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Topic – Market Competition - Procurement

I. Introductory Information

B-Ready Assessment Area	Relevant Provisions	Links
SOEs and Independent Authorities Are Not Excluded from Application of Procurement Regulations	<p>Rule 1, GFR 2017 ; Para 1.3-7, Manual for Procurement of Goods, 2024</p> <p>SOEs for Central Government are Central Public Sector Enterprises. GFR, 2017 are general public procurement regulatory framework, applicable on Central Government Ministries/ Departments/attached/ subordinate bodies. Para 1.3-7, Manual for Procurement of Goods, 2024 states that Manual is generic and broad in nature. Procuring Entities may customise it, with approval of competent authority and financial concurrence through their own detailed manuals. Organisations with own manuals/orders shall regulate procurement and contract execution through their respective rules and applicable special orders. Example: Coal India Limited & Hindustan Copper Limited operate under their own procurement manuals approved by their competent authorities.</p>	<ul style="list-style-type: none">• https://doe.gov.in/files/circulars_document/UpdatedGFR31July2025_0.pdf• https://doe.gov.in/files/manuals_documents/Goods.pdf

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II. eProcurement Platforms

B-Ready Assessment Area	Relevant Provisions	Links
Availability of Central E-Procurement Platform	Procurement of Goods and services is through GeM and procurement of goods and services not available on GeM as well as procurement of works is through CPPP eProcure portal. Tenders published on both the portals are replicated on others and they are linked.	<ul style="list-style-type: none"> • www.gem.gov.in • https://eprocure.gov.in/cppp/=
Restrictions on Foreign Bidders to Register as a Vendor	Foreign bidders can register free of cost on e-procure platform for participating in tenders.	
Registering as a Vendor	<p>The registration of sellers on GeM is completely online.</p> <p>Required details:</p> <ul style="list-style-type: none"> • Personal Details:- Aadhaar/Virtual ID and Aadhaar linked mobile number OR Personal PAN details with mobile number • Active Email ID - Personal E-mail Id or Company / Organization allotted Email-Id (to verify OTP) • Business Details:- Business PAN details, CIN (Company Identification Number) – Only for Company Bank account number, IFSC Income tax returns of last 3 years (It is required for BID participation if your business is older than 24 months) • Registered Address Optional • Udyam number for MSME (EMD exemption in BID) • DIPP number for startup (EMD exemption for eligible start ups) • GST number for inter state business. 	
Accessing Notices on Procurement Opportunities Electronically	All the bids published on GeM & CPPP are available online in public domain which can be accessed even without any registration on the portals.	<ul style="list-style-type: none"> • https://bidplus.gem.gov.in/all-bids • https://eprocure.gov.in/cppp/latestactive-tendersnew/cpppdata
Accessing Bidding Documents Electronically	All the bidding documents on GeM portal are available online in public domain which can be accessed even without any registration on the GeM portal.	<ul style="list-style-type: none"> • https://bidplus.gem.gov.in/all-bids

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Asking the Procuring Entity for Clarifications and Notification of Decisions Electronically <i>Clarifications</i>	Online provision is available on portal for a procuring entity to seek clarification from bidders during the bid evaluation process.	
Submitting Tenders Electronically	Bidders can submit all the components of a tender through online mode on GeM portal.	
Submitting Bid Security Electronically	Online EMD (bid security) is implemented.	
Open Bids Electronically	The bid opening process is completely online.	
Asking the Procuring Entity for Clarifications and Notification of Decisions Electronically	Portal has completely online features for providing effective notification through email/SMS, and has features for seeking clarification, awarding the contracts and other relevant milestones.	
Accessing Award Decisions (Including their Rationale) Electronically	Decisions related to technical and financial evaluation are published online in Public domain for all the tenders floated on portal.	
Submitting Bid Security Electronically and Performance Guarantee with Electronic Validation • <i>Performance guarantee</i>	Online fetching of eBG (performance guarantee) documents using NeSL has been implemented for performance guarantee validation. Additionally, BG SFMS validation has been integrated with banks.	
Contract Signing Electronically	The contracts can be digitally signed on GeM portal.	
Accessing Contracts and Contract Amendments Electronically	Signed contracts are published online in digital format. Contract amendments are published online.	
Submitting Invoices to the Procuring Entity	Sellers /service providers can submit invoices online to procuring entity through GeM portal.	
Module for Framework Agreement Management	Framework agreement (Rate contract) module is available on GeM portal.	
E-Catalogue of Approved Suppliers	Online catalogue of products/services uploaded by suppliers are available online which has details like specifications, image and other relevant parameters of product/service being offered.	• https://mkp.gem.gov.in/browse_nodes/browse_list#!/categories
Electronic Green Catalogues	GeM portal has categories which include BEE Star ratings for energy efficient products minimizing energy consumption. As per DoE OM dated 21st Jan. 2013, the minimum threshold BEE Star rating has been implemented in the categories referred to in	

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	the OM. Other than the above, there are sustainable service categories which are available on GeM are also listed.	
E-Reverse Auction Module	e-Reverse auction module is available on portal.	
E-Contract Management and Implementation Module	The GeM portal has online contract management module which include features relating to receipt and acceptance of goods and services, release of payment and post contract incident management.	
Receiving Payments from the Procuring Entity Electronically	Sellers can receive payments from procuring entities through GeM portal.	
Publication of Open Data in Machine Readable Format on Suppliers Contracts and Tenders	https://www.data.gov.in	

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III. Pre-tendering Phase

B-Ready Assessment Area	Relevant Provisions	Links
Market-Based Tools to Estimate Contract Value <i>Market analysis</i>	Para 2.1-2-f of the Manual for Procurement of Goods, 2024	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf
Market-Based Tools to Estimate Contract Value <i>Feasibility study</i>	Para 1.10 (xi) of Manual for Procurement of Works, 2022 As per para 1.10 (xi) of Manual for Procurement of Works, 2022, no works shall be commenced or liability incurred in connection with it until a feasibility Study Report / Preliminary Project Report (PPR) has been prepared in case of works of substantial value. The second edition of the Manual for Procurement of Works, 2025 has been issued and the above provision also exists in the updated Manual under para 1.14-13.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Works_Manual_SE_2025.pdf
Market-Based Tools to Estimate Contract Value <i>Historical data from similar tenders</i>	Para 2.1-2-f of the Manual for Procurement of Goods, 2024	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf

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IV. Tendering Phase

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Open and Competitive Procurement as the Default	As per the Manual issued by DoE (para 4.2 of Goods etc.), open tender will be the default mode of procurement. It may also be noted that under para 1.3 of the Manual for Procurement of Goods, 2024 it is specifically mentioned that other Manuals for Procurement (of Consultancy/ Non-consultancy Services and Works) are generically based on this Manual. Hence, for any topic for which guidance cannot be found in those manuals, this Manual for Procurement of Goods shall apply mutatis mutandis. For the sake of brevity, those manuals refer to some of the sections of this Manual without reproducing them. Hence, the open competitive tendering is default for procurement of Non-Consultancy, Consultancy and Works procurement.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf
Designation of Specialized Tendering Methods for Innovation Procurement	(i) As per Rule 170 of GFR, 2017 Startups are provided relaxation for submission of Bid security(ii) As per Rule 173 (i) conditions of prior turnover and prior experience may be relaxed for Startups in tender documents. (iii) Same may be referred to under para 1.11.5-2 of the Manual for Procurement of Goods, 2024. Such relaxations are intended to boost innovative procurement.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/RelaxNorms_StartupMedEnterprise25072016.pdf • https://doe.gov.in/files/circulars_document/Relax_Startup20092016.pdf • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf
Incentives to Include Environmental Considerations in Tenders	Rule 173(xi) of GFRs, 2017 allows environmental characteristics to be considered in bid evaluation. India's commitment to SDG 12.7.1 promotes sustainable public procurement. and a National Task Force on Sustainable Public Procurement has been constituted under DoE, emphasizing environmental sustainability as one of its three pillars.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/UpdatedGFR31July2025_0.pdf • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf

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	Ministries/ Departments while procuring electrical appliances notified by Department of Expenditure ensure that they carry the notified threshold or higher Star Rating of Bureau of Energy Efficiency (BEE). Para 2.2.1-8-d)-iii) provides the star rating requirements for air conditioners, Frost free refrigerators etc.	
Restrictions on Foreign Firms' Participation in Public Procurement	There is no bar on participation or award of contract to foreign firms in the GFRs provided they fulfill all tender conditions. There is no such requirement imposed on foreign firms for participation or award of contract in GFR, 2017 requiring a foreign bidder to partner with a domestic firm to be eligible to participate in a tender.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/UpdatedGFR31July2025_0.pdf
Prohibition of Dividing Contracts to Circumvent Open Tendering Thresholds	Rule 149 (viii) of the GFR, 2017 prohibit splitting contracts for the purpose of circumventing thresholds, while procuring through Government e-Marketplace. Rule 157 of GFR, 2017 provides that a demand for goods should not be divided into small quantities to make piecemeal purchases to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/UpdatedGFR31July2025_0.pdf
Publication of Procurement Plans, Tender Documents and Award Decisions	<p>All Ministries/ Departments to prepare Annual Procurement Plan before commencement of the year and publish the same on their website. (Rule 144 of GFR, 2017).</p> <p>Tender documents and award decisions are required to be made publicly available as per Rule 159(i), GFR, 2017.</p>	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/UpdatedGFR31July2025_0.pdf • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf
Publication of Contracts and Contract Amendments	Contracts and contract amendments are required for all contracts to be made publicly available as per Rule 159, GFR, 2017; Para	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/UpdatedGFR31July2025_0.pdf

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	7.7.2-1, Manual for Procurement of Goods, 2024.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf
Minimum Duration between Publication of Tender Notice and Submission Deadline is Clearly Defined	As per Rule 161(vi) of GFRs, 2017, the minimum time to be allowed for submission of the bids should be 3 weeks from the date of publication of the tender notice or availability of tender document whichever is later. In case Global Tender Enquiry minimum period should be 4 weeks.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/UpdatedGFR31July2025_0.pdf
Obligation to Notify Firms of Procurement Decisions and Legal Framework Establishes How Clarification Requests from Potential Bidders should be Addressed	Rule 173 (x), GFR 2017 provides for Pre-bid conference; bidders can seek clarification & records of such conference be intimated to all bidders & be put on tender website(s). Para 5.2.4, Goods Manual 2024: Bidders may seek written/e-clarifications before the specified date (or ≥7 days before submission). Deadline not extended for holidays. Replies issued ≥5 days before bid opening; only material queries uploaded without disclosing identity. If requirements change materially, submission date may be extended. Note: As per Para 1.3, this Manual applies mutatis mutandis to other procurement manuals; open competitive tendering is the default.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/UpdatedGFR31July2025_0.pdf • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf
Existence of Procedure and Criteria for Identifying Abnormally Low Bids are Established	<p>Para 7.6.7, Manual for Procurement of Goods, 2024; DoE OM No. F.6/1/2023-PPD dated 06.01.2023 ; Para 8.9, Manual for Procurement of Non-Consultancy Services, 2025</p> <p>Para 7.6.7, Goods Manual 2024: An Abnormally Low Bid (ALB) is one whose price appears so low as to raise concerns about the bidder’s capability. The Procuring Entity may seek written clarifications and detailed price analysis. If capability is not demonstrated, the bid may be rejected and the next higher bidder considered at their quoted (reasonable)</p>	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Minimum_Floor_price_for_minimum_wage_based_Manpower_Outsourcing_Service.pdf • https://doe.gov.in/files/manuals_documents/MfPoNCS2025.pdf

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	<p>rate—not by counter-offering the ALB rate. Predatory pricing may be examined using ALB principles. No provision for additional Security Deposit/BG for ALBs should be included; in exceptional cases, prior approval of the next higher authority/Secretary is required.</p> <p>Regulatory framework prescribes a ceiling of 3.85% (inclusive of GST) as the minimum service charges in the procurement of Manpower Outsourcing Service for the purpose of quantifying the criteria for determination of ALB.</p>	
Promoting Gender Equality in Public Procurement	<p>MSE Procurement Policy gives preference to MSE Women entrepreneurs, Every Central Ministry/Department/ PSUs shall set annual target for 25% procurement from MSE Sector. Sub-target of 4% out of 25% target of annual procurement earmarked for procurement from MSEs owned by SC/ST entrepreneurs. Special provision for MSEs owned by women. Out of total annual procurement from Micro and Small Enterprises, 3 % from within 25% target shall be earmarked for procurement from Micro and Small Enterprises owned by women. GeM portal, which is the government’s one-stop platform for procurement for government ministries. The Department runs “Womaniya on GeM”, initiative to enable women entrepreneurs & women self-help groups to sell to Government agencies.</p>	<ul style="list-style-type: none"> • https://dcmsme.gov.in/notification.pdf • https://msme.gov.in/public-procurement-policy • https://msme.gov.in/sites/default/files/MSMEANNUALREPORT2022-23ENGLISH.pdf • https://pib.gov.in/Pressreleaseshare.aspx?PRID=1559864 • https://pib.gov.in/PressReleaselframePage.aspx?PRID=1891303 • https://doe.gov.in/files/circulars_document/Model_Tender_Document_for_Procurement_of_Goods.pdf • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf • https://www.dcmsme.gov.in/Gazette%20Notification.pdf
Procurement Procedures for Framework Agreements are Established with Competitive Second-Stages	<p>Procurement Procedures for Framework Agreements are Established.</p>	<p>https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf</p>

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Framework Agreements Can Be Open to New Suppliers During the Duration of the Agreement	Section 13, GeM General Terms and Conditions for Rate Contract	https://assets-bg.gem.gov.in/resources/upload/shared_doc/generalterms-and-conditions-of-rate-contract-1_1746434073.pdf
Call-off contracts within a Framework Agreements are Established with Competitive Second Stages	As per SN 43 of the Procurement Glossary of the Goods Manual, 2024 "Rate contract ('framework agreement') means an agreement between a Central Purchase Organisation or a procuring entity with one or more bidders, valid for a specified period, which sets out terms and conditions under which specific procurements can be made during the term of the agreement and may include an agreement on prices which may be either predetermined or be determined at the stage of actual Procurement through competition or a predefined process allowing their revision without further competition". In terms of the definition, a Rate Contract ('framework agreement') sets out the conditions for future procurements and may either predetermine prices or leave them to be determined at the stage of actual procurement through competition or by a predefined revision process. This clearly allows for call-off contracts to be awarded at a second stage where competition among empanelled suppliers is conducted.	https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf
Tender Mechanisms to Promote SME Participation	<p>The public procurement policy for MSEs provides that Every Central Ministry or Department or Public Sector Undertaking shall mandatorily procure, minimum of 25% of total annual purchase of goods and services, from Micro and Small Enterprises.</p> <p>Out of the target of 25%, the sub-target of 4% of annual procurement from MSEs is</p>	<ul style="list-style-type: none"> • https://www.dcmsme.gov.in/Gazette%20Notification.pdf • https://dcmsme.gov.in/notification.pdf • https://www.dcmsme.gov.in/FAQs-PPP_25032022.pdf

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	<p>earmarked for procurement from MSEs owned by Scheduled Caste (SC)/ Scheduled Tribe (ST) entrepreneurs, and 3% of annual procurement from MSEs is earmarked for procurement from MSEs owned by women entrepreneur. With respect to preference to MSEs in specific tender, the policy says that the eligible MSE shall be allowed to supply upto 25% of total tender value.</p> <p>As per MSE Procurement Policy, 2012 issued by Ministry of Micro, Small and Medium Enterprise (MoMSME), there are 358 items reserved for exclusive purchase from MSE sector.</p>	
Contractual Mechanisms to promote SME Participation	<p>Chapter V of the MSMED Act, 2006, has provisions for ensuring timely payments to the MSE suppliers. The period agreed upon for payment must not exceed forty-five days from the deemed acceptance of the materials supplied by the MSMEs.</p> <p>As per MSE Procurement Policy, 2012 issued by Ministry of Micro, Small and Medium Enterprise (MoMSME), there are 358 items reserved for exclusive purchase from MSE Sector</p> <p>If a subcontract is given to MSEs, it will be considered as procurement from MSEs.</p>	<ul style="list-style-type: none"> • https://samadhaan.msme.gov.in/WriteReadData/DocumentFile/MSMED2006act.pdf • https://www.dcmsme.gov.in/FAQs-PPP_25032022.pdf • https://dcmsme.gov.in/notification.pdf • https://www.dcmsme.gov.in/FAQs-PPP_25032022.pdf
Ability to Divide Contracts into Lots	<p>The division of quantity in lots is permissible when in tender participating MSEs quoting price within price band of L1+15% shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than MSE and such MSE shall be allowed to supply upto 25% of total tendered value. Also, in case of more than one such</p>	<ul style="list-style-type: none"> • https://www.dcmsme.gov.in/Gazette%20Notification.pdf

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	MSE, the supply shall be shared proportionately to tendered quantity.	
Obligation to Notify Firms of Procurement Decisions	(i) As per Rule 159 (i) of GFRs, 2017 it is mandatory for all Central Government Ministries, Departments, and affiliated bodies to publish tender enquiries, corrigenda, and bid award details on the Central Public Procurement Portal. (ii) Rule 159 (i) of GFRs, 2017 stipulates publication of bid award details on 'Central Public Procurement Portal' managed by NIC.	<ul style="list-style-type: none">• https://doe.gov.in/files/whats_new_documents/UpdatedGFR31July2025_0.pdf https://doe.gov.in/files/whats_new_documents/UpdatedGFR31July2025_0.pdf

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V. Post-tendering phase and challenges

B-Ready Assessment Area	Relevant Provisions	Links
Legal Deadline for Procuring Entities to Process Payments to the Contractor is Established	The regulatory framework applicable to Procuring Entities establishes timeframes for processing payments. As per DoE OM dated 23.01.2020, payments for goods and services on GeM must follow milestone-based timelines post receipt and acceptance, with CRAC generation. Additionally, DoE OM dated 29.10.2021 mandates ad-hoc payments of at least 75% within 10 working days of bill submission, and full payment within 28 working days. Delays beyond 30 working days may attract interest, and unwarranted delays require accountability.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Procedures_Goods_Services_GeM.pdf • https://doe.gov.in/files/circulara_document/General_Instructions_on_Procurement_and_Project_Management.pdf
Availability of Specialized Procurement Tribunals	Para 3.3, Goods Manual 2024: Ministries/Departments must incorporate an Integrity Pact in procurements above a threshold approved by the Minister-in-Charge, generally covering 80–90% of annual procurement value. (ii) Integrity Pact is overseen by Independent External Monitors (IEMs), eminent persons nominated by CVC on request of the procuring entity. (iii) Bidders may approach IEMs on issues of fairness in tendering, eligibility, evaluation, specifications, etc. (iv) IEMs examine records and submit recommendations to management. (v) As per CVC, the Pact forms part of the contract and binds parties; signatories shall not approach courts while the matter is before IEMs.	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf • https://www.legislative.gov.in/documents?page=1 • https://vigilance.delhi.gov.in/sites/default/files/Vigilance/circulars-orders/circular_04-06-23.pdf
Right to Appeal Tribunal Decisions	In India, courts function as the specialized and independent forum for procurement grievances. Civil courts generally hear post-contract disputes, while High Courts and the Supreme Court may be approached at pre- and post-contract stages; arbitral proceedings also apply where relevant. Appeals lie within the judicial hierarchy. Para 1.8.4, Goods	<ul style="list-style-type: none"> • https://doe.gov.in/files/circulars_document/Manual_Goods_2024.pdf • https://www.legislative.gov.in/documents?page=1

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	<p>Manual 2024 affirms judicial review over fairness and legality. Articles 14 and 19(1)(g) of the Constitution ensure equality and the right to trade, guaranteeing equal opportunity in public procurement.</p>	
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