GOVERNMENT OF INDIA MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA UNSTARRED QUESTION NO. 1384 TO BE ANSWERED ON 13.03.2023

PAYMENT OF COMPOUND INTEREST TO MSMEs FOR DELAYED PAYMENT

1384. SHRI ANIL DESAI:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

- (a) whether Government has received any request/representations from various MSMEs to grant them compound interest on their delayed payment, if so, the details thereof;
- (b) whether Government has received any complaints of MSME contractors against NTPC deliberately delaying payments, if so, the details thereof;
- (c) whether Government is aware about a pending case of MSME contractor of NTPC Kahalgaon for resolution of a commercial dispute through AMRCD between HSCL and NTPC Kahalgaon, if so, the details thereof; and
- (d) whether Government will ensure payment of mandated interest in above matter to MSMEs through AMRCD arbitration?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES (SHRI BHANU PRATAP SINGH VERMA)

(a) & (b): As per the provisions of Micro, Small and Medium Enterprises Development (MSMED) Act 2006, when a buyer does not make payment to the supplier (Micro & Small Enterprises) for his supplies within 45 days of the acceptance of the goods/service rendered, then the buyer is liable to pay a compound interest with the monthly rests to the supplier on the amount at the three times of the bank rate notified by RBI.

For ease of filing of grievances & for monitoring of the outstanding dues to the Micro and Small Enterprises (MSEs) from the buyers of goods and services, the Ministry of MSME launched a portal, viz. Samadhaan portal (https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC_Welcome.aspx) on 30.10.2017. After the application is admitted by the Micro, Small Enterprise Facilitation Councils (MSEFCs), it becomes a case. The details of applications filed against NTPC on SAMAHAAN Portal as on 09.03.2023 is at annexure.

(c) &(d): As per the details received from Department of Public Enterprises (DPE) "Commercial dispute between NTPC and HSCL is pending with the Committee of Secretaries (CoS). However, the new mechanism namely Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) wherein two tier structure has been introduced to resolve commercial disputes, only between (i)Central Public Sector Enterprises (ii) (CPSEs) inter se; and CPSE(s) and Center/State Government Department(s)/Organization(s) through the administrative Ministry/Department of the concerned CPSEs. Any dispute with the private party does not come under the purview of the AMRCD".

The details of applications filed against NTPC on SAMAHAAN Portal as on 09.03.2023are as below:

Respond ent Name	Applicati ons filed by MSEs	Applicati ons Reject by MSEFC Council	Mutually Settled Applicati ons	Applicatio ns ready for Considera tion by MSEFC Council	Applicati ons to be made actionabl e by council **	Ca Applicati ons Disposed by MSEFC Council	Applicati ons Converte d into Case by MSEFC Council Under various stages of hearing
NTPC Ltd.	152	9	112	0	1	17	13

^{**15} days not passed yet after filling application. Application is actionable (convert application to case or reject the application) by MSEFC Council only after 15 days of filling application.