

Procedure of Filing of Entrepreneurs Memorandum and other matters, incidental thereto

Procedure of Filing of Entrepreneurs Memorandum and other matters, incidental thereto is as follows:

1. Form of the Entrepreneurs Memorandum can be downloaded from the internet, the address of which can be obtained from Directorate dealing with Micro, Small & Medium Enterprises of the State Governments/ UTs. or the hard copies of the same can be obtained from the District Industries Centres. This form can also be downloaded from the SIDO website i.e. www.laghu-udyog.com or www.smallindustryindia.com
2. Any person who intends to establish a micro or small enterprise, at his discretion; or a medium enterprise engaged in providing or rendering of services may, at his discretion or a medium enterprise engaged in the manufacture or production of goods shall file the Memorandum of Micro, Small or as the case may be, of Medium Enterprise with District Industries Centre of its area.
3. The District Industries Centre shall fill all the codes in the form of the Memorandum and issue an acknowledgement after allotting an EM number, date of issue and category of the unit within five days of the receipt of the form of Memorandum by post or same day, if the form of Memorandum is submitted in person as well as online.
4. Before issuing the acknowledgement, the District Industries Centres shall make sure that the form is complete in all respect and particularly the form is signed and is accompanied with an undertaking, which is a part of the form of Entrepreneurs Memorandum.
5. The District Industries Centre shall maintain record of all the Entrepreneurs Memorandum so filed in respect of micro and small enterprises and medium enterprises engaged in providing and rendering services. District Industries Centres shall forward a copy of the Entrepreneurs Memorandum so filed with EM number allotted to the Small Industries Service Institutes of their State/Jurisdiction.
6. The District Industries Centre shall maintain record of all the Entrepreneurs Memorandum so filed in respect of medium enterprises engaged in production/manufacturing of products and forward one copy each of the Entrepreneurs Memorandum with EM number allotted to Small Industries Service Institutes of their State/Jurisdiction and to Joint Development Commissioner (MSME Pol.) in the Office of the Development Commissioner (Small Scale Industries).
7. The form of Memorandum is in two parts. Any person who intends to establish a micro, small or medium enterprise engaged in providing or rendering of services may file or those who want to establish medium enterprise engaged in the production or manufacture of products shall file Part 1 of the Entrepreneurs Memorandum to District Industries Centre.

8. Once the above enterprises start production or start providing or rendering services, they should file Part II of the Entrepreneurs Memorandum to District Industries Centre.
9. In case of non-filing of Part II of the Entrepreneurs Memorandum within two years of the filing of Part I, the Memorandum (Part I) filed by the entrepreneur will become invalid.
10. In case of change in the investment in plant and machinery or in equipment, the enterprises who have already filed Entrepreneurs Memorandum should inform the District Industries Centre of the same in writing within one month of the change in investment.
11. In case of change of products and that of services or addition in products or services, the enterprises who have already filed Entrepreneurs Memorandum should inform the District Industries Centre of the same in writing within one month of the change.
12. The District Industries Centre shall, in addition of keeping a record, in writing, shall also maintain records electronically on computer.
13. The Acknowledged Entrepreneurs' Memorandum shall be liable to be cancelled in case the unit is found closed for more than 6 months or furnished wrong information in the Entrepreneurs' Memorandum filed or did not follow the instructions at serial number 10 of this Schedule (to be initialed based on any complaint in writing followed by an enquiry under an official not below the authority notified for accepting the Entrepreneurs' Memorandum under the provisions of sub-sections (3) and (4) of section 8 of the said Act.
14. The enterprise has to file the Entrepreneurs' Memorandum Part II again, in case, the status of the enterprise changes from micro to small or small to medium or vice versa, as a result of enhancement/decrease in, the investment in plant and machinery/equipments. In such cases, the acknowledgement issued earlier need to be cancelled and the letter of cancellation along with the copy of the cancelled acknowledgement (certified) should be provided to the industrialist so that it may take benefit, if any, for that period of functioning.
15. Out of the three copies of the Entrepreneurs' Memorandum filed by the Micro and Small enterprises (both manufacturing and service), first should be retained by die District industries Centre, second returned to the Enterprise with Entrepreneurs' Memorandum No. allotted, and third should be forwarded lo Micro, Small and Medium Enterprises Development Institute concerned.
16. Out of the four copies of the Entrepreneurs' Memorandum filed by the medium enterprises (both manufacturing and service), first should be retained by the District Industries Centre, second returned to the Enterprise with Entrepreneurs' Memorandum No. allotted, third forwarded to Micro, Small and Medium Enterprises Development Institute concerned and fourth copy should be forwarded to the Micro, Small and Medium Enterprises Policy Division of the Development Commissioner (Micro, Small and Medium Enterprises), 7th floor, A Wing, Nirman Bhavan, New Delhi.
17. In ease of companies as defined in Companies Act, 1956, (1 of 1956) cooperative/partnership firms and trusts, the change of name of the enterprise, if any, should be informed to General Manager, District Industries Centre or the authority notified for filing of Entrepreneurs' Memorandum in the State/UT within, three months of change. In case of ownership firms, the same should be communicated within three months of effecting the change in name along with an affidavit.