



**भारतीय रिज़र्व बैंक**  
**RESERVE BANK OF INDIA**



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RBI/2023-24/100

FIDD.MSME & NFS.BC.No.13/06.02.31/2023-24

December 28, 2023

The Chairman/ Managing Director/Chief Executive Officer  
All Scheduled Commercial Banks (except RRBs)  
(including Small Finance Banks and Local Area Banks)

Dear Sir / Madam

**Classification of MSMEs**

Please refer to para 2.4 to 2.7 of the [Master Direction - Lending to Micro, Small & Medium Enterprises \(MSME\) Sector dated July 24, 2017](#) (as updated on July 29, 2022), inserted in terms of the [circular FIDD.MSME & NFS.BC.No.3/06.02.31/2020-21 dated July 2, 2020](#) on the new definition of MSME. The revised criteria for classification of enterprises as Micro, Small and Medium enterprises were notified by the Ministry of MSME, GoI vide [Gazette Notification S.O. 2119 \(E\) dated June 26, 2020](#). Subsequent amendment has been made to the above notification by Government of India (GoI) vide [Gazette Notification S.O. 4926 \(E\) dated October 18, 2022](#).

2. As classification / re-classification of MSMEs is the statutory responsibility of Ministry of MSME, GoI as per the provisions of the MSMED Act, 2006, regulated entities shall be guided by the notifications issued by the Ministry of MSME in this regard, from time to time.

3. Accordingly, the following amendments are made in the above Master Direction- Lending to Micro, Small & Medium Enterprises (MSME) Sector:

Existing para	Revised para
Para 2.2: All the above enterprises are required to register online on the Udyam Registration portal and obtain 'Udyam Registration Certificate'.	Para 2.2: All the above enterprises are required to register online on the Udyam Registration portal and obtain 'Udyam Registration Certificate'. For PSL purposes banks shall be guided by the classification recorded in the Udyam Registration Certificate (URC).
Para 2.4 to 2.7	Deleted

The [Master Direction](#) has been updated accordingly.

Yours faithfully

(R Giridharan)  
Chief General Manager