

## Information sheet from Venture Center, Pune

### CLASSIFICATION OF ENTERPRISES AS MICRO, SMALL AND MEDIUM ENTERPRISES

As per

#### THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(Website: [http://msme.gov.in/MSME\\_Development\\_Gazette.htm](http://msme.gov.in/MSME_Development_Gazette.htm) )

Notwithstanding anything contained in section 11B of the Industries (Development and Regulation) Act, 1951, the Central Government may, for the purposes of this Act, by notification and having regard to the provisions of sub-sections (4) and (5), classify any class or classes of enterprises, whether proprietorship, Hindu undivided family, association of persons, co-operative society, partnership firm, company or undertaking, by whatever name called,

(a)

in the case of **the enterprises engaged in the manufacture or production of goods pertaining to any industry** specified in the first schedule to the Industries (Development and Regulation) Act, 1951, as –

a micro enterprise,	where the investment in plant and machinery does not exceed twenty five lakh rupees;
a small enterprise,	where the investment in plant and machinery is more than twenty five lakh rupees but does not exceed five crore rupees;
a medium enterprise,	where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees;

(b)

in the case of the **enterprises engaged in providing or rendering of services**, as –

a micro enterprise,	where the investment in equipment does not exceed ten lakh rupees;
a small enterprise,	where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees;
a medium enterprise,	where the investment in equipment is more than two crore rupees but does not exceed five crore rupees