Compliances pertaining to MSME units

सूक्ष्म लघु एवं मध्यम उद्यम

P C Agrawal
B..Com., LL.B., CAIIB, FCS

cs.pcagrawal@gmail.com

9th February 2019

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Legal framework

No.	Law
1	Micro, Small & Medium Enterprises Development Act 2006
2	Maharashtra MSME Council Rules 2007
3	*MSME (Furnishing of Information) Rules 2016*
4	MSME Fund Rules 2016
5	National Board for MSME Rules 2006
6	Public Procurement Policy for Micro & Small Enterprises Order 2012
7	The Framework for Revival and Rehabilitation of MSME (29.5.2015)
8	Schedule-III to Companies Act 2013
9	Specified Companies (Furnishing of Information about Payment to Micro & Small Enterprise Suppliers) Order 2019
10	Factoring Regulation Act 2011

MSMED Act 2006 at a glance

Chapter	Sections	Particulars
I	1 to 2	Preliminary
II	*3 to 6*	*National Board for MSME*
III	**7 to 8**	**Classification of enterprises,** Advisory Committee and Memorandum of MSME
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Classification of MSME

Classification of MSME [Sec.7(1)]

Engaged in	Criteria	Micro	Small	Medium
Manufac-turing/ production of goods in any scheduled industry*	Invest-ment in plant & machi-nery	Upto **Rs.25 lacs**	Exceeding Rs.25 lacs but not exceeding **Rs.5 crores**	Exceeding Rs.5 crores but not exceeding **Rs.10 crores**
Rendering of any service	Invest-ment in equip-ments	*Upto* ***Rs.10 lacs***	*Exceeding Rs.10 lacs but not exceeding* ***Rs.2 crores***	*Exceeding Rs.2 crores but not exceeding* ***Rs.5 crores***

**or employing plant & machinery in the process of value addition to the final product having a distinct name or character or use*

Definitions

2(e)	"**Enterprise**" means an industrial undertaking or a business concern or any other establishment, by whatever name called, engaged in the **manufacture** or production of goods, in any manner, pertaining to any industry specified in the First Schedule to the Industries (Development & Regulation) Act 1951 or engaged in providing or rendering of any **service** or services;
2(f)	"**goods**" means every kind of movable property other than actionable claims and money.

Calculation of investment in plant & machinery

Cost of following items to be excluded:

Explanation-I to Section 7(1):

(a) Pollution control; (b) Research & development © Industrial safety devices

Notification dated 5th October 2006:

i. Equipment such as tools, jigs, dies, moulds and spare parts for maintenance and the cost of consumable stores;
ii. Installation of plant & machinery;
iii. Research & development and pollution control equipments;
iv. Power generation set and extra transformer installed by the enterprise as per the regulations of the State Electricity Board;
v. Bank charges and service charges paid to the National Small Industries Corporation or the State Small Industries Corporation;
vi. Procurement or installation of cables, wiring, bus bars, electrical control panels (not mounted on individual machines), oil circuit breakers or miniature circuit breakers which are necessarily to be used for providing electrical power to the plant & machinery or for safety measures;
vii. Gas producer plants;
viii. Transportation charges (excluding sales tax or value added tax and excise duty) for indigenous machinery from the place of their manufacture to the site of the enterprise;
ix. Charges paid for technical know-how for erection of plant & machinery;
x. Such storage tanks which store raw materials and finished products only and are not linked with the manufacturing process; and
xi. Fire fighting equipments.

Calculation of investment in plant & machinery

Notification dated 5th October 2006:

Original price to be considered whether machinery is new or second-hand.

In case of **imported machinery** the following shall be included in value:

i) Import duty (excluding miscellaneous expenses such as transportation from the port to the site of the factory, demurrage paid at the port);
ii) Shipping charges;
iii) Customs clearance charges; and
iv) Sales tax or value added tax.

Following should be excluded (Circular dated 9.9.2015):

i) Cenvat credit of excise duty
ii) Input tax credit of VAT

Clubbing of investment not required

- There is no provision in MSMED Act 2006 for clubbing of investments of different enterprises set up by the same person/company.
- Earlier, notification No. S.O. 2(E) dated 1.1.1993 provided for clubbing of investments for the purpose of classification of industrial undertakings as SSI.
- However, above notification was withdrawn vide notification dated 27.2.2009.
- Hence limit for investment has to be considered for each enterprise separately even if they belong to same company.

Examples of service activities

1. Consulting services including management services
2. Renting of agricultural machinery (harvesting)
3. Composite broker services in risk and insurance management
4. Third party administration services for medical insurance
5. Seed grading services
6. Training-cum-incubator centre
7. Educational institutions
8. Training institutes
9. Practice of law, i.e. legal services
10. Placement and management consultancy services
11. Advertising agency and training centres
12. Production of TV programmes
13. Retreading of tyre
14. Power (electrical) distribution service
15. Warehouse, godown and cold storage service

Udyog Aadhaar Memorandum

Filing of Udyog Aadhaar Memorandum (UAM) (Notification dated 30.6.2017)

Who can file	Micro, small or medium enterprise engaged in manufacturing of goods or rendering of services
Whether mandatory	Mandatory only for medium enterprises manufacturing goods as per First Schedule to Industries (Development & Regulation) Act 1951 For all others – **optional**.
When to file	After starting commercial production
Web portal	http://udyogaadhaar.gov.in
Form to be filed	Udyog Aadhaar memorandum (Form I) (on self-certification basis)
Whether Aadhaar is mandatory	Yes, Aadhaar of following is required: i) Proprietor – if proprietorship concern ii) Managing partner – if partnership firm iii) Karta – if HUF iv) Authorised signatory – if LLP, company, society, cooperative society or trust. If Aadhaar is not available, hard copy of form to be submitted to DIC with other documentary proof.
PAN mandatory?	Yes – only in case of company, LLP, society, cooperative society or trust.
Documents to be attached	NIL
Registration fee	NIL
Format of UAM No.	Form II

Classification of enterprises in Udyog Aadhaar Memorandum (UAM)

	Micro	Small	Medium
Manufacturing	A	B	C
Services	D	E	F

Activities to be excluded for registration (MSME OM dated 27.6.2017)

NIC Code	Activity
01	Crop, animal production, hunting and related activities (except 11 sub-classes of activities of 5 digit level as specified)
02	Forestry and logging
03	Fishing and aquaculture
45	Wholesale and retail trade and repair of motor vehicle and motorcycles
46	**Wholesale trade** except of motor vehicles and motor cycles
47	**Retail trade** except of motor vehicles and motor cycles
97	Activities of household as employees for domestic personnel
98	Undifferentiated goods and services producing activities of private households for own use
99	Activities of extra-territorial organization and bodies

भारत सरकार
Govt. of India
सूक्ष्म,लघु और मध्यम उद्यम मंत्रालय
MINISTRY OF MICRO, SMALL & MEDIUM ENTERPRISES

उद्योग आधार Udyog Aadhaar

A

Type of Enterprise	Micro	Sma
Manufacturing	A	B
Services	D	E
UAN	MH26A0030886	

Udyog Aadhaar Memorandum

1.	Aadhaar Number	485798812059
2.	PAN Number	AGIPP9806D
3.	Name of Entrepreneur	MILIND MADHUKAR PUNDLIK
4.	Social Category of Entrepreneur	GENERAL
5.	Gender	Male
6.	Physically Handicapped	No
7.	Name of Enterprise	VMS CONTROLS
8.	Type of Organization	Proprietary
9.	Location of Plant Details	

SN	Flat/Door/Block No.	Name of Premises/Building Village	Road/Street/ Lane	Area/Locality	City	Pi
1	SHOP NO 4	MANAK APARTMENT, S NO 20/1	CHAITANYANAGAR	DHANAKWADI	PUNE	4110

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9. Location of Plant Details

SN	Flat/Door/Block No.	Name of Premises/Building Village	Road/Street/ Lane	Area/Locality	City	Pi
1	SHOP NO.4	MANAK APARTMENT, S.NO.29/1,	CHAITANYANAGAR	DHANAKWADI	PUNE	41104

10. Official Address of Enterprise

VMS CONTROLS, SHOP NO.4, MANAK APARTMENT, S.NO.29/1, CH
, PUNE, PIN-411043

District	PUNE	State	MAHARASHTRA
Mobile No:	9422321408	Email:	vmscontrols@vsr

11. Date of commencement 01/04/2007

12. Previous Registration details-if any ::

13. Bank Details

IFS Code	MAHB0000776
Bank Account:	20104700846

14. Major Activity MANUFACTURING

16.

SN	NIC 2 Digit	NIC 4 Digit	NIC 5 Digit Code
1	27 - Manufacture of electrical equipment	2710 - Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus	27104 - Manufacture of electricity distribution and control apparatus (electric switching or protecting electrical circuits (e.g. switches, fuses, voltage limite suppressors, junction boxes etc.) for a voltage exceeding 1000 volts; similar (including relays, sockets etc.) for a voltage not exceeding 1000 volts; boarc consoles, cabinets and other bases equipped with two or more of the above electricity control or distribution of electricity including power capacitors.)
2	62 - Computer programming, consultancy and related activities	6201 - Computer programming activities	62011 - Writing , modifying, testing of computer program to meet the needs client excluding web-page designing
	74 - Other		

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3	74 - Other professional, scientific and technical activities	7490 - Other professional, scientific and technical activities n.e.c.	74909 - Other professional, scientific and technical activities n.e.c.

17.	Persons employed	5
18.	Investment (Plant & Machinery / Equipment's)	10(Rs. In Lakhs)
19.	District Industry Centre	PUNE

Declaration

I hereby declare that information given above is true to the best of my knowledge. Any information, that may be required to be verified, sl before the concerned authority.

MyMsme Mobile App (Beta Version) is available now for download. https://play.google.com/store/apps/details?id=msme.mymsme

PRINT

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Payments to Micro & Small Enterprises

Definitions

	2(n)	“**Supplier**” means **a micro or small enterprise**, which has filed a memorandum with the authority referred to in clause (a) of sub-section (1) of section 8 and includes, - (i) The National Small Industries Corporation, being a company, registered under the Companies Act 1956; (ii) The Small Industries :Development Corporation of a State or a Union territory, by whatever name called, being a company registered under the Companies Act 1956; (iii) Any company, cooperative society, society, trust or a body, by whatever name called, registered or constituted under any law for the time being in force and engaged in selling goods produced by micro or small enterprises and rendering services which are provided by such enterprises;
		*Delhi High Court in the judgement delivered in case of Ramky Infrastructure Pvt Ltd vs. MSE Facilitation Council & Anr on **4th July 2018** has held that an entity which has not filed memorandum u/s 8(1) will still be treated as supplier u/s 2(n) if it is falls within the definition of a micro or small enterprise.*
	2(d)	“**Buyer**” means whoever buys any goods or receives any services from a supplier for consideration;

Definitions

2(b) **"appointed day"** means the day following immediately after the expiry of the period of **<u>15 days</u>** from the day of acceptance or the day of deemed acceptance of any goods or any services by a buyer from a supplier.

Explanation – For the purpose of this clause, -

(i) "the day of acceptance" means, -

a) the day of actual delivery of goods or the rendering of services; or
b) where any objection is made in writing by the buyer regarding acceptance of goods or services within 15 days from the day of the delivery of goods or the rendering of services, the day on which such objection is removed by the supplier.

(i) "the day of deemed acceptance" means, where no objection is made in writing by the buyer regarding acceptance of goods or services within 15 days from the day of the delivery of goods or the rendering of services, the day of the actual delivery of goods or the rendering of services.

Liability of buyer

	15	**Liability of buyer to make payment:** Where any supplier supplies any goods or renders any services to any buyer, the buyer shall make payment therefo9r on or before the date agreed upon between him and the supplier in writing or, where there is no agreement in this behalf, before the appointed day: Provided that in no case the period agreed upon between the supplier and the buyer in writing shall exceed **45 days** from the day of acceptance or the day of deemed acceptance.
	16	**Date from which and rate at which interest is payable:** Where any buyer fails to make payment of the amount to the supplier, as required under Section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following date the date agreed upon, at three times of the bank rate notified by the Reserve Bank.
	17	**Recovery of amount due:** For any goods supplied or services rendered by the supplier, the buyer shall be liable to pay the amount with interest thereon as provided under Section 16.

Liability of buyer

23	**Interest not to be allowed as deduction from income:** Notwithstanding anything contained in the Income Tax Act 1961 the amount of interest payable or paid by any buyer, under or in accordance with the provisions of this Act, shall not, for the purposes of computation of income under the Income Tax Act 1961, be allowed as deduction.
24	**Over-riding effect:** The provisions of sections 15 to 23 shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force.

Due date of payment (Sec.15)

a	Date of delivery of goods or services	X
b	Written objection by buyer	Y (max. X+15)
c	Removal of objection by supplier	Z
d	Day of acceptance/deemed acceptance [Expln to Sec.2(b)]	
	i) No objection within 15 days	X
	ii) Objection within 15 days	Z
e	Appointed day [Sec.2(b)]	16th day from day of acceptance/ deemed acceptance
f	Due date for payment (Sec.15): i) No written agreement	Appointed day
	ii) Written agreement	As per agreement (**Max.45 days** from day of acceptance/ deemed acceptance)
g	Rate of interest in case of delay	**3 times bank rate** (compounded on monthly basis)

Bank rate since 2.10.2006

From	To	Bank rate	From	To	Bank rate
2.10.2006	13.2.2012	**6%**	15.1.2015	3.3.2015	**8.75%**
14.2.2012	18.4.2012	**9.50%**	4.3.2015	1.6.2015	**8.50%**
19.4.2012	19.3.2013	**9%**	2.6.2015	28.9.2015	**8.25%**
20.3.2013	2.5.2013	**8.50%**	29.9.2015	4.4.2016	**7.75%**
3.5.2013	14.7.2013	***8.25%***	*5.4.2016*	*3.10.2016*	***7%***
15.7.2013	19.9.2013	***10.25%***	*4.10.2016*	*6.4.2017*	***6.75%***
20.9.2013	6.10.2013	***9.50%***	*7.4.2017*	*1.8.2017*	***6.75%***
7.10.2013	28.10.2013	***9%***	*2.8.2017*	*5.6.2018*	***6.25%***
29.10.2013	27.1.2014	***8.75%***	*6.6.2018*	*31.7.2018*	***6.50%***
28.1.2014	14.1.2015	***9%***	*1.8.2018*	*6.2.2019*	***6.75%***
			7.2.2019	*Till date*	***6.50%***

Source:
https://www.dicgc.org.in/FB_BankRate.html

Dispute Resolution Mechanism

	Section	Mechanism	Authority	Remarks
a	18(1)	Conciliation	MSE Facilitation Council *(supplier should be located within its jurisdiction)*	Sections 65 to 81 of Arbitration & Conciliation Act 1996 will apply. To be decided within 90 days.
b	18(3)	Arbitration	MSE Facilitation Council	Arbitration & Conciliation Act 1996 will apply. To be decided within 90 days.
c	19	Judicial	Court	Buyer **must deposit 75%** of amount as per order.

Disclosures required

Information to be disclosed in financial statements (Sch.III to Companies Act 2013)

(*a*)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;
(*b*)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;
(*c*)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;
(*d*)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and
(*e*)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.
(*a*)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;
(*b*)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;

Disclosure to be made in tax audit report (Form 3CD)

	22		Amount of interest inadmissible under Section 23 of MSMED Act 2006

ROC return for MSME

When the return (MSME Form I) is to be filed with ROC?

	For the period period	Due date of filing
	April to September	31^{st} October
	October to March	30^{th} April
	Initial return (one time) to be filed	
	Outstanding dues to MSE as on 22.1.2019	Within 30 days (i.e. by 21.2.2019)

Which companies have to file the return with ROC?

	Specified companies	<u>All companies</u> (whether private or public) a) who get supplies of goods and services from micro and small enterprises; <u>and</u> b) Whose payment to micro and small enterprises exceed 45 days from the date of acceptance/ deemed acceptance. Hence it seems NIL return is not required to be filed.
	Which companies are not required to file the return?	a) Who do not get supplies of goods and services from micro and small enterprises; or b) Whose payment to micro and small enterprises does not exceed 45 days from the date of acceptance/ deemed acceptance.

MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 22nd January, 2019

S.O. 368(E).—Whereas, the Central Government *vide* notification number S.O. 5622(E), dated the 2nd November, 2018 has directed that all companies, who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed forty five days from the date of acceptance or the date of deemed acceptance of the goods or services as per the provisions of section 9 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) (hereafter referred to as "Specified Companies"), shall submit a half yearly return to the Ministry of Corporate Affairs stating the following:

(a) the amount of payment due; and

(b) the reasons of the delay;

And whereas, in exercise of power under section 405 of the Companies Act, 2013, (18 of 2013) the Central Government, considers it necessary to require "Specified Companies" to furnish above information under said section of the Act.

Now, therefore, in exercise of the powers conferred by section 405 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following Order, namely:-

1. **Short title and commencement.-** (1) This Order may be called the Specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Order, 2019.

   (2) It shall come into force from the date of its publication in the Official Gazette.

2. Every specified company shall file in MSME Form I details of all outstanding dues to Micro or small enterprises suppliers existing on the date of notification of this order within thirty days from the date of publication of this notification.

3. Every specified company shall file a return as per MSME Form I annexed to this Order, by 31st October for the period from April to September and by 30th April for the period from October to March.

MSME FORM I

(see Order 2 and 3)

MSME FORM I

(see Order 2 and 3)

FORM NO.
[Pursuant to Order dated 22 January, 2019 issued under Section 405 of the Companies Act, 2013]

सत्यमेव जयते

Form for furnishing half yearly return with the registrar in respect of outstanding payments to Micro or Small Enterprises.

Note – All fields marked in * are to be mandatorily filed.

Form language ○ English ○ Hindi

○ Initial return ○ regular half yearly return

1. (a) * Corporate Identity Number (CIN) of company

(b) Global location number (GLN) of company

(c) * Permanent Account Number (PAN) of company

2. (a) Name of the Company

2. (a) Name of the Company

(b) Address of the registered Office of the company

(c) *email id of the company

3. Initial return of outstanding dues to Micro or Small Enterprises Suppliers.

(a)* Total outstanding amount due as on date of notification of this order (b).* Particulars of the name of suppliers and amount of payments due

Financial Years/Particulars	Name of Suppliers	PAN of Suppliers	Amount Due	Specify the date from which amount is due

4. REGULAR RETURN OF OUTSTANDING DUES TO MICRO AND SMALL ENTERPIRSES

I. total outstanding amount during April to September

Particulars of the name of suppliers and amount of payments due

Financial Years/Particulars	Name of Suppliers	PAN of Suppliers	Amount Due	Specify the date from which amount is due

II. total outstanding amount during October to March

Particulars of the name of suppliers and amount of payments due

Financial Years/Particulars	Name of Suppliers	PAN of Suppliers	Amount Due	Specify the date from which amount is due

5. *Reasons for Delay in amount of payments due

6. Attachments (if any)

Declaration

It is hereby declared that the information given in the form and attachments are true and correct with the best of my knowledge.

* To be digitally signed by

* Designation

* DIN of the director; or PAN of the manager of CEO or CEO; or membership number of the company secretary

Note: Attention is drawn to provision of sub section 4 of section 405 of Companies Act, which provide for punishment for any information statists which is incorrect or incomplete in any material respect.

Action to be taken for filing return

1	Get copies of following documents from MSME units and update master data of vendors: a) Udyog Aadhaar registration certificate b) PAN
2	Review terms of payment of micro and small vendors as per MSMED Act.
3	Complete all data entry upto 22.1.2019 and reconcile accounts of suppliers, banks etc.
4	Prepare party-wise age-wise outstanding of micro and small enterprises as on 22.1.2019
5	Find out due dates as per MSMED Act and amount overdue, if any.
6	Find out reasons for overdues, if any.
7	File online return by 21.2.2019

Penal provisions – MSME return [Sec.405(4)]

When applicable	If company a) fails to comply with the Order; or b) Knowingly furnishes any information which is incorrect or incomplete in any material respect.
Punishment for company	Fine upto Rs.25,000/-
Punishment for every officer of the company who is in default	a) Imprisonment upto 6 months; or b) Fine – min. Rs.25,000 max. Rs.3 lacs; or c) Both

Questions on MSME return	
1	Payment term as per P.O. is 30 days. Buyer made payment after 40 days which is in default as per Sec.15 of MSMED Act. Whether ROC return is required to be filed?

Questions on MSME return

2	A small enterprise registered under Companies Act delayed payment to another small enterprise beyond 45 days. Whether ROC return is required to be filed?


Trade Receivables Discounting System
(TReDS)

An Introduction to TReDS:

Why TReDS?

- MSMEs face constraints in obtaining adequate finance particularly their ability to convert trade receivables in to liquid funds.
- Mostly manual processes leading to high settlement and operation cost.
- High cost of customer acquisition.
- Lack of real time visibility into the transaction.
- Delay in payments from corporates results in liquidity crunch for MSMEs and subsequently MSMEs default in meeting their financial obligation.
- High cost of finance to MSMEs.

What is TReDS?

- TReDS is a digital exchange to facilitate discounting of the invoice / bills of MSMEs through bidding process for price discovery.
- Powerful network effect: Multiple Banks on-board on platform; but any bank can discount any corporate's bill.
- Ensure prompt realisation of trade receivables at competitive rates without recourse on MSME sellers.
- Hassle free documentation – One time Master Agreement.
- Digital uploading, accepting, discounting, trading and settlement of the invoices / bills of MSME Sellers.
- Lower cost of financing to MSMEs as financing based on buyer's credit worthiness.

RBI approved platforms:

RBI has given approval to following entities to set up and operate Trade Receivables Discounting System (TReDS) under Payment and Settlement System (PSS) Act 2007:

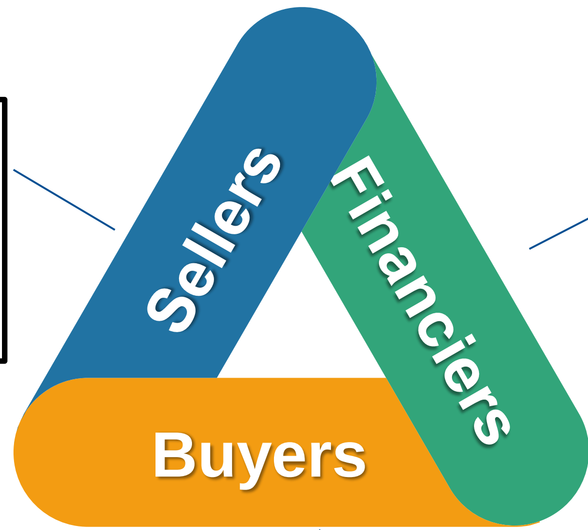
a) Receivable Exchange of India Ltd **(RXIL)** – (JV of NSE-SIDBI JV)

b) Mynd Solutions Pvt. Ltd. **(M1 Exchange)**

c) **A.TREDS** Ltd (JV of Axis Bank and mjunction)

Eligible Participants:

MSME entities as per the definition of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)



Banks, NBFC Factors, Financial Institutions and such other institutions as may be permitted by RBI from time to time.

Corporates and other buyers including Government Departments and Public Sector Undertakings and such other entities as may be permitted by RBI

MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

NOTIFICATION

New Delhi, the 2nd November, 2018

S.O. 5621(E).—In exercise of powers conferred by section 9 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), the Central Government hereby issues the following instructions that all companies registered with the Companies Act, 2013 (18 of 2013) with a turnover of more than Rs. 500 crore (rupees five hundred crore) and all Central Public Sector Enterprises shall be required to get themselves onboarded on the Trade Receivables Discounting System platform, set up as per the notification of the Reserve Bank of India. The Registrar of Companies in each State shall be the competent authority to monitor the compliance of these instructions by companies under its jurisdiction and the Department of Public Enterprises, Government of India shall be the competent authority to monitor the compliance of such instructions by Central Public Sector Enterprises.

[F.No. 16/8/2018-P&G/policy]

RAM MOHAN MISHRA, Addl. Secy. and Development Commissioner

6514 GI/2018

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Mandatory registration on TReDS by companies (MSME notification dated 2.11.2018)

1	Who has to register on TReDS	**<u>Mandatory</u>:** **1) All companies with turnover of more than Rs.500 crores** 2) All Central Public Sector Enterprises **<u>Optional</u>**: - Sellers - Financiers
2	Monitoring authority	a) ROC – in case of companies b) Department of Public Enterprises – in case of PSUs
3	What is time limit for registration	No time limit specified.
5	Procedure for registration	- Register email ID of concerned person - Will get checklist of documents required - Submit documents duly executed (including one time master agreement, Board resolution and bank account details) - Pay required registration fee

Any Questions... Just Ask!

P C Agrawal

cs.pcagrawal@gmail.com