



भारतीय प्रौद्योगिकी संस्थान रोपड़  
INDIAN INSTITUTE OF TECHNOLOGY ROPAR

No.1412-19/ADMN-GeM/PS/

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CIRCULAR

The Ministry of Finance vide its office Memorandum No F.6/18/2019-PPD dated 03.07.2020 has issued the instructions for prompt payment on the Government e Marketplace (GeM). The main extracts of the memorandum reads as follows:

“Government has been repeatedly emphasizing the need for prompt payment to vendors specially the MSME vendors. The intent of the Government in this regard has been articulated under the Aatmanirbhar Bharat pronouncements. For procurements made under rule 149 of GFRs 2017, buyers are mandated to make payments within 10 calendar days after generation (including auto generation) of Consignee Receipt and Acceptance Certificate (CRAC) in the GeM.

2. In order to promote greater discipline and timeliness in payment to vendors, **it is 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.** The charge of interest shall be prorated for the period of delay. [For example, if CRAC is generated on the 1<sup>st</sup> day of a month and payment is made by the buyer organization on the 20<sup>th</sup> day of the month, interest for 10 days will be charged. The penal interest will be 10/30 multiplied by 1% i.e. 0.33%]. Month may be taken as 30 days in all cases”.

In view of the abovesaid memorandum, the GeM implementation committee recommends to circulate the following instruction to the GeM users at IIT Ropar:

- i) the indenters who are themselves placing the direct order on GeM below Rs. 25,000.00 such indenters are advised to clear the bills for payment and forward the same to Accounts Section on urgent basis i.e. within 1 working day after generating the CRAC in order to avoid the penal interest.
- ii) the indenters are also advised to clear the bills for payment and forward the same to Purchase Section on urgent basis i.e. within 1 working day in order to avoid the penal interest for order above Rs. 25,000.00 for which the purchase order has been placed by the Store and Purchase Section.
- iii) If there is any lapse for clearing the payment on urgent basis i.e. within 1 working day by any indenter, the concerned indenter will be responsible for the penal interest imposed by the GeM.
- iv) The copy of the memorandum is also attached at Annexure “A”.

This has the approval of the competent authority.

*JB. Mehta*

(Registrar)

CC to: All the Concerned