

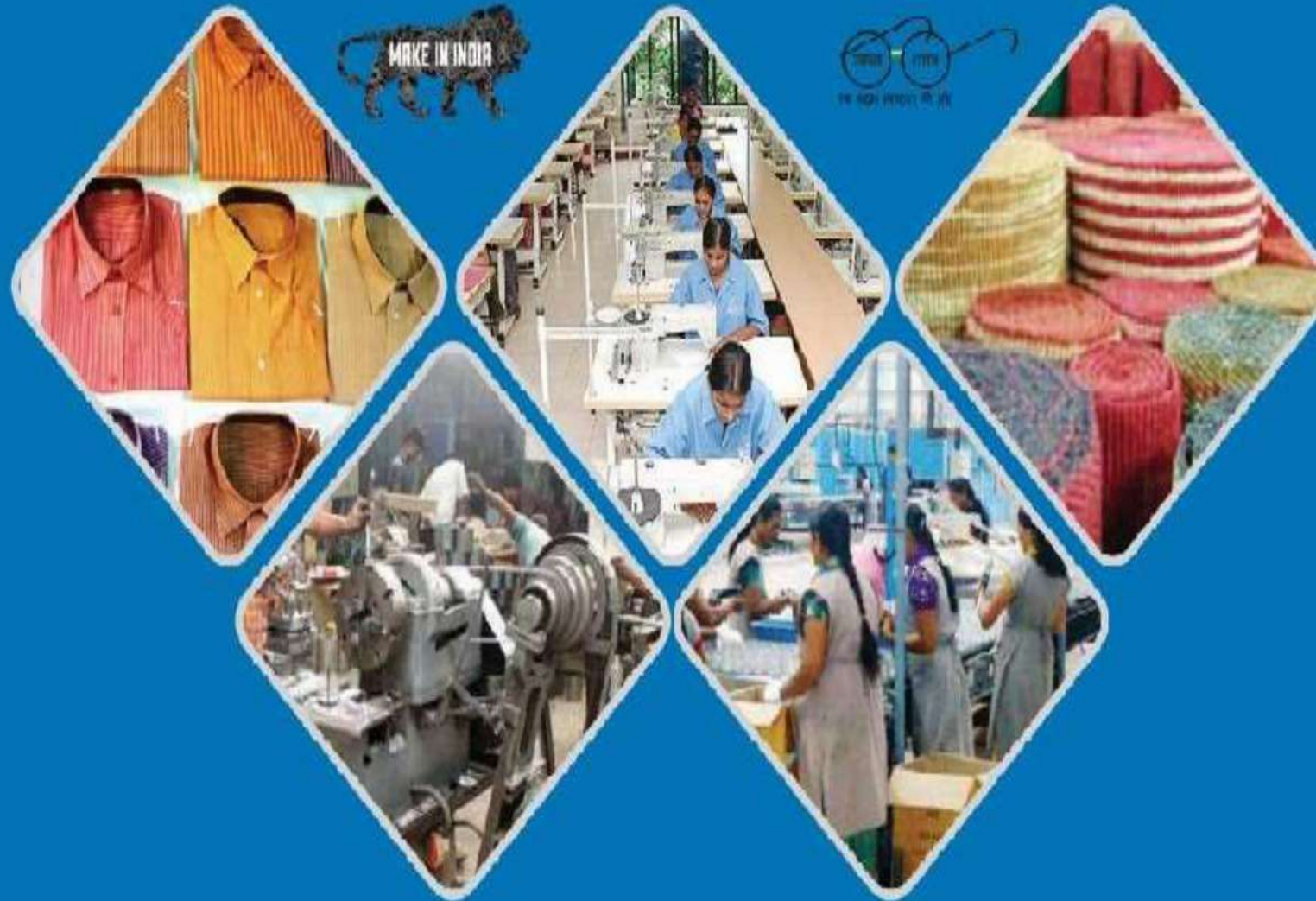
RJA

Rajput Jain & Associates
Chartered Accountants

**AN ANALYSIS OF MICRO, SMALL AND
MEDIUM ENTERPRISES IN INDIA**

About Us

- Rajput Jain & Associates is a Chartered Accountants firm, with its headquarter situated at New Delhi (the capital of India). The firm has been set up by a group of young, enthusiastic, highly skilled and motivated professionals who have taken experience from top consulting firms and are extensively experienced in their chosen fields has providing a wide array of Accounting, Auditing, Taxation, Assurance and Business advisory services to various clients and their stakeholders. focus at providing tailor made solutions to challenging problems of our clients, and perform with high quality and timely service.
- Rajput jain & Associates, a professional firm, offers its clients a full range of services, To serve better and to bring bucket of services under one roof, the firm has merged with it various Chartered Accountancy firms pioneer in diversified fields
- Our main office is located at Delhi. Incidentally, Delhi is the Capital of India. Our other offices are in Mankapur & Moradabad (U.P.). We have associates all over India in big cities. All our offices are well equipped with latest technological support with updated reference materials. We have a large team of professionals other than our Core Team members to meet the requirements of our prospective clients including the existing ones. However, considering our commitment towards high quality services to our clients, our team keeps on growing with more and more associates having strong professional background with good exposure in the related areas of responsibility. Further to meet the growing demands of the fiercely competitive market we are constantly looking forward for team of associates comprising of highly skilled professionals to cater the needs ever increasing clientele.



AN ANALYSIS OF MICRO, SMALL AND MEDIUM ENTERPRISES IN INDIA

CONTENTS

- **INTRODUCTION**
 - **DEFINITION OF MSMES**
 - **CLASSIFICATION OF MSMEs**
 - **CALCULATION OF PLANT & MACHINERY**
 - **CALCULATION OF TURNOVER**
 - **WHY NEW PROCESS OF UDYAM**
 - **HOW TO OBTAIN UDYAM REGISTRATION**
 - **VALIDITY OF VARIOUS NOTIFICATIONS ISSUED**
 - **VARIOUS BENEFITS FOR MSME**
 - **TReDS**
-

CONTENTS

➤ **GEM Portal**

➤ **LATEST FINANCE SCHEME ANNOUNCED BY GOVERNMENT FOR MSMEs**

MSMED Act, 2006

- Introduces the concept of 'enterprise' as opposed to the earlier concept of industry.
 - Enterprises engage in the manufacture or production of goods pertaining to any industry specified into first schedule of industries in the Development and Regulation Act, 1951 and Enterprises engaged in providing services
 - To facilitate the development of these enterprises and enhance their competitiveness
-

Definition of MSMEs-erstwhile and revised

- **Ministry of Micro Small and Medium Enterprises amended the definition of MSME via notification dated 26th June 2020.**
 - **The revised definition provides twin criteria :**
 - **Investment in Plant & Machinery or Equipment**
 - **Turnover**
 - **No distinction between Manufacturing and Service Enterprises**
-

CLASSIFICATION CRITERIA

Existing MSME Classification

Criteria: Investment in Plant & Machinery or Equipment

Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs. 25 lakh.	Investment < Rs. 5 cr.	Investment < Rs. 10 cr.
Services	Investment < Rs. 10 lakh.	Investment < Rs. 2 cr.	Investment < Rs. 5 cr.

Revised MSME Classification

Composite Criteria: Investment and Annual Turnover

Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 cr. and Turnover < Rs.5 cr.	Investment < Rs. 10 cr. and Turnover < Rs.50 cr.	Investment < Rs. 50 cr. and Turnover < Rs.250 cr.

- In case of Upward change, enterprise will maintain its prevailing status till expiry of one year from the close of the Financial year of registration.
 - In case of Reverse-graduation, Enterprise will continue in its present category till the closure of the financial year.
 - Benefit of the changed status only w.e.f 01st April of the F.Y. following the year in which such change took place.
-

FEATURES OF UDYAM REGISTRATION

- **Based on Self Declaration**
 - **Free of Cost**
 - **No Document to Upload**
 - **E Udyam Registration available online**
 - **One Udyam Registration again One PAN**
-

CALCULATION OF PLANT & MACHINERY OR EQUIPMENTS

- **Linked to the ITR of the previous year filed under Income Tax**
 - **Self Declaration by New Enterprise and declaration will be valid till March 31 of the F.Y. in which ITR is filed**
 - **Plant & Machinery as assigned in the Income Tax Rules, 1962**
 - **All tangible assets other than Land & Building, Furniture & Fixtures**
-

CALCULATION OF PLANT & MACHINERY OR EQUIPMENT

- **For New Enterprises Purchase/Invoice Value of Plant & Machinery or Equipment for both New & Second hand**
 - **GST to exclude for New Enterprises.**
 - **Items Specified in the Explanation 1 to sub section (1) of section 7 of MSMED Act to be excluded.**
-

CALCULATION OF TURNOVER

- **Turnover shall be linked to the Income Tax Act or CGST Act and GSTIN.**
 - **Exports Turnover not to be part of Total Turnover**
 - **Self Declaration Turnover upto March 31, 2021**
 - **PAN and GSTIN mandatory after March 31, 2021**
-

WHY NEW PROCESS OF UDYAM REGISTRATION

- **New Definition of MSME**
 - **Linked with GST and Income Tax Details**
 - **Udyog Aadhar is now Udyam Registration Certificate**
 - **Udyam Registration is to be done on or after 01st July, 2020**
 - **All Existing registered MSMEs have to apply again for Udyam on or after 01.07 .2020 but before 31.03.2021**
-

PROCESS OF UDYAM REGISTRATION

MSME Family is committed to Make Atmanirbhar Bharat...

Entrepreneurs!

Just take few simple steps to make an Enterprise of your dreams...

Udyam Registration

Welcome to Register here

[For New Entrepreneurs who are not Registered yet as MSME](#)

You can Re-Register here

[For those already having registration as EM-II or UAM](#)



Our Small Hands to Make you LARGE

UDYAM REGISTRATION FORM - For New Entrepreneurs who are not Registered yet as MSME

Aadhaar Verification With OTP

1. Aadhaar Number/ आधार संख्या

Your Aadhaar No

2. Name of Entrepreneur / उद्यमी का नाम

Name as per Aadhaar

- Aadhaar number shall be required for Udyam Registration.
- The Aadhaar number shall be of the proprietor in the case of a proprietorship firm, of the managing partner in the case of a partnership firm and of a karta in the case of a Hindu Undivided Family (HUF).
- In case of a Company or a Limited Liability Partnership or a Cooperative Society or a Society or a Trust, the organisation or its authorised signatory shall provide its GSTIN and PAN along with its Aadhaar number.

☒ I, the holder of Aadhaar, hereby give my consent to Ministry of MSME, Government of India for using my Aadhaar number with UIDAI for Udyam Registration. NIC / Ministry of MSME, Government of India have informed me that my aadhaar data will not be stored/shared. / मैं, आधार धारक, इस प्रकार उद्यम पंजीकरण के लिए यूआईडीईआई के साथ अपने आधार संख्या का उपयोग करने के लिए सू०ल०म०उ० मंत्रालय, भारत सरकार को अपनी सहमति देता हूँ। एनआईसी / सू०ल०म०उ० मंत्रालय, भारत सरकार ने मुझे सूचित किया है कि मेरा आधार डेटा संग्रहीत / साझा नहीं किया जाएगा।

Validate & Generate OTP

Registration of Udyog Aadhaar Memorandum(UAM)

UDYAM REGISTRATION

Ministry of MSME

Udyog bhawan - New Delhi

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UDYAM REGISTRATION FORM - / x

+

← → ↺ udyogaadhaar.gov.in/UdyamRegistration.aspx

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Ministry of Micro, Small Medium Enterprises

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UDYAM REGISTRATION FORM - For New Entrepreneurs who are not Registered yet as MSME

Aadhaar Verification With OTP

1. Aadhaar Number/ आधार संख्या

2. Name of Entrepreneur / उद्यमी का नाम

- Aadhaar number shall be required for Udyam Registration.
- The Aadhaar number shall be of the proprietor in the case of a proprietorship firm, of the managing partner in the case of a partnership firm and of a karta in the case of a Hindu Undivided Family (HUF).
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Your Aadhaar has been validated successfully. You can continue Udyam registration process.


PAN Verification

2. Type of Organisation / संगठन के प्रकार

Type of Organisation / संगठन के प्रकार

Activities (NIC codes) not covered under MSMED Act, 2006 for registration of Udyog Aadhaar Memorandum(UAM)

Type here to search




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UDYAM REGISTRATION FORM

udyogaadhaar.gov.in/UdyamRegistration.aspx

AppsVerify and Confirm...e-Filing Home Page...Income Tax ActGmailMinistry of Corpora...CBEC - Application...New TabGoogleiFirmInbox (2,383) - amit...AS 9 Revenue Reco...Attendance Sheet 2...www.gmail.comWelcome to ePass-UP



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Ministry of Micro, Small Medium Enterprises

Choose State/UT

Choose District

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13. Official Address of Enterprise / आधिकारिक पता

Flat/ Door/ Block No. / फ्लैट / द्वार / ब्लॉक सं

Name of Premises/ Building / परिसर/ भवन का नाम

Village/Town / ग्राम/नगर

Block / खंड

Road/ Street/ Lane/सड़क/ मार्ग / गली

City/शहर

Pin/पिन

State / राज्य

District / जिला

Example:- 111111

Choose State/UT

Choose District

14. Previous EM2/UAM Registration Number, If Any / पिछले EM2 / UAM पंजीकरण संख्या, यदि कोई है

☒ N/A

☐ EM 2

☐ Previous UAM

15. Status of Enterprise-

a. Date of Incorporation/registration

b. Whether production/business commenced

Date of commencement

DD/MM/YYYY

☒ Yes

☐ No

DD/MM/YYYY

16. Bank Details / बैंक विवरण

Bank Name

IFS Code / आईएफएस कोड

Bank Account Number / बैंक खाता संख्या

ENTER BANK NAME

EXAMPLE:- SBIN0001624

Example:- 3047845896

17. Major Activity of Unit / इकाई का प्रमुख गतिविधि

☐ Manufacturing/विनिर्माण

☐ Services/सेवा

18. National Industry Classification (NIC) Code for Activities(One or more activities can be added)

Search NIC Code in Lesser Steps (To Avoid 3 Step Selection of NIC Activities)

Type here to search

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7/10/2020



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Ministry of Micro, Small Medium Enterprises

17. Major Activity of Unit / इकाई का प्रमुख गतिविधि

☐ Manufacturing/विनिर्माण
 ☐ Services/सेवा

[Home](#) [Important](#) [Print Certificate](#) [Site Highlights](#) [Contact](#)

18. National Industry Classification (NIC) Code for Activities(One or more activities can be added)

Search NIC Code in Lesser Steps (To Avoid 3 Step Selection of NIC Activities)

Search NIC Code

☐ Manufacturing/विनिर्माण ☐ Services/सेवा

NIC 2 Digit Code

Choose 2 Digit NIC Code

NIC 4 Digit Code

Choose 4 Digit NIC Code

NIC 5 Digit Code

Choose 5 Digit NIC Code

Add Activity

19. Number of persons employed / व्यक्ति नियोजित

Male

Example:- 20

Female

Example:- 20

Others

Example:- 20

Total

Example:- 20

Point No. 20 & 21 textboxes will be enabled after verification of Udyam Registration from Income Tax.

20. Investment Plant and Machinery OR Equipment (in Rs.)

Depreciated Cost as on 31st March of Previous Year

Example:- 200000.00

Exclusion of cost of Pollution Control, Research & Development And Industrial Safety Devices

Example:- 200000.00

Net Investment in Plant and Machinery OR Equipment

Example:- 200000.00

Total Turnover (A)

21. Turnover (in Rs.)

Example:- 200000.00

Export Turnover (B)

Example:- 200000.00

Net Turnover

Example:- 200000.00

22. Are you interested to get registered on Government e-Market (GeM) Portal

☐ Yes ☐ No

33. Are you interested to get registered on TD-DC Portal?



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Ministry of Micro, Small Medium Enterprises

Investment Plant and Machinery OR Equipment (In Rs.)

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Depreciated Cost as on 31st March of Previous Year

Example:- 200000.00

Exclusion of cost of Pollution Control, Research & Development And Industrial Safety Devices

Example:- 200000.00

Net Investment in Plant and Machinery OR Equipment

Example:- 200000.00

Total Turnover (A)

Export Turnover (B)

Net Turnover

21. Turnover (in Rs.)

Example:- 200000.00

Example:- 200000.00

Example:- 200000.00

22. Are you interested to get registered on Government e-Market (GeM) Portal

☐ Yes ☐ No

23. Are you interested to get registered on TReDS Portal

☐ Yes ☐ No

24. District Industry Centre / जिला उद्योग कार्यालय

Choose DIC



I hereby declare that information given above is true to the best of my knowledge. Any information, that may be required to be verified, shall be provided immediately before the concerned authority. / मैं एतद्वारा घोषणा करता हूँ कि उपर्युक्त सूचना मेरी जानकारी में सही है। कोई सूचना जिसको सत्यापित किया जाना अपेक्षित हो, उसे संबंधित प्राधिकारी के समक्ष तत्काल उपलब्ध कराया जाएगा।

Submit & Get Final OTP

Activities (NIC codes)

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Ministry of MSME

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➤ MSME Sambandh

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24. District Industry Centre / जिला उद्योग कार्यालय

Ministry of Micro, Small Medium Enterprises

1.DELHI / दिल्ली

I hereby declare that information given above is true to the best of my knowledge. Any information, that may be required to be verified, shall be provided immediately before the concerned authority. / मैं एतद्वारा घोषणा करता हूँ कि उपर्युक्त सूचना मेरी जानकारी में सही है। कोई सूचना जिसको सत्यापित किया जाना अपेक्षित हो, उसे संबंधित प्राधिकारी के समक्ष तत्काल उपलब्ध कराया जाएगा।

OTP has been sent to *****8945

*Enter One Time Password(OTP) Code

604263

*Verification Code / सत्यापन कोड :

QT6EGQ

QT6EGQ

[Code is case sensitive]

Final SubmitResent OTP

One Time Password(OTP) Code sent on your Aadhaar linked Mobile no.

UDYAM REGISTRATION

Ministry of MSME

Udyog bhawan - New Delhi

Phone: 011-23062354

Email: ua-msme@gov.in

Our Services

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> MSME Samadhaan

> MSME Sambandh

> MSME Sampark

> Entrepreneurship Skill Development

UDYOGAADHAAR.GOV.IN SAYS

Udyam Registration Submitted Successfully. Your Udyam Registration No. is:- UDYAM-DL-02-0000290

OK

Activities (NIC codes) not covered under MSMED Act, 2006 for registration of Udyog Aadhaar Memorandum(UAM)

UDYOGAADHAAR.GOV.IN SAYS

Udyam Registration Submitted Successfully. Your Udyam Registration No. is:- UDYAM-DL-02-0000290

OK

UDYAM REGISTRATION

Ministry of MSME

Udyog bhawan - New Delhi

Phone: 011-23062354

Email: ua-msme@gov.in

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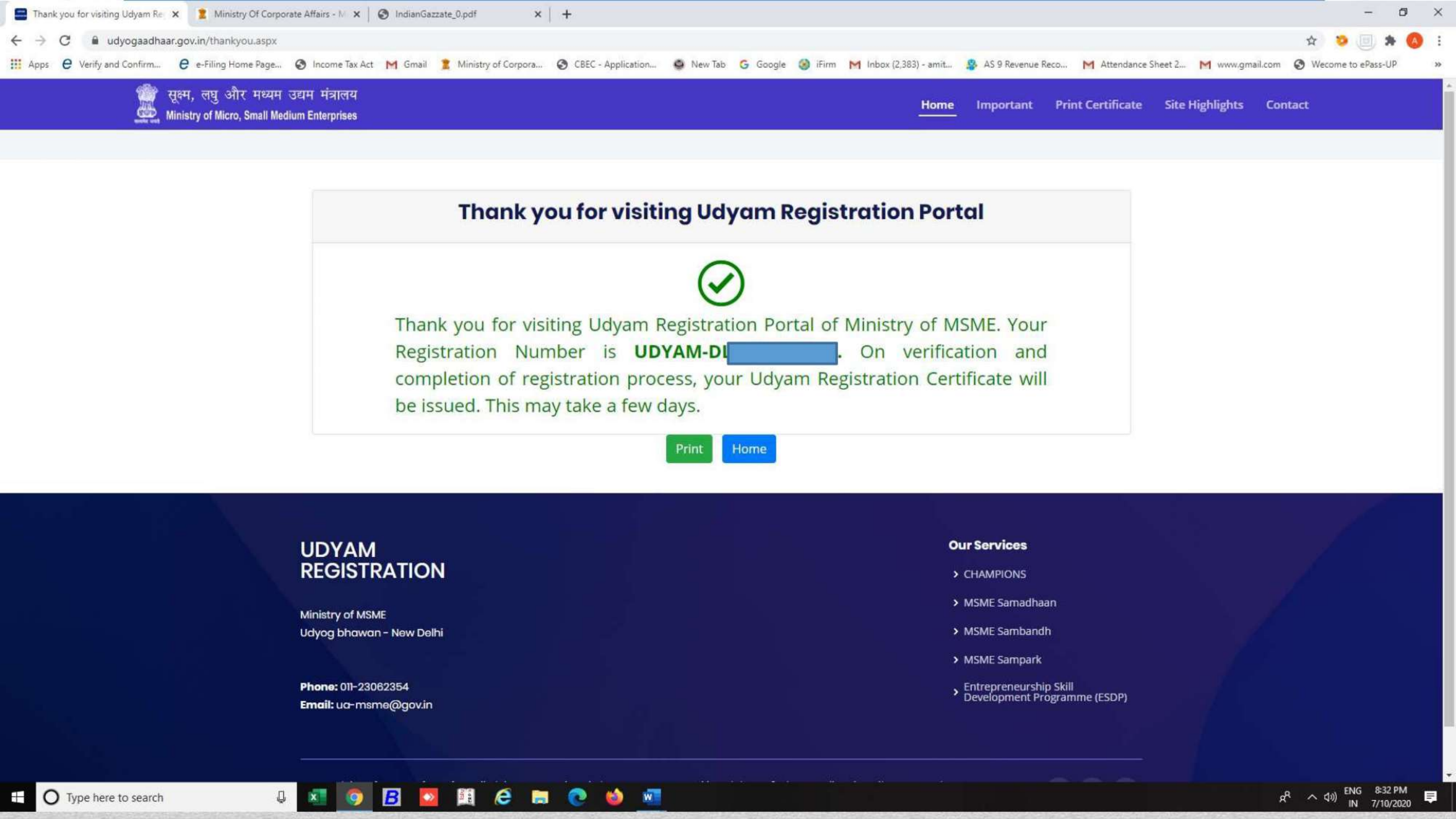
> MSME Sambandh

> MSME Sampark

> Entrepreneurship Skill Development

Type here to search

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Thank you for visiting Udyam Registration Portal



Thank you for visiting Udyam Registration Portal of Ministry of MSME. Your Registration Number is **UDYAM-DI** [redacted]. On verification and completion of registration process, your Udyam Registration Certificate will be issued. This may take a few days.

Print

Home

UDYAM
REGISTRATION

Ministry of MSME
Udyog bhawan - New Delhi

Phone: 011-23062354
Email: ua-msme@gov.in

Our Services

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- > MSME Samadhaan
- > MSME Sambandh
- > MSME Sampark
- > Entrepreneurship Skill Development Programme (ESDP)

validity of various notification issued earlier

➤ **NOTIFICATION NO. 2119(E) DATED 26.06.2020
HAS SUPRESSED VARIOUS FOLLOWING
NOTIFICATIONS :**

- **S.O. 1702(E) Dt. 01.06.2020**
 - **S.O. 2052 (E) Dt. 30.06.2017**
 - **S.O. 3322 (E) Dt. 01.11.2013**
 - **S.O. 1722 (E) Dt. 05.10.2006**
-

Benefits of MSME Registration

- **Collateral Free Borrowings**
 - **Subsidized Loan from banks with low interest rate**
 - **Subsidy on Patent Registration**
 - **Industrial Promotion Subsidy**
 - **Technology Upgradation linked subsidy**
 - **Protection against delayed payments**
 - **Concession in electricity bills**
 - **Easy to get licenses, approvals, and registrations**
 - **Reimbursement of Foreign Exhibitions Charges**
-

TReDS (Trade Receivable Electronic Discounting Systems)

- TReDS has been introduced with the [MCA notification dated 02.11.2018](#) which mandates all the companies with turnover of more than Rs 500/- crore to register on TReDS portal.
 - This is a long step to avoid the blockage of funds of the Micro, Small and Medium Enterprises which will thereon help a lot in continuous working capital availability.
 - [On 02.11.2018 Ministry of Corporate Affairs by notification no. 5622](#) specified that the companies taking supplies from MSMEs and making default in payment to them in excess of 45 days need to submit half yearly return which was notified by [MCA on 22.01.2019](#) i.e. MSME Form-1.
 - This is the scheme for setting up and operating the institutional mechanism for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers.
-

TReDS (Trade Receivable Electronic Discounting Systems)

- The invoice is uploaded by either buyer or supplier depending on the method of discounting and is approved by the other party. Once the invoice is approved, the financiers on the platform start to bid on the invoice.
 - Only MSMEs can participate as sellers in TReDS.
 - **MSME seller would not have to pay to the financier in case the buyer defaults in repayment that means without recourse.**
 - “List of Authorised Entities – Payment System Operators”. Following is the web link for accessing the same: <https://www.rbi.org.in/Scripts/PublicationsView.aspx?id=12043>
-

Government E-Marketplace (GeM)

- Government e-Marketplace (GeM) is a one stop portal to facilitate online procurement of common use Goods & Services required by various Government Departments / Organizations / PSUs.
 - Remove Entry Barriers for Bonafide Sellers
 - Transparency and Efficiency in public procurement
 - End to End paperless, contactless and cashless procurement system
-

Measures announced under Atmanirbhar Bharat

Keeping in view the hardship faced by MSMEs during COVID 19 pandemic crisis, the government has announced several measures intended to provide the necessary support to deal with the current economic crisis such as:

- Rs 3 lakh crore Collateral-free Automatic Loans (ECLGS)
 - Rs 20,000 crore Subordinate Debt for Stressed MSMEs
 - Rs 50,000 crore Equity infusion for MSMEs through Fund of Funds
 - Global tenders to be disallowed up to Rs 200 crore
 - Revised definition of MSMEs
 - All receivables of MSMEs will be cleared by Government and PSU in 45 days
 - Champion Portal has been launched
-

EMERGENCY CREDIT LINE GUARANTEE SCHEME (3 Lakhs Crores Allocated)

- Automatic pre approved loan upto 20% of Outstanding fund based exposure as on 29.02.2020
 - Account should not be SMA 2 or NPA
 - MSME borrower whose total exposure is upto Rs 25 Crores as on 29.02.2020 and annual turnover upto Rs. 100 Crores in F.Y.2019-20
 - MSME Borrower must be GST Registered (exemption where registration is not applicable)
 - One year Moratorium and then 36 monthly installments. No prepayment Charges
-

SUB-ORDINATE DEBT SCHEME FOR MSME (50 K Crores)

- This loan is for promoters funding as equity to MSME
 - Improves Debt Coverage Ratio
 - Promoters of the MSME will be given loan upto 15% of their stake or Rs. 75 Lacs, whichever is lower
 - Principal moratorium 7 Years
 - Repayment in next 3 Years
 - 90% Guarantee Coverage
-

GRIEVANCE

- **Champion Portal**
 - **DICs will also act as Single Window Facilitation Systems**
-

Contact Us

- Rajput Jain & Associates Address: P-6/90, Connaught Circus Connaught Place New Delhi-110001
- Mobile No: 9811322785, 9555555480
- Telephone: +91 011 -23343333
- Email : info@carajput.com, singh.swatantra@gmail.com
- Website : www.carajput.com

Corporate & Head Office

- Address: 1598, Level-1, Sector 22-B, Chandigarh
- Mobile No: 9555555480, 9811322784, 9871857333
- Email : rajputjainandassociates@gmail.com

- Address: Building No. 53/160 R5, Bhakti Nagar, Pandeypur Varanasi 221002 (U.P) India

- Address: D 301 Omex Royal Apartment Sector 44 Noida, India

- Address: Building No 65 Ward No.10 Lakhe Chaur Marg, Kathmandu Metropolitan Kathmandu, Nepal.

Branch Offices



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