



Fostering Growth and Inclusivity

The Strategic Impact of GeM on India's Economy

28 February 2025

Introduction

Public procurement plays a crucial role in a nation's economic growth, directly **impacting the lives of its citizens**. When governments purchase goods and services efficiently and transparently, it not only ensures the effective use of public funds but also stimulates economic opportunities for businesses of all sizes. This, in turn, **drives employment, promotes innovation, and contributes to overall societal development**. In India, the **Government e-Marketplace (GeM)** has emerged as a game-changer in public procurement, creating an open and inclusive platform that benefits not just government buyers but also **local entrepreneurs, startups, and small businesses**.



In alignment with the societal development of the nation, GeM has enabled startups to fulfil orders worth **₹ 35,950 Crore**. Women entrepreneurs comprise **8% of the total seller base** on GeM, with cumulative **1,77,786** Udyam-verified women micro, and small enterprises (MSE) registered on the GeM portal, having fulfilled a cumulative order value of **₹46,615 Crore**.

What is GeM?

Government e-Marketplace (GeM) is an online platform for public procurement in India which was envisaged by Prime Minister Narendra Modi. The initiative was launched on **August 09, 2016** by the Ministry of Commerce and Industry with the objective to create an open and transparent procurement platform for government buyers.¹



Core Principles of GeM

GeM is characterized by three core elements:

Openness: GeM shall be an open marketplace wherein it promotes access to information and transparency. Relevant information on **sellers, goods, and services** shall be easy to find and readily available for users. GeM shall provide databased insights to help users in decision-making and ascertaining price reasonability.

Fairness: One of the platform's key objectives is to **allow sellers, big and small**, to gain direct access to Government buyers. In doing so, all sellers shall be **treated fairly** and GeM shall not offer promotional treatment to one seller over the other. GeM shall support the intentions behind the preferential market access policies and ensure that all sellers are provided with a level playing field. This will ensure the health and competitiveness of the marketplace.

¹ <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2022/jun/doc20226361301.pdf>

Transparency

Relevant information on sellers, goods, and services shall be easy to find and readily available for users.

Fairness

GeM allow sellers, big and small, to gain direct access to Government buyers.

Inclusiveness

All sellers interested in conducting business with the Government shall be welcomed on the platform

Inclusiveness: GeM shall promote inclusiveness, **which means that all Government buyers and sellers shall be accepted on the platform.** GeM shall aspire to create a robust seller base and all sellers interested in conducting business with the Government shall be welcomed on the platform. For buyers and sellers that do not have the know-how of using GeM, additional assistance in the form of focused training, onboarding sessions and continued feedback and support shall be provided.

Key Features of GeM

SWAYATT: Promoting Ease of Doing Business

SWAYATT is portal's **commitment to enhance ease of doing business and establish direct market linkages** to annual public procurement for startups, women entrepreneurs, Micro & Small Enterprises (MSEs), Self Help Groups (SHGs) and youth, especially those from backward sections of the society. Since inception, the initiative is focused at facilitating the training and onboarding of last-mile sellers, developing women entrepreneurship and encouraging participation and small-scale businesses in government procurement.

Startup Runway 2.0: Showcasing Innovation

Startup Runway 2.0 is an opportunity for Startups to showcase their innovative products and services to Government buyers and engage in public procurement. GeM has created a **dedicated marketplace category for all Startups to list their products and services, irrespective of their DPIIT-certification.** The platform offers Startups all the marketplace functionalities that are available to regular sellers and the objective is to spur "*Make In India*" procurement from India Startups.



Startups can list and sell their products to Govt buyers under

13 Startup sub-sectors



- Advanced Manufacturing and Robotics
- Advertising [AdTech]
- Agriculture [AgTech and New Foods]
- Artificial Intelligence
- Big Data and Analytics
- Augmented/Virtual Reality
- Blockchain
- Clean Tech/Renewables
- Consumer Home Electronics
- Cybersecurity
- Education Tech [EdTech]
- Fintech
- Health and Life Sciences and WaterTech.

Womaniya: Empowering Women Entrepreneurs

"Womaniya" initiative seeks to showcase products made by women entrepreneurs and women self-help groups [WSHG], and spur Women entrepreneurship by aligning them with opportunities to sell their products to various Government ministries, departments and institutions. GeM has specially categorized products such as handicrafts and handloom, accessories, jute and coir products, bamboo products, organic foods, spices, home décor and office furnishings for ease-in-procurement. Womaniya aligns with Government's initiative of reserving 3 percent in public procurement from women MSME entrepreneurs and this offers immense potential for procurement.

Womaniya

Handicrafts, Accessories, Home décor and office furnishings, Spices, Food items and more from Women Entrepreneurs

MSME SC/ST entrepreneurs on GeM

GeM is collaborating with various stakeholders from the **Micro, Small and Medium Enterprises** [MSME] ecosystem with special focus on entrepreneurs from the Scheduled Caste/ Schedule Tribes [SC/ ST]. The partnership is based on the objective of achieving the mandatory procurement goal of **25 percent from MSMEs** and a sub target procurement of **4 percent goods and services** from MSME entrepreneurs within SC/ ST communities, by all government departments and public sector enterprises [PSE]. This initiative seeks to encourage active participation of MSE sector in public procurement.

The Saras Collection: Celebrating Handcrafted Excellence

The SARAS Collection is a pristine handcrafted collection of **handicrafts, handloom textiles, office décor, furnishings, accessories, event souvenirs, personal hygiene and care products** from top of the line SHGs in India.



GeM Statistics: A Snapshot of Growth and Impact

The latest statistics reveal significant activity in the marketplace, showcasing a robust ecosystem with **162,985 primary buyers, 228,754 secondary buyers**, and a diverse range of **11,006 product categories** and **332 service categories**. In the last financial year, the order volume reached **62,86,543**, with an order value of **₹4,03,305 Crore**. Continuing its momentum, the current financial year has already recorded **61,23,691 orders worth ₹4,52,594 Crore**. Notably, **37.87%** of the total order value is attributed to Micro and Small Enterprises (MSEs), underscoring GeM's role in empowering local businesses and fostering inclusive economic growth.

162,985
Primary Buyers

228,754
Secondary Buyers

11,006
Product Categories

332
Service Categories

6,286,543
Order Volume in Last FY

403,305
Order Value in Last FY (Cr.)

6,123,691
Order Volume in Current FY

452,594
Order Value in Current FY (Cr.)

37.87
Orders Value (MSE %)

Data as on 28 February 2025

Conclusion

Government e-Marketplace (GeM) has transformed public procurement in India by promoting transparency, efficiency, and inclusiveness. By empowering startups, women entrepreneurs, and MSMEs, GeM fosters economic growth and social equity. The platform's strategic initiatives, such as SWAYATT, Startup Runway 2.0, and Womaniya, have significantly contributed to the ease of doing business and enhanced participation in government procurement. As GeM continues to evolve, it remains committed to its vision of creating a sustainable, open, and competitive marketplace, driving India's progress towards inclusive and transparent public procurement practices.

References

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