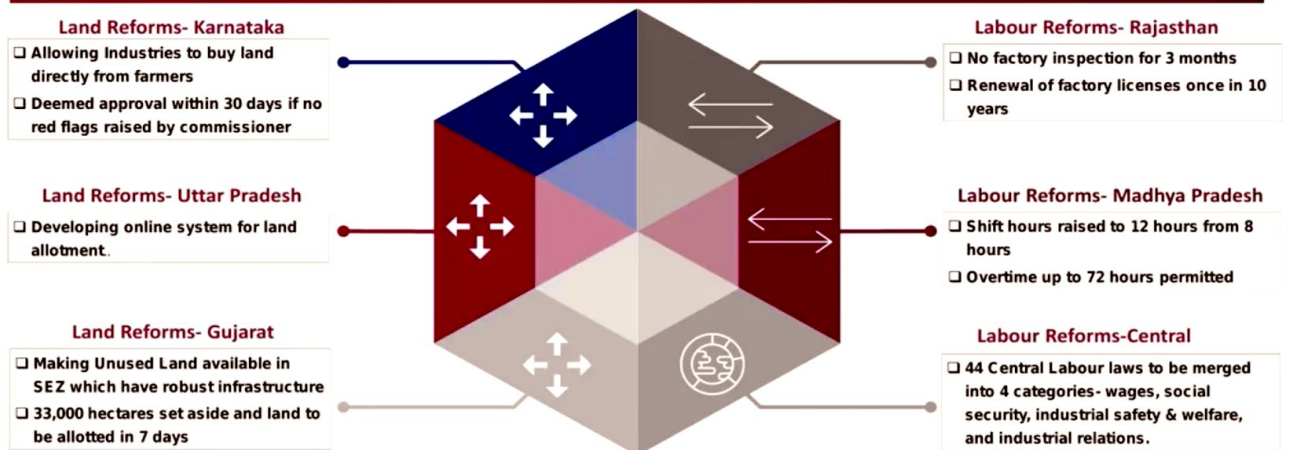


Momentum in India- Swiss SMEs Program (MISSP 2.0): The Mission organised a Momentum in India - Swiss SME's Program (MISSP 2.0) Webinar on 'Opportunities in Indian Microelectronics & Precision Components Sector' on 05 June 2020. Electronics & Computer Software Export Promotion Council, India attended the webinar as guest speaker. The Webinar was attended by Swiss & Indian companies and experts from the Microelectronics & Precision Components Sector.

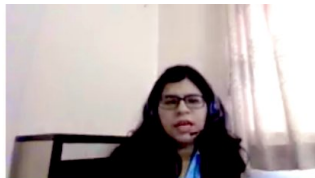


Land and Labour to spur investment in manufacturing





PRECISION COMPONENTS INDUSTRY : SWISS PRESENCE



2. TAX UPDATE

2.3 TAX INCENTIVES FOR MICROELECTRONIC AND PRECISION COMPONENTS SECTOR

R&D expenses (Sect. 35)

- Slew of deductions available for R & D expenses:
 - In-house R&D expenses (including on capital expenditure except on the expenditure in the nature of cost of any land or building) - Weighted tax deduction of 150% if the amount is spent on or before 31 March 2021 / 100% if amount spent on or after 1 April 2021 (subject to conditions)
 - Sum paid to National Laboratory / IIT for scientific research - Weighted tax deduction of 150% if the amount is spent on or before 31 March 2021 / 100% if amount spent on or after 1 April 2021 (subject to conditions)

- Deduction of an amount equal to 30 per cent of additional employee cost for 3 years
- Conditions prescribed for "Additional employees"

Employee costs (Sect. 80J A)

GST / Customs

- Significant realignment of custom duty rates in Budget 2020 to promote sector; for instance increase in custom duty rates on auto components and parts
- Export of manufactured devices entitled for incentives under various export promotion schemes such as "Duty Drawback", "Merchandise Exports from India Scheme", "Export Promotion Capital Goods Scheme", etc.
