



सत्यमेव जयते

# INDIA NON JUDICIAL

## Government of National Capital Territory of Delhi

### e-Stamp

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## **MEMORANDUM OF UNDERSTANDING**

This MEMORANDUM OF UNDERSTANDING is entered into on the 20<sup>th</sup> day of August 2020 on behalf of the President of India represented by Government eMarketplace (GeM), Department of Commerce, Ministry of Commerce & Industries, Government of India, and acting through Shri Deepak Kapoor, Joint Secretary and Additional Chief Executive Officer, Government eMarketplace which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the FIRST PART:

### **AND**

Government of Karnataka represented by Shri I.S.N.Prasad, IAS, Additional Chief Secretary to Government, Finance Department, Government of Karnataka and acting through the Governor, Government of Karnataka which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, of the SECOND PART

Government eMarketplace (GeM), Department of Commerce and the Government of Karnataka are herein also referred to collectively as the "Parties" and individually as the "Party"

### **Preamble:**

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 State Government and is required for effective implementation of any Government scheme. Given the fact that the current procurement methods of public institutions are outdated and

suffer from lack of adequate transparency and accountability besides being extremely cumbersome and time-consuming, there is a need to usher in structural changes to the entire procurement machinery of the Government. Government eMarketplace (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. Completely *online* pre-contract and post-contract management along with digital and time-bound payment on GeM, has resulted in significant reduction in prices of goods and services. The total value of procurement of both Central and State Government organizations being upwards of Rs five lakh Crore, GeM has a potential to save more than Rs fifty thousand Crore *per annum* to the Government.

Both the Parties have entered into a *bipartite* MEMORANDUM OF UNDERSTANDING in order to enable the Government of Karnataka to make use of GeM for procurement of both goods and services.

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

**1. Obligations/Commitments:**

1.1 The Government of India to take following measures:

- a) Facilitating Government of Karnataka to onboard GeM,
- b) Integration of GeM system with the Government of Karnataka Treasury / payment system in order to facilitate *online* and time-bound payment to suppliers/service providers; &
- c) Facilitate Government of Karnataka to impart training to its officials on the use of GeM.

1.2 The Government of Karnataka to take the following measures:

- a) Make changes to the procurement rules of the Government of Karnataka, to facilitate the procurement on GeM Portal in line with KTPP Act and Rules of GOK.,
- b) The procurement rules / procedures of the Government of Karnataka shall be amended in such a way that, to the

maximum extent possible, they shall be in *sync* with the procurement rules / procedures of the Government of India,

- c) Facilitate registration on GeM of maximum number of suppliers & service providers located within the geographical limits of the State of Karnataka,
- d) Organize GeM user training to its officers and staff in its own premises,
- e) Depute technical team well versed with the State Government Treasury / Payment system to interact with the GeM team for integration of the two systems,
- f) 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,
- g) Ensure payment to vendors/ service providers within ten (10) days of issue of CRAC by issue of necessary order/notification.&
- h) Till integration of State Treasury with GeM is completed and a PFMS like system is simulated, a payment system shall be devised.

## **2. Termination clause:**


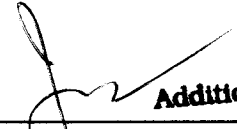

Each Party shall have the right to terminate the MEMORANDUM OF UNDERSTANDING by giving three (03) months' written notice in writing to the other Party at any time. If the MEMORANDUM OF UNDERSTANDING is terminated by either Party, steps shall be taken to ensure that the termination does not affect any prior obligation, project or activity already in progress.

**3. Amendment clause:**

The MEMORANDUM OF UNDERSTANDING may be modified or amended by written agreement between the Parties.

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

IN WITNESS, whereof the parties hereto have executed these presents the day, month and year first herein above written.

<p>SIGNED AND DELIVERED BY (on behalf of GeM, Govt of India)</p> 	<p>In the presence of Witness 1</p> 
<p><b>Deepak Kapoor</b> Joint Secretary &amp; Additional Chief Executive Officer, Government eMarketplace, Jeevan Tara Building, 5-Sansad Marg, New Delhi- 110 001</p>	<p><b>Deepesh Gehlot, ISS</b> Director, Government eMarketplace Jeevan Tara Building, 5-Sansad Marg, New Delhi- 110 001</p>
<p>SIGNED AND DELIVERED BY (on behalf of Govt. of Karnataka)</p>  <p><b>I.S.N. PRASAD</b> Additional Chief Secretary to Govt., Finance Department</p>	<p>Witness 2</p>  <p><b>Dr. P.C. JAFFER</b> Secretary to Government (Exn) Finance Department</p>
<p><b>I.S.N. Prasad, IAS</b> Additional Chief Secretary to Govt., Finance Department, Karnataka Government Secretariat, Bengaluru Karnataka- 560001</p>	<p><b>Dr.P C Jaffer, IAS</b> Secretary to Government (Expenditure), Finance Department, Government of Karnataka Bengaluru Karnataka- 560001</p>