

Chairman's Pen

My dear fellow exporters,

I must say that the Union Budget Proposals for 2010-11 befit the time and the Hon'ble Union Finance Minister, Shri Pranab Mukherjee deserves our whole hearted appreciation for growth ingredients in the Budget while ensuring that unnecessary exuberance in certain sectors is dampened.

From the perspective of the exporting community, I welcome the extension of the Interest Subvention Scheme for another year but it would have been better if engineering sector had been included given that it is still not out of the woods. I also welcome the proposed expansion of the powers of the Settlement Commission. Further, the extension of benefits for SEZs under Section 10B of the Income Tax Act is, indeed, most timely.

I also thank the Hon'ble Union Finance Minister for the intimating the time line for the Direct Tax Code and GST to be introduced from April 1, 2011 as also for not increasing the service rate from 10% to 12%. This is, indeed, a positive step and will surely help Indian industry. Further, the changes in personal income tax rates as well as boosting infrastructure spending will have a multiplier effect on the Indian economy. I also express my great satisfaction that the Hon'ble Finance Minister for accepting the EEPC India suggestion for enhancing the weighted deduction on expenditure incurred on in-house R&D from 150 per cent to 200 per cent. Further, the budget proposals has also enhanced the weighted deduction on payments made to National Laboratories, research associations, colleges, universities and other institutions, for scientific research from 125 per cent to 175 per cent. These measures, I have no doubt, will lead to technology upgradation in Indian industry.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Aman Chadha'. The signature is fluid and cursive.

(AMAN CHADHA)