

India Serves

A Monthly Newsletter by

SEPC

SERVICES EXPORT PROMOTION COUNCIL

Setup by Ministry of Commerce & Industry, Govt. of India

VOL III, ISSUE IV - August, 2022

75
Azadi Ka
Amrit Mahotsav



SERVICES EXPORT PROMOTION COUNCIL
Setup by Ministry of Commerce & Industry, Govt. of India



CONTENTS

Message from the Chairman 02

About SEPC 03

Cover Story 05

Services Trade Data 12

Events & Activities 13

News 15

CENTRAL GOVERNING COUNCIL MEMBER PROFILES

- Mr. Sunil H. Talati (Chairman)**
(Accounting, Auditing, Book Keeping and Financial Services)

Mr. Karan Rathore (Vice-Chairman)
(Hotel & Hospitality Services)

Mr. Joy Basu
(Advertising Services)

Mr. Bhasker Neogi
(Architectural Services)

Mr. Amit Sharma
(Design and Engineering Consulting Services)

Ms. Swati Kadu
(Distribution Services)

Dr. Vidya Yeravdekar
(Educational Services)
- Mr. Hirachand Dand**
(Entertainment services)

Mr. Manish Kumar Dabkara
(Environmental Services)

Ms. Upasana Arora
(Healthcare services)

Mr. Rakesh Kumar Sharma
(Legal services)

Ms. Prarthana A Shinde
(Maritime Transport Services)

Mr. Shakti Kumar
(Marketing Services)

Mr. Maneck E Davar
(Printing & Publishing Services)

Mr. Pronab Sarkar
(Travel & Tourism Related Services)

India Serves

India Serves is a monthly magazine published by SEPC from DPT - 417, 4th Floor, DLF Prime Towers, Plot No. 79 & 80, Pocket - F, Okhla Phase-I, Okhla Industrial Area, New Delhi - 110020. India Serves is for private circulation only. Material in this publication may not reproduced without the written permission from SEPC.



Editor

Dr. Abhay Sinha, DG
dg@servicesepec.org
abhay.sinha@servicesepec.org

Content

Dr. Geetanjali Nataraj,
Director, (policy And Research)

Mr. Swaraj Singh,
Deputy Director, Policy

Phone: +91 11-41046327-28-29
+91 11-41734632
Email: info@servicesepec.org
Website: www.servicesepec.org

SEPC Officer	Designation	Email
Dr. Geetanjali Nataraj	Director, (Policy and Research)	geethanjali.nataraj@servicesepec.org
Mr. Vikrant Wadhera	Dy Director, (Membership)	vikrant.wadhera@servicesepec.org
Mr. Mayank Sharma	Dy Director, (Events)	mayank.sharma@servicesepec.org
Mr. Chandranshu Awasthi	Dy Director, (International Relations & Market Development)	chandranshu.awasthi@servicesepec.org
Mr. Siddharta Mishra	Dy Director, Export Development and Promotion	siddharta.mishra@servicesepec.org
Mr. Swaraj Singh	Dy Director, Policy	swaraj.singh@servicesepec.org



M E S S A G E
From the
C H A I R M A N



CA. SUNIL H. TALATI

Congratulations and compliments to everyone on the momentous occasion of completion of 75 years of independence. We remain grateful to all our freedom fighters for giving us this moment of pride, glory and honour.

Since last year India is celebrating 'Amrit Mahotsav' to commemorate 75 years of India's freedom. Ministry of Commerce, Govt of India initiated a series of interactive programmes in various parts of the country and SEPC was given the lead to organise few of those interactive programmes in close co-ordination with stakeholders. Services sector featured prominently in most of those programmes organised by other Export Promotion Councils as well. Through this initiative we have been able to create awareness about the significance of services sector in India's economy and overall exports.

SEPC is playing very active role in the district which has been identified under one product one district initiative. Services sector has also been added in the scheme of things and many of the districts among 75 identified have been marked for tourism, healthcare, IT/ITes, Entertainment (including AVCG), education and other services.

In recent times our major effort has been to align ourselves with goals and objectives of Ministry of Commerce, the related Ministries and State Governments. There has been a positive perceptual shift and services sector is being considered very crucial and significant constituent in the 1trn USD targeted exports of goods and services by 2030. In this regard, as mentioned earlier, services exports will be incentivised in the upcoming Foreign Trade Policy.

Services exporters are kindly requested to renew their membership in order to be eligible for export incentives. I must insist that SEPC's membership entails plethora of other benefits under MAI scheme other than the export incentives. Please participate in events and activities planned for 2022-23 under MAI. Series of events like MIPCOM, WTM-London, ITB Berlin, Business delegations to ASEAN, CIS and EU regions have been planned. SEPC office is co-ordinating with Indian Embassies to finalise the dates and relevant sectors for effective business meetings. Supported under MAI we are doing GES, Atithi, EnTech and Sanjeevani in exhibition-RBSM-Knowledge session formats. Please avail these opportunities for global business opportunities.

There has been a positive perceptual shift and services sector is being considered very crucial and significant constituent in the 1trn USD targeted exports of goods and services by 2030.

As a major relief to our non-renewed members, we have decided to waive off the backlog of renewal fee amount for those who have not renewed their membership since last three years. They just need to pay the annual renewal fee to get associated with SEPC. Detailed circular will be issued by next week and our office will provide all necessary assistance.

Our Hon'ble PM has chalked out a vision for Amrit Kaal (next 25 years) to commemorate India's 100 years of Independence in 2047. Government of India has taken up the initiative to prepare Vision for India @ 2047. As a part of this exercise, SEPC invites suggestion from services sector. Please associate and provide necessary inputs.

We at SEPC remain sincere to serving the industry. We appeal to all Central Governing Council members to fully support renewed efforts of SEPC to serve the industry. SEPC seeks enhanced participation and complete support from existing exporter members, besides new and upcoming exporters.

OVERVIEW OF SERVICES OFFERED BY SEPC

TRADE INTELLIGENCE

EXPORT DEVELOPMENT

EXPORT PROMOTION

ENABLING BUSINESS ENVIRONMENT

Services Export Promotion Council set up in 2006 by Ministry of Commerce & Industry, Government of India is an apex trade body to promote exports of services from India.

Key role in Foreign Trade Policy, Export Strategy formulation by Department of Commerce and related Govt Departments.

Interface between Services Sector and Government

Provides inputs on Trade Negotiations

Represents Services Sector in various Joint Trade Committees, Joint Business Councils and Joint Working Groups of Government of India to facilitate export.

Creates Business opportunities in global market place for services exporters

Providing commercially useful information and assistance to members in increasing exports.

Organising visits of delegation of its members abroad to explore overseas market opportunities.

Organising participation of Services exporters in specialised International Trade Fairs.

Dissemination of government notification, orders, information on trade and other relevant information to members.

Facilitates execution of Government Schemes like SEIS.

In order to enhance the competitiveness of services exports and enable services industry to generate employment, the Union Cabinet chaired by Honourable Prime Minister Shri Narendra Modi in 2018 identified 12 Champion Services Sector.

The following table provides the mapping of identified Champion Services vis-a vis the services covered under SEPC and BPM6 classification. Sixth edition of the Balance of Payments and International Investment Position Manual (BPM6) is developed by IMF in collaboration with compilers and other interested parties worldwide and used by most of the countries to record and report services trade data.

S.N.	Services covered under SEPC	Champion Services	BPM6 Classification
1	Accounting/Auditing and Bookkeeping Services	Accounting and Finance Services	Other business services
2	Consultancy Services	-	
3	Legal Services	Legal services	
4	Architectural Services and related services	Construction and related Engineering services	
5	Environmental services	Environmental services	
6	Marketing Research and Public Opinion Polling Services/ Management services	-	
7	Advertising Services	-	
8	Printing and Publishing services	-	
9	Other services (IT & ITES, Communication Services)	IT & ITES, Communication services	Telecommunications, computer, and information services
10	Hotel and Tourism Related Services	Tourism and Hospitality Services	Travel
11	Education Services	Education services	
12	Healthcare services including services by nurses, physiotherapist and paramedical personnel	Medical Value Travel Services	
13	Maritime Transport Services	Transport and Logistics services	Transport
14	Distribution Services		
15	Other services (Financial Services)	Financial Services	Financial services
			Insurance and pension services
16	Entertainment services including Audio-visual services	Audio-visual services	Personal, cultural, and recreational services
17	Other Services	-	Charges for the use of intellectual property n.i.e.
		-	Government goods and services n.i.e.
		-	Manufacturing services on physical inputs owned by others
		-	Maintenance and repair services n.i.e.
		Construction and related Engineering services	Construction
			Services not allocated

5

INDIA SERVES



INDIA @75

Celebrating Azadi Ka Amrit Mahotsav and the contribution of the Services Sector to the Indian Economy



The Government of India is commemorating the country's 75th anniversary of independence through the launch of Azadi Ka Amrit Mahotsav in 2021, to honour India's remarkable culture, history, and achievements. This festival, known as Mahotsav, is a tribute to the Indian people, who have played a crucial role in India's development so far and who

have the ability to realize Prime Minister Narendra Modi's dream of energizing India 2.0 through the power of Atmanirbhar Bharat. On March 12, 2021, the official festivities of Azadi ka Amrit Mahotsav began, marking the beginning of a 75-week count-down to our 75th anniversary of independence, which will conclude on August 15, 2023.

OBJECTIVES

The foremost aim of Azadi ka Amrit Mahotsav is to spread the feeling of patriotism throughout the nation. Each department prepares a different program that helps to paint the country with a patriotic colour. It helps to celebrate and commemorate the 75 years of independent India and the majestic history of the freedom movement, its people, culture, and achievements. In order to understand the history of India at depth, the festival has a sequence of events that reflect the encouragement given to freedom strugglers, and also how India will gain new power to catapult to a new growth trajectory during the period of AKAM and at the same time remember all the significant landmarks of the freedom movement.

PILLARS OF AKAM

The authorities decided on the five themes of Mahotsav for the celebration of the event, which are the following:

- Freedom Struggle** | Commemorating unsung heroes, their sacrifices, revisiting historical milestones, etc.
- Achievement@75** | Replicating progress and evolutions through various sectors.
- Ideas@75** | Honoring the ideals and celebrating the ideas that have shaped the nation.
- Action@75** | Emphasize the efforts that undertake to implement policies and actualize commitments.
- Resolve@75** | Reinforcing commitments to specific targets and goals to shape the nation's destiny.





SERVICES SECTOR POST LAUNCHING OF AKAM:

The services sector is not only the dominant sector in India's GDP, but has also attracted significant foreign investment, has contributed significantly to export and has provided large-scale employment. The services sector of India remains the engine of growth for India's economy and contributed 53 per cent to India's Gross Value Added at current prices in FY22 (until January 2022). India's services sector GVA increased at a CAGR of 11.43 per cent to Rs. 101.47 trillion (US\$ 1,439.48 billion) in FY20, from Rs. 68.81 trillion (US\$ 1,005.30 billion) in FY16. Between FY16 and FY20, financial, real estate and professional services augmented at a CAGR of 11.68 per cent (in Rs. terms), while trade, hotels, transport, communication and services related to

broadcasting rose at a CAGR of 10.98 per cent. India's IT and business services market is projected to reach US\$ 19.93 billion by 2025.

Services exports comprise a major part of the total export from India. According to the RBI, between April-July 2022, India's service exports stood at US\$ 96.40 billion, whereas imports stood at US\$ 60.96 billion. The Government of India recognises the importance of promoting growth in services sector and provides several incentives across a wide variety of sectors like health care, tourism, education, engineering, communications, transportation, information technology, banking, finance and management among others.



The Government of India has adopted few initiatives in the recent past, some of these are as follows:

• In October 2021, Prime Minister, Mr. Narendra Modi, approved the establishment of 157 new medical colleges to boost accessibility of affordable health treatments among citizens.

• In October 2021, the government launched a production linked incentive (PLI) scheme to boost manufacturing of telecom and networking products in India. The scheme is expected to attract an investment of ~Rs. 3,345 crore (US\$ 446.22 million) over the next four years and generate additional employment for >40,000 individuals.

- In October 2021, the government launched phase-II of the Mahatma Gandhi National Fellowship to empower students and boost skill development.
- In October 2021, the PM Ayushman Bharat Health Infrastructure Mission was launched by the government, to strengthen the critical healthcare network across India in the next four to five years.
- The Indian government is planning to introduce a credit incentive programme worth Rs. 50,000 crore (US\$ 6.8 billion) to boost healthcare infrastructure in the country. The programme will allow companies to access funds to ramp up hospital capacity or medical supplies with the government acting as a guarantor.
- In June 2021, India and Australia announced its collaboration in cyber-enabled critical technologies, highlighting the requirement to boost the critical information security infrastructure such as 5G telecom networks.
- Under Union Budget 2021-22, the government allocated Rs. 7,000 crore (US\$ 963.97 million) to the BharatNet programme to boost digital connectivity across India.
- On January 15, 2021, the third phase of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was launched in 600 districts with 300+ skill courses. Spearheaded by the Ministry of Skill Development and Entrepreneurship, the third phase will focus on new-age and COVID-related skills. PMKVY 3.0 aims to train eight lakh candidates.

- In January 2021, the Department of Telecom, Government of India, signed an MoU with the Ministry of Communications, Government of Japan, to strengthen cooperation in the areas of 5G technologies, telecom security and submarine optical fibre cable system.
- On November 4, 2020, the Union Cabinet, chaired by the Prime Minister, Mr. Narendra Modi, approved to sign a memorandum of understanding (MoU) between the Ministry of Communication and Information Technology and the Department of Digital, Culture, Media and Sports (DCMS) of United Kingdom Government to cooperate in the field of telecommunications/information and communication technologies (ICTs).
- In the next five years, the Ministry of Electronics and Information Technology is working to increase the contribution of the digital economy to 20 per cent of GDP. The government is working to build cloud-based infrastructure for collaborative networks that can be used for the creation of innovative solutions by AI entrepreneurs and startups.
- On Independence Day 2020, Prime Minister Mr. Narendra Modi announced the National Digital Health Mission (NDHM) to provide a unique health ID to every Indian and revolutionise the health-care industry by making it easily accessible to everyone in the country. The policy draft is under 'public consultation' until September 21, 2020.
- Government of India has launched the National Broadband Mission with an aim to provide Broadband access to all villages by 2022.
- One of the major sectors which this Government has continuously focused on since 2014 apart from Infrastructure is the Health care services especially with focus on Medical Value Travel (MVT).



*In the next session, the importance of **MVT and its role in promoting healthcare services** from the country is highlighted along with the **Maintenance, Repair and Overhaul services** which is growing fast. These two are the focus sectors this time.*

MEDICAL VALUE TRAVEL

The Asian Medical value tourism marketplace is consumed by a growing number of competing countries grappling for expanding their space in medical tourism such as India, Singapore, Thailand, Malaysia for becoming an MVT (Medical value Travel) Hub for patients seeking a wide range of treatments. India ranks 10 on the Medical Tourism Index (MTI) taking into consideration factors like tourist popularity, medical facility quality, hospital accreditation, healthcare costs, economic stability, and the overall environment of the destination.

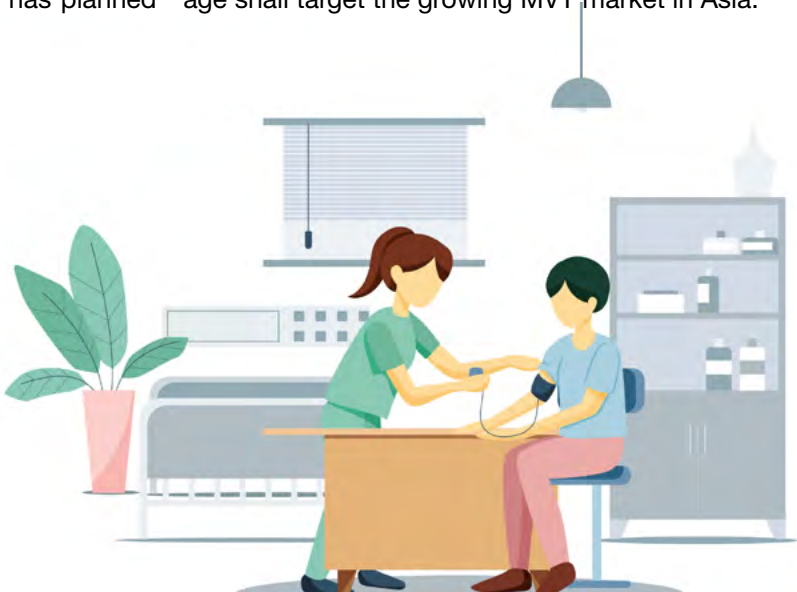
Table 1 Medical Tourism Index (2020-21)

Rank	Country	Score
#1	Canada	76.47
#2	Singapore	76.43
#3	Japan	74.23
#4	Spain	72.93
#5	United Kingdom	71.92
#6	Dubai	71.85
#7	Costa Rica	71.73
#8	Israel	70.78
#9	Abu Dhabi	70.26
#10	India	69.80

Spreading awareness & promoting the existing state of the art facilities is one of the major challenges being faced among others such as lack of synergy among major players, transparency & cohesiveness in billing as well as red tape in the visa regime.

In a bid to grab a bigger pie of patient traffic & promote as well as set pace on to the country’s Medical value tourism, the Government of India has planned

a raft of initiatives aiming to tap into the global \$80-Bn medical tourism Market & take the Indian medical tourism market, worth \$6 billion in 2020, to \$15 billion over the next four years. These strategic interventions have been brought about at crucial time to cease the opportunity riding on the backlog of patients owing to the covid restrictions, as such the sector is expected to thrive further in the next two quarters. This package shall target the growing MVT market in Asia.



HEAL BY INDIA

It will act as a bridge between the external stakeholders and healthcare providers. Under the initiative a portal is being developed by National Health Authority (NHA) within the Ayushman Bharat Digital Mission (ABDM) which will act as a repository of Indian healthcare professionals. The healthcare professionals, not only from the modern medicine but traditional system of medicine would be able to register themselves on the portal. Currently there exists no comprehensive data of the cross functional health professionals including the modern as well the alternative streams such as Ayurveda, Unani, Naturopathy, Siddha & Homeopathy. Once the portal goes live, external stakeholders such as patients and recruiters from India or abroad will be able to search for a required professional based on the speciality or system of medicine, languages known and the country they prefer to work in. The program envisions creating a well-rounded, accountable & transparent MVT ecosystem, enabling the patients to submit patient feedback, the portal shall also have a grievance redressal section, enriching the user experience by empowering & giving a sense of control to them. Putting up tentative costs of various surgeries and procedures is also on the cards to bring about predictability in finance require-

ments for the patients.

HEAL IN INDIA

The “Heal in India” initiative aims to place the country as the most preferred destination for medical tourism. In order to encourage & facilitate the consumption of medical services via mode-2, the government will establish health desks at 10 identified airports (Delhi, Mumbai, Chennai, Bengaluru, Kolkata, Visakhapatnam, Kochi, Ahmedabad, Hyderabad and Guwahati). Language interpreters shall be deployed at these desks to address general queries related to transport and lodging among others at the same time offer a tailored approach to consumers as per their specific requirements by overcoming the language barrier.

E-MEDICAL VISA

The initiative also entails soft policy measures such as easing the visa regime for identified 44 countries which send the most number of medical tourists to India. E-medical visa, available exclusively for the purpose of MVT is another step in this direction. The E-medical visa can be obtained through an online application as the name suggests, post filling the requisite forms and submitting the simplified documentation. The visa shall grant a stay of up to 60 days with not exceeding three entries during the entitled stay.

This package shall complement the existing ecosystem equipped with state of the art medical facilities, reputed healthcare professionals & a broad spectrum of medical services available to patients at reasonable costs. Together, these initiatives have the potential to positively shape the Asian MVT landscape in favour of India by strengthening the



country's position & showcase ourselves as a top destination in the MVT with millions of care seekers benefitting from these initiatives in the years to come.

MRO SERVICES

The Maintenance, Repair, and Overhaul (MRO) sector, which ensures the availability and airworthiness of aircrafts, is of critical importance to global aerospace & defense industry. According to Deloitte, the Indian MRO industry size is expected to increase from US\$ 1.7 billion in 2021 to US\$ 4.0 billion by 2031, at a compound annual growth rate (CAGR) of 8.9 percent against the expected global CAGR of 5.6 percent. With more than 1,000 aircraft currently on order, the country is likely to become the third-largest buyer of commercial passenger planes in the world, only after the US and China. This translates into demand for 200–300 major maintenance checks annually. Replacing ageing aircraft in the fleets of several airlines also creates scope for MRO to meet redelivery contracts. India is also poised to become a large defence aircraft market, propelling demand for military MRO capabilities as well.



In the month of August the country has marked a notable maritime first, a small yet remarkable feat, when a US navy ship Charles Drew on arrived at Larsen and Toubro shipyard on 7th August at Chennai for repairs. Notably, this is the first ever repair of a US Navy ship in India. The USNS Charles Drew is expected to be voyage ready by 17th of August, 2022. It signifies the capabilities of the country's shipyards in the global ship repairing market. At present India's private shipbuilding industry relies heavily on government contracts. This instance, apart from strengthening the US defence trade ties, it will also bring additional business to the Indian shipyards in future. As India is strategically located on the world's shipping routes with a coastline of approximately 7,517 km, enjoys competitive labour costs & adequate skilled professionals. The Government well recognises the significance and massive future potential of the Indian maritime sector including the MRO (Maintenance Repair & Overhaul) services.

Like any government that aims to build future capabilities the GOI has been reasonably trying to pave the path for the future growth of MRO (Maintenance, Repair and Overhaul) services. A sustainable sector can never be fully realised until it is widely envisioned, there's a lot which has undergone in a stepwise manner to put India on a trajectory of not just a surviving MRO sector but a thriving one.

Till 1st June, 2021, MRO services in respect of ships and vessels were liable to GST at 18 per cent. MRO services provided to foreign flag vessels were not treated as 'export of services' in spite of receiving consideration in convertible foreign exchange and was attracting GST at 18 per cent and same was not considered as export. However, Notification No. 3/2021 – Integrated Tax dt. 02.06.2021 – Changing the place of supply for MRO services provided to foreign flag ships from 'location where services are performed' to 'location of service recipient' implies that Ship MRO services provided on or after 02.06.2021 is eligible for above tax benefits. Resultantly, MRO services provided in respect of foreign flag ship and vessel shall qualify as 'export of services' as defined u/s 2(6) of Integrated Goods and Services Tax Act, 2017 ('IGST Act') provided, consideration for such services is realized in convertible foreign exchange. Moreover, recently in another move providing relief to the ship building industry the GOI has allowed a one-year relaxation to ship builders getting benefits under the Shipbuilding Financial Assistance Policy (SBFA). In March 2022, GOI has sanctioned financial assistance of \$20.13m for 47 ships under the Shipbuilding Financial



Furthermore, to enhance the competitiveness of Maintenance, Repair and Overhaul (MRO) services in respect of ships, vessels, and their engines and other components or parts, the GST rate on MRO services was reduced to 5 per cent from the initial 18 per cent in June 2021. This will indeed make Indian ship repairers competitive in global market and will act as a stimulus for Indian ship repair industry.

Looking ahead all the above isn't merely wishful thinking, the future holds many exciting possibilities. India is well prepared to rise to the occasion given our shipyards offer a wide range of cost-effective ship repair and maintenance services.



ROAD AHEAD

By 2025, healthcare industry is expected to reach US\$ 372 billion. India's digital economy is estimated to reach US\$ 1 trillion by 2025. By end of 2023, India's IT and business services sector is expected to reach US\$ 14.3 billion with 8 per cent growth.

The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run-on account of availability of GST input credit, which will result in the reduction in prices of services. India's software service industry is expected to reach US\$ 1 trillion by 2030.

However, there are a few challenges that the sector needs to overcome. India lags considerably behind than the World services exports in the fields of insurance and financial services as it holds miniscule (0.34 per cent) of around one fifth of global services exports of this sector. Similarly, the communication and computer service are the largest exporting sector of India albeit the world exports one tenth of this sector. The trend analysis observes that India's service exports are highly concentrated and there is much need for its diversification. Overall, the services sector is well on course to achieving its target of \$ 1 trillion by 2027 and trade diversification would help the sector achieve a higher growth trajectory over a sustained period of time.



Monthly Services Exports from India in the FY 2021-22

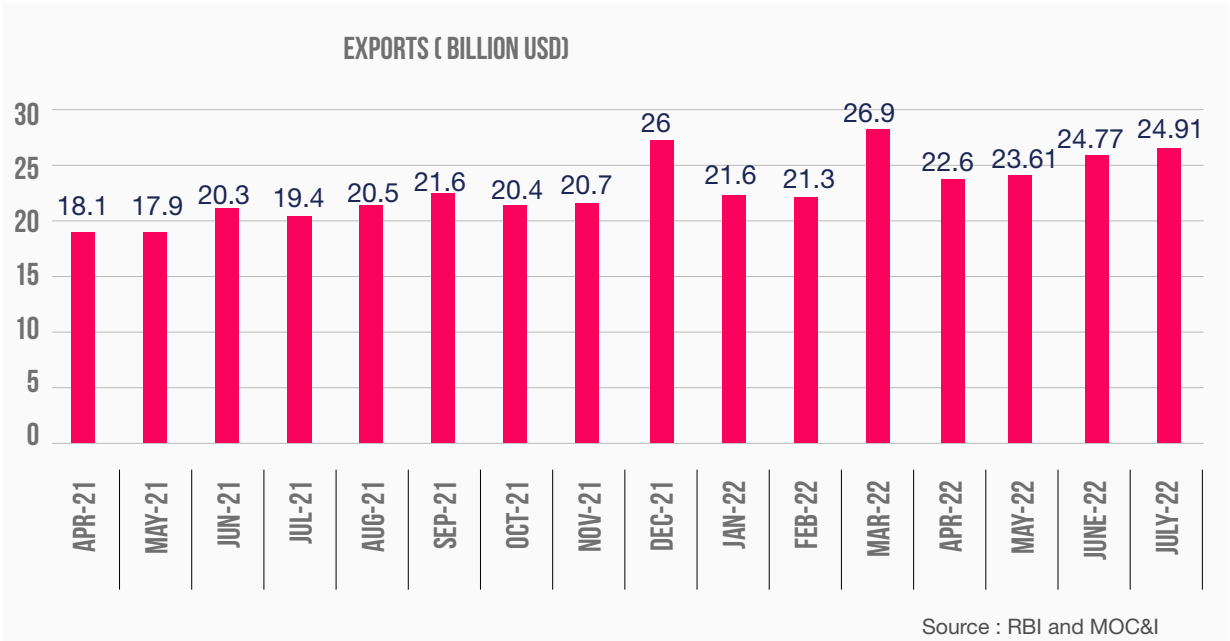


Fig: Services Trade in July 2022

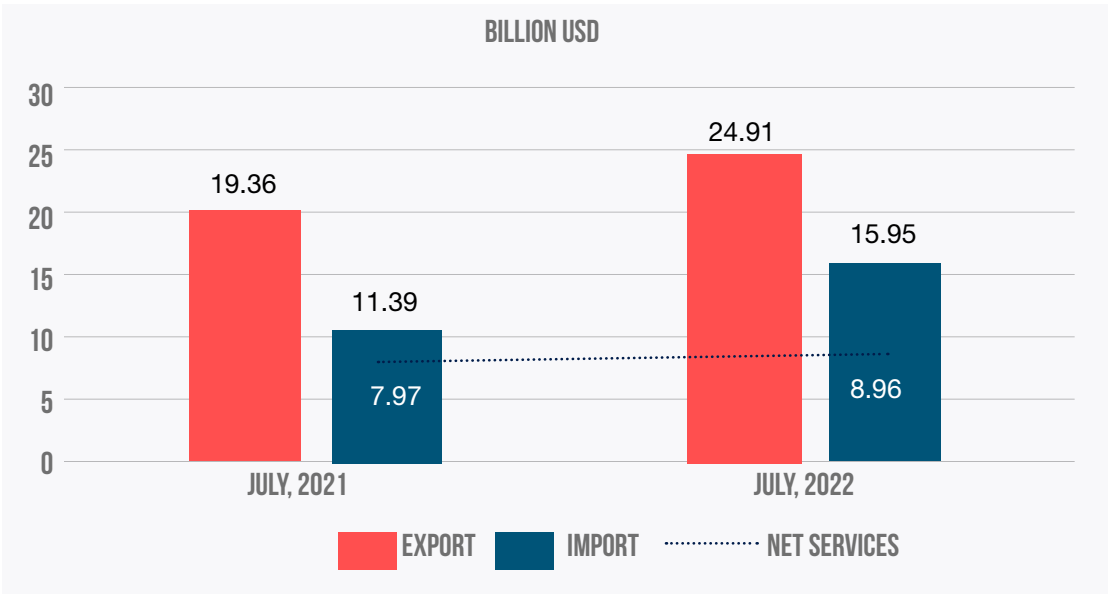
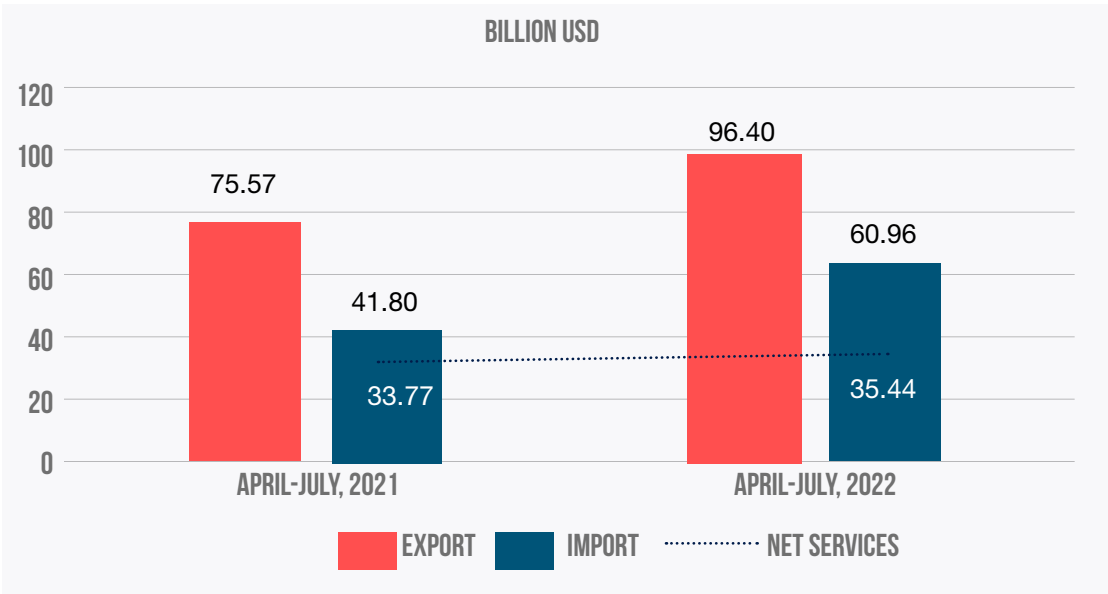


Fig: Services Trade during April - July 2022



RAJASTHAN DOMESTIC TRAVEL MART

[22-24TH JULY 2022]

SEPC partnered with Federation of Hospitality and Tourism of Rajasthan (FHTR) in association with the Department of Tourism, Government of Rajasthan to organize the 2nd edition of the Rajasthan Domestic Travel Mart (RDTM 2022) at Birla Auditorium, Jaipur from 22nd to 24th July 2022. The inaugural session was held on 22nd July at Hotel Clarks Amer, Jaipur. SEPC undertook this initiative in line with its commitment to promote this sector which has huge potential in the domestic and international market.

The RDTM under one platform showcased tourism stakeholders from the State offering a wide range of products encompassing heritage, adventure, wildlife, leisure, eco-rural, MICE, pilgrimage, golf, wedding and other auxiliary segments. SEPC as a knowledge partner conducted the following two sessions

- Opportunities and Challenges in inbound tourism
- Medical Value Travel: Time to reposition India as destination for Credible and affordable healthcare.
- SEPC also facilitated B2B sessions.

The SEPC hall at RDTM was visited by Maharaj His Highness Gaj Singh ji. Other important government officials included Minister of Industry Madam Shakuntala Rawat and was welcomed by our DG. Minister of Sanskrit Education of Rajasthan Mr. Bulaki Das kalla was also at the RDTM.



INTERACTION WITH TOURISM AND HOSPITALITY SECTOR ON 8TH AUGUST AT THE PARK, NEW DELHI

SEPC in association with IATO (Indian Association of Tour Operators) held an interactive session with Tourism and Hospitality Sector on Monday 8th August 2022 at Yantra Hall, The Park Hotel from 3.00 to 6.00 pm, New Delhi. The interaction covered the following important discussion points

- Alternative to SEIS in the upcoming FTP: SEPC's suggestions and expectations
- MAI scheme and other schemes to promote Inbound Tourism
- Services of sEPC which goes beyond these schemes but integrated with overall objectives of serving the industry.
- Upcoming events and activities including capacity building programme.
- Pre budget proposals for the sector.

SEPC and IATO are working together in close cooperation to serve this very important services sector.



CAPACITY BUILDING PROGRAMME ON LEVERAGING FTAS TO EXPAND SERVICES EXPORTS, THURSDAY, 28TH JULY 2022.

In its endeavor to provide global opportunities for its exports and to upskill their personnel, SEPC organized Capacity Building Program (Online Webinar) on "Leveraging FTAs to Expand Services Exports" in collaboration with ICICI Bank followed by Q and A Session. 39 people actively participated in the webinar which covered issues such as overview of FTAs for exporters, challenges and opportunities: Compliance; Overview of Trade emerge for finding & verifying buyers.

Mr. Sudhakar Kasture, Trainer and Consultant international trade was the key speaker along with Mr. Premanshu Singh, Product Manager from Trade Emerge-ICICI Bank.

Leveraging FTAs to expand Service Exports

- Customs Union:**
 - In a Customs union, partner countries may decide to trade at zero duty among themselves, however they maintain common tariffs against rest of the world. Example: European Union
- Common Market:**
 - Integration provided by a Common market is one step deeper than that by a Customs Union. A common market is a Customs Union with provisions to facilitate free movements of labour and capital, harmonize technical standards across members etc. Example: European Common Market.
- Economic Union:**
 - Economic Union is a Common Market extended through further harmonization of fiscal/monetary policies and shared executive, judicial & legislative institutions. Example: European Union (EU).

#SGA188923148661

IN the NEWS

№123456789

TAJ HOTELS TARGETS AGGRESSIVE EXPANSION PLANS IN NEXT 2-3 YEARS

Taj Hotels has chalked out a plan to aggressively expand its footprint in the next 2-3 years as travel sector sees strong revival after struggling for over two years due to Covid restrictions.

Besides plan to expand in the domestic market, India's largest hospitality group is also eyeing bigger footprints in countries with strong Indian diaspora or attract desi travellers, including North America, Europe and Middle East. At present, the Tata Group runs three hotels in UAE; two each in the US, UK and Africa and eight in India's immediate neighbourhood. Taj parent Indian Hotels Company Ltd (IHCL) currently has a portfolio of 242 hotels across brands, including 63 under development across four continents in over 100 locations. As part of its plan, the Group will have 300 operational hotels by 2025, opening over a property every month.

INDIA SERVICES PMI

The S&P Global India Services PMI decreased to 55.5 in July 2022 from 59.2 in June, and below market consensus of 58.5, pointing to the weakest expansion in the sector since March, as weaker sales growth and inflationary pressures restricted the latest upturn in business activity. New business inflows rose at the slowest pace in four months, with the new international business declining, but the weakest in six months. Meanwhile, employment increased fractionally and broadly similar to June. Looking ahead, sentiment was subdued, amid majority of firms predict no change in business activity from present levels

HOSPITALITY BUSINESS ON TRACK TO RECLAIM OLD GLORY SOON

Occupancies and bookings are already eclipsing 2019 levels for some branded hotel chains, but a complete, broad-based recovery to 2019 levels for the entire hospitality industry should be achieved by the end of this calendar year, as per industry body Hotel Association of India (HAI). "We have come back almost to 2019 levels. Perhaps the broader recovery to 2019 levels in terms of revenues, occupancies and room rates would be achieved by the end of this season or the next," said MP Bezbaruah, Secretary General, HAI.

INDIA \$5-TRN ECONOMY BY FY29 ONLY IF IT GROWS AT 9% FOR 5 YRS: EX-RBI GUV

Speaking at Federation of Telangana Chamber of Commerce and Industry on India @75- Marching Towards USD 5 Trillion Economy on the occasion of 75 years of Indian Independence, D Subba Rao said there are eight key challenges for India to overcome to achieve the dream of 5 trillion economy. According to him, the challenges are increasing investment, improving productivity and education and health outcomes, creating jobs, raising agriculture productivity, maintaining macroeconomic stability, managing global mega trends and improving governance.

SHIPPING ROUTE INAUGURATED BETWEEN INDIA & CENTRAL VIETNAM

A shipping route connecting central Vietnam with Kolkata India was inaugurated on 27th of July. India is Vietnam's 8th largest trading partner, the said route will address the issue of non-existent direct sea route between the two countries. This route shall be operated by VIMC (Vietnam Maritime Corporation) and is expected to spawn greater business cooperation opportunities between the two countries. This new route is a direct connection between Vietnam and India is expected to shorten the transportation time to 14-15 days as compared to 21-22 days for other routes.

TWO FILM CITIES PROPOSED IN HARYANA

The Haryana Government has proposed to establish two film cities at Gurugram & Pinjore near Chandigarh respectively. The announcement was made by the Chief Minister Shri Manohar Lal Khattar last month. The State Government is eyeing the maturing entertainment services sector in Punjab as well as Haryana. It is noteworthy that the Punjabi film industry has a notable audience abroad, the Punjabi diaspora in Canada & Australia and the overseas distribution has only been growing, in fact three Punjabi films are set to have Australian premier at IFFM (Indian Film Festival of Melbourne) 2022. In a recent development 60-70 acres of land has been already earmarked for the film city in Pinjore & some 50 acres in the NCR. Apart from this the State is also formulating a Film & Entertainment policy for the convenience & promotion of entertainment services in the State.



SERVICES EXPORT PROMOTION COUNCIL
Setup by Ministry of Commerce & Industry, Govt. of India

SERVICES EXPORT PROMOTION COUNCIL

DPT - 417, 4th Floor, DLF Prime Towers,
Plot No. 79 & 80, Pocket - F, Okhla Phase-I,
Okhla Industrial Area, New Delhi - 110020

Phone: +91 11-41046327-28-29, +91 11-41734632
Email: info@servicesepc.org
Website: www.servicesepc.org

