

GOVERNMENT POLICY REPORT

Policies Covered In The Edition



Ensuring Transparency in Public Procurement through Government e-Market Place (GeM) Portal

National Bio Energy Programme to Utilize India's Surplus Renewable Energy Source



India Infrastructure Project Development Fund (IIPDF) Scheme to Accelerate Quality Infrastructure Development

01

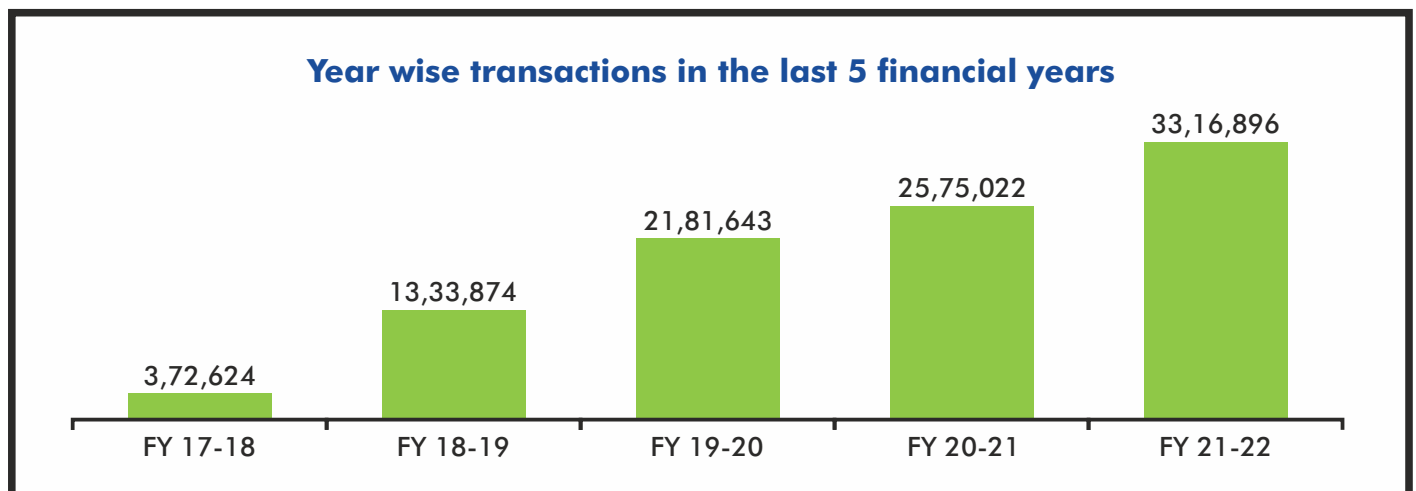
Ensuring Transparency in Public Procurement through Government e-Market Place (GeM) Portal

The GeM portal is a one-stop solution for common-use goods and services procurement by Government Offices to make the public procurement process more transparent, user-friendly, self-sustaining and dynamic. Since its launch in 2016 to date, the technology-driven platform has transformed the way government ministries, agencies, PSUs and apex autonomous bodies procure such goods and services in a paperless and cashless e-marketplace that is technologically supported by the National e-Governance Division under the Ministry of Electronics and Information Technology.



Source: <https://gem.gov.in/>

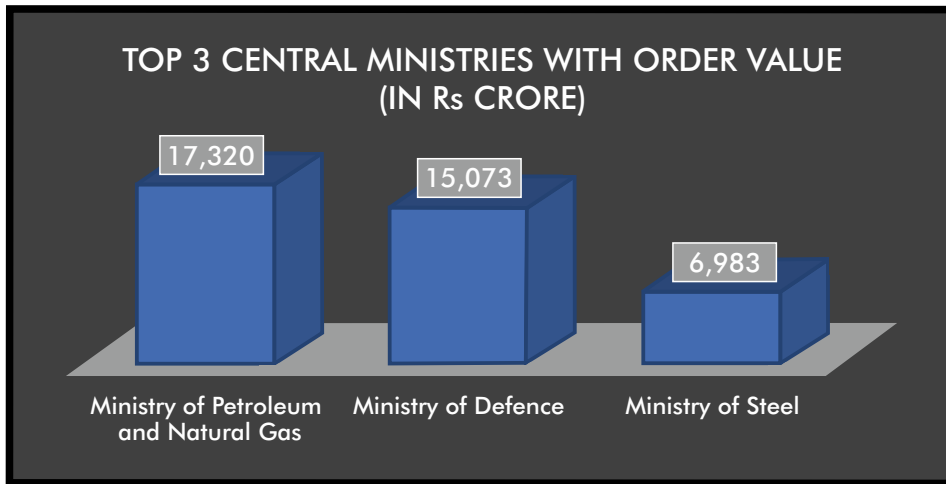
On 29th November 2022, the platform crossed a total of Rs 1 Lakh Crore Merchandise value for the current financial year i.e., 2022-23. It is a centralized repository of an adequate number of buyers and suppliers that provides quick deliveries and ease of buying with reverse auction bidding and return policy while ensuring the quality of products and services. Over time, the government has also allowed cooperatives to be listed on the portal as buyers and thus made around 8.5 lakh cooperatives part of this system-driven marketplace that can reap its benefit with minimum human interfacing.



Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1830120>

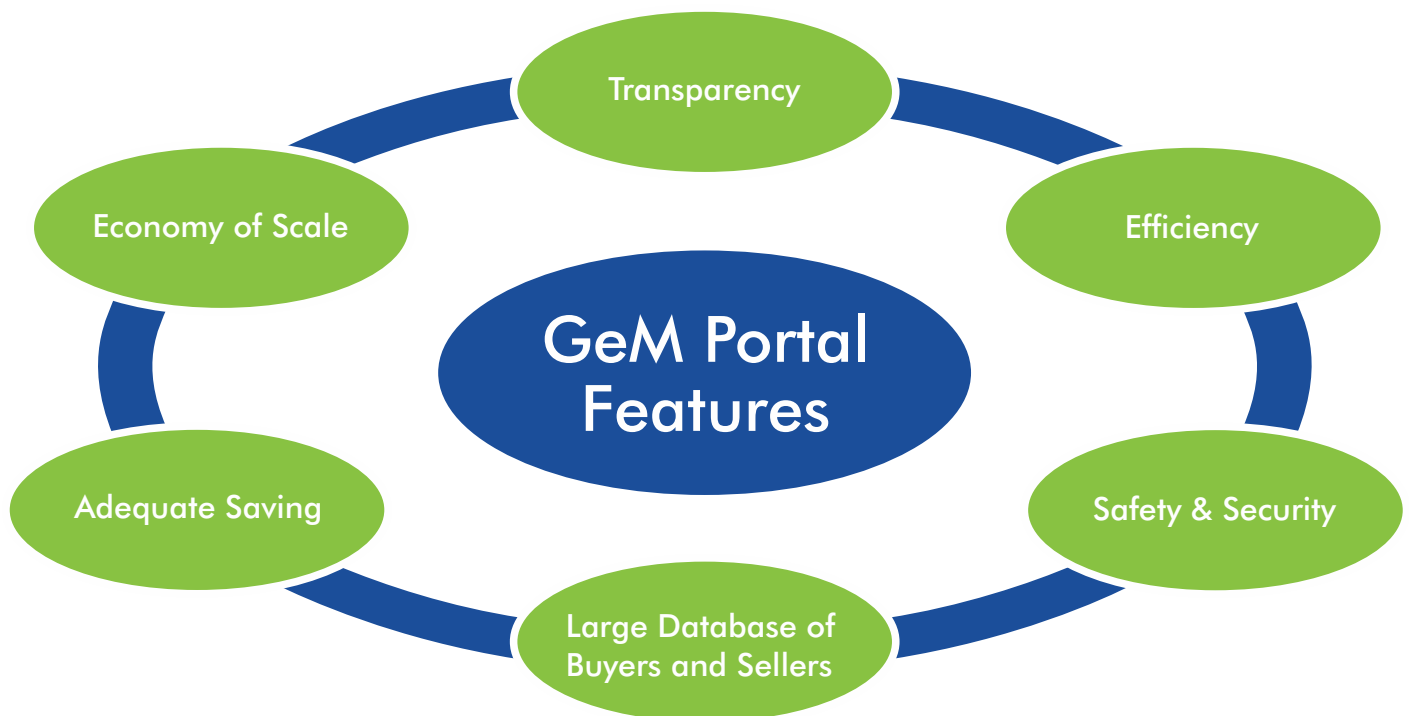
The catalog-based government e-marketplace presents wide offerings for sellers in terms of diverse procurement modes. On the way to make India more Atmanirbhar, the portal provides automated algorithm-based enforcement to sellers ensuring Medium and Small Enterprises

(MSEs) and Make in India (MII) provisions with unique challenge rejection windows for disqualified bidders. The ONGC made the procurement of the largest volume of orders from the portal and thus benefitting lakhs of members associated with this transparent and inclusive platform directly or indirectly:



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

The Gem portal is strongly supporting the digital drive of the Indian government with the following features along with exclusive advanced analytics to detect frauds and anomalies in the public procurement process:



The portal is also supporting India's startup ecosystem to showcase their innovative products and services and get engage with government buyers through initiatives such as Startup Runway 2.0. The platform also lists its products and services to the regular buyers registered on the portal to

spur the mandate of MII procurement through Indian startups. It works in collaboration with MSMEs with a special focus on SC/ST entrepreneurs to fulfill the government mandate of achieving a 25% procurement target from such sellers.

The "Womaniya" initiative under the portal helps Women Self Help Groups (SHGs) and women entrepreneurs to bring their products on this vast platform and leverage the power of technology for growth and ensure a 3% public procurement mandate from women MSMEs. All such special category focus that is aligned with the government mandate is helping GeM to keep its inclusivity intact and serve the purpose related to ease of doing business.

The technology-enabled platform backed by a government regulatory framework is providing full automation and standardization in the public procurement process with an integrated payment system facility. In a broader aspect, this also creates a positive impact on employment generation in the country.

Some of the quick facts related to the global recognition received by the GeM portal prove its outperforming importance in India's public procurement process. Where at the global forums, it has been recognized as one of the eminent, path-breaking organizations with broader initiatives equipped with necessary features and functionalities.

Winner in the "Best Use of Digital Technology" Category at CIPS Excellence in Procurement Awards at London in 2021

Become Finalist in other Categories i.e. " Public Procurement Project of the Year" and "Best Initiative to Build a Diverse Supply Base"

Thus, the portal is well serving the purpose to promote Atmnirbharta across the sectors and encouraging small entrepreneurs and industries to take part in the government procurement process with complete transparency. As it is growing in size in terms of both order volume and number of listed buyers/ sellers, it proves its efficiency and reliability in establishing it as a trusted marketplace of India across the globe.

Explain the Importance of
**Self-Help Groups
(SHGS) in Rural Areas**



02

National Bio Energy Programme to Utilize India's Surplus Renewable Energy Source

To cater to India's increasing energy demands due to rapid urbanization and fulfilling its global commitment towards climate change through the adaption of renewable energy sources, the Ministry of New and Renewable Energy (MNRE) has notified the National Bio Energy Programme for the duration of the financial year 2021-22 to 2025-26 in two phases. A budget allocation of Rs 858 crore has been allocated for phase I of the program which has three sub-schemes for the implementation purpose as under:

Waste to Energy Programme

- Focus on Energy Generation from Urban, Industrial and Agricultural Waste or Residues
- Provide Support to Set up Large Biogas, BioCNG and Power Plants (other than Municipal Solid Waste based Power Projects)

Biomass Programme

- Provide Support to manufacturing of Briquettes & Pellets
- Promotion of Biomass (non-bagasse) based Industrial cogeneration

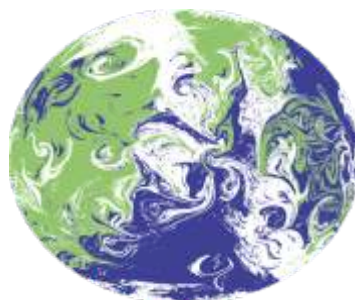
Biogas Programme

- Supporting the setup of family and medium sized Biogas Plants in Country's Rural Areas

Biomass fuels are renewable energy sources that have originated from organic materials like agriculture waste or crop residue and domestic organic wastes. As per the data of MNRE, India has the potential to generate 750 million metric tonnes of biomass annually and thus 14 GW of power can be achieved through biogases-based cogeneration. Currently, in the sugar mills, such practices have been followed but their tremendous potential still needs to be unfolded for the benefit of the stakeholders across the country.

It will significantly help to address declining air quality issues, especially in the northern part of the country due to stubble burning in Punjab, Haryana and Uttar Pradesh. Thus, the policy can provide a solution to make alternative use of the agricultural residue to fill the energy demand-supply gap. The excess biomass and cattle dung in rural areas, also industrial as well as urban bio waste is capable to provide cost-effective solutions for the country's energy security and work best to convert wealth from the waste.

Hence, Biomass is an important renewable energy source that is available in the country in abundance and is also carbon neutral. The program has the potential to generate significant employment opportunities in the rural parts of the country through this program and enhance their economic and social well-being. Some of the important facts about biomass energy that make it a prominent choice in terms of renewable energy sources are as under:



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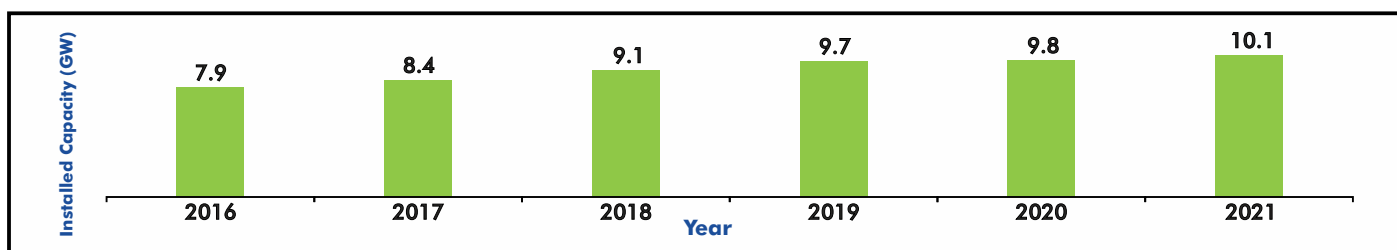
Biomass is capable of providing firm energy.

32% of India's Total Primary Energy Use is Derived from Biomass

Currently, More than 70% of India's population Depends on Biomass for their Energy Needs

The government is providing tremendous support towards adapting efficient technology in the area from which maximum benefit can be derived across the sectors and accelerate the sustainable growth of the Indian economy. India's global commitment to reduce dependence on fossil fuels for their energy needs has been already announced at the UN Climate Summit, Conference of Parties (COP26) in 2021. India has announced to achieve the target of 500GW installed energy capacity from non-fossil fuels along with the commitment to fulfill 50% of the country's energy demand to be met by renewable sources by 2030 along with achieving the net zero emission target by 2070.

India's Installed Biomass Capacity (between 2016-2021)



Source: <https://www.pwc.in/assets/pdfs/power/investing-in-the-clean-energy-domain.pdf>

The program is completely equipped to achieve these targets a reality and make India progress on clean energy by making the best use of biomass and bio waste at the mass level. But still, to realize these targets in letter and spirit, it needs to work on fully functional biomass-based power plants, bio fuel blending, Compressed Bio gas Production, Industrial use, etc. This way help an additional income source can also be generated for India's farmers through up skilling and help them upgrade their standard of living.

But the purpose can be served through better financing offerings through such programs and optimizing the supply chain of raw materials such as bagasse, rice husk, straw, cotton stalk, jute, coffee waste, etc. The program has been comprehensively designed to scientifically utilize India's surplus biomass resource to envision a green and sustainable Indian economy that is going to proceed towards a circular economy through robust implementation at ground level.



03

India Infrastructure Project Development Fund (IIPDF) Scheme to Accelerate Quality Infrastructure Development

The Ministry of Finance has recently notified the India Infrastructure Project Development Fund (IIPDF) scheme to provide financial support for the Project Development Expenses in Public Private Partnership (PPP). It will provide a thrust in improving the quality and speed of infrastructural development in the country as financing is one of the biggest challenges in infrastructure projects. The scheme will provide financial and technical support to the private sector which efficiently executes, supports and operate India's infrastructural development.

To date, India has seen mega infrastructural development projects under the PPP mode in a balanced regulatory framework with the collaboration of government agencies and private companies under the finance, build and operate mechanism. It draws higher efficiency and brings sustainability into the public service provisions such as transport, telecommunication, sewage system, etc. The scheme will significantly help to fulfill India's infrastructural demands with the following features:

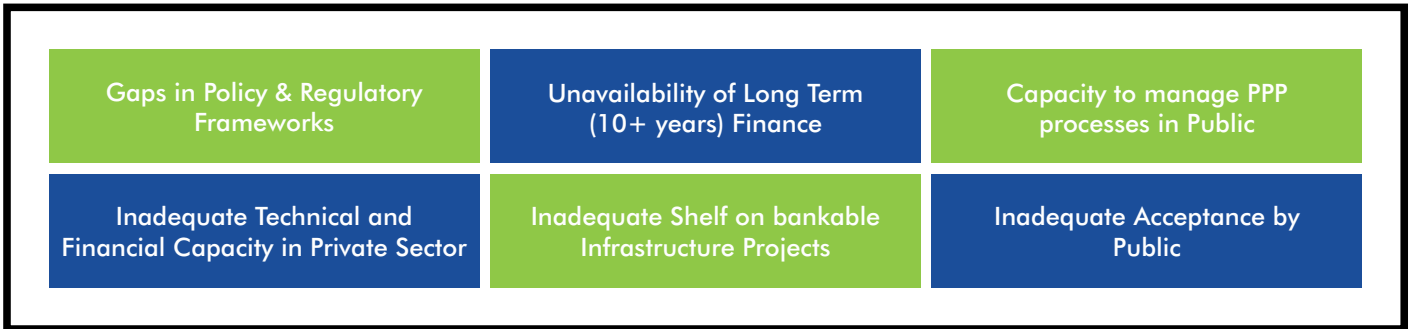
The Procurement Costs of PPP such as Transaction Advisories has been Supported.

Significantly Reduce the Cost of Sponsoring Authorities under PPP projects.

This Centre-sponsored scheme will provide the required funding to both central and state government projects to achieve modern and smart infrastructure development in the country. This will be an additional funding scheme along with the already operational Viability Gap Funding (VGF) scheme notified by the Government of India in 2020 to support the infrastructure projects that are economically viable but not commercially feasible.



Indian economy is currently developing with around an 8% growth rate and thus needs a modern and efficient infrastructure to support and sustain this growth trajectory to become a 5 trillion economy by 2026-27. The Covid pandemic and construction ban due to rising air pollution levels have significantly halted India's infrastructure development momentarily. But the government is pushing infrastructure development further with this scheme to fulfill the requirement of around US\$ 488 billion investment. It will extend support to the private sector in the domain in the next five years through enhanced delivery standards. As the following constraints will also be addressed to encourage PPP projects in the sector:



The Empowered Institution under IIPDF will work under the chairmanship of the Additional Secretary, Department of Economic Affairs, Ministry of Finance. It will function to set the term and conditions to disburse and recover funding where appropriate (considering the risk of innovative projects in terms of sector or service provided)concerning project development costs.

The IIPDF is designed to provide a milestone-based contribution of up to 75% of the total project development cost as an interest-free loan. There is also a provision to refund the contribution amount to IIPDF in case Sponsoring Authority due to any reason does not finish the bidding

process. The scheme is well-versed to dig deeper and boost the ecosystem around the country throughout the PPP life cycle to ensure quality advisory as well as consultancy services in affordable and value-for-money infrastructure development projects.

Thus, the scheme takes into account that as an important risk mitigation measure, the selection and screening of the projects should be done through an established procedure defined under the mandate of IIPDF and examined through Empowered Institution. Besides this, the initiative will address multiple challenges in the infrastructural development related to funding and help the private sector to sustain these long-tenure projects and play a significant role in India's growth journey in the years to come.

Resources

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AG GROUP

AG was established in the year 1998. In the due course of time AG has become multi-functional, multi-disciplinary organization offering a wide range of consultancy services to multiple sectors for implementation of projects under one roof from "Concept to Commissioning" AG shareholders has track record in the development of mega projects in country & overseas in field of sports, hospitality, tourism, flood management, turf farms, F&B, real estate, fashion & clothing, import & exports, chemical & fertilizers.

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www.aggrp.in

info@aggrp.in

Contact Details

+91-9810046249

+0124-4235267, 011- 45356553

★ Chennai

★ Delhi

★ Gurugram

★ Guwahati

★ Hyderabad

★ Imphal



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