

No.F.7/18/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

512, Lok Nayak Bhawan,
New Delhi Dated the 21st October 2020

OFFICE MEMORANDUM

Subject: Interest on delayed payments in Government e-Marketplace (GeM)

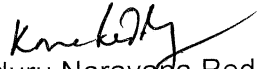
Reference : This Department O.M. No.F.6/18/2019-PPD dated 23.01.2020 & 03.07.2020.

In order to promote greater discipline and timeliness in payment to vendors, it was decided that whenever a CRAC is auto generated or issued by a buyer and payment is not made 10 days thereafter, the buyer organization will be required to pay penal interest @ 1% per month for the delayed payment beyond the prescribed timeline till the date of such payment.

2. However, it has come to the notice of this Department from Ministry of Defence (MoD) and Ministry of Railways (MoR) that there are several issues in GeM regarding data transfer, GST compliance, bill return module, generation of digital sign etc. and it will take some time to resolve these issues and streamline the whole process.

3. Therefore, it has been decided to defer the implementation of OM No.F.6/18/2019-PPD dated 03.07.2020 upto 28.02.2021 only with respect to MoD and MoR.

4. This issues with the approval of Secretary(Expenditure).


(Kotluru Narayana Reddy)
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To,

1. Ms. Gargi Kaul, Secretary (Defence Finance), Ministry of Defence, South Block, New Delhi, Tel.: 23016654, 23016629, Email: fads1-mod@gov.in,
2. Shri Naresh Salecha, Member (Finance), Railway Board, Ministry of Railways, 232, Rail Bhawan, New Delhi - 110001, Tel.: 011-23382754, fc@rb.railnet.gov.in

Copy to: Shri Talleen Kumar, Chief Executive Officer, Government e-Marketplace, Ministry of Commerce & Industry, Department of Commerce, Room No.202, 2nd Floor, Jeevan Tara Building, Janpath, New Delhi. E-mail: ceo-gem@gov.in, Tel: 956013383.