MSME Facilitation Council (MSEFC) Reference Readiness Checklist – India 2027

Legislative position reviewed: 11 November 2026. The MSMED (Amendment) Act, 2026 received assent on 13 August 2026. Under S.O. 5575(E) dated 12 October 2026, the amended principal Act section 20 (adequate additional Councils, regular meetings and infrastructure) commenced on 15 October 2026. Revised principal Act section 21 composition is scheduled from 15 December 2026. Amendments to section 18, new section 18A and substituted section 19 have not commenced under that notification.

1. Supplier eligibility and jurisdiction

[ ] Confirm the claimant was a **micro or small enterprise** for the relevant supply; Chapter V delayed-payment protections do not extend to medium enterprises.

[ ] Preserve Udyam/registration records and verify the registration date against the contract, purchase order, work order and first supply.

[ ] Verify the supplier's registered address and obtain the current State Gazette notification identifying the MSEFC's territorial jurisdiction. Do not assume the buyer's address determines the Council.

[ ] Check whether the State has notified additional Councils under the amended principal Act section 20. Do not infer a new Council from a policy announcement alone.

[ ] From 15 December 2026, verify implementation of the amended section 21 composition: 3–5 members, Chairperson not below Joint Director rank, industry-association representation and at least one law-field member.

[ ] Do not apply the proposed 90-day mediation, 30-day arbitration referral or 90-day award timelines until the commencement of Amendment Act sections 8–10 is separately notified.

2. Documents to assemble before filing

[ ] Executed contract, purchase order/work order, quotations and proof of acceptance.

[ ] Invoices, debit/credit notes, delivery challans, e-way bills, GRNs, service-entry/completion certificates and proof of delivery/acceptance.

[ ] Invoice-wise ledger, part-payment details, outstanding principal and statutory-interest calculation.

[ ] Emails, written reminders, WhatsApp communications, acknowledgements, balance confirmations and buyer objections.

[ ] Buyer identity and address details (legal name, CIN/GSTIN, registered office and ordering unit).

[ ] Chronology, limitation note, details of prior suits/arbitrations, TReDS assignments, factoring or security over the same receivable.

3. Filing and case-management controls

[ ] Confirm the currently designated State filing route; retain portal acknowledgement/reference number or physical filing receipt.

[ ] Keep a complete copy of the application, annexures, service proof, notices, replies, hearing dates, minutes and procedural orders.

[ ] Record the first-appearance date, objections, settlement discussions and each adjournment in a case diary.

[ ] If conciliation fails and arbitration follows, maintain a separate pleadings/evidence file and track award, challenge and enforcement deadlines.

[ ] For a buyer challenge to an award, check the operative section 19 pre-deposit rule (currently 75%); do not assume the uncommenced six-month release amendment is operative.

4. 2027 watchlist

Milestone	What to verify
15 Dec 2026	Commencement and State appointments implementing amended section 21 composition.
During 2027	State notifications establishing adequate additional Councils; territorial allocation; meeting rules; digital systems and trained staff.
Before relying on new timelines	Separate Gazette commencement of Amendment Act sections 8–10 (revised section 18, new section 18A and substituted section 19).

Primary references: *MSMED Act, 2006 (India Code); MSMED (Amendment) Act, 2026; S.O. 5575(E), 12 October 2026; Maharashtra Industry, Investment and Services Policy 2025; Gujarat State Civil Supplies Corporation Ltd. v. Mahakali Foods Pvt. Ltd. (Supreme Court, 31 October 2022).*

Important: *This is a planning aid, not a statutory form, legal opinion or guarantee of jurisdiction or recovery. The operative Act, Gazette notifications, State rules/orders and applicable judgments prevail. Verify the current Council notification and territorial jurisdiction before filing.*