INVESTMENT IN PLANT & MACHINERY (P&M)

What are considered P&M investments?

P&M investments are capital expenditure on items used in your operations such as:
- Air-conditioning for industrial machinery
- Building and construction equipment (including rollers, mixers, piling equipment and drilling plants, loaders, dumpers, excavators, bulldozers and support structure)
- Chimney if it forms part of machinery
- Computer systems and equipment that are required / linked to the production process
- Container trailers and containers, trucks, goods vehicle, earth moving plant / excavators and other plant that are used in relation to production.
- Dry Dock and Floating Dock
- Utility plant and boiler
- Electronic equipment (including assets such as electronic detection, guidance, control, radiation, computation, test and navigation)
- Fire Safety Device for industrial machinery
- Furnace
- Kiln
- Manufacturing and industrial processing plant and equipment
- Material handling equipment such as cargo lifts, weighing machines, conveyor belt, forklifts, and cranes
- Dock leveler system
- Warehouse racking system (for warehouse lessees)
- Oil / Chemical Tank
- Overhead cranes/ gantry cranes
- Refinery Plant
- Silos
- Special portable equipment e.g. measuring and testing equipment of a similar nature
- Tanks fixed to the ground
- Treatment Plant

What are NOT considered P&M investments?
- Motor vehicles such as saloon cars, scooter, motor cycles, etc
- Office Furniture and Furnishing
- Word Processor, computers, printers, scanners, fax machines, photocopying machines and other related products used for administrative work
- Air conditioning for office use
- Materials for production

In case of doubt as to whether any equipment can be considered as part of plant and machinery, the yardstick is that it should be used directly in the production process in connection with the company’s approved usage.

What value of P&M to take
- Plants and Machinery purchased during the Building / Investment Period will be taken at cost.
- Plants and Machinery which you relocate from another factory premises or which you purchase before the Building / Investment Period can be included based on net book value as of full application date.
- The initial cost to put the plant and machinery to working condition for its intended use such as delivery and installation costs can be included as part of the investment.