



ಕರ್ನಾಟಕ ರಾಜ್ಯ ಹಣಕಾಸು ಸಂಸ್ಥೆ

1951ರ ರಾಜ್ಯ ಹಣಕಾಸು ಸಂಸ್ಥೆಗಳ ಕಾಯಿದೆ ಅನ್ವಯ ಸ್ಥಾಪಿತ

KARNATAKA STATE FINANCIAL CORPORATION

Established under the State Financial Corporations' Act, 1951



ಸಂಖ್ಯೆ : ಕ.ರಾ.ಹ.ಸಂ./ಪ್ರ.ಕ./

Ref. No. KSFC/H.O./ ED-I/2017-18/C-3301/

ದಿನಾಂಕ :

Date: 12/09/2017

CIRCULAR No. 894

Sub : Documents to be relied upon for ascertaining the investment in plant & machinery for MSME classification.

Ref : SIDBI Circular FI No.01/2017-18 dated 08.08.2017

-:o:0:o:-

SIDBI, along with the above referred Circular forwarded a copy of the letter dated 13.07.2017 issued by the Reserve Bank of India, on the captioned subject. The copies of the same are enclosed herewith for reference. As per this, while calculating the investment in plant and machinery, the original price thereof shall be taken into account, irrespective of whether plant and machinery are new or secondhand.

Further, RBI has also clarified that for ascertaining the investment in plant and machinery for classification an enterprises as Micro, Small and Medium, the following documents could be relied upon:-

- (i) A copy of the invoice of the purchase of plant and machinery; or
- (ii) Gross block for investment in plant and machinery as shown in the audited accounts; or
- (iii) A certificate issued by a Chartered Accountant regarding purchase price of plant and machinery.

It is also clarified that for the investment in plant and machinery for the purpose of classification of an enterprise as Micro, Small or Medium, the purchase value of the plant and machinery is to be reckoned and not the book value.

....2

ಪ್ರಧಾನ ಕಛೇರಿ : ಕೆ.ಎಸ್.ಎಫ್.ಸಿ. ಭವನ, ನಂ. 1/1, ತಿಮ್ಮಯ್ಯ ರಸ್ತೆ, ಕಂಟೋನ್‌ಮೆಂಟ್ ರೈಲ್ವೆ ನಿಲ್ದಾಣದ ಹತ್ತಿರ, ಬೆಂಗಳೂರು-560 052

ದೂರವಾಣಿ ಸಂಖ್ಯೆ ಸಾಮಾನ್ಯ : 22263322 ಫ್ಯಾಕ್ಸ್ : 080-22250126 ಇ-ಮೇಲ್ : info@ksfc.in ವೆಬ್ : www.ksfc.in

HEAD OFFICE : KSFC Bhavan, No. 1/1, Thimmaiah Road, Near Cantonment Railway Station, Bengaluru-560 052.

Telephone : Gen : 22263322, Fax : 080-22250126, e-mail : info@ksfc.in Website : www.ksfc.in



[ 2 ]

It is informed that the effective date for the above provision would be from the date MSMED Act, 2006 came into force and not prospectively. Further, these provisions are applicable both for manufacturing as well as service enterprises.

The contents of this circular shall be brought to the notice of all the concerned in your office / department and instructed to ensure strict compliance of the above guidelines.

**EXECUTIVE DIRECTOR-I**

Encl: As above.

To:  
All BMs / AGMs / DGMS of Branches  
All IA cells  
All Department Heads in HO  
All General Managers  
Library  
O/o MD

cc: Executive Director-II - for information



भारतीय लघु उद्योग विकास बैंक  
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA

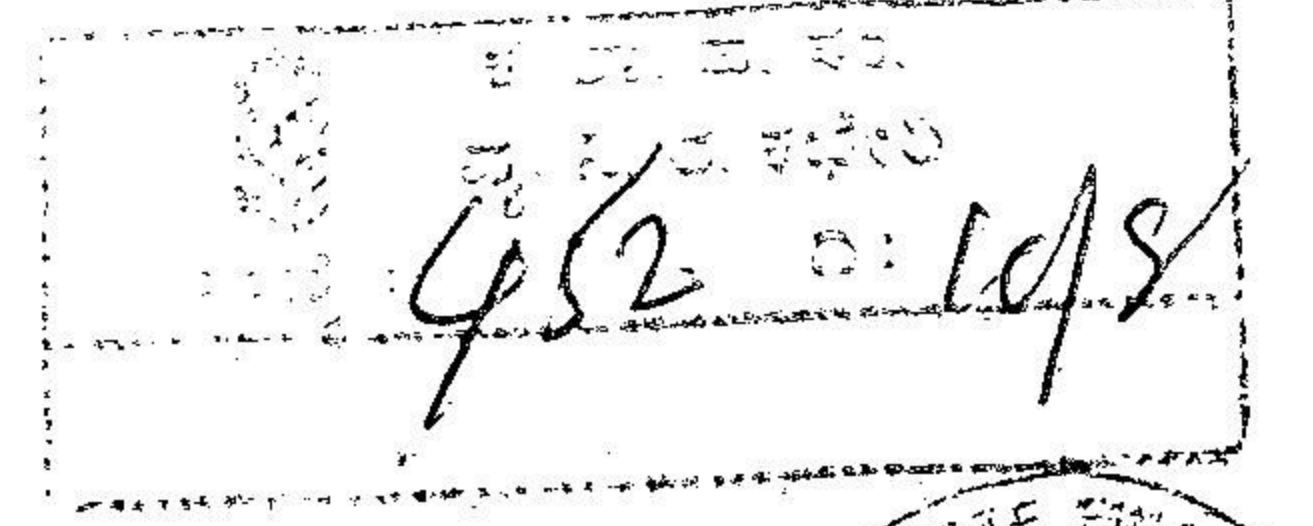
संदर्भ सं: L00157843 / एसएफसी/नीतियाँ  
Ref. No. L00157843/SFCs/Policies

अगस्त 08, 2017  
August 08, 2017

CMDs / MDs of all SFCs.

परिपत्र एफआई संख्या.01 / 2017-18  
Circular FI No.01/2017-18

महोदया / प्रिय महोदय  
Madam / Dear Sir,



एमएसएमई वर्गीकरण के लिए संयंत्र और मशीनरी में निवेश को  
सुनिश्चित करने हेतु विश्वसनीय दस्तावेज़  
Documents to be relied upon for ascertaining  
the investment in plant & machinery for MSME classification



भारतीय रिज़र्व बैंक ने अपने परिपत्र संदर्भ सं. आरबीआई/2017-18/21 एफआईडीडी.एमएसएमआई & एनएफएस.बीसी.स.10/06.02.31/2017-18 दिनांक जुलाई 13, 2017 में एमएसएमई वर्गीकरण के लिए संयंत्र और मशीनरी में निवेश को सुनिश्चित करने हेतु विश्वसनीय दस्तावेज़ों के संबंध में अनुदेश जारी किया है। उक्त पत्र की प्रति इसके साथ सुलभ संदर्भ हेतु संलग्न है। यह पत्र आरबीआई के वेबसाइट पर भी उपलब्ध है।

Reserve Bank of India vide its Circular with Ref. No. RBI/2017-18/21 FIDD.MSME & NFS.BC.No.10/06.02.31/2017-18 dated July 13, 2017 has issued instructions on documents to be relied upon for ascertaining the investment in plant & machinery for MSME classification. A copy of the letter is enclosed herewith for ready reference. The same is also available at the website of RBI.

अतः, आपसे अनुरोध है कि इस संबंध में आरबीआई द्वारा जारी अनुदेशों /दिशानिर्देशों का कड़ाई से अनुसरण /कार्यान्वयन /पालन करें। संबंधित दिशानिर्देश निदेशक मंडल की अगली बैठक में सूचना एवं आवश्यक कार्रवाई के लिए प्रस्तुत किए जाएँ।

You are, therefore, requested to strictly follow / implement / adhere to the instructions/ guidelines issued by RBI in this regard. The guidelines in the matter may be placed at the next meeting of the Board of Directors for information and necessary action.

*Handwritten signature*

भवदीया / Yours faithfully,

*Handwritten signature*

[एस.एस. बक्शी/ S.S Bakshee]  
महाप्रबंधक / General Manager

*Handwritten signature*  
e.m.(Secretary)

संलग्नक - यथोक्त  
Encl: As above

बैंक हिन्दी में पत्राचार का स्वागत करता है।

एमएसएमई विकास केन्द्र, सी - 11, जी ब्लॉक, बान्द्रा-कुर्ला कॉम्प्लेक्स, बान्द्रा (पूर्व), मुंबई - 400 051. दूरभाष: 022-67531100  
MSME Development Centre, C-11, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051. Tel.: 022-67531100

Toll Free No.: 1800 22 6753

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108/2017



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA  
www.rbi.org.in

RBI/2017-18/21

FIDD.MSME & NFS.BC.No.10/06.02.31/2017-18

July 13, 2017

All Scheduled Commercial Banks  
(Excluding Regional Rural Banks)

Dear Sir / Madam,

**Investment in plant and machinery for the purpose of classification as Micro, Small and Medium Enterprises – documents to be relied upon**

Please refer to our Master Direction FIDD.MSME&NFS.3/06.02.31/2016-17 dated July 21, 2016 on 'Lending to Micro, Small & Medium Enterprises (MSME) Sector' together with notification No. S.O. 1722(E) dated October 5, 2006 issued by Ministry of MSME, Gol, New Delhi. In terms of para 2 of the said notification, while calculating the investment in plant and machinery, the original price thereof, shall be taken into account, irrespective of whether the plant and machinery are new or second hand.

2. In this regard, Ministry of MSME, Gol, vide their Office Memorandum (OM) F. No. 12(4)/2017-SME dated March 8, 2017, have clarified that for ascertaining the investment in plant and machinery for classification of an enterprises as Micro, Small and Medium, the following documents could be relied upon:

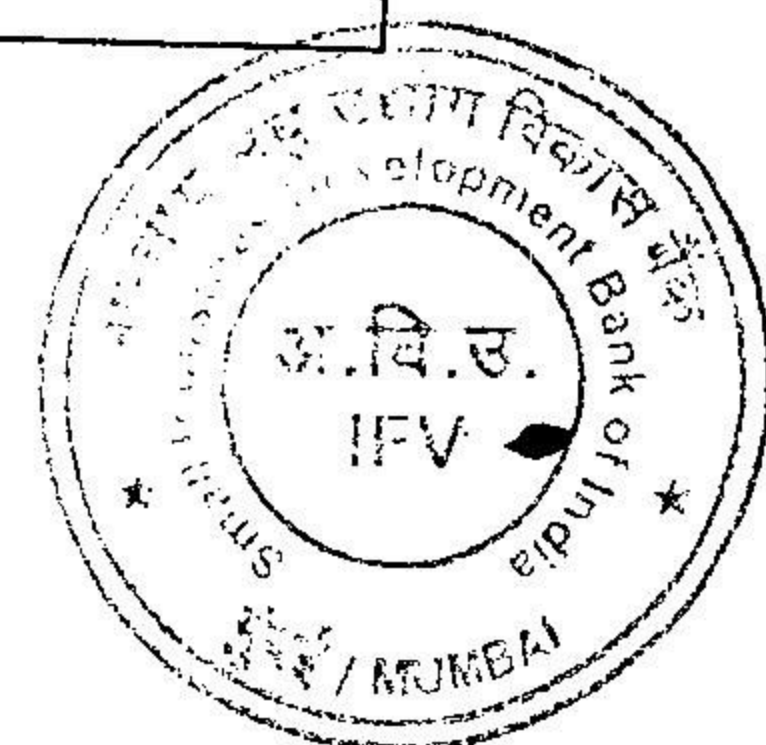
- (i) A copy of the invoice of the purchase of plant and machinery; or
- (ii) Gross block for investment in plant and machinery as shown in the audited accounts; or
- (iii) A certificate issued by a Chartered Accountant regarding purchase price of plant and machinery.

वित्तीय समावेशन और विकास विभाग, केंद्रीय कार्यालय, 10वीं मंजिल, केंद्रीय कार्यालय भवन, पो.बा.सं. 10014, मुंबई 400 001  
टेलीफोन /Tel No: 91-22-22661000 फैक्स/Fax No: 91-22-22621011/22610948/22610943 ई-मेल/ Email ID: cgmincfidd@rbi.org.in  
Financial Inclusion & Development Department, Central Office, 10<sup>th</sup> Floor, C.O. Building, Post Box No.10014, Mumbai  
400 001

हिंदी आसान है, इसका प्रयोग बढ़ाइये

"चेतावनी - : रिज़र्व बैंक द्वारा मेल, डाक, एसएमएस या फोन कॉल के जरिए किसी की भी व्यक्तिगत जानकारी जैसे बैंक के खाते का ब्यौरा, पासवर्ड आदि नहीं मांगी जाती है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके से जवाब मत दीजिए।"

Caution: RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.





3. Further, the Ministry has clarified that for the investment in plant and machinery for the purpose of classification of an enterprise as Micro, Small or Medium, the purchase value of the plant and machinery is to be reckoned and not the book value (purchase value minus depreciation).

4. In terms of OM F. No. 12(4) / 2017 – SME dated May 31, 2017, issued by the Ministry, the effective date for the above provision would be from the date MSMED Act, 2006 came into force and not prospectively. Further, the above provisions would be applicable to section 7 (1) (a) and section 7 (1) (b) of the MSMED Act, 2006 i.e. enterprises engaged in manufacturing of goods and rendering of services as well.

Yours faithfully

(Uma Shankar)  
Chief General Manager-In- Charge

