

## GUIDELINE ON APPLICATION FOR EXEMPTION FROM MANUFACTURING LICENCE

### 1. INTRODUCTION

- 1.1. The Industrial Co-ordination Act, 1975, defines manufacturing activities as “...*the making, altering, blending, ornamenting, finishing or otherwise treating or adapting any article of substance with a view to its use, sale, transport, delivery or disposal and includes the assembly of part and ship repairing but shall not include any activity normally associated with retail or wholesale trade.*”\*
- 1.2. A company with **shareholders’ fund not exceeding RM2.5 million and employing not more than 75 full-time paid employees\***, may apply for an exemption from Manufacturing Licence.
- 1.3. The project must be consistent with the national economic and social objectives and promotes an orderly development of manufacturing activities in Malaysia.

**\*Note**

1. *"Shareholders' funds" are the aggregate amount of a company's paid-up capital, reserves, balance of share premium account and balance of profit and loss appropriation account.*
2. *"Full-time paid employees" refers to all persons normally working in the establishment for at least six hours a day and at least 20 days a month for 12 months during the year and receives salary. This includes traveling sales, engineering, maintenance and repair personnel who are paid by and are under the control of the establishment. It also includes directors of incorporated enterprises except those paid solely for their attendance at board of directors meetings.*

### 2. APPLICATION PROCEDURE

- 2.1. Applications should be made online through **MIDA e-Manufacturing Licence** portal at the following URL:

<https://eml.mida.gov.my/>

- 2.2. For enquiries and clarification, please refer to:

Website : [www.mida.gov.my](http://www.mida.gov.my)  
Tel : 603-2267 3633  
Fax : 603-2274 7970 / 2273 4204  
E-mail : [investmalaysia@mida.gov.my](mailto:investmalaysia@mida.gov.my)