

India Serves

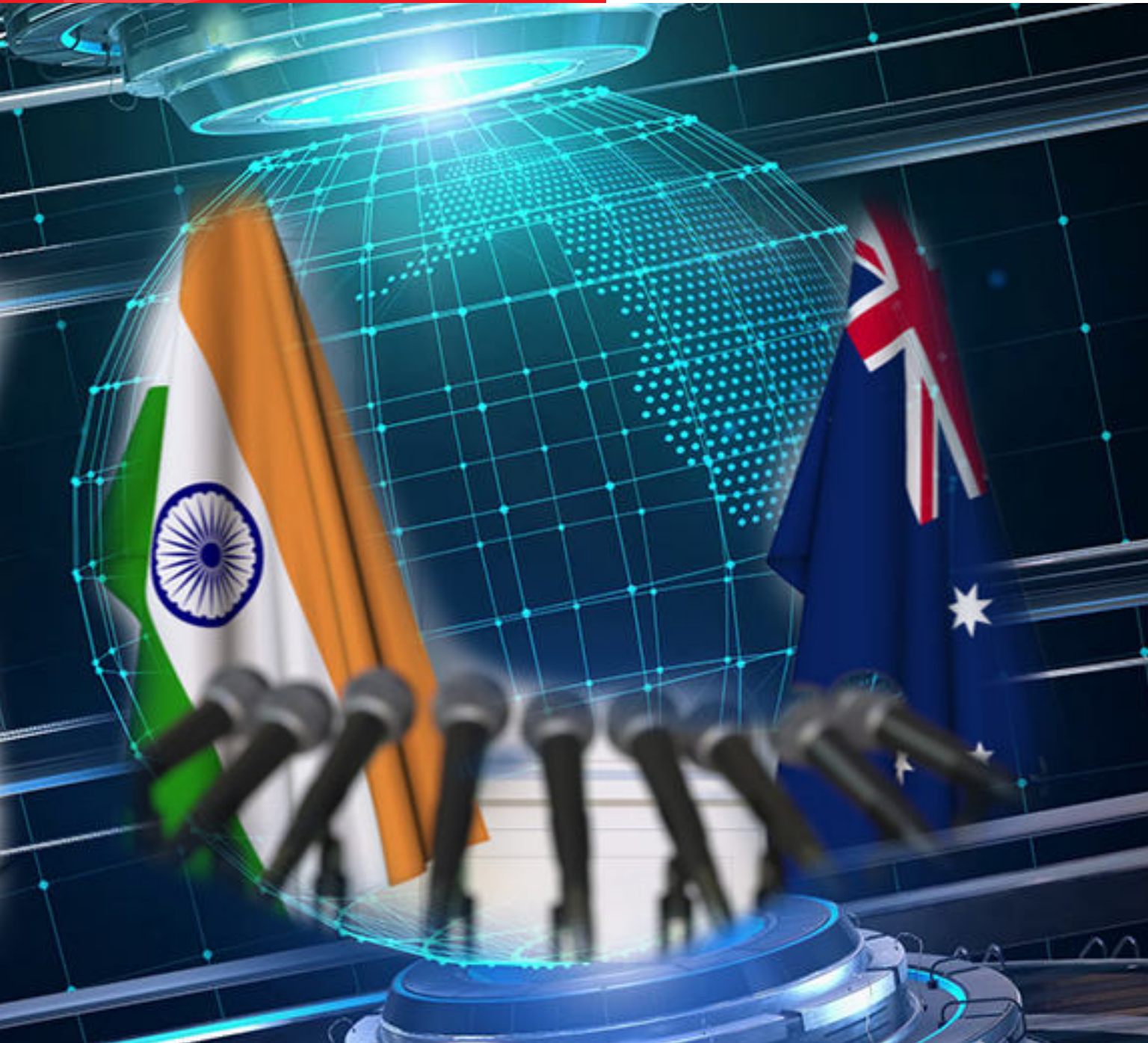
A Monthly Newsletter by

SEPC

SERVICES EXPORT PROMOTION COUNCIL

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

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LEVERAGING FTA'S & NETWORKS TO BOLSTER THE SERVICES EXPORTS.

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

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India Serves

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MESSAGE
From the
CHAIRMAN



CA. SUNIL H. TALATI



HAPPY & SUCCESSFUL NEW YEAR

Happy New Year! May you find the perspective you seek in 2023. As a wise person once said, "Life isn't about waiting for the storm to pass, it's about learning to dance in the rain". This is the perfect time to turn over a new leaf and follow your dreams. You can do it!



With best regards

Committee

C.A. Sunil H. Talati
Chairman



*Happy New Year!
I know this past
year has had its
fair share of ups
and downs - but
good or bad, these
experiences have
shaped who we are
today and who we
will be in the future.
Onwards and
upwards my friend,
with no regrets!*



Mr. Karan Rathore
(Vice-Chairman)





From the DG's Desk



We are bidding farewell to a year that gifted us our lives back. After two years of lockdown, we all resumed normalcy and the fun talking to each other face to face. It was fun to be around friends and family and back to office conversations. We could empathise with people who suffered a loss during the COVID period and it was deeply satisfying for us as well. As we progress into a new year, all we can wish for ourselves and our dear ones is good health, happiness and success.

Dr. Abhay Sinha
Director General



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

LEVERAGING FTA'S & NETWORKS TO BOLSTER THE SERVICES EXPORTS.

India is pursuing multiple free trade agreements with partners around the world. Its negotiations are part of a broader strategy seeking to balance trade agreements with key economies and revamp existing pacts to boost trade. A common theme throughout these FTA and or comprehensive economic partnership agreement negotiations is India's desire to gain better access to its partners' service markets.



ONGOING NEGOTIATIONS

India and the Australia have been close allies for long-time. The bilateral relationship between the two countries were upgraded to a strategic partnership. India and Australia signed the Economic Cooperation and Trade Agreement (ECTA) on 2nd April 2022 which got ratified last month on 29th November and shall come into force after 30 days with effect on 29th December 2022. At the same time, India is seeking to establish a number of additional free trade agreements and or comprehensive economic partnership agreements - including with the Australia, United Kingdom, Canada, Singapore, The EU, Gulf Cooperation Council and Israel, among others. The India Australia and Canada trade relations are discussed ahead.

A common theme throughout these FTA and or comprehensive economic partnership agreement negotiations is India's desire to gain better access to its partners' service markets.

INDIA AUSTRALIA ECTA (ECONOMIC COOPERATION AND TRADE AGREEMENT)

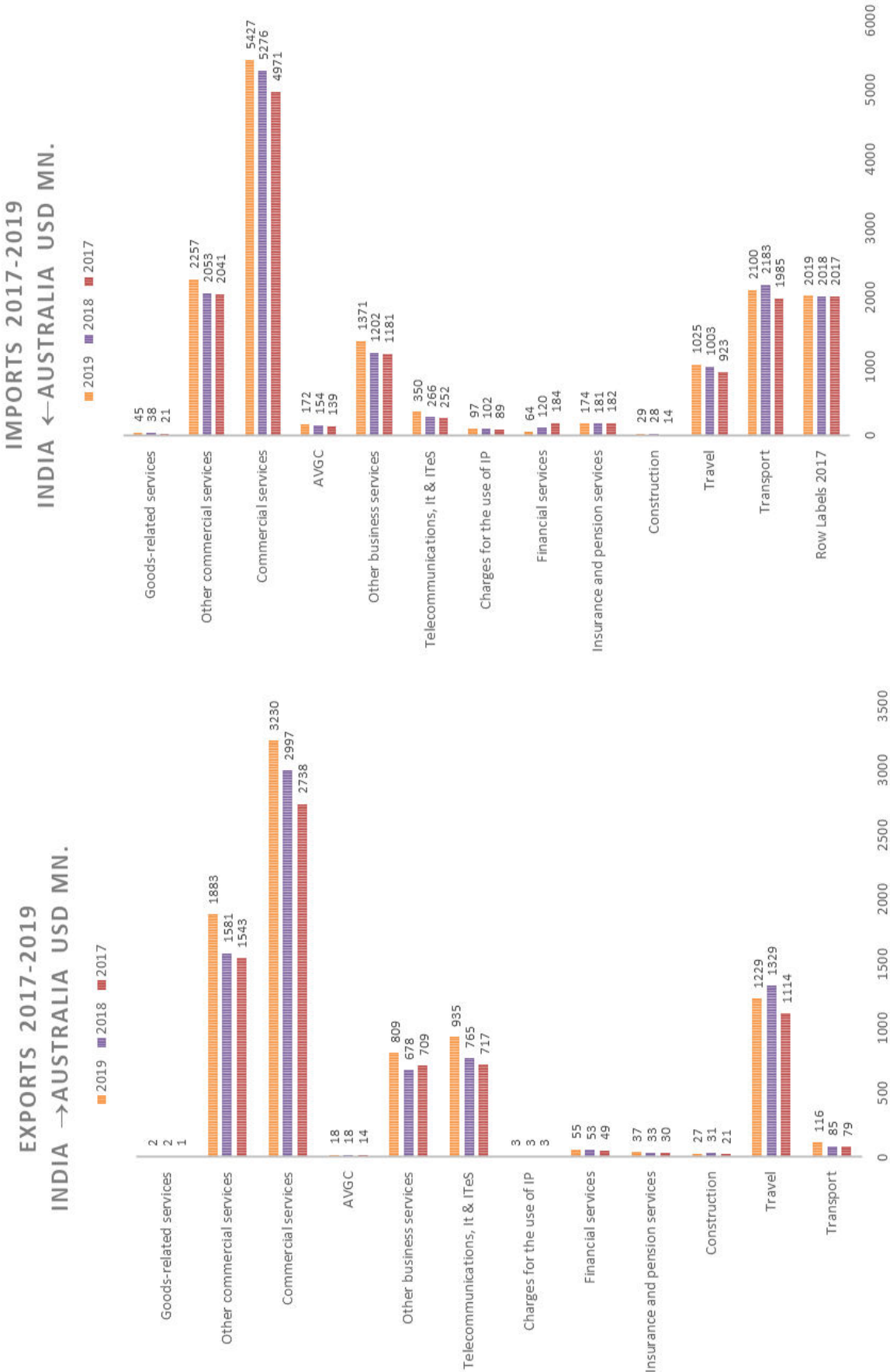
This enhanced partnership agreement between Australia and India will boost bilateral trade and investment between the two Indo-Pacific countries. With the enhancement of bilateral trade in services, there could be generation of employment opportunities for skilled and unskilled workforce in the services sector in merchanting, other trade related services between related enterprises, professional, management consulting and R&D services. Despite the global economic slowdown and the Euro zone crisis, India- Australia bilateral trade in Services has been resilient & has only grown as seen in the figure 1.

Key areas of India's interest like IT, ITES, Business, Professional services, Health, Education, Audio-visual have been committed by Australia under this agreement. On market access in Services, broader and deeper commitments from Australia have been taken across all the sectors and modes of supply.

Australia has offered 135 sub-sectors to India and India has offered 103 sub sectors to Australia. ECTA will provide increased certainty for Indian service suppliers already doing business in Australia by binding existing market access, broadly in line with current settings or commitments Australia has made in other trade agreements. Indian service suppliers will benefit from full or partial access across to more than 85 Australian services sectors and subsectors. Australia has also committed to extend to India any future services market access improvements Australia agrees to give any future FTA partner in 31 sectors and subsectors. By confirming access to these sectors, Indian services suppliers will always be on par with new international competitors and will have the predictability they need to trade more with Australia.



Figure1: Snapshot: Bilateral flow of cross border services (Source: WTO & SEPC Analysis)



MAJOR BILATERAL TRADE FLOWS;

In fig.1 above the disaggregated data on bilateral cross border trade in services between India & Australia are provided for the triennium ending 2019 (2017-2019). It is evident that India's exports to Australia mostly centre around Telecommunications & ITES, Commercial services, Travel services etc. India's imports from Australia also consist of commercial services, transport etc.

Telecommunications, computer, and information services: India's exports to Australia in the sector has grown at CAGR of 16 percent in last ten years registering 38 percent annual growth in 2019 and 19 percent in 2020.

Travel services: Australia was the 4th largest source of tourists in India in 2019 with around 3.7 lakh Australians travelled to India.

Other business services (which includes research and development services, professional and management consulting services and technical, trade-related and other business services): India's exports to Australia in the sector has grown at CAGR of 15 percent in last ten years despite registering negative growth in 2019 and 2020.

Australia's main services exports to India is in Travel services, which has almost doubled during the last decade crossing 5 billion USD in 2019. There are more than 1 lakh Indian students enrolled in various courses in Australia.

IMPACT ON CROSS BORDER TRADE IN SERVICES

PROFESSIONAL SERVICES:

ECTA will support the establishment of a Professional Services Working Group for the future facilitation of the streamlining of the recognition of qualifications, licensing and registration procedures, including through the mutual recognition arrangements between professional services bodies.

India & Australia have agreed to engage their respective professional services bodies to negotiate equivalence or similar arrangements for educational credits, professional qualifications as well as licensing and registration procedures for various professional services and services in regulated occupations. This provides a useful platform to encourage professional bodies to collaborate and negotiate mutual recognition or similar agreements and to encourage them to reach out to their counterparts.

ECTA shall also mandate transparent and reason

able fees, timeframes and status updates upon request as well as acceptance of electronic and authenticated applications, and removing unnecessary requirements of physical presence for various applications & procedures.

Australia has also provided new market access for culturally significant occupations for a combined total of 1,800 per year of qualified professional traditional chefs and yoga instructors entering as contractual service suppliers of India.

MOBILITY

Australia will provide new access for young Indians to participate in working holidays in Australia. Places in Australia's Work and Holiday program will be set at 1,000 per year and Australia will have two years to implement the outcome in this new location. The outcome is expected to contribute to both work force requirements and to tourism in regional Australia.

Indian students will also be able to live, study and work in Australia temporarily upon completion of their studies. Australia has acknowledged the important contribution made by Science, Technology, Engineering or Mathematics (STEM) specialists, including Indian information and communications Technology (ICT) professionals. To enhance mobility in these fields, Australia shall extend possible stays from two to three years for Indian Students graduating in Australia with bachelor degrees in the STEM fields with First Class Honours, including ICT fields.

The Post-study work visa outcome for Indian students will apply upon completion of a diploma or trade qualification (stays of up to 18 months); a bachelor degree (stays of up to two years); a masters degree (stays of up to three years); and a doctoral degree (stays of up to four years). In addition, the length of stay for a bachelor degree graduate with first class honors will be extended from two to three years post-study in Science, Technology, Engineering or Mathematics and information and communications technology sector.

ANTICIPATORY TRADE EFFECTS

Talking about the anticipatory trade effects of the FTA, the experts expect that full-fledged implementation of FTA provisions and the elimination of all tariff and non-tariff barriers might result in a higher degree of integration & FTA will have a positive impact on trade balance and the revenue gains for India. Some of the anticipated benefits although not comprehensive, to both economies are documented in the table below:-

TABLE 1: ANTICIPATED SHORT & INTERMEDIATE TERM GAINS FROM THE AGREEMENT FOR BOTH PARTIES

Sl. No	Criteria	Key gains for India	Key gains for Australia
1.	Breadth of the Agreement	Australia has made commitments in around 135 sub sectors (out of 160) with MFN in around 120 subsectors & and provided MFN treatment for future (match their best FTAs in future)	India is making commitments in around 103 sub sectors (GATS-36) with MFN in 31 sub sectors.
2.	Areas Committed	Key areas of India's interest like IT, ITES, Business, Professional services, Health, Education, Audio-vi-sual being committed by Australia.	Key areas of Australia's interest like Business Services, Financial ser-vices, Education have been commit-ted by India. Avenues for Investment in many areas.
3.	Liberalising various Modes & Barriers.	Australia has taken commitments not to impose local presence re-quirements for cross border delivery of services in most of the sectors.	India will transition to negative sched-ule approach in 6 years. GATS-plus commitments in domestic regula-tions to provide certainty on ease of doing business measures related to services sectors.
4.	Equivalence	Commitment to Pursue Mutual rec-ognition Agreements in education & professional degrees/ services in 12 months to arrive upon Equivalence of credentials.	Commitment to Pursue Mutual rec-ognition Agreements to arrive upon Equivalence of credentials.
5.	Immediate opportunities	India's IT sector is much larger than Australia's with abundant supply of qualified and well trained workforce. Annual quota of 1800 Yoga teachers & Indian Chefs. India has several low-cost prod-uct-based Software as a Service (SaaS) offerings that can be offered to Australian SMEs.	The Australian start-up environment requires specialized talent and India has the advantage of offering skilled personnel that can meet this require-ment. Australia requires skilled tech staff - India has a large tech resource pool.

Australia's main services exports to India is in Travel services, which has almost doubled during the last decade crossing 5 billion USD in 2019. There are more than 1 lakh Indian students en-rolled in various courses in Australia.



BACKGROUND

India and Canada share profound cultural and economic ties as Canada is home to one of the most vibrant Indian diasporas, with approximately 4% of Canadians being of Indian origin and a presence of 600 Canadian companies in India, and more than 1,000 companies are actively pursuing business in the Indian market. These factors result in the strengthening of official dialogues, agreements, MOUs, etc.

Canada is not a large market for Indian goods, India is keen to have a strong services agreement under the proposed CEPA. India is interested in creating more jobs for its IT professionals, by facilitating easier work visas for Canada under the trade agreement. Canada, a major producer of pulses, is keen to increase its Agri exports to India.

EXTANT BILATERAL TRADE IN SERVICES

In case of services trade, India-Canada trade stood at 5.4 billion US Dollar in 2020; Canada's export to India was 3.7 billion US Dollar and import from India was 1.7 billion US dollar, creating a trade deficit of around 2 billion USD for India in services trade with Canada. Services trade between India and Canada was only 2.9 billion US Dollar in 2017 which went up to 5.4 billion US Dollar in 2020. A Canada-India CEPA will potentially result in further boosting the bilateral trade in services sector.

Figures 2 highlights the disaggregated services exports to and imports from Canada for the TE 2019 in USD Million. India's exports to Canada largely comprise of other commercial services, telecom, IT and ITES, other business services, travel etc. Imports from Canada are transport and commercial services.

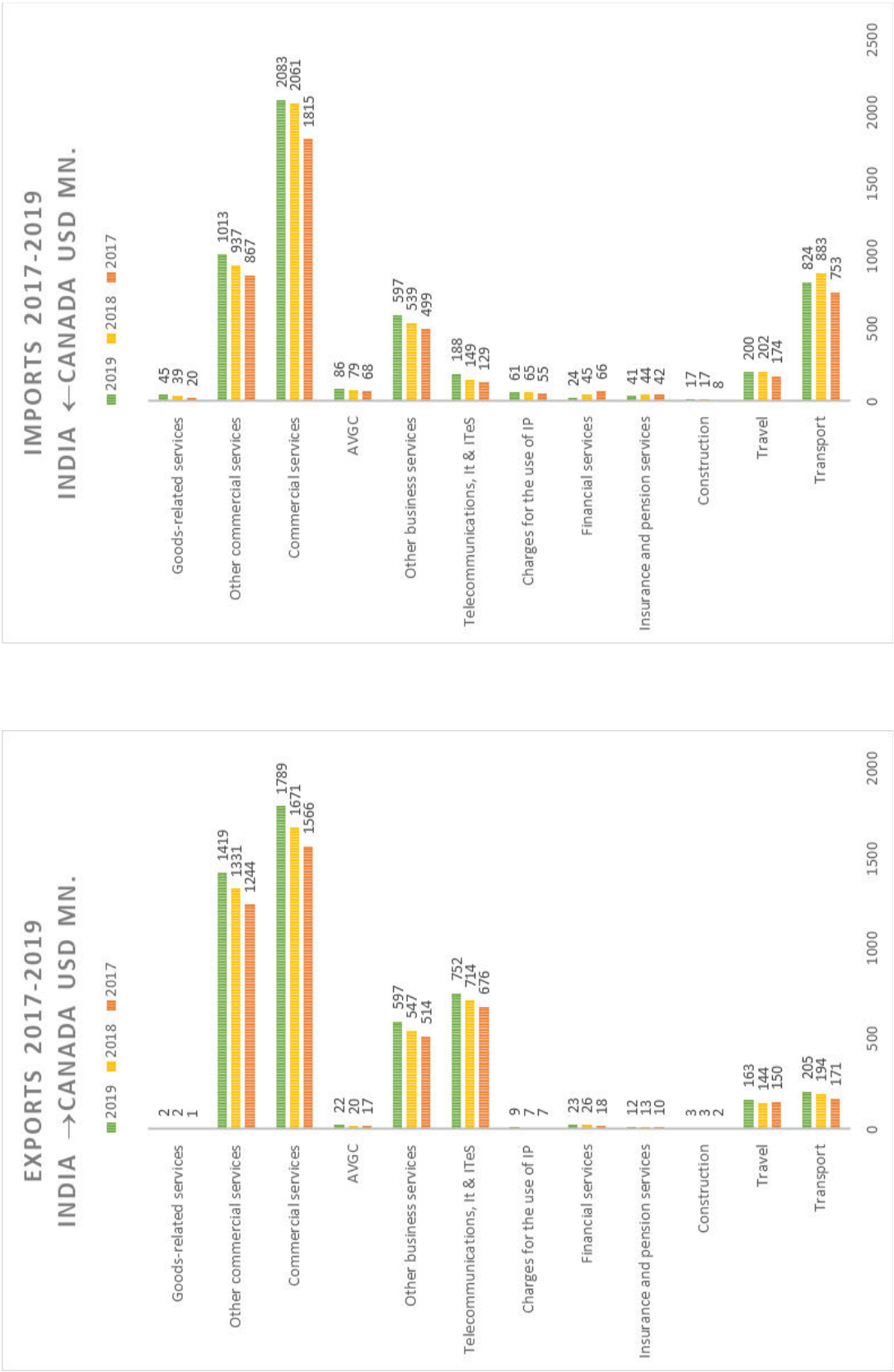
INDIA-CANADA CEPA: SERVICES

India – Canada CEPA is aimed to further liberalise Indo-Canada trade and investment relations. In the recent round of negotiations in June 2021, constructive discussions were held on various issues, including cross-border trade in goods and services, e-commerce, telecommunications, sanitary and phytosanitary measures, as well as technical barriers to trade.

The forthcoming negotiations between the two countries will focus on trade while resolving diverging issues, such as the completion of the Foreign Investment Promotion and Protection Agreement (FIPA). If the two parties find mutual ground, they will be on track to reach a CEPA by 2023. If successfully negotiated, the Canada-India CEPA will not only create access for Canadian businesses to one of the fastest-growing economies in the world but also help Canada build a strong foothold in the Indo-Pacific.

A Canada-India CEPA will potentially result in further boosting the bilateral trade in services sector.

FIGURE 2: SNAPSHOT: BILATERAL FLOW OF CROSS BORDER SERVICES (SOURCE: WTO & SEPC ANALYTICS)




DESIRABLE OUTCOMES

It is evident that the Canadian imports of IT services from India have been increasing since the beginning of the last decade. A possible India-Canada CEPA could assist in further expanding trade in this segment.

The trade balance deficit is also being filled up at a quicker rate in commercial services segments by India. The silhouettes demanding focus during the negotiations are in mobility & equivalence of credentials to retain this momentum.

Canada's main commercial services exports to India include management services, architectural, engineering and other technical services, and miscellaneous business services and this shift in consumer behaviour only makes a better case for rapid exchange between the two economies. & major commercial services imports from India are computer related and information services, followed by miscellaneous services to business. India has also been eyeing to proliferate its IT services via its demographic advantage and a teeming population of IT professionals.

To prosper in the Canadian services sector market, India requires relaxed barriers on services exports such as easing of stringent visa regulations for services professionals in IT sector, aviation tax on air services, foreign ownership caps, restrictions on types of commercial presence, discriminatory registration requirements and licensing procedures, nationality and residency requirements, economic needs tests and discriminatory treatment giving an advantage to Canadian companies over the Indian ones. In view of the enormous geographical distance separating India and Canada, it is perceived that the cross-border provision of services will be a particularly important mode of service delivery between the two countries.



shift in consumer behaviour only makes a better case for rapid exchange between the two economies. & major commercial services imports from India are computer related and information services, followed by miscellaneous services to business

Monthly Services Exports from India in the FY 2021-22

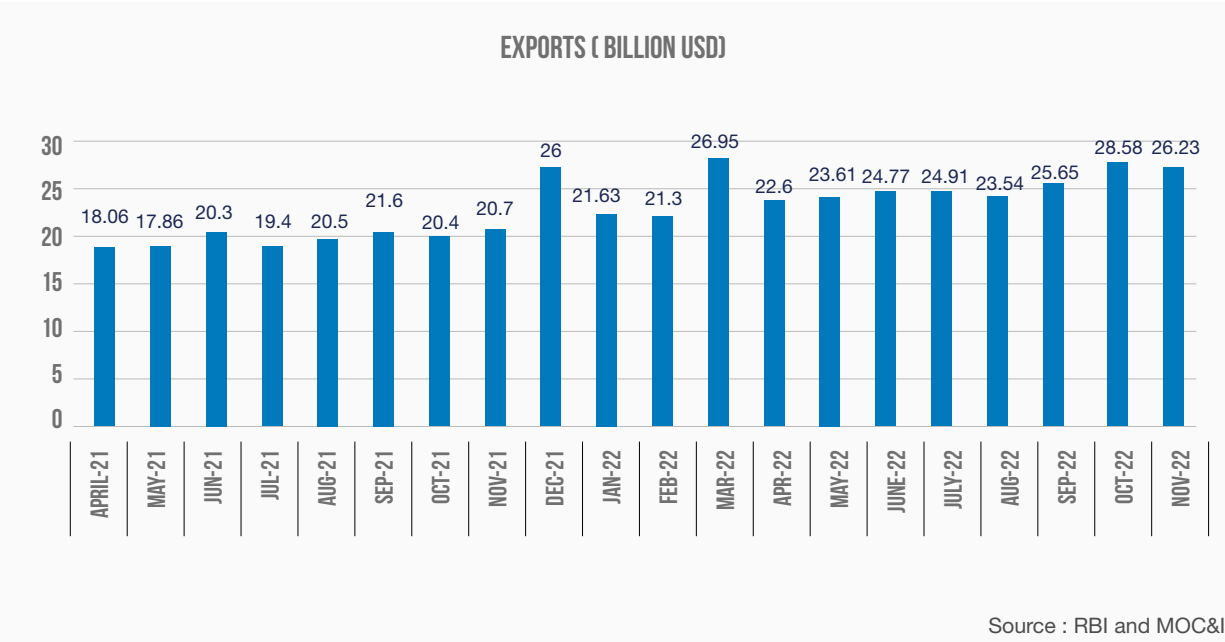


Fig: Services Trade in November 2022

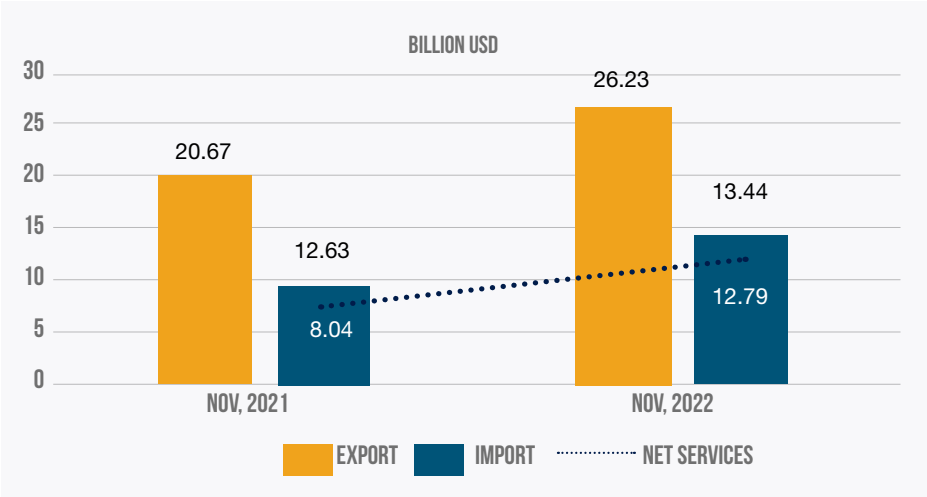
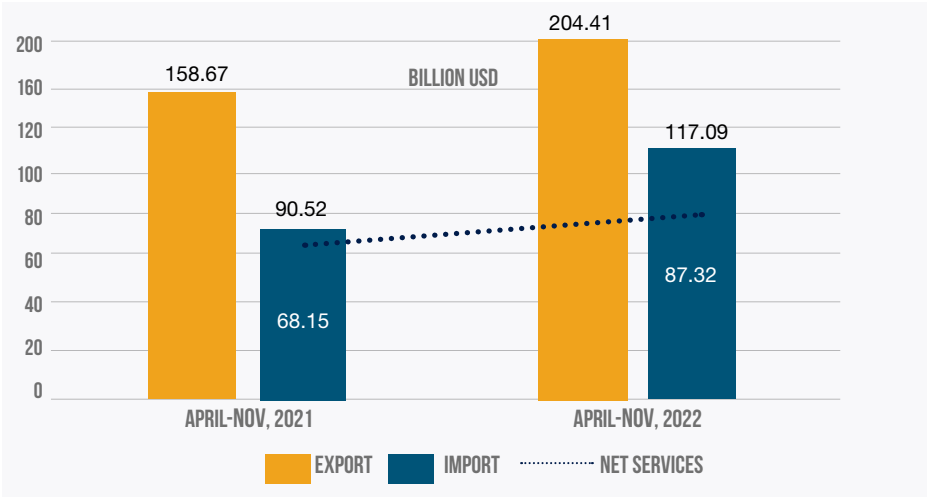
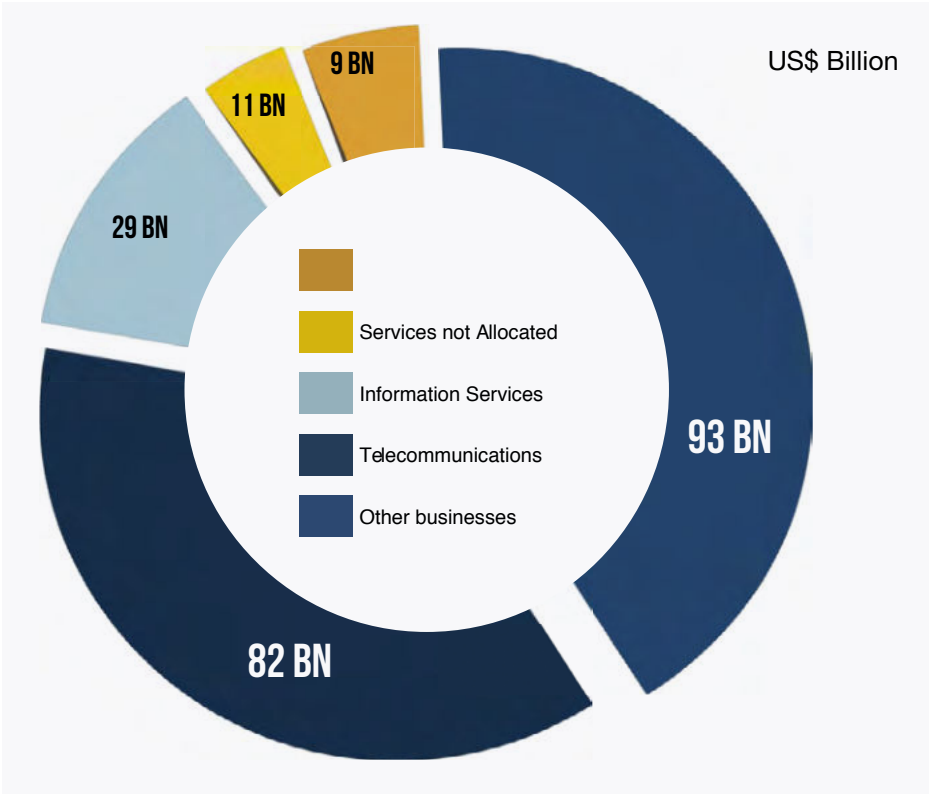


Fig: Services Trade during April - NOV 2022

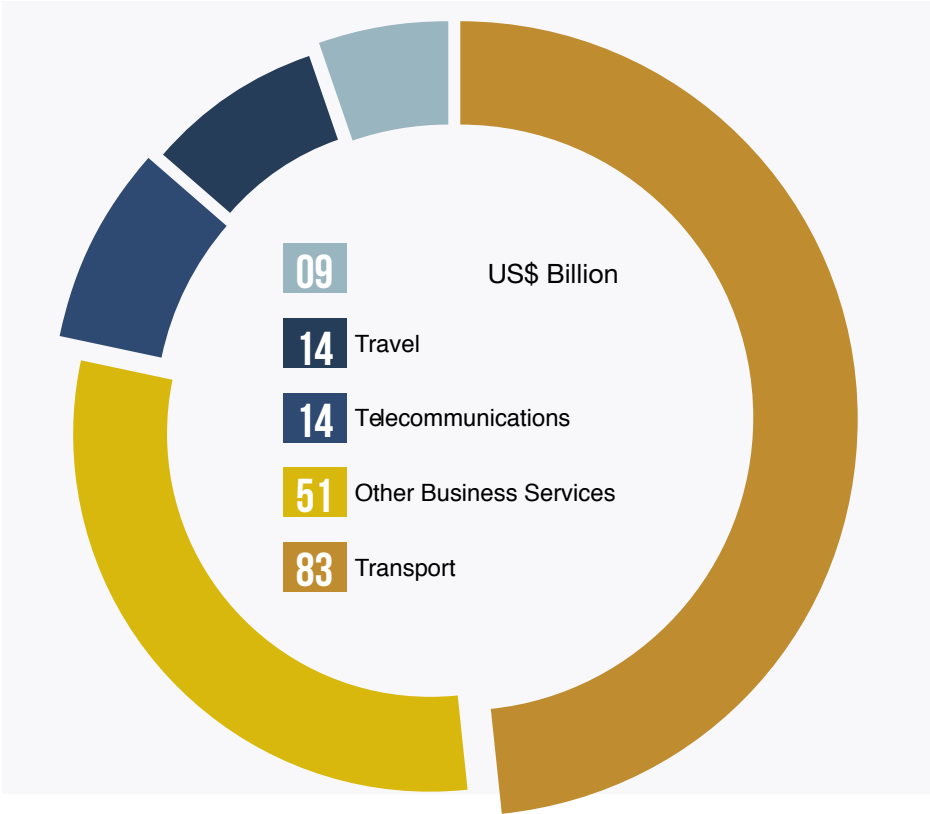


Source : RBI and MOC&I

INDIA: SERVICES TRADE (DECEMBER 2022)



TOP 5 SERVICES IMPORTED IN 2022



INDIA JOY SHOW FROM 01-05TH NOVEMBER, HYDERABAD INTERNATIONAL CONVENTION CENTRE (HICC)

SEPC actively participated in “INDIA JOY” one of the Biggest Media and Entertainment Festival of India scheduled at Hyderabad from 1st to 5th November 2022

India Joy is an aggregator platform which brought together the prestigious Media and Entertainment events in one place to unfold opportunities for Investors, Corporations, Studios, Content Developers, Delegates, Consumers, Hardware manufacturers and students, through series of Networking, Trade Exhibitions, Product Launches, B2B and B2C events. Some of the prominent events slated under the ages of India Joy included :

- VFX Submit
- India Game Developers Conference
- Unite India(Unity)
- Indiwood(Film & VFX)
- International Animation Day
- Animation Express
- eSports(Blitz)
- Google Developers Day
- India Game Expo – IGX
- India Design Summit and many more.

The objective of SEPC’s Participation was to understand the market sentiments in the media

and entertainment sector with the special focus on gaming, VFX, Animation etc. It also gave an opportunity to SEPC of meeting with prospective members of media and entertainment sector, educating the industry about the benefits provided by SEPC and also helped SEPC for its upcoming flagship event Enttech 2023.

India Joy Organisers provided a 9 sqmts octa-norm structure on complimentary basis to SEPC.

THE OBJECTIVE OF IndiaJoy

IndiaJoy is a leading aggregator platform hosting prestigious international events and bringing together the AVGC sector to unfold opportunities for Investors, Corporations, Studios, Content Developers, Delegates, Consumers, Hardware manufacturers and students, through series of Networking, Trade Exhibitions, Product Launches, B2B and B2C events. Amassing the largest stakeholder participation from across the globe, including 15+ events, 10,000+ International Participants, 25k Delegates, 30 Countries, and 50k Media Mentions, IndiaJoy is rising to be one of the pioneering Media and Entertainment events in South Asia.



With Mr. Hirachand Dhand, SEPC Sectoral Head, AVCG Sector. Mr. Dhand with Mr. Anil Wanwari.



With Actor Ramana Mehra



Concurrent Events

IndiaJoy is the agency to represent VFX Summit, Desi toons IGDC, OTT Pulse for Indian Entertainment industry Domestically. With over 600 Visitors, with Overall 100 stalls from Entertainment industry & AVGC.

VFX Summit: VFX Summit 2022(<http://vfxsummit.in/>) is a 2-day event celebrating the Indian visual effects content, under the congregation of IndiaJoy (www.indiajoy.in) , India's largest Digital Entertainment fest, supported by the Government of Telangana.

Desi toons: Desi Toons, a one-day conclave within Indiajoy, brings together all the stakeholders of the animation production, broadcasting

and licensing industry. A celebration of Indian animation, the conclave will focus on indigenous IPs, the global potential of the same and the future of Indian animation.

IGDC: The India Game Developers Conference (IGDC) is a Keystone for the Indian Gaming Universe. Over the last 14 years, we have been an avenue for developers, publishers, investors, and enthusiasts to network across the industry.

OTT Pulse: OTT Pulse 2021 conclave which will bring together the visionaries, directors, and actors of the top OTT platforms under one roof discussing the current trends, growth, and the future of New Media

42ND WORLD TRAVEL MARKET (WTM) 2022, 7TH -9TH NOV, 2022, EXCEL LONDON

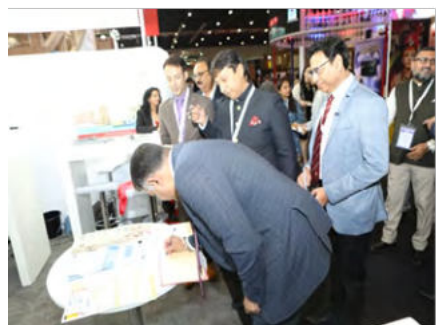
WTM London was successfully held in-person event, focused on showcasing how the industry has evolved and reshaped itself over the last few years to meet the demands of the new consumer market. Further a number of conference sessions exploring challenges the travel industry has been facing were held providing tangible expert advice on how to improve business. It was incredible to see the world of travel reuniting once again and working together to improve and innovate the industry.

World Travel Market London 2023 took place on 6 – 8 November at ExCeL London.

GLIMPSES OF WTM LONDON 2022:

- Partner Country exhibitor: 100 +
- Exhibitors: 2914+
- Visitors: 50,000 attendees on the exhibition grounds
- Ministerial Country Representation: 55 Nations
- Media Representation: 1500
- Conferences – 7th Nov – 26, 8th Nov – 23, 9th Nov - 25
- Travel Technology Companies: 60

DAY 1- INAUGURATION OF SEPC INDIA PAVILION BY H.E. SHRI VIKRAM K DORAIWAMI, HIGH COMMISSIONER OF INDIA, LONDON



DAY 2 MEDIA PRESENTATION IN ASSOCIATION WITH MINISTRY OF TOURISM

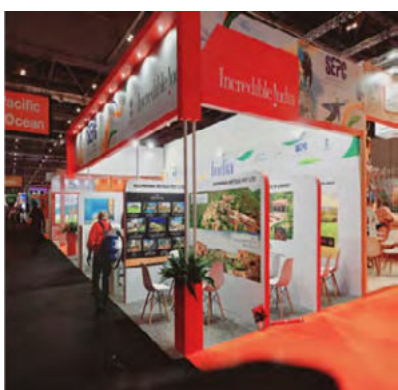


MAJOR HIGHLIGHTS OF THE MEDIA BRIEF AT WTM LONDON 2022

1. The theme of this year exhibition is “The Future of Travel Starts Now”
2. India’s participation at WTM is significant to step up recovery of inbound tourism to pre-pandemic level
3. Tourism is a significant driver of Indian economy. Before pandemic, tourism contributed 5.19% to India’s GDP and accounted for 79.86 million direct and indirect jobs.
4. Success of world’s largest COVID-19 vaccination drive and calibrated opening of tourism sector backed by wide ranging efforts of the Central & State Governments, Indian tourism sector has made significant progress in recovering from COVID-19 pandemic shock. Domestic travel recovered swiftly with many destinations such as Kashmir, Himachal Pradesh, Uttarakhand, Goa seeing record domestic footfall breaking all the previous records.
5. Post pandemic, India is fully ready to welcome tourists from across the world with our motto “Athithi Devo Bhava” the Guest is God. As per recent forward keys industry trends, India is leading in inbound tourism recovery in Asia Pacific region and could be the first country in the region to recover to pre-pandemic level 2023.
6. A number of stakeholders from India including State Governments, other Central Ministries, DMCs, tour operators, hoteliers, travel agents, online travel agents, facilities of medical value travel, luxury trains and the gamut of tourism products to the international business community.
7. Indian delegation led by Shri Arvind Singh, Secretary (Tourism) Government of India includes senior officials from the Ministry, besides representatives from the Indian travel and tourism stakeholders.



SEPC INDIA PAVILLION AT WTM 2022



Total Meetings with Tourism Board & International Buyers by SEPC Team: -
200+ (Across 3 days at WTM 202, London)

MAJOR HIGHLIGHTS AT WTM 2022

1. Trade Deal between India & UK needs to boost tourism- UK is one of the most important inbound source markets for India. However, the absence of e-visa facility for travellers from the UK looking to visit India coupled with delays in getting appointment dates ahead of the peak tourist season is a matter of concern for the industry.
2. Global Tourism 2022:
 - a. 250 million International Arrivals
 - b. Europe 350%
 - c. Americas 112%
 - d. Middles East 157%
 - e. Africa 156%
 - f. Asia and the Pacific 94% (Source UNWTO)
3. \$8.9 Billion net loss in Asia Pacific: - Strict and enduring travel restrictions (notably in China), along with an uneven vaccine rollout, have seen the region lag in the recovery to date. As the restrictions diminish, travel demand is expected to increase quickly. Net losses in 2022 are forecast to decline to \$8.9 billion. Demand is expected to reach 73.7% of precrisis (2019) levels (Source IATA)
4. Travel & Tourism 2022-2032
 - a. 126 million tourist
 - b. 5.8% average annual growth rate of GDP compared to 2.7% growth rate for the global economy.
 - c. US\$ 14,6 trillion GDP contribution
 - d. 11.3% of the total global economy. (Source UNWTO)
5. Travel Tech Trends of the Future: Privacy & Customisation Top the Agenda
 - a. Frictionless Travel
 - b. Attribute Based Selling
 - c. A fintech revolution
 - d. Subscription economy
 - e. Self-sovereign identity
 - f. A tokenised future

WAY FORWARD FOR WTM 2023

1. SEPC should exhibit with large space under Incredible India Pavilion (Ministry of Tourism)- Brand India.
2. Incredible India Pavilion should be of much larger space than this year to cater all state tourism boards and SEPC Pavilion
3. SEPC Exhibitors/Members look forward to large space at more subsidised rate to participate.
4. Focused B2B Meetings within the SEPC pavilion with international Buyers and at respective country tourism boards pavilion (Prefixed) apart from WTM Connect me appointment dairy.
5. Prior fixed meetings with Indian State Tourism Boards for year-round collaborations with SEPC.
6. Each State Tourism Board to showcase important destination locations and live food sampling counters (Brand India Campaign)
7. Prior discussion with International Tourism Boards on MOU signing and delegation exchange.
8. India's tourism sector has undergone huge transformation over past few years in air connectivity, road connectivity and railways. This has opened up many new tourist destinations in the country and made even far off places easily accessible. Widespread digitization of services has also led to better visitor experience in planning, booking and undertaking travel in the country. The same to be showcased by each state tourism boards.
9. During the visit to WTM 2023 the Indian delegation will showcase the varied tourism offerings of India to the global tourism industry stakeholders such as tour operators, travel agents, media etc. The delegation will also share about India's Focus in promoting sustainable tourism. Digitalization of tourism sector, development of tourism MSME's and skill development.
10. Indian Tourism sector offers huge potential for domestic and foreign investors. The visit in 2023 will also offer opportunity to the Indian Government delegation to showcase the investment opportunities and potential which India offers to the global investors.
11. India is also gearing up for the G20 Presidency which is scheduled to start from 01st December 2022. Under its Presidency, the country is expected to host over 200 meetings across 55 cities in the country. The G-20 Presidency will give India's Tourism sector an unparalleled opportunity to highlight India's tourism offerings and share India's tourism success stories on a global stage at WTM 2023.

WCOA MUMBAI, NOVEMBER 18-21, 2022



protector of public Interest and how the profession can play an instrumental role to enable sustainable economies for the future.

The WCOA 2022 was an apt platform for exchange of ideas through interactive discussions for accounting, finance and business professionals and there was active participation from regulators; standards setters; economists; professional accountants in practice and industry; global CEOs/CFOs/CXOs of Industry; academicians; consulting practitioners; global accounting institutions and commercial Groups

SEPC PARTICIPATION





SEPC took the silver sponsorship in WCOA 2022, and CA Sunil H. Talati Chairman-SEPC (former president ICAI) and with other SEPC staff, Mr Desh Raj , Mr Vikas Mishra, Mr Sumit Dhyani , participated from SEPC .

Number of Visitor Visited in SEPC Booth 400



SEPC ORGANISED A WEBINAR ON GLOBAL MARKETS & RUPEE OUTLOOK FOR Q4 2022 ON 11TH NOVEMBER 2022 IN ASSOCIATION WITH FINREX

SEPC in collaboration with Finrex organised an online webinar on “Global Markets and Rupee Outlook for Q4-2022”. The session was taken by Mr. Chintan Master, Partner Director FINREX Treasury Advisors LLP. Several exporters participated in the webinar and asked a lot of questions. The session covered inflation at a multi-decade high globally, geopolitical risk factor, global recession risk, internationalisation of rupee/settlement of rupee in international trade, monetary policy etc. In the end, the session was much appreciated by the audience as it was informative and gave a bird’s eye view of the global and Indian economic scenario.



IN ASSOCIATION WITH

Join our free online webinar on

GLOBAL MARKETS & RUPEE OUTLOOK FOR Q4-22


FRIDAY, 11 NOV, 2022 | 4:00 PM – 5:30 PM (IST)

Registration link:
https://us02web.zoom.us/join/register/WN_dm4s_oeA5hG8Q58UJce8Bg

THE SESSION WILL COVER

- Inflation at a multi-decade high globally
- Geopolitical Risk Factor
- Global Recession Risk Rising
- Internationalization of rupee / settlement of rupee in International Trade
- Monetary Policy: Stabilizing Prices and Output
- Indian Economy Output

SESSION SPEAKER



Chintan Master
Partner Director
Finrex Treasury Advisors LLP

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IN the NEWS

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INDIAN HOTELS WELL POSITIONED FOR A STRONGER SHOW IN H2 OF THIS FISCAL

Indian Hotels Company Ltd (IHCL) is 'well positioned' to deliver much stronger growth in the traditionally robust second half and is on track to achieving the targets set under a new strategy, the chief executive of the Tata group-backed hospitality chain told ET. IHCL managing director and CEO Puneet Chhatwal said the second half of the ongoing fiscal year has witnessed an increase in average room rates and occupancies, led by demand from a strong leisure segment and a boost from increased business travel.

In the first quarter, "we did an Ebitda margin of 31% and 25.4% in quarter two. Cumulatively the H1 Ebitda margin stood at 29%. A traditionally strong H2 for the sector should enable a full-year margin well within the range of 30% plus," Chhatwal added.

This was IHCL's 'best ever' first half in the last decade. In May, the hotels chain said it would launch a new strategy - Ahvaan 2025 - which aims to re-engineer margins, re-imagine its brand scape and restructure its portfolio. The company said by 2025-26, it aims to build a portfolio of 300

hotels, register a 33% Earnings before interest, tax, depreciation and amortisation (Ebitda) margin with a 35% Ebitda share contribution from new businesses and management fee. Chhatwal said the Ebitda margin growth came from factors such as introduction of new high-margin businesses like Qmin, homestays brand ama, Chambers and Ginger; a change in the business model with a balanced portfolio, and a target of 50:50 between managed hotels and owned or leased hotels; and optimisation of corporate overheads and fixed costs at the property level.

In the first half, the domestic average room rate increased 32% and revenue per available room by 35% compared to pre-Covid levels. "The macroeconomic fundamentals and consumer behaviour is changing. The demand has been strong for eight months in this financial year," said Chhatwal. "So, it's not just pent-up demand. We have signed 21 new hotel contracts and 12 have opened in financial year 2023." He said the portfolio has nearly doubled and overheads have shrunk.

"It's about applying the right levers of asset management, monetisation of space and getting rid of non-core businesses. Our new businesses are high-margin businesses. It's also about managing our assets better and smart renovations," he added. IHCL reported a profit of Rs 122 crore in the second quarter of FY23, compared with a loss of Rs 121 crore in the same period last year. The company reported a topline of Rs 1,258 crore in Q2, a 67% year-on-year growth over last year.

The strong performance was driven by the domestic market, which clocked an over 20% growth rate over pre-Covid-19 levels in key cities, and IHCL properties in the US, UK, Dubai and Maldives also registered a strong recovery. Chhatwal, who is also president of the Hotel Association of India (HAI), said the sector benefited in the last six months due to strong domestic business and leisure demand which reflected the upbeat mood of India. "Strong brands have grown faster, and the best is yet to come.

CASH ON DELIVERY ABOUT \$30 BILLION OF INDIA'S ECOMMERCE MARKET, SAYS GOKWIK

E-commerce enabler GoKwik said cash on delivery transactions is about \$30 billion of India's ecommerce market despite consumers increasingly using digital currency. "We live in a low trust society. It's not that these people have not done UPI ever. We have in fact seen that there is a 50% overlap in people using UPI or credit cards and COD. It is also a generational thing and it will take another 10-15 years to move away from COD similar to other markets like Japan," said Chirag Taneja, co-founder of Gokwik. "COD has withstood the shock of demonetisation and Covid wave and cash in circulation (CIC) has come back in the economy." As ecommerce penetration in India grows into double digits on the back of increased access and affordability in tier 3 and beyond cities, it expects both COD and RTO percentage to increase in line with the

market growth. At present, COD is about 25-30% of all ecommerce transactions which Gokwik expects to halve and stabilise at around 10-15% if brands make back end interventions. Also higher COD orders usually increase the chances of Return to Origin (RTO) rate, which essentially means rate of orders returned even before delivery. In fact, GoKwik estimates RTO to be around \$9 billion.

"Companies have built payment infrastructure from the payment lens and not from the ecommerce lens which merchants want us to solve. Similarly, the entire check out propositions including log in, address and discounts have deep problems and we address these shopping experience issues for brands," added Taneja.

INDIA'S SERVICES SECTOR OUTPUT GROWTH HITS THREE-MONTH HIGH IN NOVEMBER ON STRONG DEMAND

India's services sector output growth touched a three-month high in November as business inflows rose markedly amid accommodative demand conditions, a monthly survey reported. The seasonally adjusted S&P Global India Services PMI Business Activity Index rose from 55.1 in October to 56.4 in November, indicating a sharp increase in output that was the quickest in three months even amid higher operating expenses.

Survey participants linked the latest expansion to demand strength, successful marketing and a sustained upturn in sales. For the 16th straight month, the headline figure was above the neutral 50 threshold. In Purchasing Managers' Index (PMI) parlance, a print above 50 means expansion while a score below 50 denotes contraction. Indian service providers continued to reap the benefits of strong domestic demand, with PMI data for the penultimate month of 2022 showing faster increase in new business and output," said Pollyanna De Lima, Economics Associate Director at S&P Global Market Intelligence. On the Jobs front, sustained expansions in new work intakes and demand buoyancy continued to promote job creation in the service economy. "Employment rose at a solid pace that was among the quickest in over three years," the survey said.

On the prices front, services companies across India reported higher operating expenses. In addition to greater transportation costs, firms reported higher prices for energy, food, packaging, paper, plastic and electrical products. "Whilst on the whole the latest results are encouraging, the trend for inflation is somewhat concerning. Strong demand for services again boosted firms' pricing power, with more companies transferring cost increase to their customers," Lima said.

The overall upturn in input costs was sharp and little-changed from October, while output charges rose at the quickest rate in over five years, Lima said. On the prices front, services companies across India reported higher operating expenses. In addition to greater transportation costs, firms reported higher prices for energy, food, packaging, paper, plastic and electrical products.

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CTV ADVERTISING IN INDIA TO REACH \$395 MILLION BY 2027: FINECAST-KANTAR

The Connected TV (CTV) advertising spends in India are expected to grow at a CAGR of 47% in the next five years to reach \$395 million by 2027, according to 'The Changing Landscape of Indian Television' report launched by GroupM's Finecast and Kantar. As per the report, the CTV ad spending in the country for the current year is projected at \$57 million. India is expected to become the third largest market by 2024 with CTV advertising playing a key role.

The addressable TV homes in India are expected to reach 40 million by 2025 as more consumers adopt CTV in the coming years. In 2022, the total addressable TV homes stood at 20-22 million or 10% of the total TV homes in the country. GroupM South Asia CEO Prasanth Kumar said, "The evolution of the TV landscape has been accelerated by technological changes in the distribution space, availability of high-speed internet, and last but not the least, the growth potential of Indian audience to advertisers. Many new capabilities exist for TV advertisers in the coming years. The future of TV in terms of advertising looks bright as the emergence of new technologies like CTV creates even more room for customizations." GroupM India President - Data, Performance & Digital Products Atique Kazi said, "We are super excited to lead advertisers in this changing TV landscape and to make TV advertising more convenient in the modern marketing era. It's fascinating to see the speed at which technology is transforming. The evolution of OTT and CTV viewership has enabled more meaningful ways for brands and advertisers to engage at the right time with the right target audience. The report will help marketers as well to explore multiple ways to reach out to their audiences."

As per the consumer study conducted by Finecast and Kantar, CTV is the preferred connection at 65%, comprising of Smart TVs, devices such as Firestick, and Internet-enabled set-top boxes vs 35% Linear (Cable + DTH). Within the NCCS A&B respondents, the study established that viewers are cord switchers with multiple connections. However, 2 in 3 households prefer connected TV as the primary mode to access TV. Among respondents, people who prefer CTV appear to have higher household incomes and premium lifestyle indicators such as ownership of smart devices and memberships.



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

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