

प्रेषक,

अनुराग यादव
प्रमुख सचिव,
उ०प्र० शासन।

सेवा में,

प्रबन्ध निदेशक
उ०प्र० इलेक्ट्रॉनिक्स कॉर्पोरेशन लि०,
10 अशोक मार्ग, लखनऊ।

आई०टी० एवं इले० अनुभाग-०१

लखनऊ: दिनांक-18 फरवरी, 2026

विषय: Related Party Transactions के विषय में पूंजी उपादान हेतु प्रक्रिया।

महोदय,

वर्तमान में प्रचलित उत्तर प्रदेश इलेक्ट्रॉनिक्स विनिर्माण नीति में "संबंधित पक्ष लेनदेन" (Related Party Transactions) के विषय से सम्बन्धित निवेश के मूल्यांकन और उक्त को संज्ञान में ले कर प्रोत्साहन अनुमन्य करने के विषयगत प्रक्रिया हेतु कोई उल्लेख नहीं है। इस विषय में पूंजी उपादान के प्रकरणों में इस बिंदु (Related Party Transactions) के विषयगत नोडल एजेंसी अथवा विभाग स्तर पर कोई पूर्व में दिशानिदेश होना नहीं पाया गया। राज्य की विभिन्न पूंजी निवेश प्रोत्साहन सम्बन्धी योजनाओं में भी कोई मार्गदर्शिका इस विषयगत नहीं पाई गयी।

2. Related Party Transactions के विषय में THE INSTITUTE OF COMPANY SECRETARIES OF INDIA द्वारा प्रकाशित सामग्री https://www.icsi.edu/media/webmodules/GN5_Guidance_Note_on_Related_Party_Transactions.pdf पर उपलब्ध नोट का अवलोकन/अध्ययन किया गया। उक्त विस्तृत नोट में निम्न मुख्य बिंदु सार के रूप में इस विषय को रेखांकित करने हेतु इंगित हैं :

"Related Party Transactions (RPTs) are a normal feature of present day commercial activities. Apart from unrelated parties, companies do their business activities through various subsidiaries, associates and joint venture companies which are treated as related parties. Transactions between related parties may not be made on the same terms as between unrelated parties. By virtue of existing relationship, related party may get favourable treatment in terms of pricing or other conditions which may affect the financial position or profitability of the company concerned. RPTs need not always be disadvantageous to the parties concerned. The concern arises only when there is an abuse arising out of RPTs on account of conflict of interest and non-arm's length dealings. RPTs raise important concerns and hence transparency in such transactions

is essential. The law contains detailed compliance and disclosure provisions with respect to RPTs. The restrictions imposed by the Companies Act, 2013 ("the Act") as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are reasonable to avoid a conflict of interest between the company and the related parties."

3. चूँकि Related Party Transactions सामान्य व्यावसायिक क्रियाकलाप का अंग हो सकता है, अतः इस विषय में स्थिति स्पष्ट किये जाने हेतु केंद्र सरकार के इलेक्ट्रॉनिकी और सूचना प्रौद्योगिकी मंत्रालय द्वारा अधिसूचित रही विभिन्न प्रोत्साहन नीतियों के अंतर्गत वर्णित प्राविधान का भी अवलोकन किया गया।

4. एमसिप्स (MSIPS) Modified Special Incentive Package Scheme (M-SIPS),

योजना अंतर्गत निर्गत किया गया प्राविधान संलग्नक A पर दृष्टव्य है।

Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) योजना अंतर्गत निर्गत किया गया प्राविधान संलग्नक B पर दृष्टव्य है।

मंत्रालय द्वारा निर्गत Guidelines for the Operation of the Electronics Component Manufacturing Scheme जो कि अद्यतन योजना है (वर्ष 2025 में लागू), उक्त अंतर्गत योजना की परिभाषा में मनिम्न वर्णित है:-

Related Party/Parties: *The term 'related party' shall be defined in Accounting Standard 18: Related Party Disclosures or Indian Accounting Standard (Ind-AS)-24 Related Party Disclosure, as may be applicable to the applicant, as notified by Ministry of Corporate Affairs or any other appropriate authority from time to time.*

अग्रेतर इस विषय में योजना की गाइडलाइन्स के प्रस्तर 20.1 से 20.4 में निम्न प्राविधान है :-

Related Party Transactions (RPT)

-The applicant shall comply with the rules under the Companies Act and Income Tax Act related to RPT and submit a statutory auditor certificate in prescribed format on the online portal. For international RPT, the Form 3CEB filed by applicant shall be considered as the reference document. For domestic RPT, the applicant shall submit a management undertaking stating that arm's length price has been considered for RPT and the mechanism to assess the arm's length price is consistent throughout the scheme tenure and the base year. PMA may ask for additional documentation, if required.

- The assessment under Income Tax Act and other regulatory statues takes time to complete and invariably happens long time after claim of the incentive. Therefore, the applicant shall submit an undertaking to PMA/MeitY stating that if any adjustment is made w.r.t related party transaction having an impact on the incentive disbursed, the excess amount disbursed shall be refunded as per para 19.9 of scheme guidelines.

- As the scheme guidelines allow the applicant to file the claim as soon as threshold sales and investment criteria are met; therefore, an incentive claim can be filed for the period ended 30th June, 30th September, 31st December or 31st March (i.e. at the end of quarter in which applicant meets the threshold criteria). Since the compliances under IT Act are to be completed in the subsequent Financial Year, 80% of the incentive on the related party sales/ investment on the claims filed before the due date for filing Form 3CEB shall be considered for release. The applicant shall be required to submit an indemnity bond for the same before disbursement of incentives.

- Balance 20% of the incentive shall be released after completion of such compliances and submission of SA certificate as per the standard format of the certificate for related party transaction.

5. उक्त प्रस्तर -4 में केंद्र सरकार की विभिन्न योजनाओं में उल्लिखित प्राविधानों से स्पष्ट है कि इस विषय में यह सुनिश्चित होना चाहिए कि संबंधित पक्ष लेनदेन (Related Party Transactions) से जुड़े निवेश और भुगतान /लेनदेन आर्म्स लेंथ प्राइसिंग (at Arm's Length pricing) पर हों और कंपनी अधिनियम, 2013, आयकर अधिनियम, 1961 और प्रासंगिक लेखा मानकों (Ind AS 24, AS 18) जैसे लागू कानूनों के अनुरूप हों।

अतः इस विषय में अग्रेतर प्रस्तरों में वर्णित व्यवस्था के अनुसार नोडल एजेंसी द्वारा आई टी इलेक्ट्रॉनिक्स विभाग की विभिन्न पूंजी उपादान नीतियों हेतु Related Party Transactions से सम्बंधित पूंजी निवेश विषयक प्रकरण पर कार्यवाही की जाएगी।

6.(i) "संबंधित पक्ष लेनदेन(Related Party Transaction)" का अर्थ आवेदक इकाई और संबंधित पक्ष के बीच संसाधनों, सेवाओं या दायित्वों के हस्तांतरण से संबंधित कोई भी लेनदेन होगा, जैसा कि कंपनी अधिनियम, 2013 की सुसंगत धारा अथवा आयकर अधिनियम के तहत या लागू लेखांकन मानक (Ind AS 24, AS 18) के तहत परिभाषित किया गया है जो समय समय पर अद्यतन रूप से यथा संशोधित होने के अनुसार प्रभावी होगा।

6(ii) निवेशक (प्रोत्साहन के लिए आवेदनकर्ता कंपनी) को Related Party Transaction के विषय में यथा सुसंगत फॉर्म 3 सीईबी (अंतर्राष्ट्रीय) में ट्रांसफर प्राइसिंग (टीपी) प्रमाणपत्र या समकक्ष दस्तावेज (घरेलू होने की दशा में) जमा करने होंगे।

6(iii) इस विषय में सम्बंधित निवेशक के CA का एक प्रमाण पत्र इस आशय का उपलब्ध कराया जायेगा कि Related Party Transaction के विषय में समस्त संबन्धित प्राधिकारी को विधि के अनुसार प्रभावी प्राविधान के अनुपालन विषयक सूचना सुसंगत प्रारूपों पर कंपनी द्वारा दिए जाने के साथ ही इसका उल्लेख Indian Accounting Standard के सुसंगत प्राविधान के अनुसार किया गया है और आयकर अधिनियम के प्राविधान का अनुपालन संबन्धित लेन-देन में नियमों के अनुरूप किया गया है।

6(iv) मूल्यांकन की तिथि से पहले संबंधित पक्षों को किए गए वास्तविक भुगतानों पर ही विचार किया जाएगा।

6(v) आरपीटी से जुड़ा प्रोत्साहन दो किस्तों में वितरित किया जाएगा - शुरुआत में 80% तक बैंक गारंटी अथवा क्षतिपूर्ति बंध-पत्र (an Indemnity Bond) के सापेक्ष (जो कि पूंजी

उपादान के मूल्यांकन में अनुमोदित संबंधित पक्ष लेनदेन पर अनुमन्य प्रोत्साहन राशि के समतुल्य होगा) और शेष 20 % आयकर/टीपी मूल्यांकन पूरा होने के विषय में CA प्रमाण पत्र दिए जाने के बाद देय होगा।

6(vi) मूल्यांकन एजेंसी (Valuer) निवेश सत्यापन रिपोर्ट में आरपीटी (Related Party Transaction) निवेशों की अलग से रिपोर्ट करेगी।

6(vii) आवेदक अपने अधिकृत प्रतिनिधि /CFO के माध्यम से कंपनी के लेटरहेड पर यूपीएलसी को एक वचनबद्धता प्रस्तुत करेगा। वचनबद्धता में यह शामिल होगा कि यदि आयकर प्राधिकरण अथवा कोई अन्य विधिक अथवा सक्षम प्राधिकारी द्वारा इस विषयगत (Related Party Transactions) सम्बंधित किसी व्यय को अस्वीकार करता है, तो आवेदक तुरंत यूपीएलसी (नोडल संस्था) को सूचित करेगा और अस्वीकार किए गए व्यय पर दावा की गई किसी भी सब्सिडी राशि के साथ-साथ 3 वर्ष की एसबीआई एमसीएलआर दर पर त्रैमासिक चक्रवृद्धि ब्याज (जैसा कि पूरी अवधि के दौरान लागू हो, अर्थात यूपीएलसी (नोडल संस्था) द्वारा अतिरिक्त भुगतान और आवेदक द्वारा उसकी वापसी तिथि के बीच की अवधि) की प्रतिपूर्ति करेगा।

7. कृपया पूंजी उपादान के प्रोत्साहन से जुड़े मूल्यांकन हो चुके प्रकरणों में संबंधित पक्ष लेनदेन (Related Party Transactions) से जुड़े राशि पर देय प्रोत्साहन के मामलों में वर्णित बिंदु के अनुसार प्रक्रिया अंगीकृत कर कार्यवाही करने का कष्ट करें और अग्रेतर मूल्यांकन होने वाले प्रकरणों में उक्त प्रक्रिया पूंजी निवेश के प्रकरण में Related Party Transaction के लिए अपनाते हुए प्रोत्साहन अनुमन्यता की जाएगी। आपकी सुविधा के लिए कंपनी के द्वारा और कंपनी के CA के द्वारा प्राप्त किये जाने वाले सूचना विषयक प्रारूप का एक suggestive format इस पत्र के साथ संलग्न किया जा रहा है (संलग्नक 1 व 2)। बैंक गारंटी अथवा Indemnity Bond के प्रारूप को आप यथावश्यकता वर्णित बिन्दुओं के दृष्टिगत अपने स्तर से प्राविधानित कर लेंगे।

संलग्नक: यथोक्त।

भवदीय,



(अनुराग यादव)

प्रमुख सचिव

संख्या व दिनांक तदैव।

प्रतिलिपि निम्नलिखित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित:-

1. प्रमुख स्टॉफ ऑफिसर, मुख्य सचिव, उ०प्र० शासन।
2. अवस्थापना एवं औद्योगिक विकास आयुक्त, उ०प्र० शासन।
3. अपर मुख्य सचिव, वित्त विभाग, उ०प्र० शासन।
4. अपर मुख्य सचिव, अवस्थापना एवं औद्योगिक विकास विभाग, उ०प्र० शासन।
5. प्रमुख सचिव राज्यकर विभाग/ नियोजन विभाग/ न्याय विभाग/ उ०प्र० शासन।
6. सी०ई०ओ०, इन्वेस्ट यूपी, पिकप भवन, विभूती खण्ड, गोमती नगर, लखनऊ।
7. सम्बंधित अनुभाग, आई टी एवं इलेक्ट्रॉनिक्स विभाग।

(अनुराग यादव)

प्रमुख सचिव

REPORT ON RELATED PARTY TRANSACTIONS BY CA

To,
UP Electronics Corporation,
Lucknow.

We,, Chartered Accountants, acting in the capacity of the CA for the company, have reviewed the related party transactions of (“the Company”) related to the claims filed for capital subsidy under UP Electronics Manufacturing Policy (Updated). We hereby certify that the Related Party Transactions are in compliance with the applicable provisions of the Indian Accounting Standards (Ind AS), the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on our review, we hereby certify the following:

- a) All Related Party Transactions have been conducted on an arm’s length basis and in the ordinary course of business with prior approval of Audit Committee.
- b) The Related Party Transactions have been carried out in accordance with the limit of omnibus approval granted by the Audit Committee in line with the provisions of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c) There have been no material Related Party Transactions during the claimed investment period that would require approval under the relevant provisions of the SEBI (LODR) Regulations, 2015.
- d) All Related Party Transactions are in compliance with the Indian Accounting Standards, the Companies Act, 2013, and SEBI (LODR) Regulations, 2015.
- e) All Related Party Transactions are in compliance and reported with relevant provisions of Customs Act/Income Tax Act and there has been no disallowance for any amount by any authority on account of the amount being Related Party Transaction.
- f) All Related Party Transactions are reported to relevant authorities and have been filed in statutory audit and filed with other such authorities as per provisions mandated according to relevant legal provisions.

Yours faithfully,

For [Firm Name],

Chartered Accountants

[Name of the Authorized Signatory]

[Designation] [Membership No.] UDIN :

FORMAT OF UNDERTAKING (on letter head of Company)
(to be submitted by the applicant before the disbursement of incentives against RPTs)

1. We, _____ hereby acknowledge that the incentives that would / may be provided to us against Related Party Transactions under the U P, Electronics Manufacturing Policy 2020 (First Amendment), notified by the Department of IT and Electronics, Government of Uttar Pradesh vide Government Order No 1922/78-1-2023-05IT/2020 dated 7 December 2023, will be provided to us based on, and after relying upon the information provided by us to avail the said incentives.
2. We hereby confirm that the information provided by us for availing the said incentives is true, correct and complete in all respects and that no material fact / information that may have an adverse impact on the information provided by us for availing the said incentives has been concealed. We acknowledge and confirm that the foregoing averment is on an on-going basis and further undertake to immediately appraise the UPLC about any change in the status of the information provided by us to avail the said incentives.
3. In case of all Related Party Transactions, we understand that the decision on approval/ rejection of the certificate and its amount shall be based on the final assessment by the Income Tax Authority. With regard to the aforesaid transactions, we hereby undertake the following:
 - i. In case the Income Tax authority disallows any item, then we will inform UPLC immediately and will reimburse UPLC for any subsidy amount claimed on the disallowed expenditure along with the compound interest (compounding quarterly) calculated at 3 years SBI MCLR (as applicable period between excess payment by UPLC and date of refund of the same by the applicant).
 - ii. To avail the incentive corresponding to the related party transaction, we further undertake to provide Bank Guarantee / Indemnity Bond (attached herewith)

**the bank guarantee / Indemnity Bond shall clearly be equivalent to the amount of incentives that is due against the RPT amount as approved by the Valuer and competent authority in this regard.*

File no. 27(86)/2014-IPHW
Government of India
Ministry of Electronics and Information Technology

Dated: 09.09.2019

**Guidelines for Disbursement of Incentives against Related Party Transactions (RPTs)
under Motified Special Incentive Package Scheme(M-SIPS)**

1.0 Background

1.1 Modified Special Incentive Package Scheme(M-SIPS), hereinafter called "Scheme", to encourage investments in the Electronic System Design and Manufacturing sector in India was notified vide notification no. 175 dated 27-07-2012 in Part-1, Section 1 of the Gazette of India(Extraordinary) [File no. 24(10/ IPHW]. In pursuance of para 6.2 of the said notification and for effective functioning of the scheme, M-SIPS guidelines dated 07-10-2012 were laid down.

1.2 Paragraph 13.1 of the aforesaid guidelines states that- "*separate guidelines will be issued with regard to disbursement of incentives under the scheme*". In pursuance of the said para 13.1, separate disbursement guidelines were issued vide notification no. 27(42)/2013-IPHW dated 04-06-2014. Guidelines on incentive disbursal against Related Party Transactions(RPTs) have been mentioned at para 4.10 and 6.7 which are reproduced below:

Para 4.10:

"For building works, plant, machinery & equipment (including erection and commissioning of the same, tools, dies, moulds, jigs, fixtures and parts, accessories, components, spares of the plant and machinery or equipment) purchased / leased from Group Companies / 'related entities':

- i) *Transfer pricing certificate (for domestic and / or international procurement) as required for income tax purposes must be provided by the Applicant. This should be submitted in accordance with the methodology as per Income Tax laws, even if not required by tax laws.*
- ii) *The decision on approval / rejection of the certificate and its amount shall be based on the final assessment by Income Tax Authority. In case the Income Tax Authority makes any changes to the acceptability of the Transfer Pricing certificate during the assessment process, then the onus lies on the Applicant to inform to DeitY immediately and reimburse DeitY for any subsidy amount claimed on the disallowed expenditure."*

Para 6.7:

"The decision on approval / dis-approval of the Transfer Pricing Certificate (if submitted) and its amount shall be based on the final assessment by Income Tax Authority. In case the disbursement is made prior to the assessment and the decision is

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against the Applicant, then the onus lies on the Applicant to inform to DeitY immediately and reimburse DeitY for any incentives amount repayable along with interest, as may be decided by DeitY".

2.0 In furtherance of Para 4.10 and Para 6.7 of the aforesaid guidelines, the following guidelines provide the mechanism for release of incentives against Related Party Transactions under M-SIPS:

2.1 The applicant shall submit all relevant documents (e.g.: Transfer Pricing Certificate in form 3CEB for International/Domestic Related Party Transactions) submitted to Income Tax Department w.r.t Related Party Transactions. Even if filing of Transfer Pricing Certificate is not mandatory, for M-SIPS, the same has to be submitted to Ministry of Electronics and Information Technology (MeitY).

2.2 The applicant shall submit an unconditional, irrevocable Bank Guarantee from a Scheduled Commercial Bank for an amount equivalent to the incentive amount on the approved Related Party Transactions. The validity of the Bank Guarantee shall be for 5 years initially from date of release of sanction letter for incentive. The format of the Bank Guarantee is as per Annexure A.

2.3 The applicant through its authorized representative shall submit an undertaking to MeitY on the company's letterhead. The undertaking shall cover the following points:

2.3.1 In case the Income Tax authority disallows any expenditure, then the applicant shall inform MeitY immediately and will reimburse MeitY for any subsidy amount claimed on the disallowed expenditure along with the interest calculated at 3 years SBI MCLR compounded quarterly (as applicable during the entire period i.e. period between excess payment by MeitY and date of refund of the same by the applicant).

2.3.2 If the income tax assessment is not completed within a period of 4 years and six months from the start of the validity of Bank Guarantee, the applicant shall submit a fresh Bank Guarantee for an equal amount and period to the satisfaction of MeitY MeitY. In the event of failure to do so, MeitY shall have the option to invoke the earlier submitted Bank Guarantee by issuing a notice for taking requisite action within one month from the date of issue of letter.

2.3.3 Even if the notice is not issued to the Applicant, the Applicant is legally bound to renew the BG, failing which MeitY may invoke the BG. The format of the undertaking is at Annexure B.

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- 2.4 In order to ensure proper custody and regular monitoring of the validity of the Bank Guarantee and issuing alerts to the applicant companies where BG validity is likely to expire in the following six months, MeitY may either do the monitoring by itself or entrust this work to the verification agency.
- 2.5 While considering disbursement claims, the applicant company shall invariably provide the details/status of assessment by Income Tax authority in respect of RPTs for which incentives have been disbursed by MeitY in the previous claims. Further, the applicant should provide the status of assessment by IT authorities in respect of RPTs in the Quarterly Progress Reports (QPRs).
- 2.6 The applicant shall provide the status of assessment of RPTs by Income Tax authorities in the Quarterly Progress Reports (QPRs) on regular basis.

Vandana
(Vandana Srivastava)
Scientist 'F'/Director
Tel.: 011-24369604

To,

1. All concerned Ministries/Department of Govt. of India
2. Cabinet Secretariat
3. PMO
4. Secretary, MeitY
5. AS & FA, MeitY
6. PPS to MEIT
7. PPS to MoS(E & IT)

Copy to:

1. All industry associations
2. MeitY website
3. MSIPS e-portal

Scheme for Promotion of Manufacturing of
Electronic Components and Semiconductors (SP EES)

GoDna-B
Date: 14th June,
2020

File No: W-18/30/2019-IPHW-Meity

13.3. The PMA shall disburse the funds immediately upon completion of all pre-disbursal formalities by the Applicant.

13.4. The disbursement of incentive may be in the form of Direct Bank Transfer.

13.5. The incentive against the eligible capital expenditure shall be released after the approval of the claim for incentive by PMA, subject to capital expenditure meeting the minimum threshold value and commencement of commercial production, and compliance to other terms and conditions stipulated in the Scheme / Guidelines / Approval Letter.

13.6. The PMA shall furnish information to EC with details of Claims received for incentive, Claims approved, amount disbursed, and reasons for rejection / delay in disbursement of the incentive on a quarterly basis.

13.7. In the event of disbursement of excess claim, the applicant shall reimburse PMA for any incentive amount refundable along with interest calculated at 3 years SBI MCLR (as at the date of disbursement) compounded annually).

13.9. PMA shall submit quarterly reports to the Executive Committee (EC) about the progress and performance of the Scheme.

14. **Related Party Transaction (RPT)**

14.1. For any expenditure forming part of the claimed capital expenditure which involves purchase / lease from Group Companies / 'related' entities:

14.1.1. Any relevant certificate/ documents (for domestic and / or international procurement) must be provided by the Applicant. This shall be submitted in accordance with the provisions of relevant statutes and Accounting Standard as amended from time to time.

14.1.2. The decision on approval / rejection of the relevant certificate/ document shall be based on the final assessment as per provisions of

relevant statutes and Accounting Standard as amended from time to time, and such decision / final assessment shall be final and binding on all.

14.2. The applicant shall submit all relevant documents w.r.t. Related Party Transactions.

14.3. In case, before the final assessment as per provisions of relevant statutes and Accounting Standard as amended from time to time, if the applicant seeks disbursement of the eligible RPT, post-verification of claim application, the same is subject to the following :

14.3.1. The applicant shall submit an unconditional, irrevocable Bank Guarantee (BG) from a Scheduled Commercial Bank for an amount equivalent to the incentive amount on the approved Related Party Transactions. The validity of the Bank Guarantee shall be for 5 (five) years initially from date of release of sanction letter for incentive. The format of the Bank Guarantee is as per **Annexure-6**.

14.3.2. The Applicant through its authorized representative shall submit an undertaking to PMA on the company's letterhead as per **Annexure-7**.

14.4. If the assessment as per existing laws is not completed within a period of 4 years and 6 months from the start of the validity of Bank Guarantee, the applicant shall submit a fresh Bank Guarantee for an amount which shall be the sum of the amount of the earlier Bank Guarantee and accrued interest calculated at 3 years SBI MCLR (as applicable on the date of disbursement) compounded annually. The period of Bank Guarantee may be to the satisfaction of PMA. In the event of failure to do so, PMA shall have the option to invoke the earlier submitted Bank Guarantee by issuing a notice for taking requisite action within one month from the date of issue of letter.

14.5. PMA would ensure proper custody and regular monitoring of the validity of the Bank Guarantee and issue alerts to the applicant companies where BG validity is likely to expire in the following six months.

14.6. Even if the notice is not issued to the Applicant, the Applicant is legally bound to renew the BG, failing which PMA may invoke the BG.

14.7. While considering disbursement claims, the applicant company shall invariably provide the details / status of assessment as per existing tax laws, in respect of RPTs for which incentive has been disbursed by MeitY in the previous claims.

14.8. In case, any expenditure is disallowed as per provisions of relevant statutes and Accounting Standard as amended from time to time, then the Applicant shall inform PMA immediately and shall reimburse MeitY for any incentive amount claimed on the disallowed expenditure along with the interest calculated at 3 years SBI MCLR (as applicable on the date of disbursement) compounded annually.

15. Residual

15.1. Any change / deviation in the location of a project / unit, after filing the application and before approval of the same, shall be allowed by PMA after due verification of application of capital expenditure at the changed location.

15.2. Any change / deviation in the location of a project / unit, after approval of the project, shall be intimated by PMA to the EC for consideration and recommendation. Based on EC's recommendation, PMA shall communicate approval for such change of location.

15.3. Any deviation with respect to approved product category, after approval of the project, shall be intimated by PMA to EC for its consideration and recommendation. Based on EC's recommendation, PMA shall communicate approval for such change of approved product category.

15.4. In case the proposed product category shall be used for purposes other than that approved for, the applicant shall submit an end user certificate for the same every year for the duration of the Scheme (5 years).

15.5. Any deviation with respect to approved eligible capital expenditure, after approval of the project, shall be intimated by PMA to EC for its consideration and recommendation. Based on EC's recommendation, PMA