

PROCEDURE FOR STARTING A NEW ENTERPRISE

PROCEDURE	DESCRIPTION
PREPARATION OF PROJECT REPORT	For the line of activity chosen by the Entrepreneur, a technically feasible economically viable Industrial Project Report to be prepared. The Entrepreneur may seek the assistance from State Govt. agencies like DIC, APSFC; Central Govt. agencies like MSME-Development Institute (Formerly Small Industries Service Institute-SISI), NSIC etc.
FINANCE	The Entrepreneur may preferably obtain the consent of a financing agency such as APSFC or any Commercial Bank for the required loan amount.
REGISTRATION	<ul style="list-style-type: none"> To set up a Micro/Small/Medium Enterprise, the Entrepreneur has to file Entrepreneur's Memorandum Part -A (online at www.apindustries.gov.in) with concerned District Industries Centre of the District & obtain Acknowledgement. To set up a Large Enterprise, the Entrepreneur has to file Industrial Entrepreneur's Memorandum Part -A with concerned District Industries Centre, Department of Industrial Policy & Promotion, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi & obtain Acknowledgement. If the Large Enterprise comes under Schedule II Industries, the Entrepreneur has to obtain Industrial License.
LAND	The Entrepreneur can set up the Industry in APIIC's land or Private Land or Government Land through District Industries Centre. The procedure for obtaining APIIC's land is as follows. The Entrepreneur has to apply online for the APIIC land at www.apindustries.gov.in . Land upto 5 Acres or 1 crore value will be allotted by the ZM, APIIC. Land more than 5 Acres and more than 1 Crore value will be allotted by the MD, APIIC.
APPROVALS	After Executing the Sale Agreement with APIIC / Procuring the Private or Government Land, the Entrepreneur has to obtain all statutory approvals & Clearance from the competent authorities through the Single Desk Portal (www.apindustries.gov.in).
COMMENCEMENT OF OPERATIONS	<ul style="list-style-type: none"> After obtaining all the approvals from the competent authorities, the Entrepreneur has to start civil construction & place orders for the machinery. After completing civil construction & erection of the Machinery, the Entrepreneur has to commence Commercial Production. After Commercial Production, in respect of Micro/Small / Medium Enterprise the Entrepreneur has to file Entrepreneur's Memorandum Part -II (online at www.apindustries.gov.in) with concerned District Industries Centre of the District & obtain Acknowledgement to be obtained. In case of a Large Enterprise, the Entrepreneur has to file Industrial Entrepreneur's Memorandum Part -B with concerned District Industries Centre, New Delhi & obtain Acknowledgement. After obtaining EM-Part-II/IEM Part-B Acknowledgement, the Entrepreneur has to execute the Sale Deed with the concerned District Industries Centre. Within Six months after the Commencement of Commercial Production the Entrepreneur has to file all A.P.C. Incentive Claim Applications with the concerned District Industries Centre of the District.
DEFINITION OF INDUSTRIES	Micro / Small / Medium / Large Enterprise means an Enterprise in which the investment in plant & machinery is upto Rs.5 Crores /Rs.10 Crores / above Rs.10 Crores, respectively.
SCHEDULE I INDUSTRIES	These are the Industrial Activities reserved by the Government of India for Public Sectors. e.g.:-Arms & Ammunition, Atomic Energy, Coal, Lignite, Mining of Gold, Diamonds, Railways.
SCHEDULE II INDUSTRIES	These are the Industrial Activities which need to obtain compulsory License from the Government of India. E.g. m. explosives, Alcohol, Cigarettes.
SCHEDULE III INDUSTRIES	These are the Industrial Activities which are exclusively reserved for Small Scale Sector. E.g. Aluminium Utensils.