

GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

RAJYA SABHA
UNSTARRED QUESTION NO. 2178
TO BE ANSWERED ON 20.03.2023

DELAYED PAYMENTS

2178. SHRI RAGHAV CHADHA:

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

- (a) the number of delayed payment applications which were filed by micro and small enterprises against Central public sector units and departments;
- (b) the total amount involving in those delayed payment applications;
- (c) the details of delayed payment applications filed by MSMEs from Punjab; and
- (d) the steps taken by the Ministry for fast-track clearing of arrears of MSMEs?

ANSWER

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

(a) & (b): As per the information available on the SAMADHAAN Portal from its launch on 30.10.2017 to 16.03.2023, total no of applications filed by micro and small enterprises against Central public sector units and departments are 7,665 and amount involved in applications is Rs. 5,353.49 crore.

(c): As per the data available on SAMADHAAN Portal, the details of delayed payment applications filed by MSEs related to Punjab from 30.10.2017 to 16.03.2023 are as below:-

Sr. No.	Description	No. of applications / cases	Amount involved (Rs. in Crore)
1	Applications mutually settled	231 (3.41%)	24.14 (1.96%)
2	Cases disposed by MSEFCs	960 (14.71%)	343.31 (27.87%)
3	Applications rejected by MSEFCs	2,542 (37.52%)	235.21 (19.09%)
4	Cases currently under consideration by MSEFCs	2,006 (29.61%)	384.24 (31.19%)
5	Applications yet to be viewed by MSEFCs	1,036 (15.29%)	244.92 (19.88%)
6	Applications filed by MSEs (1+2+3+4+5)	6,775	1,231.82

(d): **Steps taken by the Government to resolve the said issues are as follows:-**

- Under the provisions of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, Micro & Small Enterprises Facilitation Councils (MSEFCs) have been set up in the States/UTs to deal with cases of delayed payments of the Micro and Small Enterprises (MSEs).

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- The Ministry of MSME has also been urging States/UTs to set up more number of Micro & Small Enterprises Facilitation Councils (MSEFCs) for quicker disposal of cases related to delayed payments. The number of MSEFCs has gone up from 79 in 2019-20 to 118 in 2022-23. More than one MSEFC has been set up in Delhi, Jammu & Kashmir, Karnataka, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, U.P. & West Bengal.
- Ministry of MSME launched SAMADHAAN Portal on 30.10.2017 (https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC_Welcome.aspx) for monitoring of the outstanding dues to the MSEs from the buyers of goods and services.
- The Ministry of MSME created a special sub-portal within Samadhaan Portal on 14.06.2020, after the Aatma Nirbhar Bharat announcements, for reporting the dues and monthly payments by central Ministries/Department/Public Sector Enterprises to MSMEs. Dues of Rs. 2,03,898.28 crore have been paid to MSME vendors by Government Ministries/Departments/CPSEs from May 2020 till 16.03.2023.
- Government of India has also instructed CPSEs and all companies with the turnover of Rs. 500 Crore or more to get themselves on-boarded on the Trade Receivables Discounting System (TReDS), an electronic platform for facilitating the discounting of trade receivables of MSMEs through multiple financiers.
- Companies which get supplies of goods or services from Micro & Small Enterprises and whose payment to Micro and Small Enterprises exceeds 45 days from the date of acceptance or the date of deemed acceptance of the goods or services, also need to submit a half yearly return to the Ministry of Corporate Affairs stating the amount of payments due and the reasons of the delay.
- Budget 2023 announcement: Under Section 43B of Income Tax Act: Deduction has been allowed for expenditure incurred on payments only when payment is actually made to MSMEs.
