

India Serves



SEPC

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

VOL II, ISSUE III - July, 2021



SERVICES EXPORT PROMOTION COUNCIL

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Management Consulting Services

Overview:

The management consulting industry includes establishments primarily engaged in providing advice and assistance to businesses and other organizations on management issues, such as strategic and organizational planning; financial planning and budgeting; marketing objectives and policies; human resource policies, practices, and planning; production scheduling; and control planning. This industry also includes general management consultants that provide a full range of administrative, marketing, process, physical distribution, logistics, and other services to clients. (ITA)

With the telecom and internet revolution and services trade liberalisation, cross border supply of management consulting services has increased under all modes of services trade. Today, even the start-ups and MSMEs have the opportunity to offer consulting services to international clients. Foreign consulting firms have established their branches across the world to cater demands across the world. Top multinational management consulting firms like PwC, EY, KPMG, and Deloitte which are also called big four have their offices in almost all major countries in the world. Besides this, professionals in this sector are also frequently moving from destination to destination for joining consulting firms and becoming part of service offerings.

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Cover story

MANAGEMENT CONSULTING SERVICES

The management consulting industry includes establishments primarily engaged in providing advice and assistance to businesses and other organizations on management issues, such as strategic and organizational planning...

India Serves

A SEPC NEWSLETTER

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.

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SEPC

SERVICES EXPORT PROMOTION COUNCIL

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Tap here for detailed profiles

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MESSAGE FROM
THE CHAIRMAN

Maneck E. Davar
Chairman, SEPC



As a result of our sustained efforts and follow up, Ministry of Finance has given its concurrence to SEIS for 2019-20 by allocating Rs 2061 Crores. The Department of Commerce had proposed for the financial allocation on the basis of the details submitted by SEPC. We had proposed an inclusive model, suggesting a capping of Rs.5 crore on sectors other than travel and tourism, education, healthcare (MVT) and aviation. DGFT has informed SEPC that Ministry of Finance is taking necessary steps to create an appropriate budgetary framework and necessary accounting heads for implementing the SEIS for services rendered in 2019-20. DGFT will be able to notify eligible services categories and rates for 2019-20 only after the completion of these inter-ministerial administrative and accounting formalities.

In order to assist our services exporters, SEPC will also be sharing FAQs on SEIS eligibility and application submission. During my recent meetings with Shri Piyush Goyal, Hon'ble Minister of Commerce and Industry, Shri Hardeep Singh Puri, the then Minister of

Meetings with Shri Piyush Goyal, Hon'ble Minister of Commerce and Industry, Shri Hardeep Singh Puri, the then Minister of State for Commerce and Industry, Shri Anup Wadhawan, former Secretary, Commerce and Shri Amit Yadav, DG-DGFT, it has emerged that Department of Commerce is looking beyond SEIS to incentivise services exports

State for Commerce and Industry, Shri Anup Wadhawan, former Secretary, Commerce and Shri Amit Yadav, DG-DGFT, it has emerged that Department of Commerce is looking beyond SEIS to incentivise services exports. SEPC has been asked to suggest schemes beyond duty scrips for the upcoming Foreign Trade Policy due in October 2021. Please send your suggestions and insights on the same on high priority.

We have been able to bring services sector in focus in media and other platforms. Services sector, though contributing significantly to the Indian economy, has so far suffered from low visibility and not duly recognised. On ET NOW channel on 10th July 2021, we had a very detailed discussion on services export. The interaction was titled India Serves: Boosting Services Exports." You can view this on SEPC's you tube channel.

This month's India Serves focuses on consultancy services. According to ITC data, India is third largest exporter and 11th largest importer of Professional and Management Consulting Services in the world. India's exports in the sector have grown

at 13 percent annually in the last 15 years and reached 54 billion US Dollar in 2019. India has a presence in almost all major markets but it's share in the largest markets like USA, Netherlands, Germany, UK and Singapore is merely 2-8 percent with a lot of untapped potential. As of today, the sector is highly concentrated among few multinational consulting firms and within top few countries.

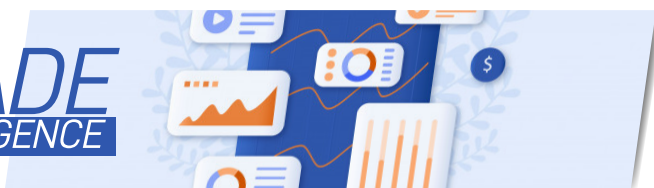
SEPC will soon be sharing the details of SEPC's proposed participation in World Expo, Dubai and other upcoming events. We look forward to your participation.

Please keep on providing your valuable feedback.

Yours Sincerely

Maneck Davar

**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.

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.

Services Covered under SEPC

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

SERVICE EXPORTS FROM
INDIA SCHEME (SEIS)

Sector coverage

Consultancy Services



SEPC Sectors	GATS (WTO) Classification	UN CPC Provisional CODE	Services Description	Covered under Appendix 3D of SEIS?
Consultancy Services	Business services	8650	Management consulting services	Covered
		86501	General management consulting services	Covered
		86502	Financial management consulting services (except business tax)	Covered
		86503	Marketing management consulting services	Covered
		86504	Human resources management consulting services	Covered
		86505	Production management consulting services	Covered
		86506	Public relations services	Covered
		86509	Other management consulting services	Covered
		8660	Services related to management consulting	Covered
		86601	Project management services other than for construction	Covered
		86602	Arbitration and conciliation services	Covered
		86609	Other management services n.e.c.	Covered
		81332	Financial consultancy services	Not Covered
		81402	Insurance and pension consultancy services	Not Covered
		84100	Consultancy services related to the installation of computer hardware	Not Covered
		84210	Systems and software consulting services	Not Covered
		86301	Business tax planning and consulting services	Covered
		8675	Engineering related scientific and technical consulting services	Covered





**MANAGEMENT
CONSULTING
SERVICES**

General
management
consulting services

Financial management
consulting services
(except business tax)

Marketing
management
consulting services

Human resources
management
consulting services

Production
management
consulting services

Public relations
services

Other management
consulting services

**SERVICES RELATED
TO MANAGEMENT
CONSULTING**

Project management
services other than
for construction

Arbitration and
conciliation services

Other management
services n.e.c.

**OTHER
CONSULTANCY
SERVICES**

Financial
consultancy
services

Insurance
and pension
consultancy
services

Consultancy
services related to
the installation of
computer hardware

Systems and
software consulting
services

Business tax
planning and
consulting services

Engineering related
scientific and
technical consulting
services

Management Consulting Services

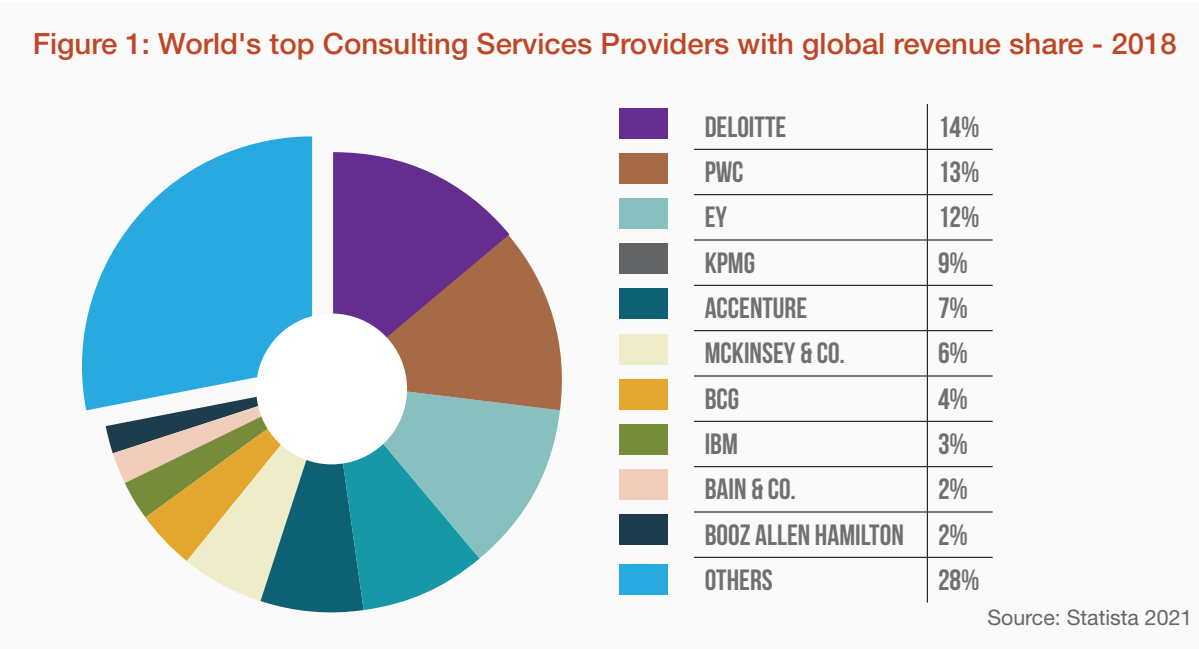
With the telecom and internet revolution and services trade liberalisation, cross border supply of management consulting services has increased under all modes of services trade. Today, even the start-ups and MSMEs have the opportunity to offer consulting services to international clients. Foreign consulting firms have established their branches across the world to cater demands across the world. Top multinational management consulting firms like PwC, E&Y, KPMG, and Deloitte which are also called big four have their offices in almost all major countries in the world. Besides this, professionals in this sector are also frequently moving from destination to destination for joining consulting firms and becoming part of service offerings.



Global Market:

Global consulting services supply is highly concentrated among handful companies. Top ten consulting firms represent more than 70 percent of the global supply of consulting services. The Big four alone represent almost half of the global revenue of consulting services. These companies have their subsidiaries or branches across the world.

Figure 1: World's top Consulting Services Providers with global revenue share - 2018



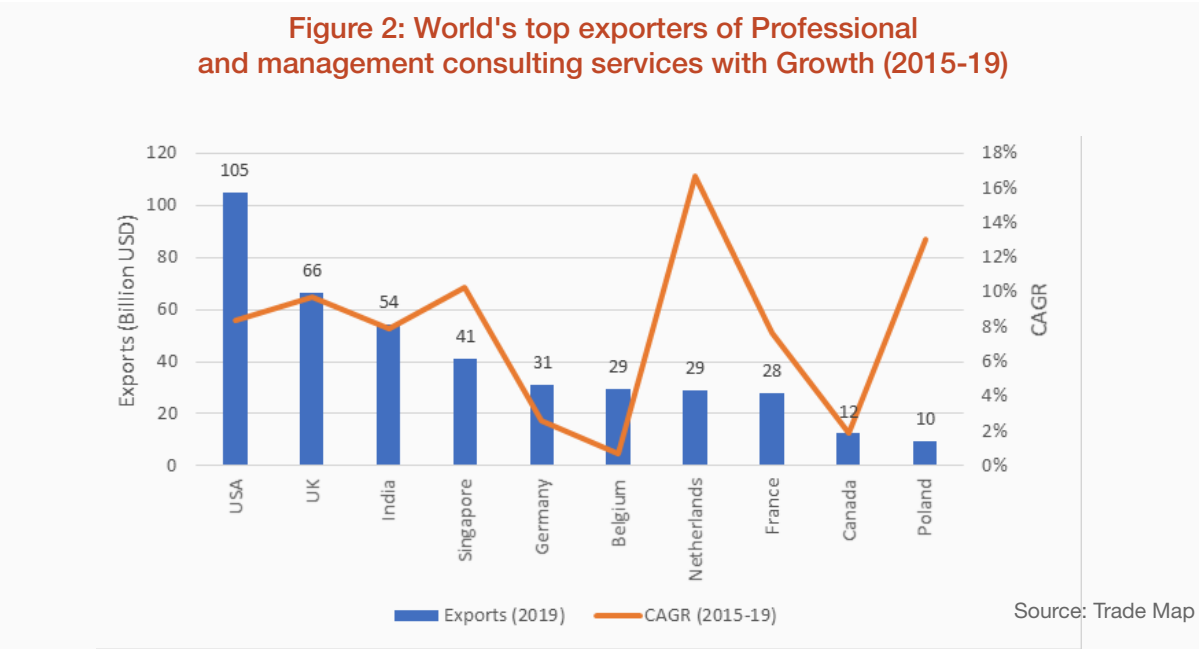
Country wise, United States is the largest exporter of Professional and Management Consulting Services with more than 100 billion US Dollar worth of exports, followed by United Kingdom with 66 billion USD exports earnings. India is the worlds third largest exporter in Management

Consulting Services followed by Singapore, Germany, Belgium, Netherlands, France, Canada and Poland.

Some of these top ten countries have very low exports growth during the period 2015-19 such as Belgium which has grown at around

one percent, Canada which has grown by 2 percent and Germany which has grown at 3 percent annually. Countries with high shares and highest growth are Netherlands, Poland, and Singapore. India has grown at a very decent rate of 8 percent.

Figure 2: World's top exporters of Professional and management consulting services with Growth (2015-19)



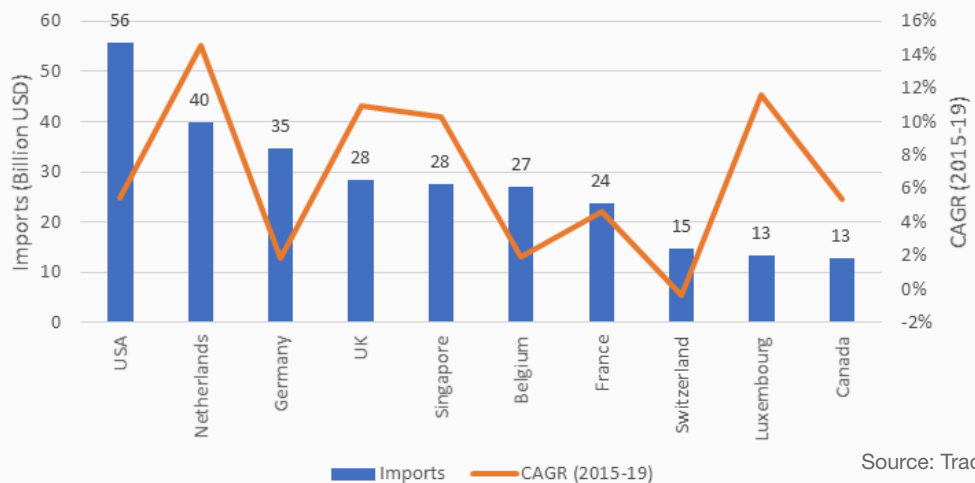
United States is both the largest exporter and importer of 'Professional and Management Consulting Services' in the world. In fact, most of the top exporting countries are the largest markets as well receiving largest volume of services. After United States, the largest markets are Netherlands,

Germany, United Kingdom, Singapore, Belgium, France, Switzerland, Luxemburg and Canada.

Some of the top markets have experienced very high annual growth during the period 2015-19 such as Netherlands with 15 percent compound

annual growth rates, Luxemburg with 12 percent, United Kingdom with 11 percent and Singapore with 10 percent import growth. Markets with lowest annual import growth are Switzerland, Belgium and Germany.

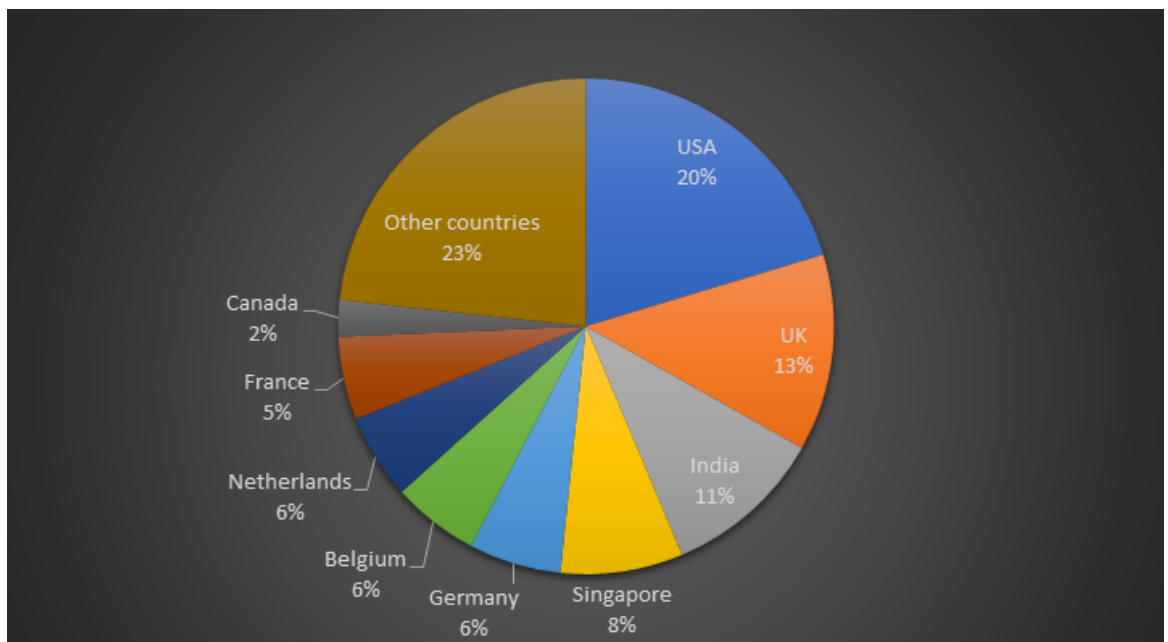
Figure 3: World's top markets for 'Professional and Management Consulting Services' with Growth (2015-19)



Source: Trade Map

Export of Professional and Management Consulting Services is not only concentrated among few countries but also among very few countries. The top ten countries export around 78 percent of the global services with United States alone having around 20 percent share of global export market. United Kingdom and India hold 13 percent and 11 percent share of global export of Professional and Management Consulting Services respectively.

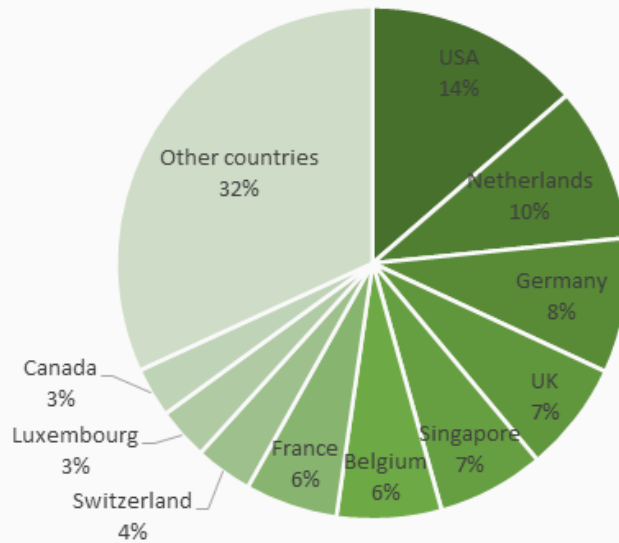
Figure 4: Countries' share in global export of 'Professional and management consulting services' - 2019



Source: Trade Map

The top ten markets which mostly belong to North America or European region jointly represent around 70 percent of global demand for Professional and Management Consulting Services. United States is the largest market representing 14 percent of global demand followed by Netherlands with 10 percent, Germany with 8 percent, UK and Singapore with 7 percent each, Belgium and France with 6 percent of the global demand each. Switzerland has 4 percent share and Luxembourg and Canada both have 3 percent share.

Figure 5: Countries' share in global market of 'Professional and management consulting services' - 2019



Source: Trade Map

Key obstacles facing the consulting industry in expanding exports include;

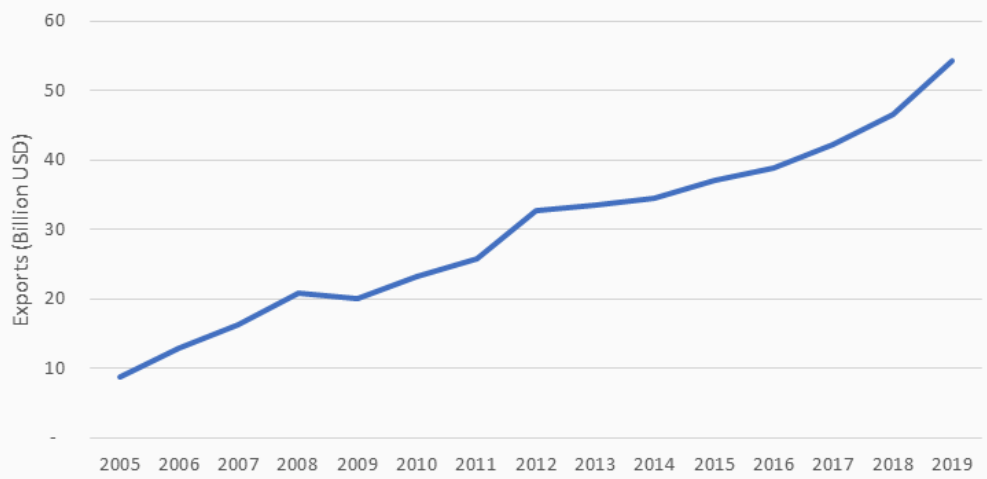
- Visa: restrictive visa requirements that limit the ability for consultants to quickly visit and do business in international markets,
- Residency or nationality requirements: residency or nationality requirements limit where consultants can reside or originate from,
- Form of business: restrictions on the form of business entity,
- Registration: professional registration required for submission of documents, and
- Licencing: onerous licensing requirements (for certain areas of consulting).



India in Management Consulting Services:

India is third largest exporter and 11th largest importer of Professional and Management Consulting Services. India's exports have increased with a very high average annual growth of 13 percent during the period 2005-2019. In the year 2005 total exports of Professional and Management Consulting Services from India was only 9 billion US Dollar which rose to 54 billion US dollar in 2019. This is one services sector in which India did never see negative growth except for one year during the global financial crisis of 2009.

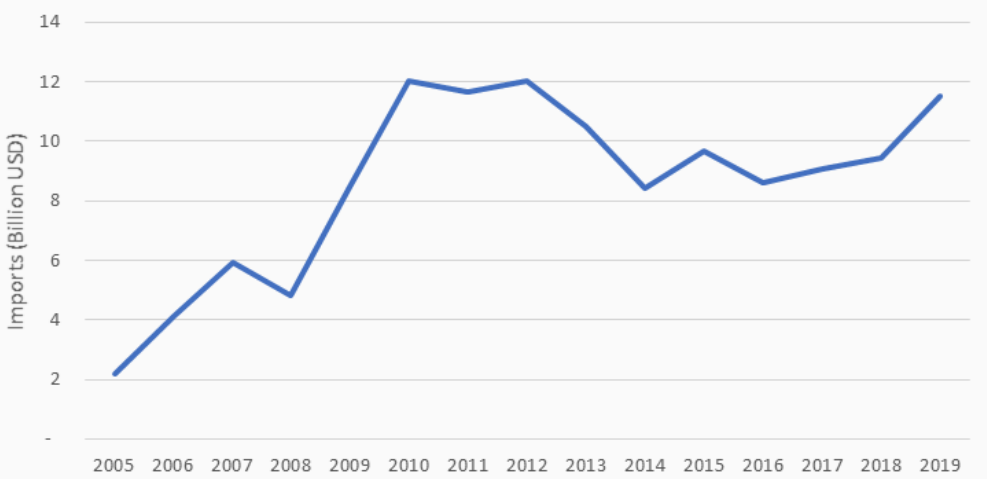
Figure 6: India's Exports of 'Professional and management consulting services' (2005 - 19)



Source:

As a market of Professional and Management Consulting Services also, India has grown quite decently in the last 15 years though there was fall of imports in many years. India imported 12 billion US Dollar worth of Professional and Management Consulting Services in 2019 which was 2 billion US Dollar in 2005. Country's imports have grown by around 12 percent annually.

Figure 7: India's Imports of 'Professional and management consulting services' (2005-19)



After the liberalisation of the economy, consultants were hired by Indian companies that wanted to expand their operations abroad. Now, consultants from India particularly those in the IT world, are most sought after not only in India but also in the developed world for developing their global businesses. Today, TCS, Infosys, Tech Mahindra, Wipro have offices all over the world, and offering the US and European consultancies a run for their money. Other major IT consulting and outsourcing companies in India are HCL Technologies, Genpact, Mphasis, and Mindtree. The Indian consulting story began in the 1990s when Genpact and McKinsey devised a turnaround project for Indian public sector units.

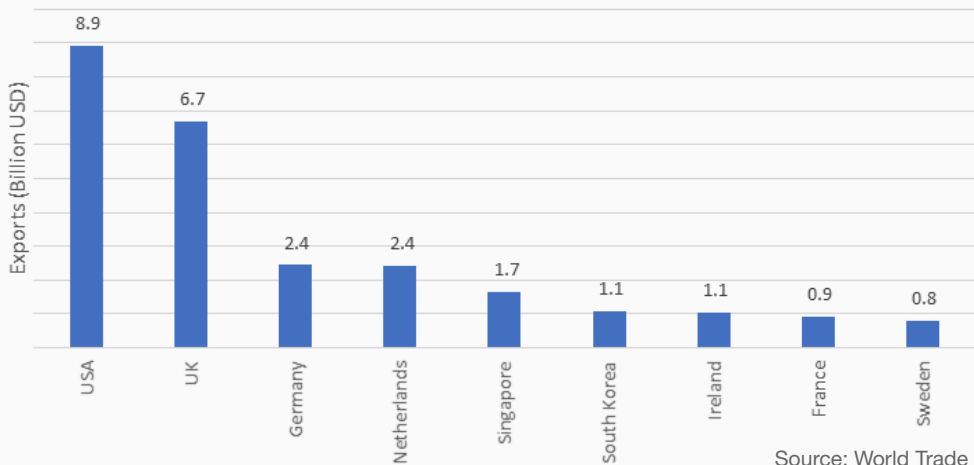
Soon, they opened their offices in India and the rest is history assessing how India's competence in the management consulting space has turned into top exporting services from India.

The consulting industry in India is worth billions of dollars, and is home to hundreds of consulting firms – large, mid-sized, boutique and niche consultancies – serving clients across all industries and segments, and specialised in every conceivable area of expertise. As per the Economic-activity wise classification of active companies, highest number of companies are in Business Services comprising of 32 % of the total share of active companies. Business Services comprise of

Information Technology, Research & Development and other business activities such as law, auditing & accounting and consultancy, etc.

Since bilateral trade data is not available at subsector level, data of broader category of Other Business Services has been used to understand India's bilateral export trend. India's top destinations for Other business services exports which contains around 50-60 percent Professional and Management Consulting Services are USA, UK, Germany, Netherlands, Singapore, South Korea, Ireland, France and Sweden. These countries are also the major global markets for Consulting services as shown above in earlier graphs.

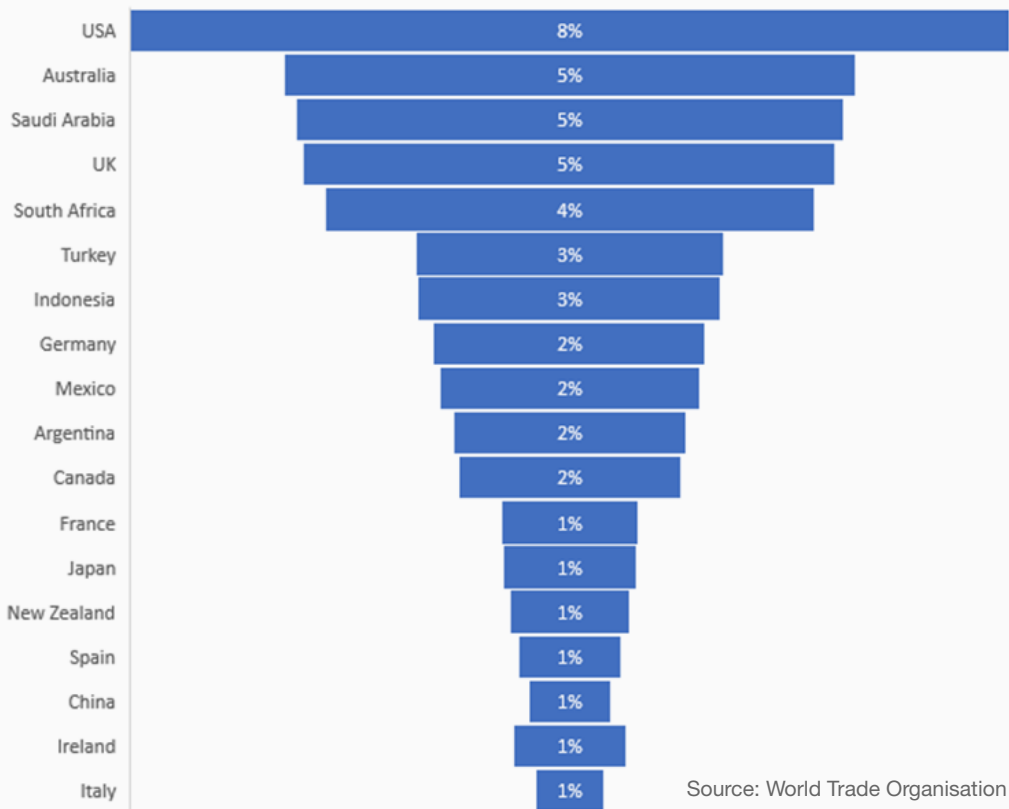
Figure 8: India's top destinations for exports of Other Business Services - 2019



Source: World Trade Organisation



Figure 9: India's share in G20 economies' total imports of Other Business Services



Source: World Trade Organisation

According to WTO, India’s top export partners in Other Business services are USA, UK and Germany over the years in terms of value, whereas in terms of India’s share in the total imports of destination countries’ basket, Bhutan and Nepal largely constitute India’s services, even USA, Australia, Saudi Arabia, UK and parts of European and African regions have reasonable presence of Indian’s services in the sector.

Potential

UK and Ireland are amongst the largest importers in other business services and can provide ample opportunities for Indian exporters to further improve upon the bilateral trade relationship between the regions India’s exports in the region

have grown at CAGR of 19% and 48% respectively from the period 2014-2019 however there is still room for improvement as India’s share in their total import basket are below 5 %. As in many other sectors, low-cost manpower is the first major advantage of Indian consulting companies and consultants. Also Indian consultants are assessed to have many other comparative advantages, such as professionalism, industriousness, willingness to learn, and adaptability to technology which will lead to promising growth in the sector.

Recent Trends and Developments:

Management Consulting Services Market is expected to register a CAGR of over 5.5% during the forecast period (2021 - 2026) according to a report

FDI in Consulting Services in India is 6,773.25 Million US Dollar From APRIL 2000 TO MARCH 2021

by Mordor Intelligence. With the onslaught of the pandemic, the management consulting sector has experienced a major setback in the past fourteen months than in the previous seven years. The new paradigm of change in the business environment has led to substantive developments in the consulting market where some of the firms which were the early movers towards virtual mode panned out to have a massive growth with the digital disruption due to the pandemic.

The growth of business schools and the size of the MBA students means a broader comprehension of management practice. Clients use consultants for two main reasons; one because clients know exactly what to do but haven't got capacity; two because clients don't know what to do and need

help. In earlier times when clients didn't have the requisite knowledge to instruct or guide the consultants which lead to high margins for the consultants without much efforts, have long gone. Clients are smarter and more demanding and with the technology disruption in almost every sphere in the business cycle, the industry should expect this pressure to rise. Associated with this is the growing gap between standard consulting services and specialist interventions.

Growing Space to work

Clients from the retail and commodity services, which are under pressure with stiff competition in the sector. Consulting firms are being hired to bring insight, expertise, or process skills to attract a larger share of customers for them. Other growth areas in consulting are in financial services, energy, sustainability, pharmaceuticals and health which are buoyant markets at the moment. There's also an acceleration in areas such as data and digital, and cybersecurity and as well consulting related to the pandemic, such as risk, governance and organisational resilience are on the ascendancy too.

Change of Mechanism

There is a progressive shift in the sector away

from billable hours (time and materials) as a charging mechanism, toward the tangibility of consulting as price-bound products or outputs. This productization enables consultants to make more concrete proposals to clients and to do so without depending on face-to-face selling.

Super Niche

For smaller consulting firms, a compelling recipe is required away from general management consulting and towards a super niche and the value propositions are very focused and relevant to specific subsets of the market. To commercialise super niche firms must consider what is a commercially attractive spot in the market where consultant know what they love doing, what they are fundamentally good at and what the target market truly values.

Technological Advancement

The growth of digital technology allows consultants to accelerate their learning curve gains in efficiency, which ultimately translates into gains in the margin. The mechanisms to do this are many and growing diary scheduling, virtual assistants, globally-sourced specialist services scheduling tools, data analytical tools, transcription tools etc.



STORIES SUCCESS

- Through a five-step data-driven intervention, Kanvic Consulting has helped a Fortune 500 company save up to Rs. 30 crores as part of a Covid-19 cost-cutting drive. The client in focus has a vast global supply chain – large chunks of which are in India spreading across a complex web of road, rail and sea networks and feeding exports to countries across the world.
- Avalon Consulting has helped a leading commercial vehicle aftermarket player revamp its sales infrastructure leveraging the latest in tech and data analytics to deliver a 6% boost in sales from one quarter to the next, while also installing sustainable growth framework. The client in question was losing market share as a result held back by an outdated distribution network, dwindling sales, tech-savvy competition and poorly planned restructuring efforts. Avalon Consulting was called in to steady the ship. The outcome exceeded expectations. Sales grew by 6% quarter-on-quarter, compared to 1.5% the previous year. More than 350 dormant customers were re-engaged, while mechanic engagement jumped by 10%. And the number of distributors meeting or exceeding their sales targets quadrupled.
- US state of Utah's Office of Tourism has appointed Mumbai-based travel & tourism consultancy IndiJo Consulting to cultivate its reputation in India. The firm will leverage Utah's notable landscapes and nature to generate appeal within India's vibrant travel and tourism sector. Utah is home to the Mighty 5 national parks in the US – Arches, Bryce Canyon, Canyonlands, Capitol Reef and Zion. This is in addition to seven national forests and 44 state parks.

India's Services Trade Quarterly Data (2020-21) - (US\$ Million)											
BPM6 CODES		APRIL-JUNE 2020 PR		JULY-SEPTEMBER 2020 PR		OCTOBER-DECEMBER 2020 PR		JANUARY-MARCH 2021 P		FY 2020-21 P	
		Export	Import	Export	Import	Export	Import	Export	Import	Export	Import
1.A.b.1	Manufacturing services on physical inputs owned by others	77.45	5.98	67.93	11.47	49.36	4.63	101.71	6.04	296.45	28.12
1.A.b.2	Maintenance and repair services n.i.e.	31.82	128.44	35.30	204.22	38.05	290.59	53.95	210.79	159.12	834.05
1.A.b.3	Transport	4,804.94	4,216.47	5,367.62	4,758.83	5,601.99	5,147.06	6,079.60	5,633.12	21,854.14	19,755.48
1.A.b.4	Travel	1,868.29	2,765.59	2,137.95	2,763.98	2,169.58	2,836.46	2,307.64	3,141.36	8,483.46	11,507.40
1.A.b.5	Construction	659.40	625.12	589.26	562.79	618.88	704.65	752.10	713.24	2,619.65	2,605.79
1.A.b.6	Insurance and pension services	564.45	378.47	589.54	537.00	574.58	576.82	647.49	565.97	2,376.05	2,058.27
1.A.b.7	Financial services	1,009.48	1,061.70	1,003.20	1,106.84	1,068.19	1,192.09	1,257.63	1,402.19	4,338.50	4,762.83
1.A.b.8	Charges for the use of intellectual property n.i.e.	398.85	1,847.24	313.22	1,456.39	359.43	2,296.81	238.33	2,106.79	1,309.82	7,707.23
1.A.b.9	Telecommunications, computer, and information services	23,395.81	2,268.82	25,515.11	3,290.08	26,593.05	2,810.15	27,574.38	3,909.42	103,078.36	12,278.48
1.A.b.10	Other business services	11,282.28	11,514.48	11,624.25	12,353.77	12,930.01	12,807.30	13,324.47	12,846.53	49,161.02	49,522.09
1.A.b.11	Personal, cultural, and recreational services	499.78	346.90	530.19	817.17	578.84	768.42	727.20	877.61	2,336.01	2,810.10
1.A.b.12	Government goods and services n.i.e.	147.96	330.01	144.44	190.07	178.51	260.03	158.88	241.29	629.80	1,021.39
1.A.b.13	Others n.i.e.	2,212.49	705.42	1,875.12	654.85	2,578.77	407.52	2,780.97	865.44	9,447.36	2,633.23
	All Services	46,953.00	26,194.64	49,793.13	28,707.48	53,339.26	30,102.53	56,004.34	32,519.80	206,089.74	117,524.45

Source: Reserve Bank of India
Note: P= Preliminary, PR= Partially Revised.

Trade in Services: Import of services to BOSNIA AND HERZEGOVINA (BiH) from the World	
Total Service types	The import of services decreased by 30.2% in the Jan-June period of 2020 over the same period of 2019 from USD 326.6mln to USD 228.0 mln.
Commercial services	The import of services decreased by 30.4% in the Jan-June period of 2020 over the same period of 2019 to USD 225.0 mln. It represents 98.7% of all imported services.
Travel	The import of these services decreased by 55.3% in the Jan-June period of 2020 over the same period of 2019 to USD 40.4 mln. It represents 17.7% of all imported services.
Transport	The import of these services decreased by 31.5% in the Jan-June period of 2020 over the same period of 2019 to USD 95.5mln. It represents 41.9% of all imported services.
Government goods and services n.i.e.	The import of these services decreased by 6.4% in the Jan-June period of 2020 over the same period of 2019 to USD 2.9 mln. It represents 1.3% of all imported services

Trade in Services: import of services to Hungary from the World	
Total service types (EBOPS BPMS)	The import of services decreased by 30.2% in the Jan-June period of 2020 over the same period of 2019 from USD 326.6mln to USD 228.0 mln. The import of services decreased by 19.6% in the Jan-Dec period of 2020 over the same period of 2019 from USD 21.5 bln to USD 17.3 bln
Travel Services	The service group experienced a fallback of 52.4% in the Jan-Dec period of 2020 over the same period of 2019 to USD 1.3 bln. It represents 7.5% of service imports to Hungary.
Business and management	The import of these services decreased by 31.5% in the Jan-June period of 2020 over the same period of 2019 to USD 95.5mln. It represents 41.9% of all imported services.
consulting and public relations services	The service group experienced a decrease of 17.6% in the Jan-Dec period of 2020 over the same period of 2019 to USD 1.9 bln. It represents 11.4% of service imports to Hungary.
Provision of customized and non-customized research and development services	The service group experienced a fallback of 4.0 % in the Jan-Dec period of 2020 over the same period of 2019 to USD 602.1 mln. It represents 3.5% of service imports to Hungary
Engineering services	The service group experienced a decrease of 19.3% in the Jan-Dec period of 2020 over the same period of 2019 to USD 483.7mln. It represents 2.8% of service imports to Hungary.
Accounting, auditing, book-keeping and tax consultancy services	The service group experienced a decrease of 7.8% in the Jan-Dec period of 2020 over the same period of 2019 to USD 107.2 mln. It represents 0.6% of service imports to Hungary.

Source: Embassy of India, Budapest

FOREIGN MARKET
UPDATES

BOSNIA AND HERZEGOVINA, HUNGARY





A webinar on the topic "REINFORCING THE INDIAN SERVICES EXPORT: "WAY FORWARD TO A SUSTAINABLE EXPORT OF SERVICES"

was organised by SEPC on 17th June 2021. It was participated by more than hundred exporters. The event was supported by World trade center, Mumbai, and E&Y. Mr. Agneshwar Sen. Head Trade Policy vertical, tax and economic policy group, E&Y India presented on the trends of the global market in services, this was to give an insight on the global market situation to the attendees. Ms. Rupa Nair, Executive Director, WTC Mumbai spoke on the challenges faced by services exporters, and how WTC has been conducting various B2B and RBSM and tries to create opportunities. SEPC Chairman Shri. Maneck Davar, spoke on the SEPC's initiatives and the advocacy efforts on SEIS. Dr. Abhay Sinha DG (SEPC) explained in details SEPC's services to its members. Shri Sunil Talati, Vice Chairman (SEPC), closed the session thanking the participants and explaining the way forward.



India Serves: Boosting Services Export

A panel interaction in association with ET Now, was aired on July 10, 2021, with a repeat telecast the next day. Valuable insights were shared by the panelists, which included Former Hon'ble CIM Suresh Prabhu, Former Secretary Commerce Shri Rajeev Kher.



INDUSTRY • NEWS

- Indian advertising industry is expected to see more than 20% growth in the calendar year 2021, according to GroupM's mid-year forecast. Digital advertising is expected to grow 26%, television advertising by 9.3% and outdoor advertising by 19%, according to the forecast. (Economic Times)

- Export-Import Bank of India (Exim Bank) announced that it has extended a line of credit (LOC) worth US\$ 100 million to the Sri Lankan government for funding projects in the solar energy sector and assure that the country's 70% power requirements are met by renewable energy sources by 2030. (Economic Times)

- Indian telecommunications firm Bharti Airtel announced a strategic partnership with IT services firm Tata Consultancy Services (TCS) for implementing 5G broadband network solutions in India. Tata Group has developed a 'state-of-the-art' O-RAN (Open Radio Access Network) based Radio and NSA/SA Core and has integrated an indigenous telecom stack, leveraging the Group capabilities and that of its partners. The 5G solutions, once commercially proven in Airtel's diverse and brownfield network will open export opportunities for India. (Business Standard)

- Three Indian universities were in the top 200 in the world, according to recently released Quacquarelli Symonds (QS) World University Rankings. The Indian Institute of Technology (IIT) Bombay and IIT Delhi both made the cut. Also on the list was Bengaluru's Indian Institute of Science, which stood out for its perfect research score. (Business Standard)

- The government has amended rules on various Indian Accounting Standards (Ind AS), including those related to interest rate benchmark reform. Ind AS are converged with the International Financial Reporting Standards (IFRS). Under the revised rules, entities are required to make additional disclosures related to interest rate benchmark reform. These disclosures are to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. Entities would have to disclose the nature and extent of risks to which they are exposed arising from financial instruments subject to interest rate benchmark reform, and how the entities manage these risks. (Economic Times)

- According to a report by 256 Network and Praxis Global Alliance, Indian UHNIs (ultra-high net worth individuals) are expected to invest up to \$30 billion in tech start-ups in the country by 2025, reflecting the growing investment opportunity for home-grown tech ventures. (Business Today)

- Foreign direct investments in India rose to 64 billion dollars in 2020, making it the fifth-largest recipient in the world, United Nations Conference on Trade and Development (UNCTAD), Robust investment in the information and communication technology (ICT) industry and construction bolstered FDI inflows. Cross-border mergers and acquisitions surged 83 per cent to 27 billion dollars with major deals involving ICT, health, infrastructure and energy. FDI in South Asia rose by 20 per cent to 71 billion dollars, driven mainly by a 27 per cent rise in FDI in India.

GOVERNMENT NOTIFICATION

- A Memorandum of Understanding (MoU) between the Ministry of Ports, Shipping and Waterways, Government of India and Ministry of Civil Aviation, Government of India for development of Sea Plane services in India This MoU envisages development of Non-Scheduled/Scheduled operation of seaplane services within the territorial jurisdiction of India under RCS-UDAN scheme of government of India. As per MoU, a Co-ordination Committee with officials of Ministry of Civil Aviation (MoCA), Ministry of Ports, Shipping and Waterways (MoPSW) and Ministry of Tourism (MoT) is to be set up for timely completion of operationalisation of Sea-plane services at various locations.
- Ministry of Micro, Small and Medium Enterprises has issued an amendment to the original notification No. S.O. 2119 (E) dated 26.06.2020 vide 2347(E) dated 16.06.2021, extending the validity of EM Part-II and UAMs from 31.03.2021 to 31.12.2021. This would facilitate the holders of EM Part-II and UAMs to avail benefits of the provisions under various existing schemes and incentives including Priority Sector Lending benefits of MSME
- Cabinet approves the Memorandum of Understanding between India and Maldives on cooperation in the field of sustainable urban development. The MoU will promote strong, deep and long-term bilateral cooperation in the field of Sustainable Urban Development between the two countries. It is expected to create employment in the areas of sustainable urban development including Urban Planning, Smart Cities Development, Solid waste management, Affordable housing, Urban Green Mobility, Urban Mass Rapid Transport, Smart Cities Development.
- Cabinet approves the Signing and Ratification of an Agreement on “Cooperation in the field of Mass Media” between all the Member States of Shanghai Cooperation Organisation. The Agreement shall promote equal and mutually beneficial cooperation among associations in the field of Mass Media. Each Side shall based on reciprocity, facilitate the activities thereby ensuring equity. The Agreement would provide an opportunity for the Member States to share best practices and innovations in the field of Mass Media.
- Given the difficulties reported by taxpayers in electronic filing of Income Tax Forms 15CA/15CB on the portal www.incometax.gov.in, the government has decided that taxpayers can submit the aforesaid Forms in manual format to the authorized dealers till June 30th, 2021. Authorized dealers are advised to accept such Forms till June 30th, 2021 for foreign remittances. A facility will be provided on the new e-filing portal to upload these forms at a later date for the generation of the Document Identification Number.



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

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