# GeM's 8th Incorporation Day

## Why in News?

On its **8<sup>th</sup> Incorporation Day**, **Government e Marketplace (GeM)** reaffirmed its **transformative role** in driving **inclusive economic growth** and **digital governance** in India.

- GeM was incorporated on **17th May 2017** under the **Companies Act, 2013**.

## What is Government e Marketplace (GeM)?

- **About:** GeM is an **online platform** to facilitate **procurement of goods and services** by various **government departments** and **public sector units.**
  - It was launched on **9th August 2016** by the **Ministry of Commerce and Industry**.
- **Objective:** It ensures **transparency, efficiency, and fairness** in government procurement, streamlining processes and **reducing corruption**.
  - Independent reviews, including the **World Bank**, report nearly **10% cost savings** in government procurement, with nearly **97% of transactions fee-free** and **reductions of 33%-96%** (capped at Rs 3 lakh) for large orders.
- **User base:** It serves as the **Public Procurement Portal** for purchasing goods and services across all **Central and State Government Ministries, Departments, Public Sector Units (PSUs),** and their **affiliates**.
- **Product Range:** It offers a wide range of products and **services, e-bidding, reverse e-auction, and demand aggregation**.
  - The **Ministry of Finance** has authorized and made purchases through GeM **mandatory** for government users under the **General Financial Rules, 2017**.
- **Ownership:** It is managed by **GeM SPV (Special Purpose Vehicle)**, a **completely government-owned (100%),** not-for-profit entity established under the **Ministry of Commerce and Industry.**
- **Inclusivity:** It empowers diverse Indian entrepreneurs, including **MSEs, startups**, women-led enterprises, artisans, and weavers.
  - Over **10 lakh MSEs**, **1.3 lakh artisans and weavers**, **1.84 lakh women entrepreneurs**, and **31,000 startups** are now part of the GeM ecosystem.
- **Progress:** GeM's user base has **tripled**, now including over **1.64 lakh buyers** and **4.2 lakh active sellers**, offering **10,000+ product categories** and **330+ services**.
- **Pan-India Adoption:** GeM is now adopted in all 36 States and UTs, with **Uttar Pradesh** leading and **eight states**, including **Maharashtra**, **Gujarat**, and **Assam**, mandating its use.
- **Technological Advancement:** It has launched **GeMAI**, India's first generative **AI-powered chatbot** in the public sector, supporting **voice and text** in **10 Indian languages**, to improve user support and inclusive service delivery.