

Oil and Natural Gas Corporation Ltd

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Sub: Clarification regarding benefits available to Micro and Small Enterprises

In one of the tenders, a bidder submitted Udyam Registration certificate as per which the bidder was stated to be a "Small" enterprise. However, on verification of the MSE certificate on Udyam website, it was observed that the present status of bidder is indicated as "Medium" enterprise. Therefore, bidder was informed that it is not eligible for purchase preference applicable to MSE.

In this regard, reference is invited to PMC Circular 29/2020 for *Classification of Micro, Small enterprises and Udyam Registration* with which Gazette Notification No. SO 119 (E) dated 26.06.2020 from Ministry of Micro, Small and Medium Enterprises was enclosed. Para 8(5) of the said Gazette Notification, reads as under:

"In case of an upward change in terms of investment in plant and machinery or equipment or turnover or both, and consequent re-classification, an enterprise will maintain its prevailing status till expiry of one year from the close of the year of registration."

Further, Para 8(6) of Gazette Notification, reads as under:

"In case of reverse-graduation of an enterprise, whether as a result of reclassification or due to actual changes in investment in plant and machinery or equipment or turnover or both, and whether the enterprise is registered under the Act or not, the enterprise will continue in its present category till the closure of the financial year and it will be given the benefit of the changed status only with effect from 1st April of the financial year following the year in which such change took place."

In view of above, all concerned are advised to comply with above guidelines notified by Gazette Notification No. SO 119 (E) dated 26.06.2020 from Ministry of Micro, Small and Medium Enterprises.

Status of the bidder i.e. Micro/Small/Medium in the previous financial year can be verified from the Udyam registration portal.

ED-Chief MM Services

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