

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 34**

TO BE ANSWERED ON NOVEMBER 18, 2019 (MONDAY)
KARTIKA 27, 1941 (Saka)

OUTSTANDING DUES OF SMALL ENTERPRISES

QUESTION

34. SHRI P.K. KUNHALIKUTTY:

Will the Minister of **FINANCE** be pleased to state:

- (a) whether the Ministry has directed the various Public Sector Undertakings to clear outstanding dues of small enterprises and service providers;
- (b) if so, the details of outstanding dues/payments by Handicrafts and Handlooms Exports Corporation of India Limited to small bullion parties as on 31st October, 2019;
- (c) whether the Government would probe the delay of payments on untenable ground to small bullion parties and if not, the reasons therefor; and
- (d) the steps which the Government proposes to take to clear the legitimate payments of small bullion parties in line with the directive of the Ministry?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

(a) Yes.

(I) Ministry of Micro Small and Medium Enterprises (MSME) has issued a Notification No. S.O.5622(E) dated 02.11.2018 stating "that all companies who gets supplies of goods or services from Micro and Small Enterprises and whose payments to micro and small suppliers exceed forty-five days from the date of acceptance or the date of deemed acceptance of the goods or services as per the provision of the Act, shall submit a half yearly return to the Ministry of Corporate Affairs stating the following:

- (i) The amount of payments due
- (ii) The reason of the delayed."

MSME is monitoring the issues of delayed payments from various Public Sector Undertaking to clear outstanding dues of MSMEs, letters in this regard have been issued to the controlling Ministries of the concerned CPSEs.

(II) Various Central Public Sector Enterprises (CPSEs) have been requested in a meeting headed by Department of Expenditure and Department of Economic Affairs on 27.08.2019 to make payments to vendors, MSMEs as well as to big companies as promptly as possible in order to ensure adequate money supply/ liquidity in market. Wherever required, process re-engineering may be made to cut the unnecessary delays in the process. CPSEs has also directed to appoint a Nodal Officer to monitor payments.

(b) The details of outstanding dues of bullion parties of Handicrafts and Handlooms Exports Corporation of India Limited (HHEC) as on 31st October 2019 are as under:-

S. No.	Name of the Bullion parties	Amount (in Rs. Crore)
1.	M/s Atma Ram Amar Nath	1.47
2.	M/s Delhi Spot Bullion Trading Co. Pvt. Ltd.	0.03
3.	M/s Edelweiss Commodities Ltd. (ECL)	5.12
4.	M/s Frost International Ltd.	2.76
5.	M/s Kothari Product Ltd.	0.23
6.	M/s Metlloy Trading Services (P) Ltd. (case pending with Customs Authority)	0.12
7.	MMTC Pamp India (P) Ltd	0.05
8.	M/s Relegare Bullion Ltd.	0.16
9.	M/s SMC Comtrade Ltd.	2.48
10.	M/s Soni Chunilal Govindbhai Jewellers Pvt. Ltd	0.01
	Total	12.43

(c) & (d) :

Handicrafts and Handlooms Exports Corporation of India Limited (HHEC) has withheld the amount of M/s Edelweiss Commodities Ltd. (ECL) against which CBI investigation is under way and other bullion parties with whom HHEC has identical agreement as signed with M/s ECL because any adverse decision in the CBI case with M/s ECL will have financial implication on them as well.

HHEC has sought views of CBI in regard to withheld payment of the bullion parties, other than M/s ECL.

Ministry of MSME has created SAMADHAAN Portal (<http://samadhaa.msme.gov.in/MyMSME/MSEFCWelcomer.aspx>.) for monitoring of the outstanding dues to the MSEs from the buyers of goods and services through video conference, meetings of the Chairman of the MSEFCs etc.
