MSME CENTRAL

Credit, Compliance & Growth | Bengaluru, Karnataka

Udyam Registration — Complete Document Checklist

Registration, Classification, and Post-Registration Benefits

Udyam Registration is the foundational MSME registration under the MSMED Act, issued by the Ministry of MSME. It is free, paperless, and permanent. This checklist covers everything you need to register correctly and leverage the benefits.

Classification Thresholds

Category	Investment (Plant & Machinery)	Annual Turnover
Micro	Up to ■1 Crore	Up to ■5 Crore
Small	Up to ■10 Crore	Up to ■50 Crore
Medium	Up to ■50 Crore	Up to ■250 Crore

Both criteria must be met simultaneously. If either threshold is exceeded, the enterprise moves to the higher category.

Documents Required for Registration

For Proprietorships

- › ■ Aadhaar Card of proprietor (Aadhaar-linked mobile number required for OTP)
- › ■ PAN Card of proprietor
- › ■ Bank account details (account number and IFSC)
- › ■ GST Number (if registered)
- › ■ NIC (National Industrial Classification) code for your activity

For Partnership Firms

- › ■ Aadhaar Card of Managing Partner (Aadhaar-linked mobile required)
- › ■ PAN Card of the firm
- › ■ Partnership Deed
- › ■ Bank account details of the firm
- › ■ GST Number (if registered)

For Private Limited / LLP Companies

- › ■ Aadhaar Card of authorised signatory (Director / Designated Partner)
- › ■ PAN Card of the company/LLP
- › ■ CIN (Company Identification Number) or LLPIN
- › ■ GST Number (mandatory for companies)
- › ■ Bank account details of the company

Common Errors to Avoid

✗ Inflated investment figures

Declaring machinery value at purchase price rather than current WDV (Written Down Value) can push a Micro enterprise into the Small category — reducing CGTMSE coverage from 85% to 75%.

✗ Turnover mismatch with GST

Udyam turnover must match GSTR-1 filed turnover. Discrepancy flags the certificate for scrutiny and can lead to downgrade or cancellation.

✗ Multiple Udyam registrations

A single PAN can hold only one Udyam Registration. Multiple registrations are illegal and result in cancellation of all.

✗ Wrong NIC code

The NIC code must accurately reflect your primary business activity. An incorrect code can affect eligibility for sector-specific schemes.

✗ Not updating annual data

Udyam data should be updated annually with current turnover and investment figures. Outdated data may affect scheme eligibility.

Benefits Unlocked by Udyam Registration

- ✓ Priority Sector Lending — lower interest rates, higher bank willingness to lend
- ✓ CGTMSE — collateral-free credit up to ■5 Crore
- ✓ Interest Subvention — 2% relief on term loans and working capital up to ■1 Crore
- ✓ MSME Samadhaan — statutory right to file delayed payment cases before MSEFC
- ✓ GeM purchase and price preference — priority in government procurement
- ✓ Karnataka state scheme eligibility — capital subsidy, electricity concession, stamp duty exemption
- ✓ EMD exemption in government tenders
- ✓ Patent and trademark fee concessions (50% reduction)
- ✓ Credit rating subsidy through Ministry of MSME
- ✓ ZED certification access and enhanced CGTMSE coverage

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