Circular No. EPS/50/2020-21

To: Members of the Council

Sub: Classification of MSME units

Dear Member,

The Ministry of MSME has notified the criteria for classifying the enterprises as Micro, Small and Medium Enterprises vide Notification dated June 26, 2020. The said Notification has also specified the form and procedures to be followed for filing the memorandum for Udyam Registration.

Some of the provisions laid by the Notification are as follows:

(1) The investment and turnover criteria for an enterprise to be classified as a Micro, Small and Medium Enterprise are as follows:

- For Micro Enterprise, the investment limit in Plant & Machinery or Equipment is Rs. One Crore and the turnover limit is Rs. 5 crores.
- For Small Enterprise, the investment limit in Plant & Machinery or Equipment is Rs. 10 crores and the turnover limit is Rs. 50 crores.
- For Medium Enterprise, the investment limit in Plant & Machinery or Equipment is Rs. 50 crores and the turnover limit is Rs. 250 crores.

(2) To establish a Micro, Small or Medium Enterprise, Udyam Registration is required to be filed online on the Udyam Registration Portal. There is no need to upload documents,
certificates etc.

(3) On Registration, the enterprise will be assigned a permanent identity number known as "Udyam Registration Number". An E-Certificate called as "Udyam Registration Certificate" shall be issued after completion of the Registration process.

(4) Export turnover shall be excluded while calculating the turnover of any enterprise whether Micro, Small or Medium for the purpose of classification.

A copy of Notification dated June 26, 2020 is enclosed herewith (click here).

You are requested to please take a note of the above and do the needful. In case, you need any further clarification or guidance in the matter please contact Shri A.Ravi Kumar, Joint Director, TEXPOLCIL.

Regards,

Dr. Siddhartha Rajagopal
Executive Director

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