

# India Serves

A Monthly Newsletter by

# SEPC

SERVICES EXPORT PROMOTION COUNCIL

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

VOL I ISSUE VI - OCT, 2020



## TRENDS AND GROWING PROSPECTS

SERVICES EXPORT PROMOTION COUNCIL

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

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INDIAN MAINTENANCE, REPAIR AND OVERHAUL (MRO) SERVICES: TRENDS AND GROWING PROSPECTS



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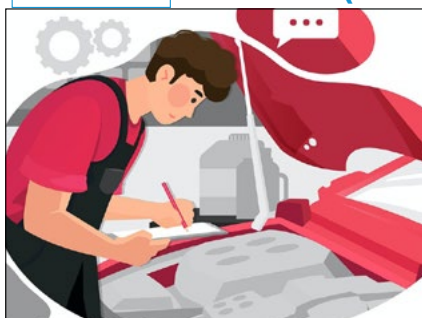
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## MESSAGE FROM THE CHAIRMAN

**Maneck E. Davar**  
Chairman, SEPC



Dear Member,

SEPC is addressing the main concern of services exporters, the SEIS benefit for the year 2019-2020. It is in constant dialogue with the Commerce and Industries Minister, Shri Piyush Goyal and the Commerce Ministry on the issue and an assurance has been received that this is in process.

I am pleased to present to you the October 2020 edition of India Serves focussing on Maintenance, Repair and Overhaul Services (MRO). This service forms part of the Transport and Logistics Services as identified among 12 Champion Services Sectors by the Government of India.

According to WTO, the Maintenance and Repair Services (CPC 8868-covering repairs on ships, aircrafts and other transport equipment) accounted for USD 70 billion worldwide in the year 2019 with an YOY growth of 6 per cent. MRO in the aviation sector has huge potential given the fact, that by the beginning of 2030, in global fleet of all airlines is estimated to grow to over 39,000 aircraft, at an average compound growth rate of 3.4 per cent annually (source: Oliver Wyman report). India stands to benefit from this increase in demand. The Indian government is also supporting the sector with its new tax regime and FDI policy which allows 100 percent foreign direct investment in the sector.

SEPC is increasing its engagement with industry, in understanding its issues and representing them to the concerned government departments. Continuing with the Webinar series on the 12 Champion sectors, a webinar on AVGC sector was organized on September 19, 2020. SEPC has organized a virtual India Pavilion at **MIPCOM online+**. The event commenced on October 5 and will be active on the virtual platform till November 17, 2020.

*The Maintenance and Repair Services (CPC 8868-covering repairs on ships, aircrafts and other transport equipment) accounted for USD 70 billion worldwide in the year 2019 with an YOY growth of 6 percent*

To support the efforts towards business continuity, revival and re-connectivity of the highly distressed Travel, Tourism and Hospitality sector, SEPC sponsored the participation of 75 member companies (on a first-come-first served basis) in SATTE GenX 2020 - South Asia's first virtual travel exhibition. Over 1000 business visitors interacted with exhibitors during the two-day (October 5-6, 2020) virtual platform.

We will keep you updated on upcoming B2B meetings, Webinars and virtual exhibitions. We once again request you to continue to provide your valuable inputs to the ongoing study on an alternative scheme to SEIS and help us in making good recommendations to the Government. The details have already been circulated followed by four interactions with members.

Yours Sincerely  
Maneck Davar





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.

Overview of Services offered by SEPC

Trade Intelligence

Export Development

Export Promotion/ Investment

Enabling Business Environment

Nodal organisation of Service Export Promotion	
	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.





Services Covered under SEPC

In order to enhance the competitiveness of services exports and enable services industry to generate employment 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.

Services covered under SEPC	Champion Services
Hotel and Tourism related Services	Tourism and Hospitality Services
Healthcare services including services by nurses, physiotherapist and paramedical personnel	Medical Value Travel Services
Maritime Transport Services	Transport and Logistics Services
Accounting/Auditing and book keeping services	Accounting and Finance Services
Entertainment services including Audio-Visual Services	Audio - Visual Services
Legal Services	Legal Services
Architectural Services and related services	Construction and Related Engineering Services
Environmental Services	Environmental Services
Others Services	Information Technology & Information Technology Enabled Services
	Communication Services
	Financial Services
Educational Services	Education Services
Consultancy Services	An illustration of a desk setup with a laptop displaying 'Internet Banking', a calculator, a keyboard, a magnifying glass, and some documents, representing digital services and finance.
Distribution Services	
Advertising Services	
Marketing Research and Public Opinion Polling Services/Management Services	
Printing and Publishing Services	



SERVICE EXPORTS FROM  
INDIA SCHEME (SEIS)

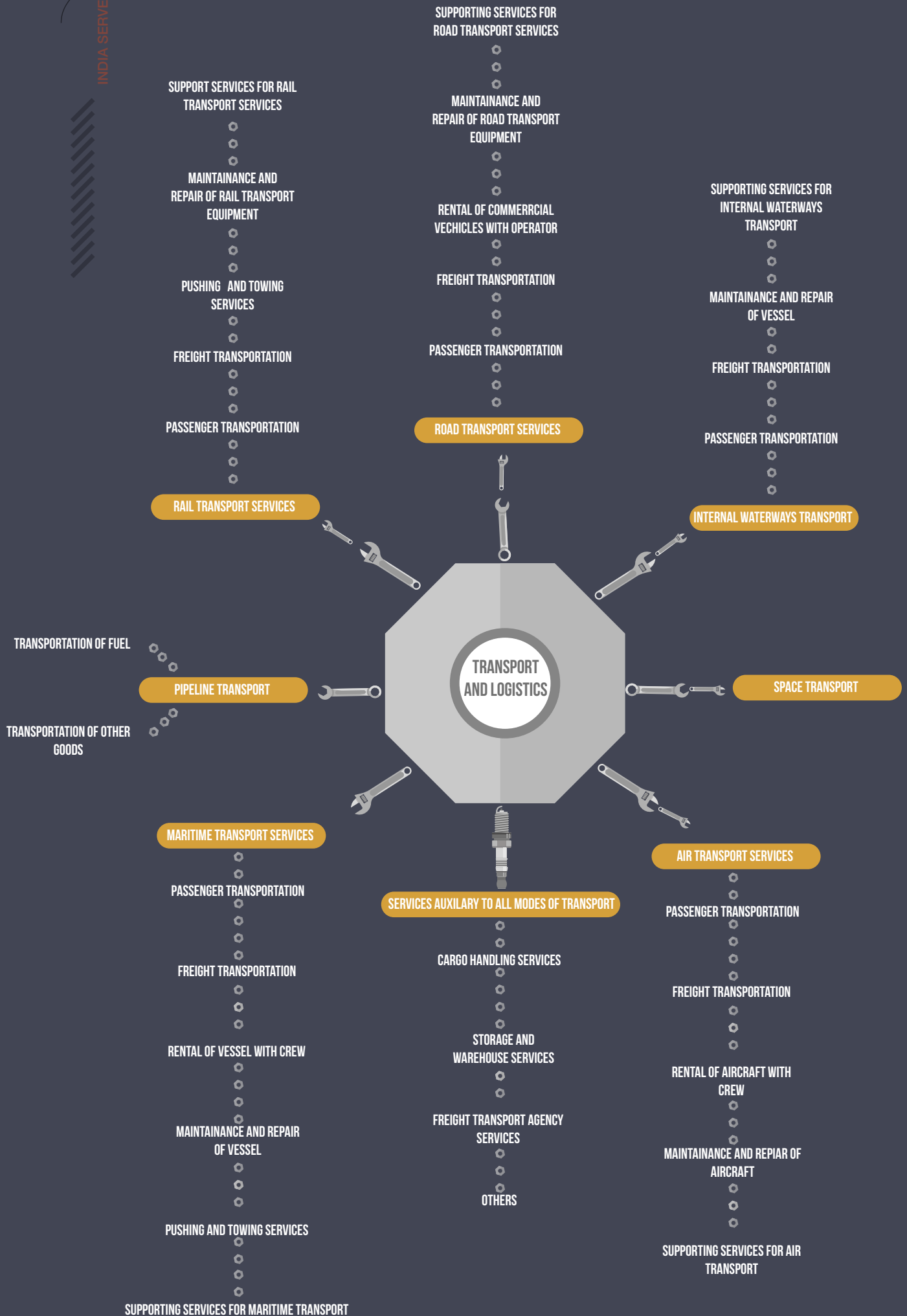
sector coverage  
Transport Services



SEPC Sectors	Champion Sectors	GATS (WTO) Classification	UN CPC Provisional CODE	Services Description	Covered under Appendix 3D of SEIS?
Transport and Logistics Services	Maritime Transport Services	Land Transport Services	7111	Passenger transportation	Not Covered
			7112	Freight Transportation	Not Covered
			7113	Pushing or Towing services	Not Covered
			7121	Other scheduled passenger transportation	Covered
			7122	Other non-scheduled passenger transportation	Covered
			7123	Freight Transportation	Covered
			7124	Rental services of commercial freight vehicles with operator	Covered
			7131	Transportation of petroleum and natural gas	Not Covered
			7139	Transportation of other goods	Not Covered
			8867	Maintenance and repair of road transport equipment	Covered
			6112	Maintenance and repair of motor vehicles	Covered
		Water Transport Services	7211	Passenger transportation	Covered
			7212	Freight Transportation	Covered
			7213	Rental services of sea-going vessels with operator	Covered
			7214	Towing and pushing services	Covered
			7221	Passenger transportation	Not Covered
			7222	Freight Transportation	Not Covered
			7223	Rental services of non-sea-going vessels with operator	Not Covered
			7224	Towing and pushing services	Not Covered
			8868	Maintenance and repair of vessels	Covered
		Air Transport Services	7311	Scheduled passenger transportation by air	Not Covered
			7312	Non-scheduled passenger transportation by air	Not Covered
			7321	Mail transportation by air	Not Covered
			7322	Transportation of containerized freight by air	Not Covered
			7329	Transportation of other freight by air	Not Covered
			7330	Transportation via space	Not Covered
			8868	Maintenance and repair of aircraft	Covered
			734	Rental Services of aircraft with operator	Covered
		Supporting and Auxiliary transport services	741	Cargo handling services	Covered
			742	Storage and warehousing services	Covered
			743	Supporting services for railway transport	Not Covered
			744	Supporting services for road transport	Covered
			745	Supporting services for water transport	Covered
			746	Supporting services for air transport	Not Covered
			747	Travel agency, tour operator, and tourist guide services	Covered (7471, 7472)
			748	Freight transport agency services	Covered
			749	supporting and auxiliary transport services	Not Covered

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INDIA SERVES





## Indian Maintenance, Repair and Overhaul (MRO) Services: Trends and Growing Prospects

### Background:

The services category classified as 'Maintenance and Repair Services n.i.e.' under BPM6 (classification developed by IMF and followed by central banks, OECD, WTO and others), includes maintenance and repair work by residents on goods that are owned by non-residents (and vice versa). The repairs may be performed at the site of the repairer or elsewhere. Maintenance and repairs on ships, aircraft and other transport equipment are included in this classification. Cleaning of transport equipment is included in transport services. Construction repairs and maintenance are included under construction. Maintenance and repairs of computers are included under computer services. (BPM6, IMF)

It includes only the value of the repair work done, not the gross value of the goods before and after repairs. The value of maintenance and repairs encompasses any parts or materials supplied by the repairer and included in the price (parts and materials charged separately are excluded from services and included in general merchandise). Both minor repairs that maintain the item in working order and major repairs that extend the efficiency or capacity of the good or extend its life are included. No distinction is made between those repairs included by the customer in intermediate consumption and those included in capital formation. (BPM6, IMF)

*The global MRO market is valued at USD 605 billion*

As the world is becoming a global village with strong connectivity and highest movement of people and goods ever in the history of mankind, fleet of transport vehicles is increasing by day, be it aircraft or ships and so is increasing the repair and maintenance work for those vehicles.

The global MRO market is valued at USD 605 billion. The global market is forecasted to grow at a CAGR of 1.72 per cent and reach USD 660 billion by the end of 2020. According to Research and Markets, the global maintenance repair operations industry is expected to grow at a CAGR of 2.1 per cent during the period 2019-2025. COVID 19 has impacted the MRO industry for the last few months. The key challenges to the MRO sector include growth in OEM's, frequent advancements in technology, labour shortage, business impact from rising oil prices and interest rates and leasing agents growing more in number in the MRO segment.

*The global market is forecasted to grow at a CAGR of 1.72 percent and reach USD 660 billion by the end of 2020.*

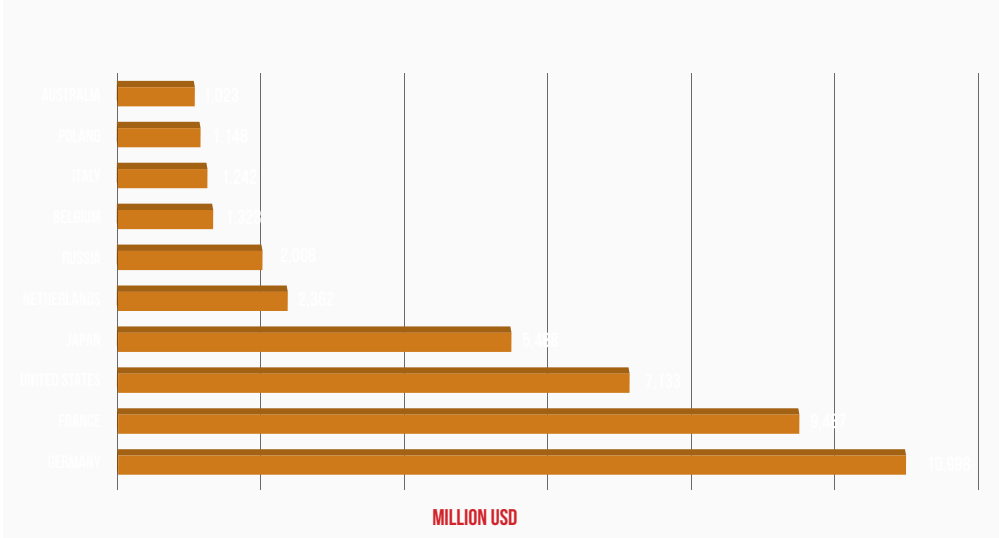




According to WTO/OECD, Maintenance and Repair services trade accounted for around 70 billion USD worldwide in the year 2019 with an YOY growth of 6 per cent. Germany, France, US, Japan, Netherlands and Russia are the biggest markets for Maintenance and Repair Services. (See Figure 1) Top exporters are US, Germany, France, Netherlands and Poland (See Figure 2). India is the third largest market of aviation with 442 million passengers but stands nowhere in the top services exporters of maintenance and repair services.

Coming years are going to be challenging for aviation and maritime sectors as movement of people and goods between countries has drastically gone down due to the pandemic and it is expected to take years for these sectors to come back to Pre-Covid19 levels of business. Fall in business of aviation and maritime will surely have a direct impact on the export of maintenance and repair services as well.

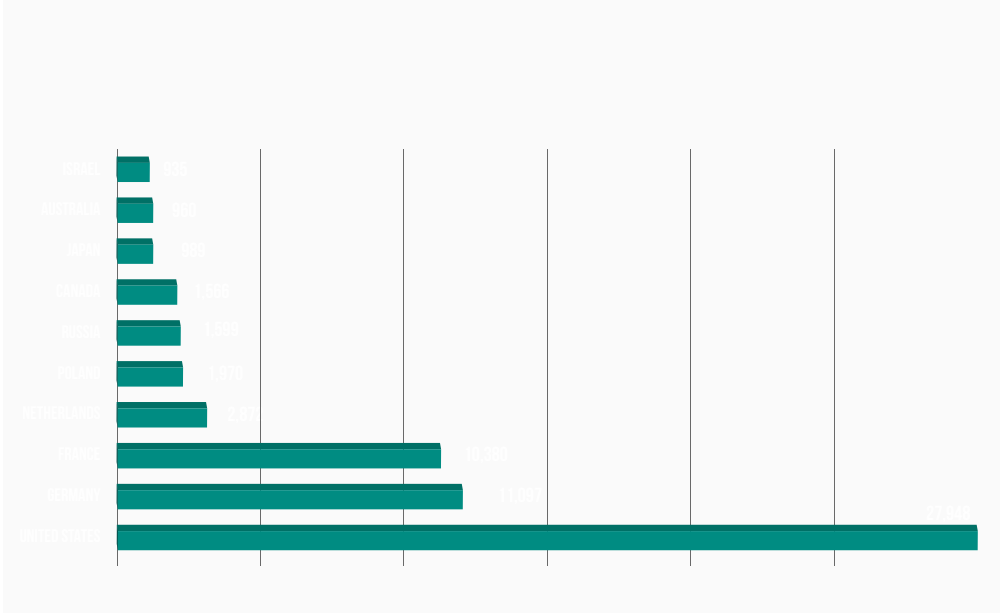
Figure 1: Top importers of Maintenance & Repair Services (2018)



Source: OECD

The latest data that is available in OECD database is for 2018. Almost all the top countries that provide maintenance and repair services are covered by OECD Database except China. China is among the top exporters of maintenance and repair services but due to unavailability of comparable data points, it can't be placed in the rank.

Figure 2: Top Exporters of Maintenance & Repair Services (2018)



Source: OECD



Some of the major maintenance and repair services have been listed below both for the aircrafts and ships. Also, the market size for each of the service under Aviation sector in different geographical entity has been provided for better understanding of the overall international business in the sector.

### Table 1: Broad Categories of Maintenance and Repair Services

Aviation	Shipping
Airframe	Engine MRO
Engine	Dry Dock MRO
Component	Component MRO
Line	Modification

Source: Industry Reports

### Table 2: Market Size of Maintenance and Repair Services in Aviation (2020)

Region	Africa	Middle East	Asia Pacific	China	India	Latin America	North America	Europe	Western Europe	World
Airframe	0.6	1	3.2	2.1	0.4	0.9	4.5	0.9	3.7	17.4
Engine	1.1	7.3	7.9	3.1	0.8	2.1	9.6	2.1	9.5	43.5
Component	0.6	1	2.7	1.7	0.3	1	4.8	0.9	3.4	16.3
Line	0.3	0.9	2.2	1.6	0.3	0.7	3.3	0.7	3.5	13.5
Total	2.7	10.1	16	8.5	1.7	4.7	22.3	4.6	20.1	90.7
(Expected growth results)										
2020-2025	8%	3%	4.80%	12.60%	13.20%	1.90%	1.30%	3.30%	-0.50%	3.60%
2025-2030	6%	1%	2.60%	8.40%	11.00%	3.40%	3.40%	3.70%	1.00%	3.80%
2020-2030	7%	2%	3.70%	10.50%	12.10%	2.60%	2.40%	3.50%	0.30%	3.70%

Source: Oliver Wyman Report

According to Oliver Wyman report, the aftermarket of aviation continues to indicate growth. By the beginning of 2030, the global fleet should grow to over 39,000 aircraft, at an average compound growth rate of 3.4 per cent annually. The aging and larger fleet will have a positive effect on MRO demand over the decade, increasing utilization rates will push MRO demand to USD 130 billion in 2030 from USD 90 billion in 2020, an average annual growth of 3.7 per cent. According to Mordor intelligence report, the naval vessel maintenance,

repair, and overhaul (MRO) market is estimated to grow at a CAGR of over 8 per cent during the forecast period (2020 - 2024). Shipyards in China, Singapore, Bahrain, Dubai and Middle East account for a major share of this market. These locations have gained a strong position despite higher cost of ship repair services compared to other Asian countries, largely due to the availability of skilled workforce, strategic location and the latest technology which allows these shipyards to attract demand.





## India Overview

India is set for significant growth in MRO appetite, driven by growth in domestic traffic and fleet size. As the passenger and cargo traffic is continuously rising over years except the current temporary fall due to COVID-19 pandemic, it leads to more aircrafts and ships fleets coming to the subcontinent. The Indian MRO services have an opportunity to become one stop shop service facilitator for international fleet holders.

The Indian MRO market is estimated at USD 800 million and is growing at about 8 per cent annually against a 4 per cent world average. A study conducted by Ernst&Young stated that Indian MRO market is expected to grow at an average annual rate of 15 per cent.

The Indian MRO industry is experiencing rapid expansion. Presently there are few parties that provide comprehensive third-party MRO services in India. Some of the key MRO service providers in India are:

- **Indamer (Mumbai)**
- **Air Works (Mumbai)**
- **Max Aerospace & Aviation Ltd (Mumbai)**
- **HAMCO (Hyderabad Aircraft Maintenance Company)**
- **HAL (Bangalore)**

MROs in India currently provide mainly primary level of services. For instance, Max aerospace is the biggest MRO in India but will not provide advanced overhauls and services. Commercial airlines use either Dubai or UK for secondary and tertiary level services.



*The Indian MRO market is estimated at USD 800 million and is growing at about 8% annually against a 4% world average.*

Emerging MRO service providers in India

Company Name	Location	Status
Jet Airways	Bangalore	Jet Airways has signed a land-leasing and framework agreement with Bangalore International Airport Limited (BIAL) to set up MRO at BIAL.
Lufthansa-Technical of Germany with GMR group	Hyderabad	Signed agreement to set up MRO at Rajiv Gandhi international Airport.
Boeing and Air India	Nagpur	Boeing plans to establish a USD 100 million facility spreading across 100 acres of land at Mihan SEZ in Nagpur
Thales International	Gurgaon	Thales International, the aerospace, defence and security major, has tentatively planned to build an avionics maintenance centre in Gurgaon, Haryana.
Taneja Aerospace & Aviation Ltd	Pune	Taneja, the first Indian private sector company to make non-military aircraft, has entered the MRO sector through joint ventures
TAAL	Mumbai	It has tied up with Air Works Commercial MRO Services Pvt. Ltd to lease seven acres and up to five hanger space as part of a strategy to develop its private airfield as an MRO and aviation park
Sabena technics of TAT Group, France	Hosur (Tamilnadu)	Sabena technics has signed agreement with TAAL to develop an MRO at TAAL's airfield in Hosur.
Airbus	Nashik	Tie-up with Hindustan Aeronautics (HAL), for setting up a USD 100 million MRO facility. Also signed MOUs with Maharashtra Airport Development Company.
SIA engineering of Singapore with Wadia group	Location is yet to be decided.	Signed a MOU for setting up MROs in India.
HAL and Pratt and Whitney Canada (P&WC)	Bangalore	Engine Overhaul and maintenance services. This MRO would have yearly capacity of 150 aircraft.
Air works	Hosur	Setting up commercial MRO with 5 hanger capacity providing line, heavy and engine maintenance services.

Source: Gujarat Infrastructure Development Board

Further to the above, there are unconfirmed reports that firms such as Timco Aviation Services of USA, Singapore Airlines, Singapore Technologies Aerospace, the Israeli national airline, and en-

gine makers like Snecma, Rolls Royce, GE are planning to establish their base at India. Given the large number of potential entrants to the Indian MRO industry, it would be relevant to assess whether





there is a supporting demand. One may assess a few pointers.

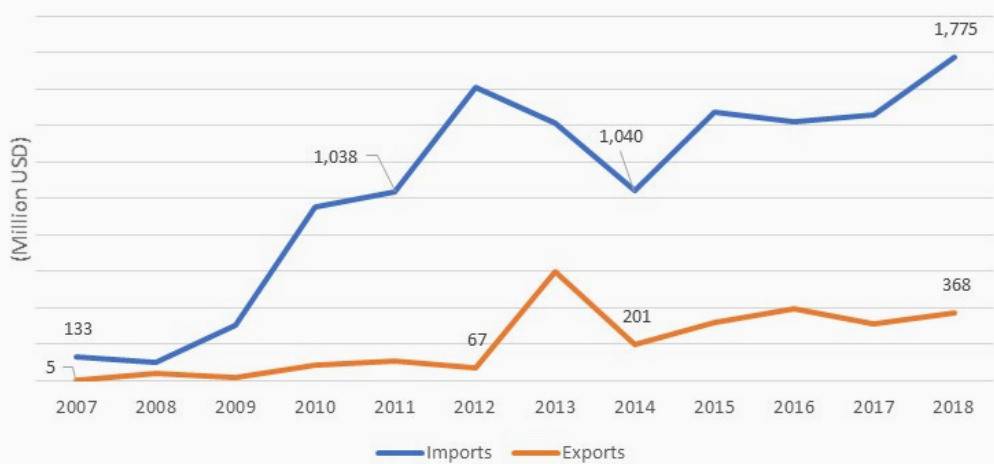
The Indian civil aviation sector has 692 commercial aircrafts as on March 2019. The fleet grew by 29 per cent between 2018-2019. Indigo the biggest Indian player ordered 300 more aircrafts in 2019. Boeing Co. forecasts that Indian airlines will order up to 2,380 planes from global plane makers over the next 20 years.

Such large expansion will also drive growth in MRO activity. It is considered more cost effective to have these facili-

ties within the country. Another factor that could drive MRO business in India is availability of low-cost manpower. As per a recent E&Y study, Indian MRO industry's greatest advantage is low manpower costs (20 per cent lesser costlier than Asia-Pacific region and nearly 50 per cent lesser than that in the US).

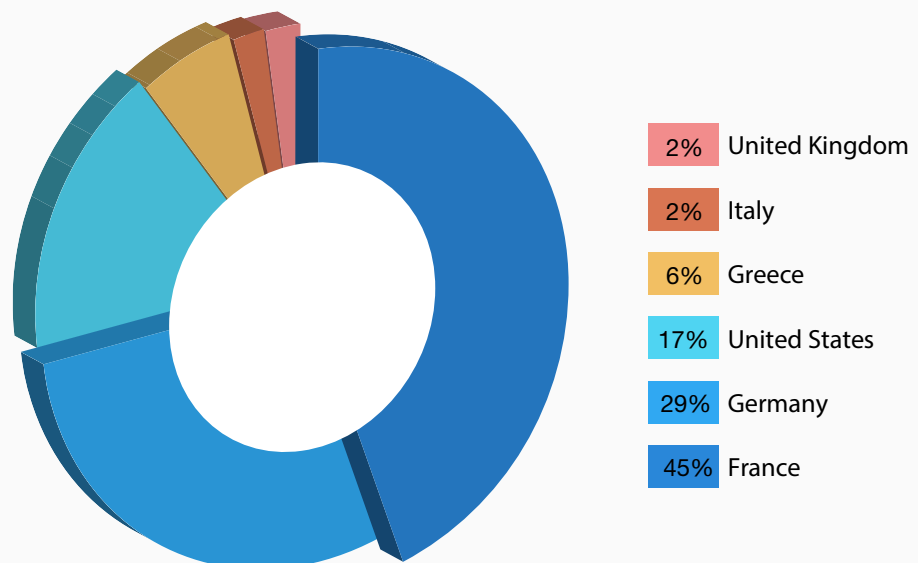
Though India is a net importer of Maintenance and Repair services, countries exports are seeing decent growth and exports of maintenance and repair services reached USD 368 million in 2018. (Figure 3)

Figure 3: India's trade of Maintenance & Repair Services with OECD+ countries (2007-2018)



Source: OECD Database

Figure 4: India's export of Maintenance and Repair Services destination-wise



Source: World Trade Organisation

As per data from WTO, India's top export destinations for the maintenance and repair services are France, Germany, USA and Greece. France and Germany together represented around 75 per cent of India's total export of MRO services in 2019.

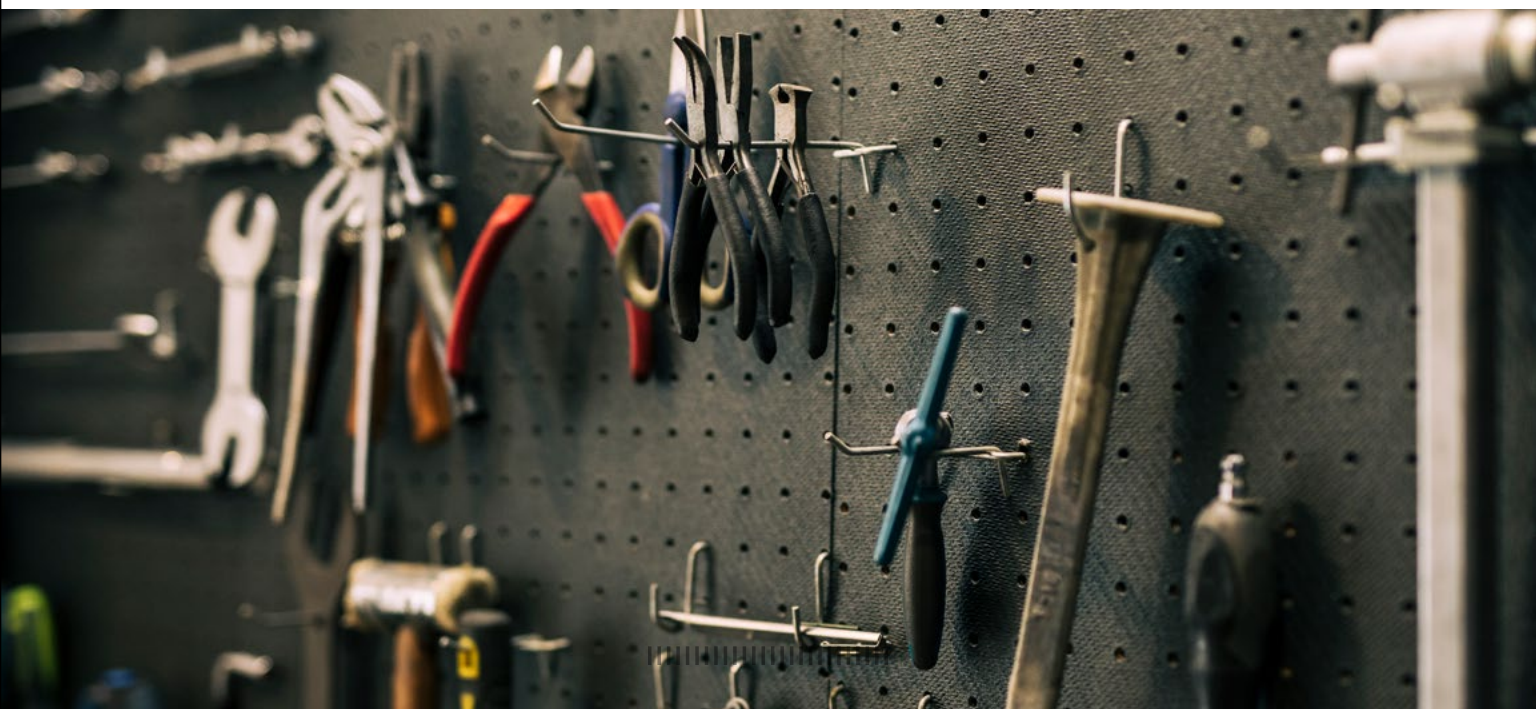
## Tax Issues of MRO service providers

The MRO industry for aircraft and engines witnessed a change in its tax structure for services in June 2020. This tax change was a part of the Finance Ministry's series of announcements to revive the economy due to the corona pandemic. These services referred to as Aircraft Maintenance Repair and Overhaul (MRO) services, are critical in the aviation value chain. The government also changed the place of supply for B2B MRO services to the location of recipient. With these policy changes, it is expected that the sector will have some strong advantage.

## Safety and Other Related Issues

Further, with recent amendment in the Aircraft (Amendment) Bill, 2020, which seeks to improve India's aviation safety ratings and provides statutory status to regulatory institutions besides other amendments, is expected to have a positive effect on the industry. To promote shipbuilding in Indian shipyards, the Union Cabinet on December 9, 2015 approved New Shipbuilding Financial Assistance policy for Indian shipyards for contracts signed during the ten years period, viz. 2016-2026. Financial assistance is being granted to Indian Shipyards equal to 20 per cent of the lower of "Contract Price" or the "Fair Price" or actual payments received of each vessel built by them for a period of at least 10 years commencing 2016-17.

According to Oliver Wyman, the Indian MRO market is valued at USD 8.5 billion in the year 2020 and forecasted to grow at CAGR of around 12 per cent by 2030. India also has potential to be a global MRO destination due to continued economic growth, locational advantage, liberalization of FDI policies. Indian MROs can specifically target wide body work currently performed by other Asia-based MROs. As investment in new wide-body capabilities can help in positioning to capture market share from North America and the Eastern Europe which have amongst the largest fleet of airplanes in widebody. India also needs to make efforts to capture the south Asian markets in the region which have huge potential. According to Ministry of Shipping annual report 2019, India has huge potential as country's location is favourable with 7-9 per cent of the global trade passing within 300 NM of India's coastline. Ship-repair service, a supplementary service provided by most of the shipyards, is also a labour-intensive activity that utilizes the existing ship-building infrastructure to provide additional returns on the capital invested.



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INDIA  
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## Trends

- Mature economies may face scarcity of technicians due to lack of interest in the job among millennials.
- With Automatic dependent surveillance–broadcast (ADS-B) becoming mandatory in the United States by 2020, cockpit upgrades are would be driven.
- Many new models of business jets entering service and with the aftermarket activity of business jets strengthening, refurbishment providers are experiencing strong demand for their services. Moreover, customers, these days are preferring to change their interiors, with attractive materials, furnishings, and colours, and other custom touches to make their aircraft cabins unique.

- Rapid transition to new-generation aircraft is happening. MRO providers need to prepare for the work associated with the newer fleet types. From an airframe MRO perspective, providers must be able to handle the new composite and metal matrix materials dominant in the latest-generation aircraft, such as the 787 and A350.
- KT and Hyundai Heavy Industries (HHI) Group are working on fifth-generation-based smart shipyards. The innovation implies equipping workers with neckband cameras enriched with 5G function being able to broadcast real-time 360-degree videos in the integrated control tower. It enables a faster and more efficient reaction to emergency cases.
- HHI alone has designed an AI-driven brand-new ship operating system which reduces fuel costs by 10 per cent. It's capable of gathering and evaluating all necessary data about an engine, and making corresponding arrangements to reduce fuel consumption.
- The 2020 Sulfur Regulation imposes new conditions for the whole maritime industry. According to it, for now on, vessels aren't allowed to use fuel on board with more than 0.5 per cent of Sulfur. Earlier, the limit was 3.5 per cent. This regulation aims to decrease the amount of Sulfur Oxide.

## Success Stories

- The Indian Institute of Technology, Madras (IIT-M) announced its collaboration with General Electric (GE) to set up a lab that will develop advanced services technology for aircraft engine components. The 'Cold Spray' Surface Modification and Additive Research Technologies (SMART) Laboratory is the first-of-its-kind being installed in any academic institute in India. The technology is a developing one for advanced manufacturing and services. It will be utilised to co-develop processes for aero-engine applications. As part of the collaborative efforts, IIT-M would develop advanced coatings meeting specifica-

tions of aerospace standard.

The Cochin Shipyard Limited (CSL) is developing International Ship Repair Facility (ISRF) within the premises of Cochin Port Trust (CoPT) by installing a Ship lift Facility of 130m x 25m x 6000T capacity with 6 Workstations and allied facilities at the cost of Rs. 970 Crores. CSL continued to operate the dry-dock & existing facilities in the leased area (first phase) at Cochin Port premises. CSL completed repairs of seven ships during the financial year 2018- 19.

Ramco Aviation software offers Maintenance solutions on cloud and on premise with multi-tenant capability and next-gen mobility, catering to the needs of Airlines, Heli-Operators, MROs and Charter operations. Next-gen mobility solutions for maintenance operations are available through an app ecosystem where MRO supervisors, mechanics, pilots, storekeepers and customers can seamlessly execute critical operations, from anywhere, anytime.





# INDUSTRY • NEWS

- The Indian government is considering a proposal to permit foreign direct investment (FDI) in limited liability partnership (LLP) firms engaged in construction development with a view to attracting overseas fund inflows. In the construction development, 100 per cent foreign direct investment is permitted under automatic route but with certain conditions, at present, LLP firms in this segment are not permitted to receive foreign funds. Now, the government is considering making a carve out for LLPs in the construction development sector.

(Economic Times)

- Bill to amend the Factoring Regulation Act that seeks to help micro, small and medium enterprises by providing additional avenues for getting credit facility. The Factoring Regulation (Amendment) Bill, which was passed by voice vote after a brief discussion. The Factoring Regulation Act, 2011 was enacted to provide for regulating the assignment of receivables to factors, registration of factors carrying on factoring business and the rights and obligations of parties to the contract for assignment of receivables. (Business Standard)

- Leading Indian online travel firm MakeMyTrip on Wednesday said it has entered the United Arab Emirates with its portfolio of offerings for travellers across Abu Dhabi, Dubai, Sharjah, Ajman, Fujairah, Ras Al Khaimah, and Umm Al Quwain. The company has set its focus on redefining the experience for travellers in the UAE through its wide gamut of offerings spanning across flights, hotels, staycations, activities. (Deccan Herald)

- An amount of USD 90 million was raised by MPL which is the second largest investment into a gaming start-up this year after USD 225 million funding raised by Dream Sports, known for fantasy gaming platform, as online gaming in India is catching up fast due to a growing smartphone ado and easy access to 4G speeds. During covid-19 pandemic, many gaming start-ups have seen significant growth in terms of new users and time spent by them on their platforms. Many of the users now come from smaller towns. (Mint)

## PROGRAMMES AND EVENTS

- A series of interactive webinars were organised with members from specific sectors and overall members to brief them and receive their valuable inputs for the study on an alternative scheme to SEIS.
- The 10<sup>th</sup> AGM of SEPC was organised on September 30, 2020 and Annual Report of 2019-20 was released.

- A webinar on “AVGC sector-Animation, VFX and Gaming: The Road Ahead” was organised on September 19, 2020. Some of the key points discussed were are listed below;

- » India's top competitors in Animation are Canada, Korea, and France. Canada gives subsidies to Animation producers to the tune of 30 percent of the salary paid to employees
- » In terms of potential markets, USA, Brazil and Indonesia are great destinations for Animation exports. Russia and Korea are emerging markets. China is a big market but it's a bit difficult to tap it.
- » Centre for Animation related study and research being established with help from IIT-Mumbai.
- » There should be a level playing field - Apple and Google give more priorities to games from the USA, EU and China.
- » NCOE will have courses on Gaming with short term courses for those who are already in the industry
- » A lot of Hollywood back end effects work is being done in India. There are more than 6000 professionals still VFX industry is short of people.



India's Fast-Growing AVGC Sector



## What sectors to invest in Mozambique?

Mozambique has strong attractions for investment in agriculture, followed by tourism, mineral resources and energy sector. With fewer investors, but with high margins for growth are Transport and Communications sector.

### Steps to take into account before investing

1. A company that wants to enter Mozambique must first contact the Mozambican Government, through the Investment and Exports Promotion Agency (APIEX), which will provide suggestions on the best areas and sectors to invest in, also supporting them in legal terms.
2. It is also important to consult a lawyer and work with a national company to ensure that you are complying with the laws correctly.

### To invest in Mozambique, it is necessary to:

- Obtain a Certificate of Name Reservation from Legal Entities Registrar of Maputo
- Register the company
- Obtain an environmental license (if applicable)
- Obtain the Investment Certificate: This certificate is obtained at APIEX
- Register with the Central Bank of Mozambique
- Register with the Mozambique Revenue Authority
- Declare the commencement of activities & register employees with the Ministry of Labour, Employment (MITESS)
- Register the company and the employees with the National Institute of Social Security (INSS)
- Open a local bank account
- Obtain the right to use and benefit from land (DUAT) or lease agreement or title to the property where the company will be operating.

Almost all requirements mentioned above can be performed at BAU (One-Stop Shop). Hiring a consulting company or partnering with Mozambican companies can make it easier for investors since they will take care of all the bureaucracy in the process of creating and registering the company in Mozambique.

(Source: Indian High Commission in Mozambique)





## Pledge

I \_\_\_\_\_ commit to be vigilant and bear in mind at all times, the risk to myself and my colleagues from COVID-19. I promise to take all necessary precautions that prevent the spread of this deadly virus. I promise to follow and encourage others to follow the key COVID Appropriate Behaviours.

To always wear a mask/Face cover, especially when in public places.

To maintain a minimum distance of 6 feet from others

To wash my hands, frequently and thoroughly with soap and water.

Together we will win this fight against COVID-19.

(Ministry of Commerce & Industry, Govt. of India)



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

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