

MSMEs’ delayed payment disposal rate plunges

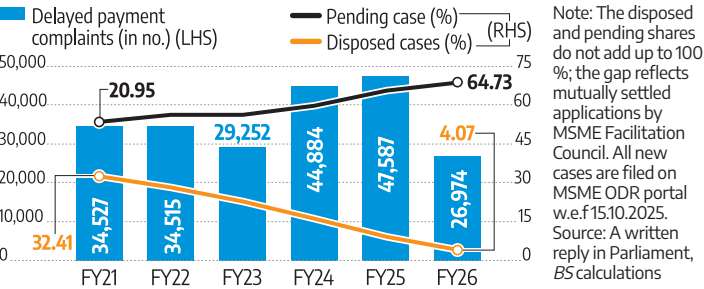


SNEHA SASIKUMAR

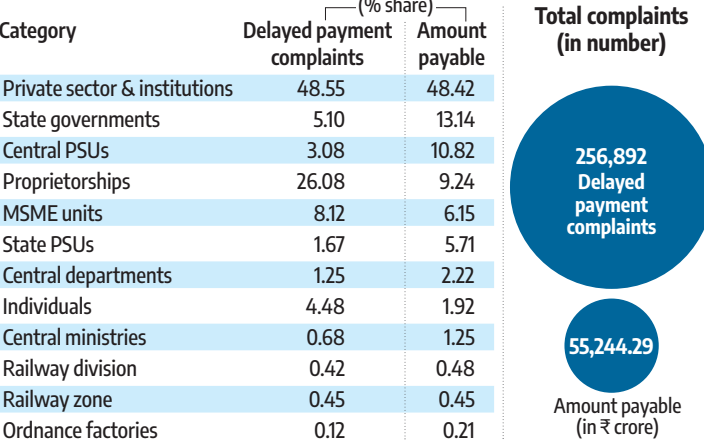
Finance Minister Nirmala Sitharaman recently flagged delayed payments as a major challenge for micro, small, and medium enterprises (MSMEs), while emphasising the need for customised credit structures for them. Data from the government’s MSME portal, which tracked violations of the mandated 45-day payment window, shows the problem is far from resolved. Many delayed payment complaints, despite a 22 per cent decline in 2025-26 (FY26) compared to FY21, remain largely unresolved. In FY21, nearly a third, or about 33 per cent, of the complaints were disposed of. However, by FY26, the disposal rate had fallen to just 4.07 per cent.

As on June 8, 2026, among the 256,892 complaints filed, the private sector and institutions are the largest defaulters, followed by state governments and central-public sector undertakings. Among states, Maharashtra and Delhi together account for more than a third of all dues. Since October 2025, all new cases are being filed on a redesigned MSME Online Dispute Resolution portal, which replaced the earlier Samadhaan portal.

Unresolved complaints

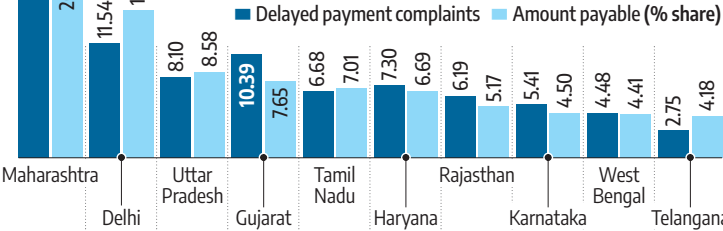


Private sector biggest defaulter



Note: Data as on June 8, 2026
Source: MSME Samadhaan, MSME ODR portal, BS calculations

Top 10 states account for four-fifths of total dues



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