Subject: Categorization of activities under manufacture or service under the MSMED Act 2006 -reg.

References were received by this office for clarification on categorization of activities under manufacturing or service. These were examined under the provisions of MSMED Act 2006 and it is clarified:

A) Activities considered as manufacturing:
   i) Medical Equipment and Ayurvedic Product
   ii) Composite unit of Bacon Processing and Piggery Farm [Piggery Farm without bacon processing shall not be classified either as manufacturing or as service enterprise because this is a farming activity]
   iii) Tobacco Processing
   iv) Beedi/Cigarette manufacturing and other tobacco products
   v) Extraction of agave Spirit from Agave juice (imported medicinal plant) extraction of Agave Spirit
   vi) Manufacture of Bio-fertilizer

B) Activities considered as Service:
   i) Sanitation Services (Hiring of Septic Tank Cleaner)
   ii) Clinical/Pathological Laboratories and scanning, MRI Tests
   iii) Hospitals
   iv) Agri-clinic and Agri-Business
   v) Restaurants with Bar
   vi) Canteens
   vii) Hotels
   viii) Motel Industry

2. The activity of "Bee-Keeping" is a farming allied activity and therefore, would not be covered in either manufacturing or service activity.

3. This supersedes all earlier clarifications issued in this regard.

Yours faithfully,

(P.K. Sinha)
Dy. Director (MSME Pol.)

To
1. Principal Secretaries/ Secretaries, I/c of matters of MSMEs. All States/UTs.
2. Chairman, NABARD, Mumbai.
3. Chairman & Managing Director, SIDBI, Lucknow.
4. Chairman, Indian Bank Association, Mumbai,
5. Dy. Governor, RBI, Mumbai,
6. Chairman & Managing Directors, Commercial Banks and Financial Institutions
   including State Financial Corporations as per mailing list,
7. Chairman & Managing Director, NSIC, New Delhi,
8. Commissioner/Director of Industries/ I/c of matters of MSMEs, All States/UTs,
9. Director/Dy. Director, I/c MSME DIs/ Br. MSME DIs, All States/UTs,
10. President, Associations of MSMEs, as per mailing list.
11. President, ICAI, P.B. No. 7100, ICAI Bhavan, IP Estate, New Delhi-110104

Copy to:
Shri Vishal Suji, B-55, G.T. Karnal Road, Industrial Area, Delhi-110033- for information w.r.t. their letter dated 14.3.2009.

(P.K. Sinha)
5(6)/2/2009-MSME POL

Dated 12.6.2009

Subject: Categorization of activities under manufacture or service under the MSMED Act 2006 -reg.

References were received by this office for clarification on categorization of activities under manufacturing or service. These were examined under the provisions of MSMED Act 2006 and it is clarified:

A) Activities considered as Service:
   a) Consultancy Services including Management Services
   b) Renting of Agricultural Machinery (Harvesting)
   c) Composite Broker Services in Risk and Insurance Management
   d) Third Party Administration (TPA) Services for Medical Insurance Claims of Policy Holders
   e) Seed Grading Services
   f) Training-cum-Incubator Centre
   g) Educational Institutions
   h) Training Institutes
   i) Retail Trade
   j) Practice of Law i.e. legal services
   k) Trading in medical instruments (brand new)
   l) Placement and Management Consultancy Services
   m) Advertising agency and Training centres

3. This supercedes all earlier clarifications issued in this regard.

Yours faithfully,

(P.K. Sinha)
Dy. Director (MSME Pol.)

To
1. Principal Secretaries/ Secretaries, l/c of matters of MSMEs, All States/UTs,
2. Chairman, NABARD, Mumbai,
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7. Chairman & Managing Director, NSIC, New Delhi,
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A) Activities considered as Service:

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h) Training Institutes
i) Retail Trade
j) Practice of Law i.e. legal services
k) Trading in medical instruments (brand new)
l) Placement and Management Consultancy Services
m) Advertising agency and Training centres

2. यह स्पष्टीकरण निर्देशन सभी स्पष्टीकरण का यथांतर लगाना।

1. प्रावण सप्तिष्ठ/सप्तिष्ठ, सूचम, लघु एवं मध्यम उद्यम नामदेव के निर्देशन, सभी राज्य/संघ शासित क्षेत्रः
2. अध्यक्ष, नेहवाड़, मुगलीः
3. अध्यक्ष एवं प्रबंध निदेशक, जिब्रिल, मुजफ्फरनाझः
4. अध्यक्ष, भारतीय बैंक संग्रह, मुदाहरः
5. उप नगरपालिका, भारतीय रिजव्ज बैंक, मुदाहरः
6. अध्यक्ष एवं प्रबंध निदेशक, वाणिज्य बैंक एवं वित्तीय संस्थान, राज्य वित्तीय निगम श्रीहंत-डाक सूची अनुसारः
7. अध्यक्ष एवं प्रबंध निदेशक, एमएसआईसी, नई दिल्लीः
8. अतुल/निदेशक (उद्योग/सूचम, लघु एवं मध्यम उद्यम मामलों के प्रभावी, सभी राज्य/संघ शासित क्षेत्रः
9. निदेशक/उपनिदेशक प्रबंधी, एमएसआईसी डी आई/ नासा एमएसआईसी डी आई, सभी राज्य/संघ शासित क्षेत्रः
10. अध्यक्ष, एमएसआईसी, एससीआईसी, डाक सूची अनुसारः
11. अध्यक्ष, आई सी ए आई, नो 80 नो 7100, आई सी ए आई भवन, आई पो इंडिया, नई दिल्ली - 110104
A) Activities considered as manufacturing:

i) Seed Processing (for genetic enhancement).
   (Involving collection of germplasm, cleaning, gravity separation, chemical treatment etc.)

ii) Composite unit of Poultry with Chicken (Meat) Processing
    [Poultry Farm without Chicken (Meat) Processing shall not be classified either as manufacturing or as service enterprise because this is a farming activity]

B) Activities considered as Service:

i) Medical Transcription Service,

ii) Production of T.V. Serial and other T.V. Programmes,

iii) Ripening of Raw Fruits under controlled conditions,
    [Subject to norms prescribed by Food Safety and Standards Authority of India,
    (Ministry of Health and Family Welfare, Government of India)]

iv) Service Rating Agency
    (Rating and grading services across sectors based on set methodology and standards)

2. यह स्थापीतः रिपोर्ट सभी समर्थकों का स्वागत लेगा ।

3. सुत्तम, लघु एवं मध्यम उद्यमों को विश्व संस्थानों द्वारा विश्व संस्थान के समय धर्म पर जाना होगा।

1. प्रथमता सविता, सुत्तम, लघु एवं मध्यम उद्यम मामलों के प्रभारी, सभी राज्य/संघ शासित क्षेत्र ;

2. अय्यर, नावाई, मुम्बई ;

3. अय्यर एवं प्रवीण नितेंद्र, रिश्वत, लक्ष्मण ;

4. अय्यर, भारतीय बैंक संघ, मुम्बई ;

5. उप गवर्मन, भारतीय बैंक, मुम्बई ;

6. अय्यर एवं प्रवीण निऱेदिक, बांग्लादेश बैंक एवं वित्तीय संस्थान, राज्य वित्तीय निगम सहित-डेक, रूपत्र अनुसरण.

7. अय्यर एवं प्रवीण निऱेदिक, रेस्तोरां सीडीए, नई दील्ली ;

8. अय्यर/निऱेदिक (उद्योग/सुत्तम, लघु एवं मध्यम उद्यम मामलों के प्रभारी, सभी राज्य/संघ शासित क्षेत्र ;
Copy to:

1. Director, MSME DI, Narsapur X Road, Balanagar, Hyderabad-500 037 (AP) - for information w.r.t. their letter No. D(SI/H/Env/82(1)/2008-09/3455 dated 10.11.2010.


4. Shri. B. Ravinder Rao, H.No.16-3-892/2, Fort Road, Warangal, Andhra Pradesh-506002 w.r.t. his letter dated 03.1.2011.

5. Shri. T.Sujani Devi, H.No.16-3-785/1, Ekalashanagar, Fort Road, Warangal, Andhra Pradesh-506002 w.r.t. her letter dated 03.1.2011.


(शीखेको सिफार)
Subject: - Categorization of activities under manufacture or service under the MSMED Act 2006 - reg.

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       (Ministry of Health and Family Welfare, Government of India)]
   iv) Service Rating Agency
       (Rating and grading services across sectors based on set methodology and standards)

2. This supercedes all earlier clarifications issued in this regard.

3. Credit to Micro, Small and Medium Enterprises (MSMEs) by financial institutions are as per guidelines/instructions issued by Reserve Bank of India from time to time.

(P.K. Sinha)
Dy. Director (MSME Pol.)

To
1. Principal Secretaries/Secretaries, I/c of matters of MSMEs, All States/UTs,
2. Chairman, NABARD, Mumbai,
3. Chairman & Managing Director, SIDBI, Lucknow,
4. Chairman, Indian Bank Association, Mumbai,
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9. Director/Dy. Director, I/c MSME DIs/ Br. MSME DIs, All States/UTs,
10. President, Associations of MSMEs, as per mailing list.
11. President, ICAI, P.B. No. 7100, ICAI Bhavan, IP Estate, New Delhi-110104
12. CEO, Credit Guarantee Fund Trust for MSEs, 7th Floor, SME Development Centre, C-11, G Block, Bandra, Kurla Complex, Bandra (East), Mumbai-51

Copy to:
1. Director, MSME DI, Narsapur X Road, Balanagar, Hyderabad-500 037 (AP) - for information w.r.t. their letter No. D(SI/H/El82(1)/2008-09/3455 dated 10.11.2010
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5. Shri. T.Sujani Devi, H.No.16-3-785/1, Ekalshianagar, Fort Road, Warangal, Andhra Pradesh-506002 w.r.t. her letter dated 03.1.2011.

(P.K. Sinha)