

MSME Definition

The classification of Micro, Small and Medium Enterprises is defined under the MSME Development Act 2006 amendment dated 01.06.2020. The Micro, Small and Medium Enterprises is based on the Investment in Plant , Machinery or Equipment values (excluding land and building) and Annual Turnover. This has come into effect from 01.07.2020.

Micro Enterprise: Where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees.

Small Enterprise: Where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees.

Medium Enterprises: Where the investment in Plant and Machinery or Equipment does not exceed fifty crore rupees and turnover does not exceed two hundred and fifty crore rupees.

Revised MSME CLASSIFICATION as per MSME ACT 2006 w.e.f. 01.07.2020			
Composite Criteria: investment In PLANT & MACHINERY/EQUIPMENT And ANNUAL TURNOVER			
CLASSIFICATION	MICRO ENTERPRISES	SMALL ENTERPRISES	MEDIUM ENTERPRISES
MANUFACTURING ENTERPRISES AND SERVICES ENTERPRISES	Investment in Plant and Machinery or Equipment: Not more than Rs.1 Crore & Turnover: Not more than Rs.5 Crore	Investment in Plant and Machinery or Equipment: Not more than Rs.10 Crore & Turnover: Not more than Rs.50 Crore	Investment in Plant and Machinery or Equipment: Not more than Rs.50 Crore & Turnover: Not more than Rs.250 Crore

New Definition of MSME, [View Notification Here](#)