

महाराष्ट्र MAHARASHTRA

2022

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प्रधान मुद्रांक कार्यालय, मुंबई  
प. मु. वि. क्र. ८०००२०  
- 7 JUN 2022  
सक्षम अधिकारी

**MEMORANDUM OF UNDERSTANDING**

This MEMORANDUM OF UNDERSTANDING ("MoU") made and entered into on this 29<sup>th</sup> day of June 2022 (hereinafter the 'Effective Date') on behalf of the President of India represented by Government e-Marketplace ("GeM"), Department of Commerce, Ministry of Commerce and Industries, Government of India and acting through Shri Prakash Mirani, Addl. Chief Executive Officer, (hereinafter referred to as 'GeM' which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns) of the FIRST PART.

श्री दि. क. गवई

and

Mazagon Dock Shipbuilders Ltd, a Defence Public Sector Undertaking owned and operated by the Department of Defence Production, Ministry of Defence, Government of India, having its corporate office at Dockyard Road, Mazagaon, Mumbai-400010 represented by Shri C M Latkar, General Manager (Materials), (hereinafter referred to as 'MDL', which expression shall unless it be repugnant to the subject or context thereof, includes its successors and assigns) of the SECOND PART:

GeM and MDL shall hereinafter collectively be referred to as the "Parties" and individually shall be referred to as the "Party".

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*[Handwritten Signature]*



## **BACKGROUND:**

Procurement of goods and services in right quantity, of right quality, at right time, at right price and from right source is a very important function for any organisation. Government e Marketplace (GeM) set up by Department of Commerce, Government of India is a state-of-the-art public procurement platform that has used technology to remove entry barriers for *bonafide* sellers and has created a vibrant e-marketplace with a wide range of goods and services. With multiple procurement modes, inbuilt policies for automated market adjustments and end to end digital processes to enable vibrant buyer-seller engagement, GeM has evolved as an increasingly transparent, efficient and inclusive platform. GeM has drastically brought down wait times and prices for buyers, and ensured timely payments to the sellers. Higher participation on the GeM portal has resulted in significant savings accruing to the buyers. These aspects of cost savings and transparency have been endorsed by the World Bank in its independent assessment of transactions on GeM.

Both the Parties have consented to enter into a *bipartite* MoU in order to enable MDL to make use of GeM for procurement of both goods and services.

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

### **1. Obligations/Commitments:**

#### **1.1 The GeM will take the following measures:**

- a) Creating a Unified Procurement System for the country by bringing the functionalities of publishing portals such as the Central Public Procurement Portal and Indian Railways Electronic Procurement System (IRePS) onto GeM to provide a single user experience and consolidate the scattered vendor bases on publishing portals onto GeM leading to advantages of economies of scale, better price discovery and dissemination of best practices in procurement in line with the announcement by the the Hon'ble Finance Minister in her Budget Speech for FY 2020-21 (Para 48): "Government e-Marketplace (GeM) is moving ahead for creating a Unified Procurement System in the country for providing a single platform for procurement....";
- b) Creating the required categories of goods (Ship building related items, raw materials, consumables, etc) and Shipbuilding related services on GeM Portal;

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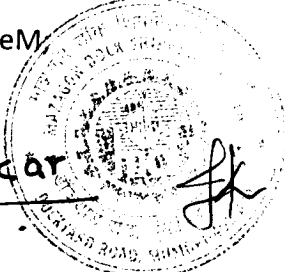
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- c) Creating the features and functionalities required for fast, easy and transparent procurement from GeM;
- d) Ensuring that transactions in GeM are in line with Central Vigilance Commission (CVC) and Department of Expenditure (DoE) guidelines in so far as applicable to Central Public Sector Enterprises (CPSEs);
- e) Integrating systems of GeM with the CPSE's payment systems in order to facilitate *online* and time-bound payment to suppliers/service providers;
- f) Integrating systems of GeM with the CPSEs' systems in order to facilitate creation of bids on GeM by CPSEs from within their own Enterprise Resource Planning (ERP) systems;
- g) Facilitating MDL to impart training to its officials on the use of GeM;
- h) Prepare user level presentations / manual on GeM operations;
- i) Resolve day to day problems encountered on GeM by MDL;
- j) Incorporate MDL requested changes / features / functionalities / specifications required in GeM;
- k) Create MDL or MDL vendor requested new categories;
- l) Assist MDL Vendors to onboard GeM and facilitate their catalogue creation & participation against MDL GeM bids;
- m) Coordination with MDL and MDL vendors for enhancement of procurement through GeM;


1.2 The MDL will take the following measures:

- a) MDL shall make all efforts to procure through GeM all goods & services which are available in GeM;
- b) Align their procurement rules/procedures/ processes/ policies with GeM in such a way that they are in *sync* with the procurement rules/procedures/ processes and policies of GeM to the maximum extent possible;
- c) Identify and refer to GeM the requisite changes/ features/ functionalities/ specifications required in GeM for their requirements of goods and services;
- d) Use the functionalities of the "seller invitation module" and "crowd sourcing of categories and sellers" module to invite new sellers onto GeM and to suggest the creation of new categories on GeM.

Smatkar 

  
Page 3 of 5

- e) Identify additional clauses that are frequently required in their bids and which are not available in GeM's General Terms and Conditions (GTC), Product Specific Terms & Conditions (STC) and Additional Terms and Conditions (ATC) Library and share the same with GeM;
- f) To work closely with GeM so as to complete the migration of all their existing vendors including the empanelled vendors, across functions, regional offices, sites and plants of MDL onto GeM;
- g) Data on procurement of goods and services and also the estimated value goods and services procured can be shared offline with GeM;
- h) Organize user training for their officers and staff for effective use of the features and functionalities in GeM ;
- i) Ensure immediate issuance of Provisional Receipt Certificate (PRC) upon receipt of goods/services and Consignee's Receipt-cum-Acceptance Certificate (CRAC) within ten (10) days of issuance of PRC, by the Consignee; Ensure payment to vendors / service providers within ten (10) days of issue of CRAC or as per Department of Expenditure (DoE), Gol guidelines and their amendments, by issue of necessary order / notification;
- j) Till integration of CPSE's payment system with GeM is completed and a Public Financial Management System (PFMS)-like system is simulated, a special payment system shall be devised by CPSEs for ensuring timely payments to sellers on GeM. To this effect, the MDL shall open a new non-operative current / saving / liquid-term account (to be named as GeM Pool Account) in any of the Banks which are integrated with GeM for the operation of the GeM Pool Account. Or, MDL can also open separate GeM Pool Accounts to collect advance payment from buyer and transfer to suppliers' accounts upon receipt of payment instruction to bankers through GeM portal; Offline payment mode shall be permissible only where GPA mode is not feasible.
- k) As a first step towards realising the above vision of the Government, a functionality for generating "GeM Availability Report and Past Transaction Summary" (GeMAR&PTS) is being made available on GeM with effect from 01.07.20. This would greatly help and benefit the buyers in taking informed procurement decisions in respect of availability of product/service on GeM along with necessary details relating to past transaction summary. For goods and services available on GeM, MDL shall procure from GeM. For goods and services which are not available on GeM or partially available on GeM, MDL

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would be given the option of publishing the tender/s for goods and services on GeM itself thereby availing of a single user experience. MDL shall avail of this functionality and procure all their requirements from GeM for goods and services available on GeM as well as those which are not available on GeM, provided the requirement is not urgent or suitable for procurement through GeM,

**2. Amendment clause:**

The MoU may be modified or amended by both the parties with mutual consent.






**3. Publicity:**

It is hereby agreed that this signed MoU can be put in the public domain by any of the signatories.

**4. Relationship between the Parties:**

This MoU shall not constitute, create, give effect to or otherwise recognise a joint venture, partnership or any other formal business organisation of any kind.

IN WITNESS, whereof the parties hereto have executed these presents in presence of the below witnesses on the Effective Date herein above written.

<p>SIGNED AND DELIVERED BY (on behalf of GeM, Govt of India)</p>  <p>प्रकाश मिरानी / PRAKASH MIRANI संयुक्त सचिव एवं अपर मुख्य कार्यकारी अधिकारी (जेएम) JS &amp; Addl. CEO (GeM) व्यवसाय एवं उद्योग मंत्रालय / Ministry of Commerce &amp; Industry भारत सरकार (Govt. of India) नई दिल्ली / New Delhi</p> <p><b>Shri Prakash Mirani</b> Additional CEO (ACEO) Government e-Marketplace, New Delhi</p>	<p>In the presence of Witness 1 (From GeM, Govt of India)</p>  <p><b>Shri Ashish Kumar Saxena</b> Director (Buyer Management) Government e-Marketplace, New Delhi</p>
<p>SIGNED AND DELIVERED BY (on behalf of MDL)</p>   <p><b>Shri C M Latkar</b> General Manager (Materials) Mazagon Dock Shipbuilders Ltd, Mumbai</p>	<p>Witness 2 (From MDL)</p>  <p><b>Shri J Kumaran</b> Deputy General Manager (SR &amp; R) Mazagon Dock Shipbuilders Ltd, Mumbai</p>