

30/07/2018

Using turnover, rather than Investment criteria, is a pragmatic way to Incentivise the MSME Sector. But there is flip side too. Discuss in light of MSME development (Amendment) Bill, 2018.

The MSME amendment Bill changes the definition of Small, Micro and Medium enterprises as follows.

- 1) Small Enterprise - Turnover - 5-75 Cr.
- 2) Micro Enterprise - Turnover - 5 Cr.
- 3) Medium Enterprise - 75-250 Cr.

Under the current Act the new units face a lot of disadvantage as they have to make a huge Investment to modern technologies and eventually they are kept outside MSME. with the change to turnover based definition they will have a fair competition in the Market.

In respect of annual turnover it can be verified directly from the GST Network. And it puts an end to Inspector Raj and physical verification for the old method.

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The amendment also empowers the central government to change the turnover limit with a condition that it should not exceed ~~three~~ thrice the limit specified.

It will also provide flexibility to government to fine tune classification of MSME in response to changing economic scenario without resorting to amendment of MSME development Act. It will enhance the ease of doing business and the consequent growth will pave the way for direct & indirect employment in MSME sector.

प्रश्न की संख्या
दीजिए

उम्मीदवारों को इस
हार्जिन में नहीं
लिखना चाहिए