defined below.
- Consignee will accordingly issue on line '**Consignee's Receipt cum Acceptance Certificate**', which will form the basis of Payments to the Seller.
- The date of receipt for the aforesaid purpose shall be reckoned from the date of receipt the Goods as notified in the Provisional Receipt Certificate (PRC) which will be issued online by consignee immediately after receipt of Goods. However, in case of GeM contracts for Services, The date & time of start and completion of the Service, shall be indicated by the Seller while raising online invoice for a specified period of Service as per Service Level Agreement (SLA). The date of such invoice or the date of completion of the service whichever is later shall be reckoned as date of receipt of the Service and thereby the period of **10 days** for issuance of CRAC shall be counted from the aforesaid date. In case such Certificates are not issued within 10 days of receipt, the concerned Goods/ Services will be considered as deemed accepted and the concerned Consignee shall forfeit their right to reject the same.
- No payment shall be made for rejected goods / services, if any, and the Seller would be liable to remove/lift back such rejected Goods within 10 days without any extra charge/cost to the Buyer / Consignee failing which suitable ground rent/warehousing charges would be payable by the Seller to the Buyer /Consignee, under this "**Return Policy**" of the GeM.

13. Payment Authority and Payment Terms:

- On-line payments shall be made in INR as per following terms by the Pay & Accounts Officer of the Buyer to be stipulated in the Contract against the on-line bills to be submitted by the Seller:

- **For Goods :**

In case of goods, 100% payment will be released within ten (10) days of issue of consignee receipt-cum-acceptance certificate and submission of bills.

- **For Services:**

In case of services, 100% payments on the basis of monthly bills will be paid within 10 days of submission of bills with prescribed documents.

- If the buyer is not using any on-line payment portal/method or integration of payment portal of buyer with GeM portal is not yet complete, Off-line payments can be made using existing payment methods of the buyer organization. However the process up to bill-processing by Buyer will have to be completed on GeM portal itself and all e-signed documents available on GeM portal shall be accepted for such off-line processing of bills. There shall be no need for getting such documents signed by issuing authorities. Also the time lines prescribed for payment has to be adhered to even in case of off-line payments.

14. Resolution of disputes:

- In the event of any question, dispute or difference arising under the terms and conditions of the contract placed through GeM, the jurisdiction of the same shall be at the place from where contract has been placed by the Buyer and may be referred to the arbitration for which the arbitrator(s) for adjudication of the matter shall be nominated by the Buyer. The arbitration in the matters related to GeM shall be governed as per prevailing Indian Arbitration and Conciliation Act 1996 and would be binding upon the Seller and Buyer. In all such cases in the GeM, the dispute would not be referred or entertained by Facilitation Council, Consumer Forum or any other adjudication forum and DGS&D would not be a party to any such dispute/matter.

15. Laws Governing the Contract:

- The contract(s) between Buyer and Seller on GeM shall be governed by the laws of India for the time being in force. Irrespective of the place of delivery, the place of performance or the place of payment under the contract, the contract shall be deemed to have been made at the place where the Buyer is located and the courts of the place where the Buyer is located shall alone have jurisdiction to decide any dispute arising out of or in respect of the contract. Any contract entered through GeM, shall be solely between the Buyer and Seller, and DGS&D/GeM shall not be party to the contract, therefore any dispute arising out of such contract(s) shall be settled between these parties to the contract without involving DGS&D/GeM.

16. Terms of delivery and Delivery Period :

- All the Goods/Services in the GeM shall be offered on Free Delivery at Site basis including loading/unloading. In respect of items requiring installation and / or commissioning (as indicated in technical details of the item), the charges for the same shall also be included in the offered price on GeM. Seller shall indicate the quantity which can be supplied over the specified time period(s). The Seller would offer these details, which would constitute the part of the awarded Contract(s) in the GeM and would make a binding Contract between the Seller & the Buyer. Any modification thereto shall be mutually agreed and incorporated in the Contract. This Delivery Period/Time shall be deemed to be essence of the Contract and delivery must be completed not later than such date(s).

- The Consignee will as soon as possible but not later than 10 days from the date of arrival of Goods/Services at destination site notify the Seller of any loss or damage that may have occurred during transit.

17. Extension of Delivery Period :

- Buyer may, on the request of the Seller or otherwise, extend the delivery date suitably subject to the following conditions:
 - The original Delivery Period may be re-fixed by the Buyer without any Liquidated damages subject to Force Majeure conditions mentioned below and also on the ground/reasons attributable to the Buyer.
 - For other cases, provided the price trend is not lower, the Delivery Period may be suitably extended for which an amount equal to the Liquidated Damages for the extended period(s) for delay in the supply of the Goods/Services after the expiry of Contract delivery/re-fixed period, shall be recovered from the Seller as mentioned hereinafter for the extended period. No increase in price on any ground after the original/re-fixed delivery date shall be admissible during such extended period(s).

18. Force Majeure:

- If at any time during the continuance of the Contract, the performance in whole or in part by either party of any obligation under this Contract shall be prevented or delayed by the reasons of any war, hostility, acts of the public enemy, epidemics, civil commotion, sabotage, fires, floods, explosion, quarantine restrictions, strikes, lockouts or act of God provided notice of happening of such event duly evidenced with documents is given by one party to the other within **10 days** from the date of occurrence thereof, neither party shall be by reasons of such event, be entitled to terminate the Contract nor shall either party have any claim for damages against the other in respect of such non-performance or the delay in performance, and deliveries under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist, and the decision of the Buyer as to whether the deliveries have been so resumed or not, shall be final and conclusive, Provided further that if the performance in whole or part of any obligation under this contract is prevented or delayed by reason of any such event for a period exceeding **10 days**, either party may at its option terminate the contract provided also that the Buyer shall be at liberty to take over from the Seller at a price to be fixed by Buyer, which shall be final, all unused, undamaged and accepted material, bought out components and Goods in course of manufacture in the 5 possession of the Seller at the time of such termination or such portion thereof as the Buyer may deem fit excepting such materials, bought out components and Goods as the Seller may with the concurrence of the Buyer elect to retain.

19. Liquidated Damages:

- If the Seller fails to deliver any or all of the Goods/Services within the original/re-fixed Delivery/Time period(s) specified in the Contract, the Buyer will be also entitled to deduct/recover the Liquidated Damages for the delay, unless covered under Force Majeure conditions aforesaid, @ 0.5% per week or part of the week of delayed period as pre-estimated damages not exceeding 5% of the contract value without any controversy/dispute of any sort whatsoever.

20. Termination for default:

- If the Seller does not perform their obligations under the Contract within the Delivery Period/Date stipulated in the Contract, the same would constitute the breach of the Contract and the Buyer shall have the right to Cancel/withdraw the Contract for the unsupplied portion after the expiry of the original/re-fixed delivery date/period stipulated in the Contract. Such cancellation on account of non performance by the Seller would entitle the Buyer to downgrade seller's ratings or debarment from the GeM.

21. Closure of Transaction:

- After satisfactory completion of all the obligations under the Contract, and after release of payments for the goods / services, the transaction shall be treated as closed.

22. Grounds for administrative actions against Seller's misconduct in GeM:

- The Seller would be liable for administrative actions such as suspension/debarment/removal from GeM, if they fail to abide by any of the terms & conditions stipulated in this document and/or on the following grounds If the seller:-
 - supplies goods of inferior/ substandard quality
 - fails to update GeM about any change in information furnished within the prescribed time limits
 - executes services without conforming to requirement given in Service Level Agreement (SLA)
 - fails to execute an order/ contract or fail to execute it satisfactorily
 - is declared bankrupt or insolvent
 - fails to produce the requisite documents/ information during the course of inspection / assessment at any stage; and
 - in case the Seller (firm) has been de-registered/debarred by DGS&D in terms of DGS&D Circular No.112 dated 19-09-2016.
 - on any other ground for which, in the opinion of GeM, the retention of the seller or any of its offered product in GeM is not in Public Interest
- The grounds mentioned above are illustrative only. The Appellate Authority for any representation or grievance against such administrative action will be vested with
- Listing the products/services not in the relevant categories and/or listing the same with vague/conflicting product specifications/details and irrelevant product photographs

23. Role of DGS&D in GeM :

- DGS&D shall be responsible for overall supervision and monitoring of GeM portal operations, policy management, design and implementation of business processes in adherence with the applicable law and executive orders issued time to time.
- DGS&D shall reserve the right to inspect and to assess manufacturing/testing/quality control arrangement(s) of manufacturing premises and/or any of the premises related to manufacturing process of offered product of the Seller.
- DGS&D also reserves the right to inspect quality of the offered product through documents, test reports/ certificates, testing at any independent lab or through inspection/testing by its authorized representative/s at firm's premises or at user's premises as decided by DGS&D, for which the seller shall provide necessary facilities and manpower for such purpose.

- DGS&D reserves the exclusive right and discretion for addition / deletion of any of the offered product(s)/Product category(ies) and their framework of technical parameters on GeM
- Implementation of Government policies related to public procurement as notified by various nodal Ministries/ Departments
- Management and alteration of Terms and Conditions of GeM
- Supervision of MSP (Managed Service Provider), if any engaged for GeM
- Management of Call Centre/Help desk operations
- Services for inspection of Goods/Services as an option if chosen by Govt. User Departments.
- Removal/debarring the Sellers/Buyers and Goods/services in GeM
- Management of Rate Contracts in GeM
- Index, Notices, Circulars, News, Flashes, Updates etc in GeM
- Management of complaints and their re-dressal mechanism in GeM (not disputes related to concluded contracts).
- Reporting and MIS mechanism in GeM
- Any other related activities in the GeM
- In exceptional circumstances, for ensuring propriety of procurement processes or to obviate possible misuse of GeM functionalities, DGS&D as GeM Admin may keep any Bidding / RA process on hold for some time as considered appropriate.

New addition in General terms & conditions

1. **Delivery Period:** In order to give flexibility to the buyers in sourcing their requirements through GeM, provision has been made in e-bid and RA modules for indicating delivery period in terms of “number of days from date of placement of contract”. While stipulating delivery period in their bid documents, Buyers are advised to be careful since un-realistic delivery period stipulations may result in elimination of some genuine sellers, lack of competition and may ultimately have impact on cost of procurement. While fixing delivery period in e-bid/ RA bid, buyers should not only take into consideration the quantity required and the essentiality of requirement of that quantity within stipulated time period but also the possible impact of shorter delivery period on competition in e-bidding / RA.
2. **Buying from Single OEM:** According to the provisions of GFR, 2017 rule 149 (ii), GeM shall be utilized by Government buyers for direct on-line purchases above Rs. 50,000/- and up to Rs. 30,00,000/- but such purchase has to be through the supplier having lowest price amongst the available suppliers on the GeM. In order to ensure that buyers select only L-1 available offer, the GeM portal requires that buyer first compares product. While comparing, care should be taken that comparison has to be done between products of at least three different Manufacturers / OEMs. For L-1 buying, comparison has to be made between products of at least three different OEMs. If Buyer wants to buy any specific OEM’s product then he has to go for PAC buying after obtaining necessary approvals of competent authorities for PAC buying.
3. **Splitting of Demand:** Splitting of demand deprives the organisations from achieving the best competitive prices leveraging economies of scale. It also implies avoiding the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand. It is a violation of para 149 (viii) of GFR -2017 and terms and conditions of GeM Portal. Hence, splitting of demand and creating

multiple Bids/RAs is strictly prohibited on GeM. If noticed, necessary action will be taken from GeM like blocking such Bids/RAs.

4. **Mandatory Minimum Discount on MRP:** Sellers shall offer minimum discount of 10% over MRP mandatorily unless otherwise specified for offering their products on GeM portal. The discount of 10% over MRP is the Minimum discount and sellers are free to offer higher discount on GeM. In case offered discount is less than 10% , GeM Portal will not allow the seller to list the products.
5. **Dividing the Quantity:** As per standard procedure, complete requirement incorporated in the tender enquiry document is to be covered on the lowest responsive tenderer without dividing the same. The tenderer who does not quote for the complete requirement is to be treated as NON responsive and ignored. GeM does not allow splitting of the order quantity and hence buyers are not allowed to incorporate any such condition in the bid / RA documents.
6. Above Rs. 50,000/- and up to Rs. 30,00,000/-, the GeM portal shall be utilised by the Government buyers for direct on-line purchases through the GeM seller having lowest price amongst the available sellers, of at least three different manufacturers, on GeM.
7. In case of registration of Primary user/Buyer and creation of secondary user(s) by the former, their Aadhar (UID) details collected by GeM are solely for user verification and to apply e-signing on the documents. The e-sign is at par with digital signatures as per Information Technology Act Amendment 2008 and it works based on details available in Aadhar database of UIDAI and there is no interference / intrusion in their personal details.
8. GeM Sellers must ensure that the prices offered on GeM by them for a particular product / service is the lowest and no supply shall be made to any buyer, government or private, at a price lower or equal to that of GeM. In case of violation of this, GeM administration will review for removal of the seller of that item from GeM including other administrative action as stipulated in Terms and Conditions of GeM.
9. Buyers are not allowed to place any order at GeM prices outside GeM. The prices on GeM are only applicable if the procurement is made through GeM portal. Using GeM prices for procurement outside GeM portal is strictly prohibited. Such action will violate the basic principles of transparency and accountability enshrined in GeM. If procurement is done outside GeM in offline mode then the laid down procedure for tendering must be followed.
10. GFR rule 149 allows direct on-line purchases on GeM up to Rs.50,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period. However this is subject to procuring authorities certifying the reasonability of rates. While making such direct on-line purchase below Rs. 50,000/-, the buyer should have approval of competent authority and should also record reasons for selecting the specific product in case lowest priced products are not being accepted / ordered.
11. “GeM is a dynamic online marketplace. The product/service listings across the existing categories are dynamic. Moreover, new categories of products/services are continuously being added on GeM. In situations where there is only one offer available in a product/ service category and/or there is offer from only one Seller after filter based search, the buyer should not select such offer for buying and such category may be deemed as not available for procurement on GeM. The Buyer may hold on their procurement till such time, more Sellers list their products/services. this however will not apply for PAC procurement.”
12. Tools have been deployed on GeM portal to show the price of compared products on other e-commerce sites (wherever available) and also the rates at which orders have

been placed on GeM for such items in recent past. While taking decision on reasonableness of price, the buyers may also take into account the discount over MRP; Last Purchase Price on GeM, Department's own Last Purchase Price; rates on other e-commerce websites etc. The prices on e-commerce site give a broad idea and its terms and conditions may be different. If it is found that the price available on GeM marketplace is substantially higher than e-commerce sites or LPP is not reasonable, the GeM Portal provides tools for online bidding or reverse auction which can be used by the Buyer to get better competitive rates and satisfy himself about reasonableness of the price. In case of Direct Purchase, during carting period of 5 days, rates for carted quantity, for that buyer, are frozen for five days against any upward revision by seller. However, advantage of any downward revision in the offer price of carted item shall be automatically provided to the buyer by GeM portal.

13. Implementation of various procurement policies as notified by the government is the responsibility of the Buyer. Central Govt. Ministries, Departments and Public Sector Undertakings Buyers are required to follow the guidelines and directions as contained in the Order 'Public Procurement Policy for Micro and Small Enterprises (MSE) order 2012' dated 23.03.2012 while making procurements through GeM.

Special Terms & Conditions for Automobiles

1. Seller:

- Wherever the Special terms and conditions for automobiles are in contrary to general terms and conditions of gem the special terms and conditions for Automobiles will prevail.
- In case of automobile product, Net Dealer Price (NDP) discount on NDP and Total Price inclusive of mark up and all taxes will be indicated by seller while offering these products on GeM. The mark up will not be applicable for defence indenter. The vehicle for Defence indenter will be quoted separately with suffix "defence" against each model.
- The Indenter must arrange for and provide Road Permit/s as necessary for entry of goods into the State where the consignee is located. The indenter / consignee should also furnish the firm with necessary Octroi exemption certificate along with the order to avoid payment of town duty, Octroi. Road Toll Tax, Entry Tax and / or any other Local Taxes and Duties such as Octroi / Sales Tax if paid by the firm will be reimbursed by the paying authority against production of relevant payment receipt/s.
- The freight charges will be extra and shall be calculated by seller at the time of invoicing by multiplying distance with freight per k.m. indicated in contract specification.
- Sellers must give below mentioned minimum discount on the prevailing MRP while offering their products on GeM:

Sl. No	Vehicle category	Discount percentage
1	Tractors	20%
2	Ambulances	12%
3	Buses	20%
4	Chassis for large, medium and heavy vehicles	15%
5	Trucks	15%
6	Troop Carrier	15%

7 Water Tanker	15%
8 Cars and utility vehicles	12%
9 Motor cycles	12%

- Delivery Period shall be 45 days. In case where road permits are to be provided by buyer/consignee or special color like blue/black vehicle are ordered, the delivery period will be 60 days. Delivery period for built-up vehicles like Ambulances, Troop carriers, Water tanker, Buses and Built-up trucks shall be 90 days considering extra time involved in fabrication.
- OEMs shall ensure that the prices offered on GeM by them for a particular model is the lowest and no supply shall be made to any buyer, government or private, at a price lower or equal to that of GeM. In case of violation of this, GeM administration will review for removal of the model from GeM including other action as stipulated in Terms and Conditions of GeM.
- All manufacturers of Automobiles may upload their vehicles on GeM as per above guidelines. These guidelines are applicable only on GeM and Government buyers shall utilize the portal for making the purchases.

2. Buyer:

- The total price inclusive of all does not include freight charge and therefore it shall be extra and to be calculated on freight per k.m. indicated in contract specification.
- The supply order will indicate the total amount inclusive of all taxes only without freight charges. Therefore while blocking the amount 10% additional amount will be blocked over and above the total inclusive of all taxes to avert the fund requirement for freight charges on approximate basis.
- After supply of vehicles the seller while submitting the invoice will indicate the freight amount at actual or calculate as mentioned above whichever is lower and the same should be verified by the buyer before payment.
- Defence indentors will select the vehicle offered with suffix “defence” for placing their orders. The total price for defence indentor for a particular model does not include mark up.
- No indentor other than defence will select vehicle with suffix defence. In case indentor does so, the responsibility for non-supply of vehicle rest with indentor.
- No Government buyer Central/State/CPSU/Autonomous body/Academic Institute/Local Bodies etc. shall place any order at GeM prices outside GeM. Buyers shall note that prices on GeM are only applicable if the procurement is made through GeM portal. Using GeM prices for procurement outside GeM portal is strictly prohibited. Such action will violate the basic principles of transparency and accountability enshrined in GeM. If done outside GeM the laid down procedure for tendering should be followed.
- For any bulk purchases, a comparison of rates and discounts may be made for similar vehicles and bidding may be considered as the preferred option.

Special Terms and Conditions for HDPE PP bags

1. Price variation: Since GeM portal has dynamic pricing; there is no Price Variation clause applicable for HDPE PP bags.
2. Delivery period: Standard Delivery Period for HDPE PP Bags shall be 30 days. Sellers can dynamically change quantity on offer and are required to offer quantity

that they can delivery at consignee location on free delivery to consignee basis within 30 days.

3. ISI Marking: Only ISI marked HDPE PP bags of sizes as per BIS only can be offered on GeM. No seller is allowed to offer non-BIS marked bags. Seller has to mandatorily indicate his BIS License number while offering HDPE PP bags on GeM. Non-compliant products shall be removed immediately and such firms will be liable for administrative action.
4. Time for consignee end inspection: Normally GeM allows 10 days time for consignee to get stores tested / certified. However in case of HDPE PP bags, 21 days time is allowed for testing / inspection at consignee end.
5. Barcoding: Sellers have to mandatorily mark the bales with suitable Bar Code for ensuring traceability. The bar code shall have necessary information including sellers name and address, BIS License No., GeM Contract No. and name and address of buyer and consignee.

Annexure- 1

(Referred at Para 4 of General Terms and Conditions of Sale/Purchase of Goods and Services In Government e-Marketplace (GeM))

Special Terms and Conditions for e-Bidding under GeM

1. The following terms and conditions shall be applicable for the buyers and sellers in respect of the e-Bidding to be conducted by the buyers on GeM platform, in addition to laid down General Terms and Conditions for Sale/Purchase in GeM (Government e-Marketplace) already agreed by the Buyer and the Seller. In case of any discrepancy/conflict in the aforesaid terms and conditions, special terms and conditions for bidding shall have precedence over the terms/conditions given in any other document.
2. The e-Bidding module of GeM is a tool provided to the Buyer(s) for organizing bidding from GeM Sellers of the particular product category for a pre-defined requirement i.e. quantity, technical parameters for Goods/ Services of the particular product category required for one or more Purchaser/Indentor/consignees. Prior to organizing e-Bidding, the Buyer shall judiciously search and shortlist lowest priced item among the items offered on GeM using filters such as quantity, technical parameters, warranty period, consignee location(s) etc. as per the requirement. In case the search made using actual quantity required, fails to identify sufficient offers, the Buyer may use an indicative quantity for initial search and shortlisting of offer which may be amended to match the actual requirement at the time of organizing e-Bidding.
3. The technical parameters and warranty of the lowest priced item identified by the Buyer shall be base parameters (technical parameters and warranty) of the item for conducting e-Bidding for the required Goods/Services. Nevertheless, the Buyer organizing a particular e-Bidding shall also have option to revise these base parameters and/or to stipulate additional parameters along with the base parameters as per the requirement.
4. The e-Bidding will be designed and conducted by the Buyer(s) for which they will stipulate requirements such as Quantity, Delivery period, Performance Bank Guarantee, Time/date for start and end of bid submission and also for opening of bids and bid validity period, consignee details, terms of delivery etc. The payment terms

will be as per the General Terms and Conditions for sale/purchase of the particular product category of GeM

5. Performance Bank Guarantee is to be obtained from the successful bidder awarded the contract. Performance Bank Guarantee should be for an amount of 2% of the value of contract and should remain valid for a period of sixty days beyond the expiry of Guarantee/Warranty period. PBG@2% of the contract value will be submitted by the seller to the buyer, after award of contract valuing above Rs 25,00,000/-(Rs Twenty five lakh).

There shall be no Performance security / PBG requirement for contracts placed against the seller 'Energy Efficiency Services Limited (EESL)' under Direct Purchase/e-bidding/Reverse Auction option on GeM, since such contracts shall be governed by MoU/ Agreement signed between EESL and DGS&D.

After the award of contract the earnest money of unsuccessful bidders shall be returned at the earliest after the expiry of the final bid validity and latest on or before the 30th day after the award of contract. Earnest money of successful bidder shall be returned on receipt of performance security

6. The e-Bidding invitation notice shall be published on GEM, stipulating the last date for bid submission/opening of bids giving at least clear 7 days time after the publication. Any change in this regard will be intimated to eligible bidders through e-mail/GeM. The e-Bidding invitation shall be extended to all the Sellers on GeM who get registered as Seller and/or offer Goods/services for the particular product category on GeM, 48 hours prior to closing time of e-Bidding. The decision of the Buyer/GeM regarding technical/commercial acceptability of the individual Seller to be invited for e-Bidding shall be final. Upon being invited for e-Bidding, the Seller shall have discretion to participate in the same.
7. The Seller participating in the e-bidding shall offer one of their product(s) listed against the specified product category on GeM. The bid submitted under e-Bidding shall remain valid for 15 days from the e-Bidding date (till 24.00 Hrs IST) which can be further extended for 15 days with mutual consent, for acceptance by the Buyer. He will also give conformance for the technical parameters and commercial conditions of the e-bidding. The individual Sellers shall ensure that the products offered in e-Bidding and/or ordered shall remain available on GeM during the bid validity period and during the Delivery period stipulated in contract. The individual Seller participating in e-bidding shall offer package price for the total quantity required at one or more consignee location(s). The e-bidding shall be single stage bidding with bid opening to be conducted by the Buyer on GeM on scheduled date and time. The Buyer reserves the right to postpone/cancel the e-bidding and intimation thereof will be sent by e-mail / GeM to the Sellers / bidders. Any amendment / corrigendum to the e-bid invitation issued by the Buyer will be made online and shall be uploaded on the GeM. The participation by the GeM Seller as bidder in e-bidding shall be construed as his compliance for all the technical as well as commercial parameters as outlined in the e-bidding. However, the Buyer shall have right to decide the technical and commercial acceptability of the individual bids based on the merit and accordingly the contract with the lowest acceptable bidder shall be entered by the Buyer. After e-bidding, the lowest acceptable bid shall be decided on the basis of lowest total bid price for the total tendered requirement. However, in case, two or more acceptable bidders are found to have quoted identical lowest bid price, Buyer reserves right to

- conduct Reverse Auction for the required Goods/Services among these lowest acceptable bidders. These RA shall be governed by the terms and conditions stipulated at Annexure-2, except the following: The invitation to such RA shall be limited to the acceptable bidders quoting the lowest bid price in the e-bidding session. The RA shall be conducted by stipulating the time/date for start and end of bid submission and opening of bids giving at least clear 3 days time after the invitation
8. The Buyer reserves the right to accept/reject any bid including the lowest bid received through e-bid and/or annul the e-bidding process, without assigning any reasons.
 9. The participating bidders in the e-Bidding shall be required to submit bid(s) in adherence of the Information Technology Act, 2000 read along with amendment thereof, duly digitally signed issued to their respective authorize representative who participate in e-Bidding on their behalf or e-sign the document.
 10. The participating bidders shall not disclose details of their bids or other details of their e-bids to other bidders or indulge in any anti-competitive behaviour including price manipulation in violation of Competition Act, 2002.
 11. The Buyer/GeM will not be held responsible for consequential damages such as no internet connection, no power supply, system problems, loss of electronic information, power interruption etc.
 12. Against any bidding or RA conducted on GeM, if a bidder quotes Nil Charges/consideration, the bid shall be treated as unresponsive and will not be considered.
 13. There is no need for submission of EMD/Bid security for participation in bidding/reverse auction on GeM. However, DGS&D / GeM Admin reserve the right to debar a seller from GeM portal if the seller / service provider / bidder:
 - o Withdraws or modify or impairs or derogates from the bid in any respect within the period of validity of its bid; or
 - o If it comes to notice that the information / documents furnished in its tender is false, misleading or forged; or
 - o Fails to furnish requisite performance security / PBG within stipulated time required as per e-bid / RA conditions.

Such debarment shall be for minimum 3 months initially on first such offence and on repeat offence, the debarment period can be increased suitably by DGS&D / GeM Admin. By submitting a bid on GeM, the Bidder explicitly undertakes to abide by the above clause.

Annexure- 2

(Referred at Para 4 of General Terms and Conditions of Sale/Purchase of Goods and Services In Government e-Marketplace (GeM))

Special Terms and Conditions for Reverse Auction on GeM

1. The following terms and conditions shall be applicable for the buyers and sellers to the Reverse Auction (hereinafter to be referred as “RA”) conducted by the Buyers on GeM platform, in addition to laid down General Terms and Conditions for Sale/Purchase in GeM (Government e-Marketplace) already agreed by the Buyer and the Seller. In case of any discrepancy/conflict in aforesaid terms and conditions, special terms and conditions for reverse auction shall have precedence over the terms/conditions given in any other document.

2. The RA module of GeM is a tool provided to the Buyer(s) for organizing bidding from GeM Sellers of the particular product category for a pre-defined requirement i.e. quantity, technical parameters for Goods/ Services of the particular product category required for one or more Purchase/Indentor/consignee(s). Prior to organizing RA, the Buyer shall judiciously search and shortlist lowest priced item among the items offered on GeM using filters such as quantity, technical parameters, warranty period, consignee location(s) etc as per the requirement. In case the search made using actual quantity required fails to identify sufficient offers, the Buyer may use an indicative quantity for initial search and short listing of offer which may be amended to match the actual requirement at the time of organizing e-Bidding.
3. The technical parameters and warranty of the lowest priced item identified by the Buyer shall be base parameters (technical parameters and warranty) of the item for conducting RA for the required Goods/Services. Nevertheless, the Buyer organizing a particular RA shall also have option to revise these base parameters and/or stipulate additional parameters along with the base parameters as per the requirement.
4. The price of the aforesaid lowest priced item shall be reference price for the RA. Unless, there is revision made in base parameters or some additional parameter(s) along with identified base parameters are stipulated by the Buyer, the Seller(s) participating in the RA shall not be allowed to quote price higher than the reference price.
5. RA will be designed and conducted by the Buyer(s) for which they will stipulate requirements such as Quantity, Delivery period, Performance Bank Guarantee, Time/date and duration of RA (giving at least 7 days from the date of publication of RA notice on GeM site), Step value for decrement during RA period and validity period for the bids given on RA. The RA will be conducted at GeM on scheduled date and time by the Buyer.

There shall be no Performance security / PBG requirement for contracts placed against the seller 'Energy Efficiency Services Limited (EESL)' under Direct Purchase/e-bidding/Reverse Auction option on GeM, since such contracts shall be governed by MoU/ Agreement signed between EESL and DGS&D.

6. Performance Bank Guarantee is to be obtained from the successful bidder awarded the contract. Performance Bank Guarantee should be for an amount of 2% of the value of contract and should remain valid for a period of sixty days beyond the expiry of Guarantee/Warranty period. PBG@2% of the contract value will be submitted by the seller to the buyer, after award of contract valuing above Rs 25,00,000/- (Rs Twenty five lakh). After the award of contract the earnest money of unsuccessful bidders shall be returned at the earliest after the expiry of the final bid validity and latest on or before the 30th day after the award of contract. Earnest money of successful bidder shall be returned on receipt of performance security
7. The RA invitation notice shall be published on GEM, stipulating the time/date for start and end of bid submission and opening of bids giving at least clear 7 days time for after the publication. Any change in this regard will be intimated to eligible bidders through e-mail/GeM. The RA invitation shall be extended to all the Sellers on GeM who get registered as Seller and/or offer Goods/services for the particular product category on GeM, 48 hours prior to end time of RA.
8. The decision of the Buyer/GeM regarding technical/commercial acceptability of the individual Seller to be invited for RA shall be final. Upon being invited for RA, the

- Seller shall have discretion to participate in the same. The identity of Seller(s) participating in RA shall be masked with dummy identity during the RA session.
9. The Seller participating in the RA shall offer one of their product(s) listed against the specified product category on GeM. The bid submitted under RA shall remain valid for 15 days from the e-Bidding date (till 24.00 Hrs IST) which can be further extended for 15 days with mutual consent, for acceptance by the Buyer. The individual Sellers shall ensure that the products offered in RA remain available on GeM during the bid validity period and/or ordered shall remain available on GeM during the bid validity period and during the Delivery period stipulated in contract. The individual Seller bidding in RA shall quote one package price for the total quantity required at one or more consignee location(s) for the stipulated terms of delivery as free delivery to consignee's site. This package price shall be quoted on all inclusive basis i.e. inclusive of all taxes and duties such as excise duty, custom duty, sales tax/VAT, service tax, local taxes, Octroi/entry tax including loading/unloading etc.
 10. The Seller bidding in RA shall give compliance for technical and commercial parameters as stipulated in the RA. All the bids received in RA from the Sellers shall be deemed to have been made by the eligible bidder as per ibid terms and conditions stipulated for RA and any Seller shall not be permitted to withdraw/cancel their bid submitted in RA and they shall have to honour the commitments arising out of such bids. Failure to honour such commitments shall be liable for deregistration from GeM and or any other administrative action like debarring from future reverse auctions on GeM for a period three (3) years. However, the Bidder participating in RA shall be permitted to revise their quoted package price, by making decrement(s) in the price within the stipulated time prescribed for under the RA.
 11. **Minimum Bid Decrement:** The minimum Bid decrement shall be available to the Bidders at the start of the auction. The bidder can bid lower than the Lowest Bid in the auction by a decrement, in multiple of the minimum Bid decrement or at least of minimum bid decrement plus multiples of Bid Decrement. The start price/reference price of the total quantity of an item included in RA package in online reverse auction is open to all the participating bidders. Any bidder can start bidding, in the online reverse auction, from the start price itself. If the start price is the bidder's own price, he would still need to bid in the online reverse auction. Also, the first online bid that comes in the system during the online reverse auction can be equal to the auction's start price, or lesser than the auction's start price by one decrement, or lesser than the auction's start price by multiples of decrement. The second online bid and onwards will have to be lesser than the L1 rate by one decrement value, or lesser than the L1 rate by multiples of the decrement value.
 12. Whenever a lower price bid is received in the closing moment i.e. within 15 minutes of existing end time of Reverse Auction, the end time of reverse auction shall be extended automatically by another 15 minutes. All participant sellers of that RA shall be notified by the GeM system about extension of time through email and/or SMS and they shall be allowed to submit revised bid under the RA. The same process shall be repeated if there is another lower bid received in the RA during last 15 minutes of RA.
 13. Visibility To Bidder during RA: The Bidder shall be able to view the following on his screen along with the necessary fields during RA:
 1. Leading Bid value in the Auction
 2. Bid Placed by him
 3. Start Price & Bid Decrement Value

14. The bidder in the RA, which quotes the lowest package price (all inclusive) by the end of RA shall be construed by GeM as the winner bidder/successful bidder for the Reverse Auction. However, the purchaser reserves the right to accept/reject any bid received through RA without assigning any reasons.
15. Any amendment/corrigendum to the RA issued by the Buyer will be made online and the same shall be uploaded on the GeM. The participation by the GeM Seller as bidder in RA shall be construed as his compliance for all the technical as well as commercial parameters as outlined in the e-bidding and accordingly the contract with the lowest acceptable bidder shall be entered by the Buyer. After RA, the lowest acceptable bid shall be decided on the basis of lowest total bid price for the total tendered requirement.
16. Immediately after successful conclusion of RA session, GeM will automatically generate a Reverse Auction report describing its outcomes including the lowest bidder and the quoted lowest package price (all inclusive) for necessary decision/action by the Buyer and for placement of Order on successful bidder quoting lowest package price for the complete requirement through GeM within the validity period of the bid.
17. GeM/Buyer shall not have any liability to bidders for any interruption or delay in access to the GeM site (gem.gov.in)/Reverse Auction link etc, irrespective of the cause.
18. All the participating Sellers in the RA shall be required to submit bid(s) in adherence of the Information Technology Act, 2000 read along with amendment thereof, duly signed by valid e-sign issued to their respective authorize representative who participate in RA on behalf of the bidder in the reverse auction.
19. Against any bidding or RA conducted on GeM, if a bidder quotes Nil Charges/consideration, the bid shall be treated as unresponsive and will not be considered.
20. There is no need for submission of EMD/Bid security for participation in bidding/reverse auction on GeM. However, DGS&D / GeM Admin reserve the right to debar a seller from GeM portal if the seller / service provider / bidder:
 - o Withdraws or modify or impairs or derogates from the bid in any respect within the period of validity of its bid; or
 - o If it comes to notice that the information / documents furnished in its tender is false, misleading or forged; or
 - o Fails to furnish requisite performance security / PBG within stipulated time required as per e-bid / RA conditions.

Such debarment shall be for minimum 3 months initially on first such offence and on repeat offence, the debarment period can be increased suitably by DGS&D / GeM Admin. By submitting a bid on GeM, the Bidder explicitly undertakes to abide by the above clause.