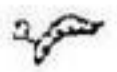
	<p>कार्यालय रक्षा लेखा प्रधान नियंत्रक (सेना), 1 करिअप्पा मार्ग, लखनऊ छावनी - 226002 Principal Controller of Defence Accounts (Army) 1 Cariappa Road, Lucknow Cantt. - 226002 E-mail: pcdaccialucknow.dad@hub.nic.in</p>	
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No.IA/II/1263/Misc Corrs

Date: 05.09.2023

To

All ALAOs/LAOs/RAO/IFAs
Under PCDA (Army)
Lucknow

Sub: Minutes of SCoGeM meeting held on 3rd August 2023 – forwarding thereof.

Ref: -MO, Lucknow letter No M-I/1300/Misc/CGDA dated 04.09.23

A copy of the letter cited under reference on the above subject is forwarded here with for information, guidance and further necessary action at your end please.

Jt. CDA has seen.

Encl: - As above.

Sd/-
Sr. Accounts Officer

✓ Copy to:-

The Officer-in-charge
OA cell
(Local)

} for uploading on PCDA (A), Lucknow website.


Sr. Accounts Officer



कार्यालय रक्षा लेखा प्रधान नियंत्रक 'मध्य कमान

करियप्पा मार्ग लखनऊ छावनी-226002

Office of the Principal Controller of Defence Accounts (Central Command) Cariappa Road,
Lucknow, Cantt. Pin Code 226002

कार्यालय दूरभाष सं. 0522-2451084

Office Phone No. 0522-2451084

कार्यालय फैक्स सं. 0522-2451993

Office Fax No. 0522-2451993

(Through e-mail only)

No. M-I/1300/Misc./CGDA

Dated : 04.09.2023

To,

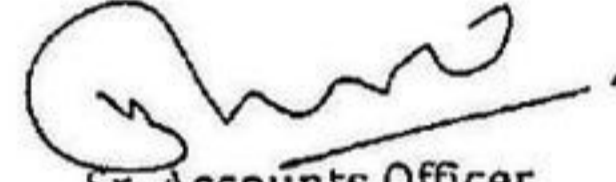
The Officer-in-charge

1. AAO (CC), Kanpur
2. AAO(CC), Prayagraj
3. AN-II section, (local)
4. EDP section (local)

Subject: Minutes of SCoGeM meeting held on 3rd August 2023 — Fwd thereof

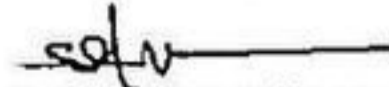
A meeting of SCoGe M (Standing Committee on GeM) was held under the chairpersonship of Addl. FA (AR) & JS, MoD (Fin), on 3rd August 2023 in MoD (Fin), South Block, New Delhi. A copy of minutes of SCoGe M meeting held on 03rd August, 2023, have been forwarded by Ministry of Defence (Finance/Ge M) vide their letter bearing F.No. 2/Coord/20 23 dated 11th August, 2023 and received vide HQrs office letter no. GeMCell/SCoGeM Minutes/03 August 2023/E-4878 dated 31.08.2023 is forwarded here with for information, guidance and further necessary action at your end please.

2. New functionalities/updates introduced on GeM portal as mentioned at para-3 of MoM may be noted for compliance and guidance please.
3. This issue with the approval of Jt. CDA.


Sr. Accounts Officer
(GeM Cell)

Copy to:-

1.	Sr. Accounts Officer O.Rs Cell (local)	For circulation to all PAOs please.
2.	Sr. Accounts Officer IA Cell (local)	For circulation to all LAOs/ALAOs/IFAs please.
3.	Sr. Accounts Officer E -Section (local)	For circulation to all AO, GE's please.


Sr. Accounts Officer

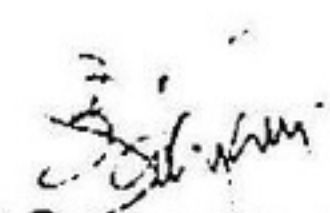
F. No. 2/Coord/2023
Mnistry of Defence
(Finance/GeM)

231-A, South Block, New Delhi
Dated 11 August, 2023

Office Memorandum

Subject: Minutes of Meeting of SCoGeM held on 03th August, 2023

The undersigned is directed to forward herewith a copy of the minutes of the Meeting of SCoGeM held on 03th August, 2023 under the chairmanship of Addl. FA(AR) & JS for necessary action.


(BP Satapathy)
DFA(DS)
Tele: 23014003

Encls : As stated above

1. VCOAS
2. VCAS
3. VCNS
4. DGICG
5. Sr. Jt CGDA
6. JS(Coord), DMA
7. JS(P&C), DDP
8. JS(ESW)
9. JS(Estt), DoD
10. JS (Coord), DoD
11. Director (FMM), DRDO
12. FP Dte (Army, Air Force, Navy)

Ministry of Defence

MoM of SCoGeM held on 3rd August, 2023

1. A meeting of Standing Committee on GeM was chaired by Sh. Amitabh Ranjan, Addl FA(AR) & JS in Room No. 203, South Block, New Delhi on 3rd August 2023. The agenda was to review the progress of procurement through GeM by various organisations of MoD and to chart the way ahead to ensure higher utilisation of GeM by all the MoD buyers. GeM was represented by Commodore B K Munjal, VSM (Retd), Advisor, Defence Procurement. List of Attendees is placed at Annexure- I.

2. A comprehensive presentation on growth in adoption of GeM by MoD was made by Advisor (Defence), GeM. The points presented in the presentation are summarized below: -
 - a) Status of points discussed in the last meeting of SCoGeM held on 27.6.2023.
 - b) Review of Target and Achievements of MoD procurement through GeM for FY 2023-24.
 - c) Tender Analysis of procurement outside GeM cases.
 - d) MoF, DoE's OM No. F.L/L/2023-PPD dated 25.5.2023-Claims submitted by MSMEs in accordance with Vivad se Vishwas-I scheme-relief of MSMEs-Budget Announcement'.
 - e) Potential mapping exercise – Procurement potential for the Financial Year 2023-24
 - f) Proposal for exemption for procurement of items from GeM for indigenization as well as R & D project being undertaken by Indian Army under Schedule 9 of DFPDS-2021.

3. Details of issues covered in the presentation are as follows:-
 - a. Goa Shipyard Limited has completed integration with GeM portal for Post contract data like Orders, Bills, Invoice etc. it is the first DPSU which has integrated with GeM for such provisions. Similar integration is in progress with Army and Navy also.
 - b. Bulk Payment Update Utility enabled for Service Orders for PAOs/DDOs and HoDs at order and shipment level separately.
 - c. Provision has been created in the system where buyer is able to modify MSE/MI status while addressing the representation i.e.

- i. Buyer will be able to evaluate the MSE/MII Status of the bidder while addressing the seller's representation against buyer's technical evaluation result.
 - ii. This will be applicable for all type of bids and for all type of evaluations.
 - iii. This will be applicable for re-evaluation of the bids as well.
 - iv. This will be independent of the MSE/MII status during the evaluation of the bid.
 - v. All information of MSE/MII (if applicable) shall be displayed to the buyer while viewing the representation.
- d. Hiring of Fixed Wing/ Helicopter. CCM held on 3rd Aug 23 with all stakeholders.
- e. **Splitting in custom bid for services** – Splitting is now available in custom bid for services.
- f. **Custom bid for services restrictions** – Buyers will not be allowed to proceed to open financial ranking if lowest price submitted in bid is below 50% of bid estimate or below Rs 10,000. CFA approval is required to proceed ahead.
- g. BOQ mode of procurement disabled where number of unique items is ≤ 5 .
- h. Enhanced Bunching in services - This allows buyer to bunch multiple line items easily for service categories.
- j. **QCBS update**
- i. Buyer can update marks of bidders after representation in case of QCBS.
 - ii. Buyer can now give "0" and marks in decimal in case of QCBS.
- k. Livestock Insurance service has been created by GeM and is LIVE now. Livestock insurance is a type of insurance coverage designed to protect livestock owners from financial losses caused by the death, theft, or certain diseases of their livestock. It provides compensation or reimbursement for the value of the insured animals in the event of an eligible loss. Can be used for horses, ponies, mules etc in various defence organisations.
- l. Vivad Se Vishwas Scheme notified by Ministry of Finance is live on GeM. This gives an Online Portal for MSME sellers to claim benefits by raising their

applicable claims against the respective procuring authority. All organisations to take n/a on the subject.

- m. As per the new revenue policy of GeM w.e.f. 01 Aug 23, Transaction charges to be paid by the sellers have been reduced to 0.45% as per various slabs. No transaction charges are payable if Buyer is either Government (Buyer) or CPSE (Buyer) and the Seller is a CPSE. However, if such contract is generated through a bidding process in which Private Entities are also allowed to bid along with CPSE bidders then this exemption will not be applicable and CPSE seller would also be required to pay transaction charges. The exemption would only be applicable if the bid process is limited to Government (Buyer) to CPSE (Seller) /CPSE (Buyer) to CPSE (Seller), or there is no bidding or contract is awarded on nomination basis to CPSE (Seller) by Government (Buyer) or CPSE (Buyer).
4. Certain points discussed regarding the targets of procurement through GeM and directions thereon are as follows:-
- a. Commodore B K Munjal, VSM (Retd), Advisor, Defence, highlighted that procurement of MoD on GeM, since inception has reached a level of Rs. 68,491.9 Cr. and in the current FY it is Rs. 14, 052.3 Cr till 02 Aug 23 which amounts to almost half of GMV of FY 22-23 (Rs 28,732 Cr) being achieved in 04 months in CFY. Last year, this GMV was achieved in 7.5 months and has been done in 04 months now.
- b. The committee, thereafter, went through the targets of the various departments / organisations projected for the CFY. BEL has requested for reduction of its target from Rs. 5,382 Cr. to Rs. 500 Cr. but has already achieved GMV of Rs 626 Cr in 04 months. Similarly, HAL has requested for reduction of target to Rs. 1250 Cr. against laid down target of Rs. 2976 Cr. HSL has achieved only 2.6 % of its target which is the lowest at MoD. The Chairman instructed that before the next SCoGeM, DDP must independently check the targets vs procurement status and provide update to the committee. (Action - DDP)
- c. Kendriya Sainik Board from DESW and DG DE and Sainik School Sangathans from DoD have not yet forwarded their targets. The Chairman instructed that DoD and DESW must ensure that the targets from these organizations are received by mid Aug 23 and forwarded to GeM. Separate note to be forwarded to JS(Coord) by MoD (Fin). (Action – MoD (Fin), DoD and DESW)
- d. It was reiterated by the Chairman that in Sept 23 the targets of the procuring agencies under MoD should be revised, based on the actual procurement by

that time. The Chairman appreciated the status of procurement done by Army, Air Force, AVNL and Navy through the GeM Portal and also directed that this data can be used to encourage organizations to further increase their target on GeM. **(Action – By all Defence Buyers)**

5. It was brought out by Commodore BK Munjal VSM (Retd), Advisor, Defence Procurement, that certain procurement agencies have not mapped their organizational hierarchy correctly, leading to incorrect data being generated. The Chairman was informed that notifications have been sent to these buyers for correction of the same. Service HQs may issue necessary directions to all the buyers on this account. **(Action - SHQs)**
6. The details of Tender Analysis were shared with the committee. All the organizations were requested to ensure that the buyers use correct search strings and strictly comply with GFR 149. Reasons should be sought for procurement outside GeM even after persistent directives being issued on the subject from the highest level in the ministry. **(Action – By all Defence Buyer Organisations)**
7. All organizations to forward the details of Verifying Authority (VA) by mid Aug 23. Details of organizations whose data is still pending are as follows:-
 - a. DMA (IAF, HQIDS)
 - b. DoD (BRO, D&AFMS, DGDE, MoD Sectt, DGNCC, AFT, JS&CAO, SAINIK SCHOOL SANGATHAN, HISTORY DIVISION, DIRECTORATE OF PUBLIC RELATIONS, NEHRU INSTITUTE OF MOUNTAINEERING)
 - c. DDP (AVNL, MIL, BEML, YIL, GRSE, MDSL, AWEIL, HSL, GSL, BEL, MIDHANI,GIL, DIRECTORATE OF STANDARDIZATION, DEFENCE INNOVATION, DIRECTORATE OF PLANNING AND COORDINATION, BEL OPTRONICS)
 - d. DeSW (ECHS, DGR, KSB)

(Action – By all concerned Organizations)
8. There were certain queries from the buyer organizations regarding Vivad Se Vishwas Scheme notified by Ministry of Finance. It was clarified that for deciding level of CFA, the buyers should follow the same rule as for procurement and availability of funds would be clarified by MoD (Fin). CGDA may issue clarifications on the subject as discussed during SCoGeM on 26 Jun 23. **(Action – MoD(Fin) and CGDA)**

9. It was brought out that certain buyers are still procuring DJI drones. It was decided that strict in-house instructions need to be issued by SHQs (for inherent powers) and CGDA to all buyers to abide by the policy regarding procurement from countries sharing land border with India. Reasons should be sought for such procurement from the buyers. (Action – By all concerned Organizations)
10. There are pending payments of Rs. 9,168.2 Cr, with more than 60 days delay which is a very critical issue. The details of such pending payments are already displayed on each buyer dashboard through bulk payment updation utility. Core team earlier formed at CGDA on the subject must look into the details of such pending amount in consultation with Service HQ and GeM. The details of all such pending payments are to be included in the monthly report to be forwarded by FA DS to Ministry of Finance. Accordingly, high priority is to be accorded by CGDA and Service HQs to ensure that details of all such pending payments are updated on the GeM portal. An internal review will be taken by mid Aug 23 on the subject by MoD (Fin). (Action – MoD (Fin), CGDA and SHQs)
11. Concerns were raised regarding correct status of the bills not getting reflected on the buyer dashboard. Even when bill gets rejected, the dashboard displays that "Payment in Progress". It was clarified that these concerns were there because of certain technical glitches in Application at GeM end. Efforts are in hand to address these concerns by GeM. (Action – GeM)
12. It has been brought out by the automobile industry that payments of almost Rs. 11 Cr. are pending from the defence buyers and few payments are delayed beyond one year. Automobile OEMs are reluctant to upload their vehicles on GeM portal because of such long pending payments. Maximum payments are due from DRDO and E-in-C Branch. Details of all pending payments have been forwarded by GeM to all concerned. All buyers are to ensure that payments are completed in time and status is to be forwarded to MoD (Fin) by 30th Aug 23. (Action – DRDO, E-in-C Branch and other concerned organizations)
13. ICG put forth that automobile bills were getting rejected by the CGDA as sanctioned amount was not matching with billing amount due to freight charges. CGDA was requested to issue clarification on the subject to IFAs. (Action - CGDA)
14. DESW, DMA and DoD representatives should attend SCoGeM meeting regularly. An internal note is to be forwarded on the subject. (Action – DESW, DMA and DoD)
15. DGQA to ensure that CQAEs forward requisite details for updating of categories on GeM. (Action – DDP)

16. Para 7.5.9- Negotiations (Rule 173 (xiv) of GFR 2017) of Manual for Procurement of Goods 2022 allows procurement of bare minimum quantity by the buyers where the requirements are urgent and the delay in re-tendering for the entire requirement due to the unreasonableness of the quoted rates would jeopardize essential operations, maintenance and safety, negotiations with L1 bidder(s). Presently, feature of procuring bare minimum quantity below 50% is not available and the quantity can be reduced only up to 50% as per the Option Clause. In case bare minimum quantity is less than 50%, the buyers have to cancel the bid and re-tender the whole quantity as the feature of reducing the qty below 50% is not available. At times, in cases of procurement of medicines/consumables, where normally three times MMF is procured at one time and due to resultant single vendor situation, the IFAs recommend bare minimum quantity i.e one MMF, which is 33% of the bid quantity, to be procured. However, on GeM only 50% quantity can be reduced. Such cases create a problem for the buyer as GEM does not allow reduction of the quantity to 33% and this results in re- tendering of the whole case thereby delaying the procurement of the medicines/ consumables. In view of the foregoing, it is requested that IFAs may be sensitized on the issue that on GeM only 50% reduction is possible as of now. The concern has been noted and feature would be developed later on to procure quantity less than 50%. (Action – GeM and CGDA)

17. In trial of equipment case, normally, a sample is not to be sought at technical evaluation stage as per Para 2.2 (x), Manual for Procurement of Goods (Updated Jun 2022). Accordingly, Bid disclaimer mentions that no sample is to be sought by the buyers. However, trials of equipment are allowed as per various provisions mentioned in Manual for Procurement of Goods (Updated Jun 2022). Para 2.2.3, Para 5.3 (vi), Para 7.5.1, Para 8.4 (iii), Annexure 5 of Manual for Procurement of Goods (Updated Jun 2022). Similar issue is explained in DPM and OFB Manual also. It is clear from these guidelines that wherever a sample is to be tested against an objective trial methodology, a sample can be sought. Whenever trials are required to be done of any equipment, trial methodology is to be added in the bid document and all parameters against which trials are to be conducted should be included in the trial methodology. In such cases, trial/ demonstration can be incorporated as a part of the technical evaluation and provisions must be included within the technical evaluation phase through ATC. Sufficient notice should be given to all participating sellers for trial/demonstration in addition to attaching trial methodology in the bid document as required. Each organization will have its own requirements and conditions, so no ATC can be created by GEM. Report of Technical evaluation and trial/demonstration can be uploaded as part of TER (Technical Evaluation Report). Technical evaluation and trial/ demonstration are to be done as hitherto and final report on completion of technical evaluation & trial/ demonstration may be uploaded & financial bids of only such qualified vendors will be opened by the system. Sellers may indicate contact no and mail id which is required for communications for trials/ demonstration in the

bid document and buyer while calling for trial/ demonstration should also provide proper address and contact details for any inquiries etc in the ATC. (Action – By all concerned organizations)

18. Army proposal for exemption of R & D projects from GeM, under Major Head 2076, Minor Head 110 (Code Head 438/00) in CFY (2023-24) was deliberated upon and it was decided that the issue will be discussed separately with MoD (Fin) subsequently. (Action – Army)
19. Few Pr IFA are still according offline concurrence. CGDA to issue directions for all IFAs to process all GeM cases online. (Action - CGDA)
20. CGDA to forward details of rejection reasons to GeM which can be dropped and review all other rejection reasons as discussed during SCoGeM on 26th Jun 23. (Action - CGDA)
21. Service bills integration to be expedited by GeM/ CGDA. (Action – GeM and CGDA)
22. Whenever GST rate gets increased, additional amount is to be paid by the buyers as per existing orders on the subject. The buyers/IFAs/CFAs may be sensitised on the subject by CGDA. (Action – CGDA and By all concerned organizations)
23. GeM to expedite integration of Army and Navy ERP with GeM. (Action - GeM)
24. All buyers to update payment of their service orders to recently introduced Bulk Payment Order Utility from dashboard of PAO/DDO/HoD at order and shipment level separately. (Action – By all concerned organizations)
25. All Service HQ to issue directions for use of insurance of livestock services for various horses, mules, ponies, mules, etc. especially Sainik Schools, NDA, IMA, various training organizations and other units. (Action - SHQs)
26. All buyers to use feature of Forward auction available on GeM. SHQs may issue detailed directions on the service. (Action – SHQs and DPSUs)
27. The meeting was concluded with vote of thanks from the Chairperson. He acknowledged that with this meeting lot of clarity is gained and areas for work have been identified.

List of participants in the meeting of SCoGeM held on 03.08.2023

S.No.	Name & Designation	Organisation
1.	Shri Amitabh Ranjan Sinha, Addl.FA & JS- in chair	MoD
2.	Cmde B K Munjal,(Retd.), Advisor	GeM
3.	Shri J K Sahu, DFA(Coord)	MoD(Fin)
4.	Lt.Col. Gaurav Mishra	FP Dte.
5.	Col. Virender Singh, FPI	AHQ
6.	Lt. Col. Sandeep Kumar	OSCC
7.	Shri Jagdeep, Sc.G	DRDO
8.	Sh Maiya Din , Sc 'G'	DRDO
9.	Brig. Saurabh Sharma	AHQ
10.	Cmde. A Vadhera	NHQ
11.	DIG Manoj Bhatia	CGHQ
12.	Gp Capt. S Saxena, Dir(Budget)	HQIDS
13.	Cdr. Harish C Tiwari	NHQ
14.	Cdr. Kalyan Mohanty	NHQ
15.	Shri Neeraj Surendran	DAD
16.	Ms. Vidhu Aggarwal	CGDA
17.	Col. R P S Sandhu	DGST, Army
18.	Wg. Cdr. C K Sheoran	Air HQ
19.	Shri Sujeet Kr. Sinha	DAD
20.	Shri K K Tiwari	CAO
21.	Shri Sanjeev Semwal	JS&CAO
22.	Lt. Col. Radhika	GeM
23.	Dy. Comdt. K I Inbarajan,	CGHQ
24.	Shri Pramod Kumar	CGHQ
25.	Shri Jitendra Kumar, Dy. Dir	DGAQA
26.	Smt. Komal Chaudary	GeM
27.	Shri Manoranjan Kumar Singh	DGAQA
28.	Shri B K Hembrom, DS(Admin)	DDP
29.	Ms. Anjali	GeM
30.	Shri Naveen Bansal	GeM
31.	Gp.Cap. M R Mishra, Dir.(P&FC)	ECHS
32.	Gp.Cap. Arun Chaudhary, Jt.Dir.(P&FC)	ECHS