GeM Samvad 2026 Highlights Reforms to Improve Public Procurement Access and Affordability for MSEs

GeM–LUB Partnership Facilitates 108 Virtual Conferences to Expand MSME Access to Government Procurement Opportunities

GeM Reduces Transaction Charges to 0.30%, Raises Exemption Threshold to ₹10 Lakh and Cuts OEM Assessment Fees by Up to 92%

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Government e Marketplace (GeM), in collaboration with Laghu Udyog Bharati (LUB), organised an event as part of GeM Samvad 2026 , highlighting key reforms aimed at making public procurement more accessible and affordable for Micro and Small Enterprises (MSEs).

Formalised through a Memorandum of Understanding (MoU) in 2024, the GeM–LUB partnership has facilitated 108 virtual conferences, apart from numerous physical events across India, to build awareness, support digital onboarding and help MSMEs navigate the platform and access government procurement opportunities.

In his address, CEO, GeM, Shri Mihir Kumar, stated that reforms undertaken by GeM have helped MSMEs by reducing participation costs, simplifying processes and improving access to finance, enabling them to participate more confidently in government procurement and contribute to the vision of Atmanirbhar Bharat and Viksit Bharat 2047. He further stated that GeM endeavours to build a Trusted Seller ecosystem where business opportunities are completely democratised in digital format.

GeM has reduced transaction charges from 0.50% to 0.30% of the order value. Orders up to ₹10 lakh are exempt from transaction charges, compared with the earlier threshold of ₹5 lakh. For orders above ₹10 crore, charges are capped at ₹3 lakh, compared with the earlier maximum of ₹72.50 lakh. Nearly 97% of orders placed on GeM attract no transaction charges. The requirement for a Caution Money deposit as part of the onboarding process was also dispensed with in July 2025. Moreover, vendor assessment charges applicable to Original Equipment Manufacturers (OEMs) have been reduced by 66% to 92% since January 2024.

As part of the event, President, LUB, Shri Madhusudan Dadu; National General Secretary, LUB, Shri Om Prakash Gupta; National Treasurer, LUB and GeM Nodal, Shri Janak Bhatia; and Additional CEO, GeM, Shri Ajit B. Chavan, participated in the deliberations and interacted with the MSMEs attending the event.

Speaking on the occasion, Shri Ajit B. Chavan highlighted that, in line with the Union Budget 2026–27 announcement, GeM has integrated with all five Trade Receivables Discounting System (TReDS) exchanges. He stated that this enablement, coupled with GeM SAHAY's collateral-free lending against purchase orders on GeM, would go a long way in addressing the working capital and timely payment challenges faced by MSMEs.

President, LUB, Shri Madhusudan Dadu and National General Secretary, LUB, Shri Om Prakash Gupta outlined LUB's plans to further deepen collaborative efforts with GeM and enhance outreach to MSMEs through LUB's pan-India network of offices, regular weekly GeM–LUB virtual conferences and the setting up of dedicated facilitation counters at various offices, staffed by trained volunteers.

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