APPENDIX - C

Registration of Small Scale Units now known as Entrepreneur’s Memorandum (EM) :

This is an important Programme of GOI with the sole purpose of creating and maintaining reliable and authentic data in respect of Industrial Projects set up or proposed to be set up in the district. It serves as data for policy makers at the highest Level in the state as well central Govt. Moreover various clearances and Incentives are granted by the central or state Govt only to such SME units registered under this programme. The IIP (Index of Industrial Production) is released by the GOI on regular basis. This IIP takes indicator of Industrial Production data of SME units collected by DIC on monthly basis. These EM nos are granted at the level of GM DIC in two stages:

a. Entrepreneur’s Memorandum Part – I (EM Part – I) :

This EM no is granted to a new entrepreneur for enabling him to take various effective steps like getting power connection, Import Export License, clearance from Pollution Control Board, Bank loans & other statutory approvals. This EM no is valid for two years from the date of issue or commencement of production whichever is earlier. Obtaining EM nos is optional for Micro, Small enterprises and mandatory for Medium Enterprises. (Enterprises with Investment limit In Plant & Machinery only as up to 25 lac, up to 5 Cr, up to 10 Cr are defined as Micro Small and Medium Enterprises respectively.)

b. Entrepreneur’s Memorandum Part – II (EM Part – II) :

Once an enterprise commences its production then EM part II is granted on the request of the entrepreneur. This EM part II is also optional for Micro, Small enterprises and mandatory for Medium Enterprises. EM part II enables a entrepreneur to obtain various benefits available under the Schemes of GOI and state Govt like Capital Subsidy, Interest Subsidy, Modernization subsidy, reimbursement under ISO 9000 programme, CC limit from banks, Export Import benefits, purchase preference in Govt supplies etc.

EM part I and EM part II are granted within 5 days from the completion of documents at DIC level. There is no cost for this EM no and Formats for these EM can be obtained from the office of DIC or can be downloaded from the web site of
c. Amendments in EM Part - I and EM Part - II:

Any change in the name, constitution, location, end product or capacity of the enterprise is also incorporated at the level of DIC on the specific request of entrepreneur.

1.1 Census of Small Scale Industrial Units:

All the small scale units registered with DIC or having been granted EM no by DIC are surveyed at regular intervals as per the Guidelines of Ministry of MSME GOI. This survey is conducted by the DIC where minute details of each & every units are collected by visiting each unit. This survey gives a complete picture of Industrial scenario i.e Investment, employment, production, credit, sickness, net worth, cash flow, problems of the small scale sector. This data is then compiled by the GOI and serves as base paper for formulating policies of the GOVT for growth of Industry and employment generation.

1.2 Monitoring of IEM/FDI/FTC/Large units/Industrial Licenses/Mega projects:

a. Industrial Entrepreneur’s Memorandum:

Industrial Entrepreneur’s Memorandum is granted by GOI to the large Industrial Units having investment in plant & machinery above 10 Cr. The implementation of such IEM is monitored by the DIC and various reports are generated on monthly & quarterly basis.

b. Foreign Direct Investment:

All cases of Foreign Direct Investment are approved by GOI. The implementation of such FDI approvals is monitored by the DIC and various reports are generated on monthly & quarterly basis.

c. Foreign Technical Collaborations:

All cases of Foreign Technical Collaborations are approved by GOI. The implementation of such FTC approvals is monitored by the DIC and various reports are generated on monthly & quarterly basis.

d. Industrial Licenses:

The erstwhile procedure of granting Industrial Licenses have been dispensed by
GOI for all the Industrial activities except for 9 categories of manufacturing in the field of defense, coal, alcohol & Tobacco, white goods. The industrial License is also granted by GOI wherever location restrictions are applicable to a manufacturing enterprise. The implementation of such industrial License is monitored by the DIC and various reports are generated on monthly & quarterly basis.

e. Mega Projects :

All investment proposals above 100 Cr investments in fixed asset are granted status of Mega Project by the state Govt. The implementation of such Mega Projects is monitored by the DIC and various reports are generated on monthly basis.

f. Directory of Large & Medium Scale Units :

DIC collects information from each large & medium scale units set up in the district on annual basis covering parameters like investment, employment, production etc. This information is compiled as a Director, of large & Medium Units and published by the State Govt.

1.3 Collection of production data for IIP :

The production data are collected for a basket of Industrial units selected by GOI on monthly basis through the field staff of DIC and submitted to GOI on monthly basis. It acts as indicator for IIP index released by GOI.

1.4 Publishing Annual Reports of SME units :

DIC prepares an annual report of all registered SME units depicting investment, production, employment, category-wise as well as for rural & urban area. Monthly and quarterly reports (category wise and area wise) are also generated in respect of new units set up in the district.

1.5 De Registration of SMES :

With the passage of time many of the small and medium enterprises units closes their business due to one or another reasons. Such closed units are De Registered and data is updated accordingly and supplied to GOI & State Govt.