

CIRCULAR

As per GR dated 22.01.2019 of the Ministry of Corporate Affairs, All companies, who get supplies of goods or services from micro and small enterprises (MSME) 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), shall submit a half yearly return to the Ministry of Corporate Affairs.

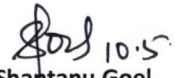
As per Section 15 of the MSME Development Act, 2006, Where any supplier supplies any goods or renders any services to any buyer, the buyer shall make payment therefor on or before the date agreed upon between him and the supplier in writing or, where there is no agreement in this behalf, before the appointed day: Provided that in no case the period agreed upon between the supplier and the buyer in writing shall exceed forty-five days from the day of acceptance or the day of deemed acceptance.

As per Section 27 of the MSME Development Act, 2006, **Penalty for contravention of section 8 or section 22 or section 26.**—(1) Whoever intentionally contravenes or attempts to contravene or abets the contravention of any of the provisions contained in sub-section (1) of section 8 or sub-section (2) of section 26 shall be punishable— (a) in the case of the first conviction, with fine which may extend to rupees one thousand; and (b) in the case of second or subsequent conviction, with fine which shall not be less than rupees one thousand but may extend to rupees ten thousand. (2) Where a buyer contravenes the provisions of section 22, he shall be punishable with fine which shall not be less than rupees ten thousand. The HODs may like to refer to the MSME Development Act, 2006 and the rules made thereunder, for further clarification, if needed.

Keeping in view the mandatory compliance requirements under the Companies Act, 2013 and the MSME Development Act, 2006, identification of MSME vendors in ERP system is essential. Vide this circular the concerned Head of the Departments/Sections are directed to identify the MSME vendors supplying goods and/or services and create their vendor codes in SAP by providing the information in following format to System Department on or before 17th May 2024:

Sr.No.	Required information	Details
1	Vendor Code	
2	Vendor Name	
3	PAN Number of the Vendor	
4	GST Number of the Vendor	
5	Udyog Aadhar Number	

Finance Department shall ensure that the payment of all MSMEs is done within the mandatory period stipulated under the MSME Development Act, 2006. Further, within 15 days of end of each quarter, the Finance Department shall submit quarterly compliance report to the office of Company Secretary, in order to enable the Company Secretary to comply with the compliance requirements under the Companies Act 2013 and the rules made thereunder.


Shantanu Goel
(Joint Managing Director-II)

To,

All HoDs/HoSs

Copy for information to:

PA to Hon.VC & MD

PA to JMD-I/JMD-III/CA(NT)/ CVO

Form-A: Vendor Code Creation Form

1. Name of Vendor	
2. Address of the vendor	
3. PAN No. *	
4. GST number *	
5. Registration Certificate under Shop Act/ Company's act/ Partnership Firm etc. *	
6. Udyog Aadhar Number	
7. Canceled cheque/s of the bank accounts where Vendor wants to have payment *	
8. Name of Representative	
9. Mobile No	
10. Telephone No	
11. Email Address	

Signature of Vendor**Signature of CIDCO Official with Seal***** Self Attested Documents to be attached with Vendor creation/edition Application**

Form B: Bank Details for Receipt of Payment though RTGS/NEFT

1. Name of Contractor/Vendor/Agency	
2. Address of Contractor/Vendor/Agency	
3. Name of the Bank	
4. Branch Name and Address	
5. Bank Account Number	
6. Type of account	
7. IFSC Code	
8. Contact Details of Contractor/Vendor/Agency	

Verified by Bank with Seal

Signature of Contractor/Vendor/Agency with Seal

Signature of CIDCO Official with Seal