

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 2786
TO BE ANSWERED ON 15th DECEMBER, 2021

PAYMENT TO SELLERS ON GeM PORTAL

2786. SHRI RAJA AMARESHWARA NAIK:
DR. SUKANTA MAJUMDAR:
SHRI VINOD KUMAR SONKAR:
SHRI BHOLA SINGH:
DR. JAYANTA KUMAR ROY:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether there have been complaints regarding delayed payments against purchase of goods and materials by various Government organisations on Government e-Market (GeM)Place portal;
- (b) if so, the details thereof so far, year-wise;
- (c) the details of buyers who have currently withheld payments to the sellers, department-wise;
- (d) whether delayed payments have been impacting flow of capitals and funds to the selling companies;
- (e) if so, whether there is need for provisions to ensure timely payment to sellers on GeM portal as per general terms and conditions; and
- (f) if so, the details thereof?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्रीमती अनुप्रिया पटेल)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SMT. ANUPRIYA PATEL)

(a): Some complaints regarding delayed payment by buyers have been received.

(b): Year wise details of number of Incidents (Complaints) raised by various sellers for delay in payments are as under: -

Year	Total Number of contracts placed on GeM	Percentage (%) of Incidents for delay in payment
2018	9,43,336	1.61%
2019	19,43,036	1.57%
2020	22,84,489	0.98%
2021*	18,19,708	0.60%

*data till as on 08.12.2021.

(c): The buyers who have currently withheld payment to the sellers include some Ministries & Departments and other organizations of the Central Government and of the State Governments..

(d): No such information is available.

(e) & (f): GeM in consultation with Department of Expenditure has been taking proactive steps for enabling timely payments to sellers against GeM Contracts.

GeM has enabled GeM Pool Account (GPA) method of payment in which payments are automatically transferred to seller accounts if the buyer fails to make payments when it is due. Buyers are being encouraged to adopt GPA payment method progressively.

Department of Expenditure vide OM no.F.6/18/2019-PPD dated 3rd July, 2020 has also issued instructions related to prompt payment to suppliers against GeM Contracts. In order to bring more discipline amongst buyers for timely payments, the OM also has provision of charging of penal interest on payments delayed beyond prescribed timelines (<https://assets-bq.gem.gov.in/resources/pdf/prompt-payment.pdf>). The OM provides that the amount collected in this regard shall be deposited in an account maintained by GeM.

GeM has also started provision for automatic generation of Provisional Receipt Certificate (PRC) and Consignee's Receipt and Acceptance Certificate (CRAC) if buyers do not take actions on time.

All above steps are expected to bring about more discipline amongst buyers and ensure timely payment to sellers.
