

No. DPE-GM-12/0003/2016-GM-FTS-5670  
Government of India  
Ministry of Heavy Industries & Public Enterprises  
Department of Public Enterprises  
\*\*\*\*\*

Public Enterprises Bhawan  
Block No.14, C.G.O. Complex  
Lodhi Road, New Delhi-110003  
Dated: 15 November, 2016

**OFFICE MEMORANDUM**

**Subject: Procedures for Payments to Sellers / Suppliers in Government e-Marketplace (GeM) - reg.**

The undersigned is directed to refer to Rule 141-A inserted in GFR 2005 pursuant to Government e-Marketplace (GeM) by Directorate of General Supplies & Disposal (DGS&D), Department of Commerce, Ministry of Commerce & Industry and to say that in pursuant to the above Rule 141-A, DGS&D will host an online GeM for common use Goods & Services which would be dynamic, self sustaining & user friendly. DGS&D will ensure adequate publicity periodically about the items to be procured through GeM for the prospective suppliers. The procuring authorities have to satisfy themselves that the price of the selected offer is reasonable. The GeM may be utilised by Government buyers (at their option) for direct online purchases as under :

- (a) Upto Rs. 50,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.
- (b) Above Rs. 50,000/- through the suppliers having lowest price amongst the available suppliers on the GeM, meeting the requisite quality, specification and delivery period. GeM will also provide tools for online bidding and online revers auction which can be used by the Purchaser.

The above monetary ceiling is applicable only for purchases made through GeM. For all other purchases GFR rule 145,146,150 & 151 will apply.

2. Department of Expenditure vide its OM No. F.26/4/2016.PPD dated 20-09-2016 has issued procedures for payments in GeM by Ministry / Department / other Government Bodies including PSUs etc. in terms of Rule 141-A of GFR. In case, Central Public Sector Enterprises (CPSEs) choose the option for online procurement made through GeM, the procedure prescribed in the OM dated 20-09-2016 of Department of Expenditure for making payments shall be complied and adhered to by the concerned CPSEs.
3. In view of above the administrative Ministries/Departments concerned with the CPSEs are advised to instruct CPSEs under their control for compliance of the above instructions.

  
(J N Prasad)  
Director

To,

All Administrative Ministries / Departments concerned with CPSEs.

**Copy to:**

- (i) Chief Executive of all CPSEs as per list.
- (ii) Department of Expenditure (Sh. Vinayak T. Likhar, Under Secretary), 516, Lok Nayak Bhawan, New Delhi – in reference to OM No. F.26/4/2016.PPD dated 20-09-2016
- (iii) Guard File.