

MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING ("MoU") made and entered into on this 12th day of November 2021 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. Deepak Kapoor, Addl. Chief Executive Officer, GeM** which expression shall unless it be repugnant to the subject or context thereof, include its successors and assigns, hereinafter referred to as the "GeM" OR "First Party".

and

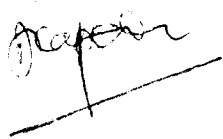
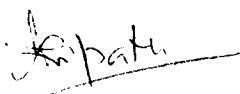
Oil and Natural Gas Corporation Limited ("ONGC"), a Public sector undertaking owned and operated by the Government of India, represented by **Shri. A P Tripathi, Executive Director-Chief MM, ONGC, Corporate Office, 5A & B, Nelson Mandela Marg, Vasant Kunj, New Delhi – 110 070**, which expression shall unless it be repugnant to the subject or context thereof, includes its successors and assigns, of the SECOND PART:

Whereas hereinafter collectively all party shall be referred to as the "Parties" and individually as the "Party".

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 entered into a *bipartite* MEMORANDUM OF UNDERSTANDING in order to enable the **ONGC** 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:

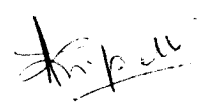
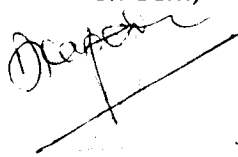
1. Obligations/Commitments:

1.1 The Government e Marketplace will take the following measures:

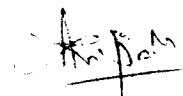
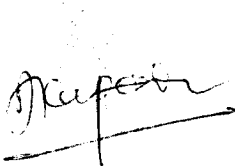
- a) Creating a Unified Procurement System for the country by bringing the functionalities of publishing portals such as the Central Public Procurement Portal and Indian Railways Electronic Procurement System (IRePS) onto GeM to provide a single user experience and consolidate the scattered vendor bases 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) Facilitating CPSEs to on-board GeM;
- c) Creating the required categories of goods and services on GeM;
- d) Creating the features and functionalities required for fast, easy and transparent procurement from GeM;
- e) Ensuring that transactions in GeM are in line with CVC and DoE guidelines in so far as applicable to CPSEs;
- f) Integrating systems of GeM with the CPSE's payment systems in order to facilitate online and time-bound payment to suppliers/service providers;
- g) 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;
- h) Facilitating CPSEs to impart training to its officials on the use of GeM.
- i) Facilitation of Global tendering in GeM portal in future.

1.2 The CPSEs will take the following measures:

- a) CPSE shall mandatorily procure through GeM all goods and services which are available on GeM;



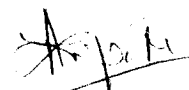
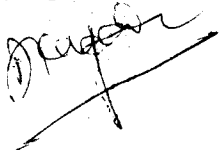
- b) Align their procurement rules/procedures/ processes/ policies with GeM in such a way that they are in sync with the procurement rules/procedures/ processes and policies of GeM to the maximum extent possible;
- c) Identify and refer to GeM the requisite changes/ features/ functionalities/ specifications required in GeM for their requirements of goods and services;
- d) Communicate the list of additional new categories that are required to be added on GeM portal as well as the list of categories already on GeM requiring alterations along with detailed required specifications in excel sheet;
- e) 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 in addition to (d) above;
- f) Identify additional clauses that are frequently required in their bids but 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;
- g) Facilitate and 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 CPSEs onto GeM;
- h) Share the annual procurement plan for 2020-21 with GeM in line with Rule 149 (vi) of GFR and section 4.1 of the handbook for GeM;
- i) Share ERP data on procurement of goods and services with GeM and also the estimated value goods and services procured;
- j) Organize user training for their officers and staff for effective use of the features and functionalities in GeM;
- k) Depute technical teams well conversant with the CPSEs’ payment systems and ERP systems to interact with the team in GeM for integration of the two systems;
- l) 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;



- m) Ensure payment to vendors/service providers within ten (10) days of issue of CRAC by issue of necessary order/notification (Model Office Memorandum issued by Department of Expenditure, Government of India is annexed as **Annexure-A**); &
- n) Till integration of CPSE's payment system with GeM is completed and a 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 CPSEs 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, the individual CPSE buyers 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. GeM Pool Account shall be made operational after the integration of the relevant module of ONGC's ERP system with that of the relevant module of GeM portal which is required for the purpose of processing payments through the GeM Pool Account;
- o) 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, CPSEs shall procure from GeM. For goods and services not available on GeM or partially available on GeM, CPSEs would be given the option of publishing the tenders for goods and services on GeM itself thereby availing of a single user experience. CPSEs, on their part, shall avail of this functionality and procure all their requirements from GeM for goods and services available on GeM as well as those not available on GeM.

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.

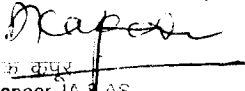
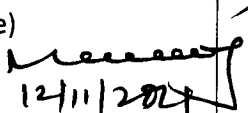
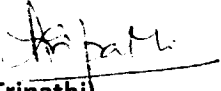



3. Amendment clause:

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> दीपक कपूर Deepak Kapoor, IA & AS संयुक्त सचिव/Joint Secretary अपर सी ई ओ. (जेम)/Addl. CEO (GeM) भारत सरकार/Government of India वाणिज्य विभाग/Department of Commerce जीवन भारती बिल्डिंग/Jeevan Bharti Building</p> <p>(Deepak Kapoor) IA & AS, JS & ACEO-GeM, Government e-Marketplace New Delhi</p>	<p>In the presence of Witness 1 (From Government e-Marketplace)</p> <p> 12/11/2024</p> <p>मनोज कुमार सिंह / Manoj Kumar Singh उप मुख्य कार्यकारी अधिकारी / Dy. Chief Executive Officer वाणिज्य एवं उद्योग मंत्रालय / Ministry of Commerce & Industry गवर्नमेंट ई-मार्केटप्लेस / Government e-Marketplace भारत सरकार / Government of India नई दिल्ली / New Delhi-110001</p> <p>(M K Singh) DCEO-GeM, Government e-Marketplace New Delhi</p>
<p>SIGNED AND DELIVERED BY (on behalf of ONGC)</p> <p> A.P. Tripathi ED- Chief MM, ONGC, New Delhi</p> <p>(A. P. Tripathi) ED- Chief MM, ONGC, New Delhi-110070</p>	<p>Witness 2 (From ONGC)</p> <p></p> <p>(Nikhil Gaur) CGM-Head VMC, ONGC, New Delhi</p>