

GOVERNMENT of BIHAR
Micro and Small Enterprises Facilitation Council
Under MSMED Act, 2006
Directorate of Industries
2nd Floor, New Secretariat, Patna- 800 015

Reference No.- 02/2018
M/s RAJ FURNITURE, Sri Ram Colony, City Road, Gulabgh, Purnea
versus

District Magistrate, Purnea

| | | |
|----------------|--|----------|
| Quorum: | 1. Sri Pankaj Kumar Singh, Director of Industries, Bihar, Patna- | Chairman |
| | 2. Sri Jitendra Kumar, Special Secretary, Law Department, Bihar, Patna.- | Member |
| | 3. Sri N.K. Thakur, Bihar Chamber of Commerce & Ind.- | Member |
| | 4. Sri Nisheeth Jaiswal, Bihar Industries Association- | Member |

12th December, 2018

The instant case was taken up by the Micro and Small Enterprises Facilitation Council (hereinafter referred to as "Council").

Applicant was present. Opposite Party was not present.

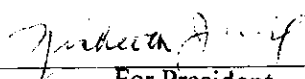
The case of the Supplier/ Petitioner is that he has filed a complaint under Section 18 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 before Micro, Small Enterprises Facilitation Council, Bihar, Patna for a direction to ensure payment of Principal amount of Rs. 7,99,405/- (Rupees Seven Lakh Ninty Nine Thousand Four hundred Five) only for the Boats supplied to the District Magistrate, Purnea plus interest of Rs. 10,94,995/- totalling Rs. 18,94,400/- (Rupees Eighteen Lakh Ninty Four Thousand Four hundred) as per section 16 of the MSMED Act.

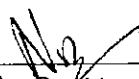
in the last meeting dated 10-10-2018 the respondent was not represented. The Complainant Supplier stated that he has supplied 31 boats in 3 phases against the order of 38 boats which were accepted and utilized by the respondent and for which all the times payment was made after 3 months after 20% deductions of price value amounting to Rs.7,99,405/-, whereas, there was no provision of deduction of 20% in the agreement.


Further, he stated that he had not filed any writ for this pending dues in the Hon'ble High Court and there is no instructions of the department to withhold the payment of supplier. Further, the complainant supplier argued that for clearance of dues, allotment of fund was provided by Disaster Management Department in January, 2017, but payment was not made. The Council took decision that the District Magistrate, Purnea be asked to submit their reply specifically whether boats supplied by the complainant had been accepted and utilized by the department and 20% of the values had been retained or not? Proceeding of the meeting was sent to the DM, Purnea vide Council's Letter No. 3878 dated 06-11-2018.


The District Magistrate, Purnea or his representative was not present in the instant meeting. His reply is also awaited. The Council perused the records of the case and found that lodging F.I.R. is a separate issue and speed up pending payment is other issue. However, the DC, MSMEs, New Delhi office vide his letter of even number dated 22-10-2018 has confirmed the issuance of autogenerated notice to the Buyer from SAMADHAAN portal.

Council felt that Conciliation proceeding is not possible and stood terminated and the Council took decision to start arbitration proceedings. The applicant was directed to submit his claim duly certified by CA and supported with an affidavit.


For President
Bihar Industries
Association, Patna
Member


For President
Bihar Chamber of
Commerce, Patna
Member


Special Secretary
Law Department
Bihar, Patna
Member


Director of
Industries, Bihar
Chairperson
MSEFC, Bihar

Memo No.-2/DI/FC-16-05/2017-61..... Patna, dated 3.1.19,

CC: Members of MSEFC- Special Secretary, Law Department, Bihar, Patna/President, Bihar Chamber of Commerce and Industries, Khemchand Choudhary Marg, Patna/ President, Bihar Industries Association, Sinha Library Road, Patna for information.

CC: M/s RAJ FURNITURE, Sri Ram Colony, City Road, Gulabbagh, Purnea

CC: District Magistrate, Purnea

CC: PA to the Director of Industries, Bihar, Patna for information.

CC: I. T. Manager, Industries Department, Bihar, Patna for information and necessary action.

30 3/1/19
Joint Director of Industries
Bihar, Patna