

MSMES REDEFINED

Delivering the economic package, part of the Aatmanirbhar Bharat Abhiyaan, Finance Minister Ms. Nirmala Sitharaman today announced revisions in the definition of Micro Small and Medium Enterprises (MSME). Earlier, the MSMEs were defined on the basis of investments put in. Under the new definition of MSMEs, the investment criteria for such enterprises have been revised upwards, while an additional criterion of turnover has been introduced. The distinction between manufacturing and services enterprises has been eliminated.

Existing and Revised Definition of MSMEs

Category	Existing Classification		Revised Classification	
	Manufacturing	Services	Manufacturing & Services	
	Investment (Rs. Lakhs)		Investment (Rs. Lakhs)	Turnover (Rs. Lakhs)
Micro	< Rs.25.00	< Rs.10.00	< 100.00	< 500.00
Small	< Rs.500.00	< Rs.200.00	< 1000.00	< 5000.00
Medium	< Rs.1000.00	< Rs.500.00	< 2000.00	< 10000.00

The government will bring necessary amendments to law to give effect to these changes that are expected to help MSMEs to grow and expand seamlessly.

[For any further clarifications or assistance, get in touch with us.](#)

Disclaimer: The information contained in this update is of a general nature. Users of this information are expected to refer to the relevant existing provisions of applicable Laws.

- **BUSINESS SUPPORT SERVICES TEAM**