

## **Delayed Payments to Micro and Small Enterprises (MSEs)**

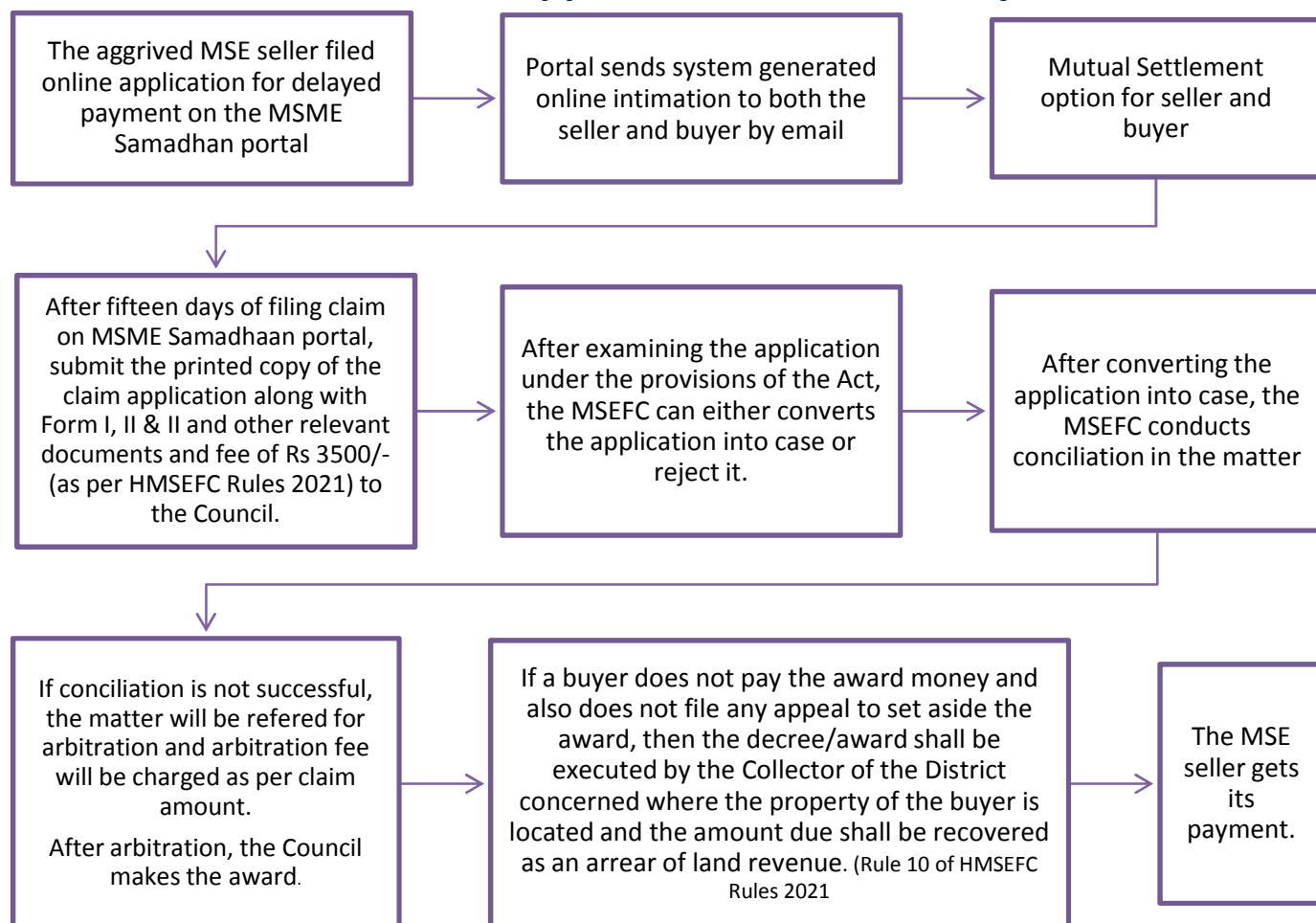
### **Relevant Provisions:**

- The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 contains provisions of Delayed Payment to Micro and Small Enterprise (MSEs). (Section 15- 24). State Governments to establish Micro and Small Enterprise Facilitation Council (MSEFC) for settlement of disputes on getting references/filing on Delayed payments. (Section 20 and 21).
- Only Micro and Small Enterprises registered under Manufacturing and Service activity in Udyam registration are eligible to apply. **The MSEs registered under Trading activity having NIC code 45, 46 and 47 are not eligible for these provisions.**
- Where any buyer fails to make payment of the amount to the MSE supplier, on or before the date agreed and maximum within 45 days of the acceptance of the goods/service, he (buyer) shall, be liable to pay compound interest with monthly rests to the supplier on that amount at three times of the bank rate notified by the Reserve Bank. (Section 16)
- MSEFC of the concerned State after examining the case filed by MSE unit will issue directions to the buyer unit for payment of due amount along with interest as per the provisions under the MSMED Act 2006.
- No application for setting aside any decree or award by the MSEFC shall be entertained by any court unless the appellant (not being supplier) has deposited with it, the 75% of the award amount. (Section 19).
- Ministry of MSME has taken an initiative for filing online application by the supplier MSE unit against the buyer of goods/services before the concerned MSEFC of his/her State/UT i.e. MSME Samadhaan Portal. However it is necessary to submit printed copy of claim application along with the necessary documents (as per Haryana MSEFC Rules 2021) in the MSEFC Haryana.

### **Related documents and websites:**

- ❖ MSME Samadhaan Portal: <https://samadhaan.msme.gov.in>
- ❖ MSME Development Act, 2006: <https://samadhaan.msme.gov.in/WriteReadData/DocumentFile/MSMED2006act.pdf>
- ❖ Haryana MSEFC Rules, 2021: <https://msme.haryana.gov.in/haryana-micro-and-small-facilitation-rules-2021>
- ❖ Form I, II & III as per HMSEFC Rules, 2021
- ❖ Udyam Registration: <https://udyamregistration.gov.in>
- ❖ Haryana Udhyam Memorandum: <http://harudhyam.edisha.gov.in>
- ❖ Bank Rate by RBI (click on Key Rates tab): <https://dbie.rbi.org.in>

## Flow Chart of Application in MSEFC Haryana\*



### Documents to be submitted to MSEFC Haryana\*:

- ❖ Printed copy of claim application as filled on MSME Samadhan portal.
- ❖ Filled in Form I, II & III as per HMSEFC Rules 2021.
- ❖ Photocopy of Udyam Registration Certificate and Haryana Udyam Memorandum;
- ❖ Copy of purchase order, Invoices, goods receipt certificate (if available) and agreement with the buyer (if any). The claim application must be supported by an affidavit in case purchase order is oral;
- ❖ Audited Balance Sheet and Ledger for the relevant financial years.

### Other Important Instructions:

- ❖ All annexure(s) to the claim application must be self-attested;
- ❖ Documents should be the page numbered and indexed;
- ❖ Submit as many copies of application as the number of respondents;
- ❖ The aggrieved MSE supplier shall also simultaneously send a copy of the reference along with complete set of documents to the buyer or buyers against whom the reference is made.

#### MSEFC Haryana address for documents submission:

The Chairman cum Director General, HMSEFC,  
 Directorate of MSME, Government of Haryana  
 C-3, 1st Block, 3rd Floor, HSVP office complex,  
 Sector-6, Panchkula, Haryana, Pin Code: 134109  
 Phone No:- 0172-2580706,  
 Email Id:- hmsefchry2020@gmail.com  
 Website: <https://msme.haryana.gov.in>

#### For more information, contact:

MSME- Development Institute, Karnal  
 Ministry of MSME, Govt. of India  
 11-A, IDC, Kunjpura Road, Near ITI,  
 Karnal-132001,  
 Tele: 0184-2208100 & 104,  
 E-mail: dcdi-karnal@dcm sme.gov.in  
 Web: <http://www.msmedikarnal.gov.in>

*\*This is indicative only, for complete details please refer Haryana MSEFC Rules, 2021 and MSMED Act, 2006*