

# Centre tweaks PLI white goods scheme norms for smooth ops

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The central government has introduced changes to the rules governing the production-linked incentive (PLI) scheme for white goods, specifically air conditioners and light-emitting diode lights, with the goal of 'simplifying the scheme's operations' and promoting the ease of doing business, according to a statement on Wednesday.

These changes include investment criteria for determining eligibility, extending the

deadline for filing claims to receive incentives, permitting administrative ministry visits to manufacturing facilities, and extending the time frame for the establishment of additional manufacturing facilities, among other adjustments.

These modifications have been implemented based on a variety of recommendations from both beneficiaries and industry associations.

According to the revised guidelines released by the Department for Promotion of Industry and Internal Trade

(DPIIT), the verification of eligibility claims and the recommendation of incentive disbursements will now be handled by project management agencies, which are responsible for implementing the scheme.

The cost-plus method will replace the comparable uncontrolled price (CUP) method for calculating sales prices in cases of captive consumption or supplies to group companies.

The statement notes, "The adoption of the cost-plus method in place of CUP method for calculating sales

prices in cases of captive consumption or supplies to group companies. This change also required an amendment to the definition of 'arm's length'."

The bank guarantee must be rolled over before the expiry of the existing bank guarantee during the scheme's tenure, a practice that was previously disallowed. Companies are now required to file claims for incentive disbursement by January 15 of the following financial year, instead of the previous deadline of October 31.