

Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion

PRESS RELEASE

Subject: Filing of Industrial Entrepreneurs Memorandum (IEM) - regarding

Under the provisions of Press Note No. 9 (1991 Series) dated 2nd August 1991, entrepreneurs are required to submit an Industrial Entrepreneurs Memorandum (IEM) in the prescribed form alongwith the prescribed fee for undertaking the manufacture of any article exempted from Industrial Licence in terms of this Ministry's notification No. 477 (E) dated 25.7.1991. Such a memorandum was also to be filed by industrial undertakings engaged in non-scheduled industries i.e those not covered under the I(D&R) Act, 1951. On filing the memorandum with the requisite number of copies, entrepreneurs are given an acknowledgement of receipt.

2. It was clarified by Press Note No. 22 (1991 Series) dated 24th December, 1991 that the IEM was intended purely for statistical purposes and to conduct a limited post-facto check to see whether the proposed manufacturing activity requires an industrial license or not. It was also clarified that the procedure was not in the nature of any registration involving scrutiny of the memorandum, etc.

3. Press Note No. 17 (1997 Series) dated 28.11.1997 further clarified that acknowledgement of the IEM, which is given on the spot on prima facie evidence of not attracting licensing provisions, cannot be construed as a clearance or approval to carry on an industrial activity contemplated in the IEM unless the provisions of statutes/regulations/notifications etc. issued by the Central or State Governments from time to time or any specific directions or Stay orders issued by the Court/Competent Authority relevant to such an activity, are also fully complied with or in no way contravened, as the case may be. Hence, it was stated that it is the responsibility of the entrepreneur to ensure that the manufacturing activity as specified in the IEM, does not come into conflict with other legal provisions or directions or standing orders. In case of doubt, the entrepreneurs were free to seek clarification/avail assistance of the Secretariat of Industrial Assistance (SIA).

4. In continuation of the position mentioned in the Press Notes 22 (1991 Series) & 17 (1997 Series), it is reiterated that the IEM is meant purely for statistical purposes and the acknowledgment is issued without any further scrutiny beyond checking that all the requisite columns in the Form are filled in, and the onus for compliance/non-contravention with all the rules, regulations, guidelines, orders and directions etc., on the subject lie with the applicant.

F.No.7(7)/2011-IP

New Delhi, the 17th January, 2012

Forwarded to the Press Information Bureau for giving wide publicity to the above Press Release.

Copy to:

- 1 All Ministries/Departments, Government of India .
- 2 All Secretary (Industries) to the State Governments/ Union Territories.
2. Industry Associations.


(K.K. Guite)

Under Secretary to the Govt. of India
Tele: 2308 3088
