



ENGINEERING EXPORT PROMOTION COUNCIL

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Head Office : Vanijya Bhavan (1st Floor), International Trade Facilitation Centre, 1/1, Wood Street (1st Floor), Kolkata – 700 016. India.

Phone : 91-33-2289-0651/52/53 Fax : 2289-0654

E-Mail : eepch@eth.net Website : www.eepcindia.org



Press Release

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EEPC India Chief welcomes the Union Budget proposals and says that it befits the time

EEPC INDIA Chairman, Mr. Aman Chadha has welcomed the Union Budget Proposals for 2010-11 saying that it befits the time. Mr Chadha has thanked the Finance Minister for ensuring that the budget proposals have growth ingredients while ensuring that unnecessary exuberance in certain sectors is dampened.

From the perspective of the exporting community, Mr Chadha welcomed the extension of the Interest Subvention Scheme for another year but felt that it would have been better if engineering sector had been included given that it is still not out of the woods. Mr Chadha also welcomed the proposed expansion of the powers of the Settlement Commission stating that EEPC India had advised the Government to include disputes relating to drawback and service tax to be included within the ambit of the Commission. Further, the extension of benefits for SEZs under Section 10B of the Income Tax Act is, indeed, most timely, Mr Chadha noted.

The EEPC India Chairman also thanked Pranab Babu 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, Mr. Chadha opined. He also expressed his great satisfaction that the Hon'ble Finance Minister also accepted 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 measure will lead to technology upgradation in Indian industry, something "we have been asking for", Mr. Chadha noted.



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**R Maitra
Executive Director**
