

## CORPORATE OFFICE

### Delhi Office

706 Ground Floor Dr. Mukherjee  
Nagar Near Batra Cinema Delhi -  
110009

### Noida Office

Basement C-32 Noida Sector-2  
Uttar Pradesh 201301

# CURRENT AFFAIRS

**Date: 1 August 2023**

## GOVERNMENT E-MARKETPLACE (GEM)

*This article covers "Daily Current Affairs" and the topic details "Government e-Marketplace (GeM)". The topic "Government e-Marketplace (GeM)" has relevance in the "Indian Economy" section of the UPSC CSE exam.*

### **For Prelims:**

*What is Government e-Marketplace (GeM)?*

### **For Mains:**

*GS3: Government Budgeting*

### **Why in the news?**

Scientists have expressed concern that the mandatory procurement through the Government e-Marketplace (GeM) is a major obstacle.

### **Government e-Marketplace (GeM)**

GeM, which stands for Government e-Marketplace, is an online platform hosted by DGS&D (Directorate General of Supplies & Disposals) that serves as a one-stop solution for government entities to procure common user goods and services. Launched in 2016 by the Ministry of Commerce and Industry (MoC&I), Government of India, GeM streamlines public procurement processes.

- It is a dynamic, self-sustaining, and user-friendly portal designed to facilitate procurement by Government officers.
- GeM serves as the Public Procurement Portal for Central Government and State Government Ministries, Departments, Public Sector Units (PSUs), and affiliated organisations. Its primary objective is to enhance transparency, efficiency, and inclusivity in the public procurement process.
- Functioning as a centralised and unified platform, GeM brings together government buyer organisations and suppliers of goods and services. It is accompanied by several initiatives,
  - including policy reforms to improve the current public procurement ecosystem,
  - promote inclusiveness and ease of doing business, particularly for smaller organisations like MSMEs.
  - standardisation of processes supported by a robust regulatory framework and operates as a fully automated system, leveraging advanced technologies.



### GEM Features

#### Buyers' Advantages

- Extensive listings
- Convenient process
- Online purchases
- Transparent & user-friendly
- Continuous vendor rating
- Easy dashboard
- Hassle-free returns

- Transparency
- Efficiency
- Security and Safety
- Potential
- Savings

#### Sellers' Advantages

- Direct access
- Effortless marketing
- Easy bidding
- Suggest new products
- Dynamic pricing flexibility
- Seller-friendly dashboard

### Advantages of GeM:

#### For Buyers:

1. Extensive product listings for each category of Goods/Services.
2. Convenient search, comparison, selection, and purchase process.
3. Ability to buy Goods and Services online whenever needed.
4. Transparent and user-friendly purchasing experience.
5. Continuous vendor rating system for informed choices.
6. User-friendly dashboard for easy monitoring of supplies and payments.
7. Hassle-free return policy.

#### For Sellers:

1. Direct access to all Government departments.
2. Effortless marketing through a one-stop shop platform.
3. Easy participation in bids and reverse auctions for products/services.
4. Option to suggest new products to potential buyers.

5. Dynamic pricing flexibility based on market conditions.
6. Seller-friendly dashboard for efficient selling and supply monitoring.
7. Consistent and standardized purchase procedures.

### **GEM Features**

- **Transparency:** GeM significantly reduces human involvement in vendor registration, order placement, and payment processing, making it more transparent. Its open platform allows genuine suppliers to conduct business with the Government without entry barriers.
- **Efficiency:** GeM enables quick direct purchases that can be completed within minutes. The entire process is online and integrated, with tools to assess price reasonability. For higher-value procurements, the bidding/Reverse Auction (RA) facility on GeM is highly transparent and efficient compared to other e-procurement systems used in the Government sector.
- **Security and Safety:** GeM is a completely secure platform where all documents are e-Signed at different stages by buyers and sellers. Supplier credentials are verified online and automatically through databases like MCA21, Aadhar, and PAN. Third-party assessment of suppliers is conducted through SEBI empaneled credit rating agencies, ensuring additional security.
- **Potential:** GeM's filters allow Government buyers to easily select goods that are Preferential Market Access (PMA) compliant and manufactured by Small Scale Industries (SSI). This feature promotes Make in India and SSI goods procurement.
- **Savings:** GeM's transparency, efficiency, and user-friendliness have resulted in significant price reductions compared to tender, Rate Contract, and direct purchase rates. On average, prices on GeM are lower by at least 15-20%, and in some cases, up to 56%. GeM also practices Demand Aggregation for items to be procured by various Central/State Government Departments, leading to further price reductions through standardisation and economies of scale. It is estimated that demand aggregation for common use goods and services will result in annual savings of around Rs 40,000 Crore.

### **Challenges Faced by the Scientific Community on GeM**

- **Inadequate Sourcing of Specialized Products:**
  - GeM is not well-suited for procuring specialty chemicals, niche biological products, and custom hardware and software needed for research, leading to a lack of availability of these specialized products.
  - This hampers scientific research and innovation.
- **Low-Quality Components from Vendors:**
  - GeM's focus on attracting vendors with the lowest prices can result in substandard equipment being supplied to scientists.
  - This compromises research outcomes and undermines the quality of scientific investigations.
- **Lengthy Procurement Process:**
  - The GeM procurement process is time-consuming and can take months, causing delays in acquiring essential equipment and materials.
  - These delays disrupt research timelines and hinder scientific progress.
- **Limited Options for Foreign Procurement:**
  - Scientific organizations are required to demonstrate unsuccessful attempts to procure products on GeM before approaching foreign vendors directly.

- This restriction leads to time-consuming efforts to justify foreign procurement and restricts access to specialized global suppliers.
- **Impediment to Research Progress and Publications:**
- Prolonged procurement procedures impede experimentation and data collection, resulting in delayed research progress.
- Slow publication of research papers due to delayed results negatively impacts the scientific community.
- **Burden on Scientists' Responsibilities:**
- Scientists are burdened with the task of ensuring equipment procurement at the lowest cost, diverting their focus from core research.
- Such restrictions stifle scientific innovation and lead to decreased research productivity.
- **Exemption Issues for Research Equipment:**
- Research equipment often falls within a price range that requires procurement from India-registered companies.
- Exemptions for research equipment have been requested, but GeM remains mandatory, limiting access to international sources.
- **Creation of Contractor and Vendor Ecosystem:**
- GeM's centralized procurement system can lead to the emergence of contractors and vendors, but it doesn't necessarily promote self-reliance as intended.
- Smaller universities dependent on government grants face challenges in obtaining adequate and high-quality equipment, hindering scientific progress.

Scientists' primary focus should be on conducting rigorous and impactful research, rather than getting entangled in the procurement process. Holding scientists accountable for their scientific work ensures quality and integrity in research outcomes. By relieving them from the responsibility of obtaining equipment at the lowest cost, researchers can dedicate their expertise and time to advancing knowledge and making significant contributions to their respective fields.

**Sources:**

**Scientists hampered by dearth of quality research equipment in government's e-Marketplace – The Hindu**

**Q1. With reference Government e-Marketplace (GeM), consider the following statements:**

1. GeM was launched by the Ministry of Finance, Government of India.
2. It is an online platform hosted by Directorate General of Supplies & Disposals.
3. GeM's primary objective is to enhance transparency, efficiency, and inclusivity in the public procurement process.

Which of the statements given above is/are **NOT** correct?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 3 only
- (d) None

**Answer: (d)**

**Q2. Consider the following:**

1. Any Indian citizen can buy and sell on the Government e-Marketplace (GeM).

2. GeM's bidding/Reverse Auction (RA) facility is less efficient compared to other e-procurement systems used in the Government sector.
3. GeM is not associated with promoting ease of doing business for smaller organizations like MSMEs.

How many of the abovementioned statements are correct ?

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

**Answer: (d)**

**Q3. Explain the concept and purpose of Government e-Marketplace (GeM) in India. Assess its role in streamlining public procurement processes and improving transparency, efficiency, and inclusivity.**

Gaurav Nikumbh

## CHILD LABOUR

*This article covers "Daily Current Affairs" and the topic details "Child Labour". The topic "Child Labour" has relevance in the Social Justice section of the UPSC CSE exam.*

### **For Prelims:**

*About Child Labour?*

*Status of Child Labor in India?*

### **For Mains:**

*GS 2: Social Justice*

*Government Initiatives to Curb Child Labor in India?*

*Way Forward?*

### **Why in the news:**

In a recent development, the National Human Rights Commission (NHRC) has taken action by issuing a notice to 13 states, which includes Uttar Pradesh. The commission has urged the state governments to play a more proactive role in identifying and rescuing bonded child laborers.

### **Definition of Child Labor:**

- Child labor refers to the exploitation of children by engaging them in work that deprives them of their childhood, potential, and dignity.
- Child labor can take various forms, including domestic work, agriculture, factories, mines, construction, and informal sectors.

### **Child Domestic Labour:**

- Child domestic work pertains to the involvement of children in performing domestic tasks within the residence of a third party or employer.

- It involves children performing household chores, caregiving, cooking, cleaning, and other domestic tasks for remuneration or in exploitative conditions.

### **Hazards of Child Domestic Work:**

- Long and tiring working days.
- Exposure to toxic chemicals.
- Carrying heavy loads.
- Handling dangerous items like knives and hot pans.
- Insufficient or inadequate food and accommodation.
- Vulnerability to physical and emotional abuse.
- Isolation and lack of social interaction.

### **Status of Child Labor in India:**

- According to data from the National Crime Records Bureau Report in 2022, approximately 982 cases were registered under the Child Labour (Prohibition and Regulation) Act of 1986 in India during the year 2021. Telangana and Assam reported the highest number of cases.
- The Covid-19 pandemic and closure of schools have led to a significant increase in the proportion of working children, particularly in states like Uttar Pradesh, Bihar, Rajasthan, Madhya Pradesh, and Maharashtra.

### **Causes of Child Labor in Domestic Work in India:**

- **Social and Economic Conditions:** Impoverished families often rely on child labor to supplement their income due to inadequate wages for adult workers.
- **Cultural Norms:** In certain communities, child labor in domestic work is a traditional practice, and education may not be considered important, especially for girls.
- **Migration:** Vulnerable communities, like tribals and Dalits, migrating to urban areas face increased risks of child labor in domestic work due to limited opportunities.
- **Lack of Access to Education:** Poor school infrastructure and associated costs discourage parents from sending their children to school.



## Government Initiatives to Curb Child Labor in India:

Government Initiatives	Description
Right to Education Act (2009)	Ensures free and compulsory education for children up to the age of 14 years.
Child Labour (Prohibition and Regulation) Act (1986)	Completely prohibits the employment of children below 14 years in all occupations and processes.
The Factories Act (1948)	Prohibits the employment of children under 14 years in dangerous jobs like factories and mines.
National Policy on Child Labour (1987)	Aims to protect children from economic exploitation and hazardous work.
PENCIL Portal	An online platform launched by the Ministry of Labour and Employment to monitor and track child labor, facilitating rescue, rehabilitation, and education of child laborers.
Ratifying Conventions of the International Labour Organization	
The Minimum Age Convention (1973) - No. 138	Requires member states to set a minimum age for admission to employment or work.
The Worst Forms of Child Labour Convention (1999) - No. 182	Calls for immediate action to eliminate the worst forms of child labor, including slavery, trafficking, hazardous work, and other exploitative practices.

### Way Forward:

- **Strengthening and Implementing Laws:** Enact and amend laws to prohibit and regulate child labor, in line with international standards and conventions.
- **Ensuring Access to Education:** Ensure free and compulsory education for all children up to 14 years of age to reduce the need for child labor as a coping mechanism.
- **Social Protection and Economic Support:** Provide comprehensive support to poor and vulnerable families to prevent them from resorting to child labor.
- **Awareness and Enforcement:** Raise awareness about the harms of child labor and enforce laws effectively to deter employers from engaging children in exploitative work.

### SOURCE:

<https://www.hindustantimes.com/cities/others/nhrc-issues-notice-to-states-including-uttar-pradesh-on-bonded-child-labour-cases-urges-proactive-action-101690484198641.html>

### Q.1 ACT

- |  |        |
|--|--------|
| 1. Right to Education Act                        | : 2009 |
| 2. Child Labour (Prohibition and Regulation) Act | : 1986 |
| 3. The Factories Act                             | : 1948 |
| 4. National Policy on Child Labour               | : 1987 |

**How many of the above pairs is/are correct?**

- One only
- Two only
- Three only

(d) All Four

**Answer: (d)**

**Q.2 Assertion (A) : Child labour is a prevalent problem in India.**

**Reason (R) : India Lacks a comprehensive law on prevention of Child Labour**

**Select the correct answer from the options below:**

(a) if both A and R are true and R is the correct explanation of A

(b) if both A and R are true but R is not the correct explanation of A

(c) if A is true but R is false

(d) if A is false but R is true

**Answer: (c)**

**Q.3 Examine the challenges faced in eradicating this problem and suggest comprehensive policy measures to ensure the effective elimination of child labor and protect the rights and well-being of children engaged in domestic work**

**Rishabh**

