

## A CRITICAL REVIEW OF GOVERNMENT POLICIES DESIGNED TO IMPROVE RECEIVABLE MANAGEMENT IN MSMEs

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### ABSTRACT

*This paper provides a critical review of government policies designed to improve receivable management for Micro, Small and Medium Enterprises in India. MSMEs often struggle with delayed payments which affect their cash flow and limit business growth. To address these issues the government has introduced several policy measures and digital platforms that aim to support timely recovery of dues. This study examines how these interventions function and how effective they have been in reducing payment delays. Key initiatives reviewed include the MSME Development Act 2006 which sets clear rules for payment timelines and penalties. The paper also studies the role of MSME Samadhaan and the TReDS platform which help in resolving disputes and enabling faster invoice settlement. New digital tools such as e-invoicing and online complaint systems are also assessed for their role in improving transparency. The review uses information from reports government documents and feedback from MSME stakeholders. Findings show that although these policies have increased awareness and created formal avenues for receivable recovery many small firms still face difficulties due to slow enforcement and limited digital knowledge. The study concludes that stronger implementation simpler procedures and better digital support are essential for improving receivable recovery for MSMEs in the future.*

**KEYWORDS:** *MSMEs, Receivable Management, Government Policies, Payment Delays, MSME Development Act 2006, MSME Samadhaan, TReDS Platform, Dispute Resolution, Financial Efficiency, Payment Recovery.*

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