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Shri S C L Das, IAS  
Secretary  
Ministry of MSME

**Subject: - Request for amends in Circular No.F 6/18/2019-PPD dated July 3, 2020 and to allow sellers to get a part of the penal interest due to delays by buyers in making payments**

Respected Sir,

***Greetings from MAIT!***

This bears reference to the issue of delayed payments by the buyers to the sellers at GeM. As you are aware that this issue had been raised by the industry in the past and thereafter, a **Circular No.F 6/18/2019-PPD dated 3rd July 2020 was issued by the Ministry of Finance which emphasizes prompt payments to suppliers including MSMEs and Charging of Interest on payment delays.**

However, we have been informed by some of the industry members that there are still delays in payments which impact industry especially MSMEs considering the limited working capital at disposal.

Moreover, since the Circular doesn't allow the penal interest to be given to the seller and is kept for the education of buyers/sellers, etc. as currently provisioned in the circular; **the seller is not compensated for the delays in payments by the buyers.**

**We are writing this letter for making amends to this circular and allowing a part of the penal interest to be given to sellers which shall help the industry especially MSME which is constrained with limited working capital.**

We sincerely believe that the request would find merit and that the needful be done at your end.

Warm regards,

Col Suhail Zaidi (Retd)  
Director General