

भारत सरकार GOVERNMENT OF INDIA  
रेल मंत्रालय MINISTRY OF RAILWAYS  
(रेलवे बोर्ड) (Railway Board)

No. 2020/RS(G)/363/1

New Delhi Dated: 30.11.2021

The General Managers, All Indian Railways/PUs, NF(C), CORE  
DG/RDSO/Lucknow, NAIR/Vadodara,  
PCAO, DMW/Patiala, COFMOW  
CAO, WPO/Patna, RWP/ Bela.

**Sub.: Delayed Payments to Micro, Small and Medium Enterprises (MSMEs).**

**Ref:** (i) Railway Board letter No. 2010/RS(G)/363/1 dated 31.01.2019  
(ii) Railway Board letter No. 2010/RS(G)/363/1 Pt.2 dated 22.01.2020  
(iii) Railway Board letter No. 2020/RS(G)/779/2 dated 08.06.2020  
(iv) Railway Board letter No. 2020/RS(M)/GeM dated 03.09.2020

\*\*\*

The issue of delayed payments to suppliers, especially MSMEs, has been highlighted repeatedly vide above circulars under reference. It has been emphasised time and again that timely clearance of dues to MSMEs is essential to ensure financial viability of this sector which is essential for employment generation and economic development of the nation.

Attention is also drawn to the MSMED Act, 2006, which makes it obligatory upon the executive/paying authority to clear dues to MSEs (Micro and Small Enterprises) within a strict timeline, failing which penal interest is liable to be paid. Timely payment of dues to MSEs is also one of the strategies under AatmaNirbhar Bharat to revive the MSME sector. It is applicable for all types of contracts. Provisions related to delayed payments to MSMEs are summarised in **Annexure** (enclosed).


Ministry of MSME has launched, MSME SAMADHAAN portal specifically to deal with grievances of MSEs related to delayed payments where Micro and Small Enterprises (MSEs) can file their applications(grievances) online regarding delayed payments. Details of grievances are available on the portal, Railway wise. Link: [https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC\\_Welcome.aspx](https://samadhaan.msme.gov.in/MyMsme/MSEFC/MSEFC_Welcome.aspx). Action may be taken for resolution of grievances pertaining to your Railway and updating the status on the portal for its closure. Monthly report of the closed grievances may also be sent to Board **by 8<sup>th</sup> of every month**.


**All out efforts are required to be made to expedite the pending payment to MSEs.** Each Railway Zone, Division, PUs and other units is also requested to communicate the details of Nodal Officer (Name of the Officer, Designation, Email id, Mobile No.) in this regard by **15<sup>th</sup> December, 2021** on email: **ddrsg1@rb.railnet.gov.in**. In case any assistance is required related to access to MSME Samadhaan Portal etc, the same may be sought from contacts of DCMSME Office given below:

1. Sh. Amit Kumar Tamaria,  
Deputy Director (Policy)  
Phone Tel:011- 23062680  
Email- aktamaria@dcmsme.gov.in

2. Mrs. Kavita  
Assistant Director (Policy)  
Email- kavita82@dcmsme.gov.in

3. Sh. Ashwani Kumar,  
for Technical Assistance related  
to Samadhaan Portal.  
Email- ashwanir2011@gmail.com

  
(Pratima Tripathi)  
Director Finance Accounts  
Railway Board

  
(Chandan Kumar)  
Director Railway Stores  
Railway Board

**LIST FOR DISTRIBUTION**

Directors of all CTIs,

CMDs /MDs of all Railway PSUs/ autonomous bodies/ societies,

PFA, PCMMs, PCEs, PCMEs, PCEEs, PCSTEs, All Indian Railways & PUs, COFMOW, CORE, WPO/Patna and RWP/Bela

Sr. Prof. (Material Management), NAIR, Vadodara, PED (Stores), RDSO, Lucknow

Chief Commissioner, Railway Safety, Lucknow

Zonal Railway Training Institute, Sukadia Circle, Udaipur

**Copy to:**

Genl. Secy., AIRF, & NFIR, Rail Bhavan; Secy. Genl., IRPOF, FROA, AIRPOA, Rail Bhavan.

**Copy to:- PSOs/Sr. PPSs / PPSs / PSs/APS to :**

MR, MOSR(D), MOSR(J)

CRB&CEO, M(TRS), M(Infra), M(O&BD), M(F), Secretary/RB, DG (RHS), DG (RPF), DG(HR), DG (Safety)

All AMs, PEDs & Executive Directors of Railway Board

## **Annexure to Letter No. 2020/RS(G)/363/1 dated 30.11.2021**

### **MSME SAMADHAAN- Delayed Payments to Micro and Small Enterprises under Micro, Small and Medium Enterprise Development (MSMED) Act, 2006**

#### **The MSMED Act, 2006 (Dealing with Delayed Payment)**

<https://samadhaan.msme.gov.in/WriteReadData/DocumentFile/MSMED2006act.pdf>

#### **Related Provision**

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)

#### **Nature of assistance**

MSEFC of the 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.

#### **Who can apply**

Any Micro or small enterprise having valid Udyog Aadhar(UAM) can apply.

#### **Salient Features**

The buyer is liable to pay compound interest with the monthly rests to the supplier on the amount at the three times of the bank rate notified by RBI in case he does not make payment to the supplier for his supplies of goods or services within 45 days of the acceptance of the goods/service rendered. (Section 16)

State Governments to notify (i) Authority for filing Entrepreneur Memorandum (ii) Rules of MSEFC and (iii) Constitution of MSEFC.

All States/UTs have notified Authority for Filing Entrepreneur's Memorandum, 33 States/UTs (i.e. except Arunachal Pradesh, Assam and Manipur) have Notified rules of MSEFC and all the 36 States/UTs have constituted MSEFCs, as per provisions laid down under MSMED Act 2006.

Every reference made to MSEFC shall be decided within a period of ninety days from the date of making such a reference as per provisions laid in the Act.

If the Appellant (not being the supplier) wants to file an appeal, 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)

#### **Implementation**

The provisions under the Act are implemented by MSEFC chaired by Director of Industries of the State /UT having administrative control of the MSE units. State Government/UTs are requested to ensure that the MSE Facilitation Council hold meetings regularly and delayed payment cases are decided by the Councils within a period of 90 days as stipulated in the MSMED Act, 2006.

#### **MSME Samadhaan Portal - Ease of filing application under MSEFC, an Initiative from Ministry of MSME, Govt. of India**

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. These will be viewed by MSEFC Council for their actions. These will be also visible to Concerned Central Ministries, Departments, CPSEs, State Government, etc for pro-active actions.