INDUSTRIAL INVESTMENT INTENTIONS IN THE LICENSABLE AND DELICENSED SECTORS FOR THE MONTH OF MAY 2010 AND CUMULATIVE POSITION SINCE AUGUST 1991

Highlights- MAY 2010

- In the delicensed sector, 332 Industrial Entrepreneur Memoranda (IEMs) with proposed investment of Rs 1,41,511 crore have been filed.
- *Maharashtra, Andhra Pradesh and Gujarat* were the leading States in terms of the Number of IEMs filed. However, in terms of amount of proposed investment through IEMs, the three leading states were *Karnataka, Andhra Pradesh and Chhattisgarh.*
- In the licensable sector, No LOI/DIL has been issued during the month.
- Investment intentions for licensable and delicensed sectors taken together reflect preference for *Electrical Equipments, Metallurgical Industries and Fuel* with investment of Rs. 59,399 crore, Rs. 30,330 crore and Rs. 23,108 crore respectively.

During the period August 1991 to May 2010, 86,258 Industrial Investment Intentions, in the licensed and the delicensed sectors, for new units/ new articles or for substantial expansion have been recorded. These intentions involve a proposed investment of Rs., 66,13,885 crore and employment for 1,88,09,131 persons.

- i. Delicensed Sector

**Industrial Entrepreneurs Memoranda (IEMs)**

Ø During the post liberalisation period 81,788 IEMs have been filed with a proposed investment of Rs. 64,81,308 crore and projected employment for 1,78,46,693 persons.

Ø Since January 2006 to May 2010, 19,280 IEMs have been filed with Proposed investment of Rs. 47,04,438 crore and Employment for
67,32,206 persons.

Ø In the year 2010 (January and May), 1850 IEMs have been filed with proposed investment of Rs. 7,25,974 crore and employment for 5,42,577 persons.

Ø In May 2010, 332 IEMs with proposed investment of Rs. 1,41,511 crore have been filed as against 372 IEMs with an investment of Rs.1,29,258 crore during the previous month.

Ø Leading industrial segments during May 2010 in attracting investments in terms of IEMs filed were Electrical Equipments, Metallurgical Industries and Fuels.

Ø On a cumulative basis, 18% of the total IEMs filed since August 1991 is in the state of Maharashtra, 12% in Gujarat, 9% in Tamil Nadu.

**Implementation of IEMs**

Since the inception of IEM Scheme till the end of May 2010, a total of 8810 IEMs with an investment of Rs. 3,07,198 crore and employment for 15,30,478 persons have reported implementation.

During the year, since January to May 2010, 342 IEMs with proposed investment of Rs.19,094 crore and employment for 86,531 persons have reported implementation.

**ii. Licensed Sector**

**Letters of Intent (LOIs)**

Since August 1991 till the end of May 2010, a total of 3,971 LOIs with a proposed investment of Rs. 1, 09,710 crore and proposed employment for 8,51,917 persons have been issued.

**Industrial Licences (DILs)**

As a measure of simplification of procedures, the Department is now issuing Industrial Licences directly against applications except for those items which are exclusively reserved for Small Scale Industries.

Since November, 2003, 499 such Direct Industrial Licences (DILs) have been issued with a proposed investment of Rs.22,867 crore
and employment for 1,10,521 persons.

26 DILs with proposed investment of Rs.1961 crore have been issued during the period from January to May 2010.

iii. **Scheduled Industrywise distribution of Investment Intentions**
Industrywise distribution of investment intentions since August 1991 continues to reflect preference for electrical equipments, metallurgical industries and chemicals (other than fertilizers).