

GOVERNMENT OF INDIA  
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 452**  
**TO BE ANSWERED ON 24.07.2023**

**SCHEMES TO CLEAR DELAYED PAYMENT IN MSMEs**

452. SHRI K. R. SURESH REDDY:

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

- (a) whether any steps have been taken to resolve the issue of delayed payments to the MSME sector;
- (b) if so, the details thereof, if not, the reasons therefor; and
- (c) the details of the schemes introduced by Government to promote the growth of the MSME sector, and the subsequent impact of such schemes?

**ANSWER**

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

(a) & (b): Steps taken by the Government to resolve issue of delayed payments to the MSME sector 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).
- Ministry of MSME launched a portal viz. Samadhaan Portal ([https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC\\_Welcome.aspx](https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC_Welcome.aspx)) for filing of grievances & for monitoring of the outstanding dues to the Micro & Small Enterprises (MSEs) from the buyers of goods and services on 30.10.2017.
- The Ministry of MSME has requested States/UTs to set up more number of MSEFCs for quicker disposal of cases related to delayed payments. So far 152 MSEFCs have been set up with more than one MSEFC set up in states like Delhi, Jammu & Kashmir, Karnataka, Kerala, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, U.P. & West Bengal.
- The Ministry of MSME created a special sub-portal within Samadhaan Portal on 14.06.2020, after the AatmaNirbhar Bharat announcements, for reporting the dues and monthly payments by Central Ministries/Department/Public Sector Enterprises to MSMEs.
- 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.

(c): The Central Government supplements the efforts of the State/UT Governments through various schemes, programmes and policy initiatives for overall development and promotion of MSMEs in the country.

The Ministry of MSMEs implements various schemes/ programmes for the promotion and development of MSMEs sector across the country which inter alia include Prime Minister's Employment Generation Programme (PMEGP), Micro and Small Enterprises-Cluster Development Programme (MSE-CDP), Credit Guarantee Scheme for MSEs, etc. State Bank of India (SBI) came out with a research report dated 23.01.2023 on ECLGS authored by its Group Chief Economic Advisor. It has been reported that almost 14.60 lakh MSME accounts were saved due to ECLGS scheme (including restructured), of which about 98.30 % of the accounts were in Micro and Small categories, were saved.

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