**NOTE ON MSME**

**APPLICABILITY OF MSME:**

Every Company both **Public** and **Private**

* which receives **Goods/Services** from Micro or Small Enterprises

AND

* whose payment to such Micro or small enterprise **exceed 45 days** from the date of from the **date of acceptance or the date of deemed acceptance** of the goods or services, shall file **Form MSME-1** with Ministry of Corporate Affairs.

**Only Micro or small is covered under E Form MSME and Medium enterprises are not covered.**

**RETURNS TO BE FILED WITH MCA:**

**INITIAL RETURN**

* The Initial Return has to be filed on or before 30.5.2019.
* This Form has to be filed stating details of **All Outstanding Dues** to Micro or small enterprises suppliers existing on the date of notification **“22.01.2019**” of this order and Reasons for delay thereof.

**HALF YEARLY RETURN:**

1. Half yearly return has to be filed every half year stating details of all **Outstanding Dues** to Micro or small enterprises suppliers. This being the first year, the half yearly return shall be filed on or before **30.05.2019.**

2. It shall be filed on or before 30th April for the Half year period from October to March.

3. It shall be filed on or before 31st October for the Half year period from April to September.

**INFORMATION REQUIRED FOR FILING THE FORMS:**

* Name of supplier;
* PAN of supplier;
* Amount due against the supplies of goods or services;
* Date from which the amount is due;
* Reason of delay in amount of payment due

**PROCEDURE TO BE FOLLOWED TO THE VENDORS:**

* Kindly send the email to all your vendors asking them whether they fall under Micro or Small enterprise. If yes, obtain the Certificate of Registration under MSME.
* After ascertaining the vendors who fall under Micro or small enterprise, please start preparing the dues to them, their PAN no, etc.
* Draft E-forms are attached – please fill point no.5 and other relevant information’s.

**PENALTY FOR NON FILING OF THIS FORM:**

* The defaulting company may have to pay a fine which may extend to **Rs.25,000/-**
* Every Officer of the Company who is in default – shall be punishable with imprisonment for a term which may extend to six months or with fine which shall not be less than twenty-five thousand rupees but which may extend to three lakh rupees, or with both.