

CIRCULAR

The Micro Small and Medium Enterprises Development (MSMED) Act 2006 provides for specific provisions to deal with cases of delayed payments to Micro & Small Enterprises in respect of goods supplied & services rendered by them. As per Section 15 of the MSMED Act 2006, the buyer shall make payment to the supplier for the supply of goods & services within 45 days from the day of acceptance of goods/services. In case the buyer fails to make payment as required under Section 15 referred above, the buyer is liable to pay compound interest with monthly rests to the supplier for such delayed period, beyond 45 days, on the amount payable at three times the bank rate notified by Reserve Bank of India as provided under Section 16 of the MSMED Act, 2006.

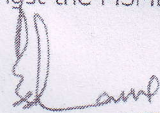
The aggrieved MSE can approach the Micro & Small Enterprises Facilitation Council (MSEFC) set up under the Chairmanship of Director, Industries & Commerce, Jammu, as per provisions of Section 18 of the MSMED Act. The MSEFC has jurisdiction to act as Arbitrator or Conciliator with powers to pass appropriate award or decree in this behalf.

Further, as per section 19 of the MSMED Act, no application for setting aside any decree, award or other order made by the MSEFC shall be entertained by any court unless the appellant (not being the supplier) has deposited with it seventy five percent (75%) of the amount in terms of the decree/award.

The aggrieved MSEs can file the application online on the website of Industries & Commerce Department (www.udyogjk.com) with requisite documents and fees for referring the claim to the MSEFC.

All concerned Federation of Industries and Chamber of Commerce are requested to widely circulate this amongst their members to create widespread awareness amongst the MSMEs.

Circulate to all members for information


(Dr. Ravi Shankar Sharma) KAS
Chairman,

Micro & Small Enterprises Facilitation Council,
Jammu.

(Director, Industries & Commerce, Jammu).

No: - *DDP/MDP/J/360/104-21*

Copy to the:-

1. General Manager, District Industries Centre, _____ for information.
2. Chairman, Federation of Industries, Jammu for information.
3. President, Chamber of Commerce & Industry, Jammu for information.
4. President Industrial Association _____ for information.
5. Notice Board/ Website.

May 17/07/2018
Gen-Sec. BBIA
17/07/2018
Dated:- 17/07/2018