

Embassy of India, Zagreb



Monthly Economic Newsletter

March, 2017

PART I: INDIAN ECONOMY

News Features

1. **India third-largest domestic aviation market globally:** India, being the world's fastest growing air travel market for several months in a row, is now the third-largest domestic aviation market globally with more people flying within the country last year than Japan, which has been pushed to number four spot.



2. **India second fastest growing passenger vehicles market globally:** With a growth of 7% during 2016, India was ranked as the second fastest growing market for passenger vehicles, according to Organisation Internationale des Constructeurs d'Automobiles (OICA) data. It also maintained its position as the fifth largest market for passenger vehicles in 2016.



3. **India to lead global growth of smartphone connections:** GSM Association, a trade body that represents the interests of mobile operators worldwide, reported that India will lead the world in smartphone adoption with a net addition of 350 million connections in 2016-20. The estimates are based on the GSMA Intelligence Consumer Survey 2016 conducted across 56 countries on the mobile usage trend.



4. **India to emerge as second largest economy by 2040:** PricewaterhouseCoopers, global management consultant, has forecast in a report that India will outpace the United States to emerge as the second largest economy in purchasing power parity (PPP) terms by 2040. Report titled "The World in 2050" showed that by 2040, India's GDP in PPP terms will grow to \$30 trillion from \$8.7 trillion in 2016.



Main Economic Indicators

Gross Domestic Product – GDP					
Fiscal Year	2015-16	2016-17			
		Q1	Q2	Q3	Q4 (Forecast)
Real GDP (% change, YoY)	7.9	7.1	7.3	7.0	6.7
GDP (US \$ billion), current prices	2251.1	/			
GDP per capita (US \$), current prices	1718	/			

Source: World Bank WDI, Indian Central Bureau of Statistics and Fitch Ratings

Foreign Trade

I. Merchandise Trade		
Exports & Imports: (US \$ Million)	Mar	Apr-Mar
(Provisional)		
Exports (including re-exports)		
2015-16	22.911,74	262.290,11
2016-17	29.232,05	274.645,10
% Growth 2016-17/2015-16	27.59	4.71
Imports		
2015-16	27.310,28	381.006,64
2016-17	39.669,22	380.367,65
% Growth 2016-17/2015-16	45.25	-0.17
Trade balance		
2015-16	-4.398,54	-118.716,53
2016-17	-10.437,17	-105.722,55
II. Trade in Services		
Exports & Imports: (US \$ Million)	Feb 2016-17	
(Provisional)		
Exports (Receipts)	13060	
Imports (Payments)	7235	
Trade balance	5825	

Source: RBI Press Release dated 13th Apr 2017

Inflation

India's annual consumer price inflation accelerated to 3.81% in Mar 2017 from 3.65% in Feb 2017, largely due to increased fuel price.

Industry

Industrial output slipped to 4-month low, contracting 1.2% in Feb 2017, mainly on account on decline in the manufacturing sector and lower offtake of capital as well as consumer goods.

Foreign Direct Investment (FDI)

During the 2016 calendar year, total FDI inflow stood at \$46.4 billion, up 18% from \$39.3 billion recorded in 2015. Total FDI flow was at 2.1% of GDP in 2016 compared with 1.9% in 2015.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

News Features

1. **Ambassadors's lecture at the University College of International Relations and Diplomacy:** Ambassador delivered (02/3) a lecture on 'New Era of Diplomacy: The Indian Model' organized by University College of International Relations and Diplomacy in Zagreb.



2. **Meetings with business leaders:** During the month, Ambassador met with several business leaders, including from Spectator Auris (02/3) (flood control smart equipment), International Metal Fusion (06/3) (metalizing and thermal spray), Crno Brdo (09/3) (renewable energy), HEP (production, transmission and distribution of electricity), Avantura Films, etc. Crno Brdo is owned by Orient Green Power (Chennai) that has invested Euro 16 million in wind farms in Šibenik County.



3. **Provincial Economic Outreach:** As part of economic outreach programme, Ambassador visited (14/3) Municipality of Malinska on the Island of Krk and met with Robert Kraljić, Mayor of Malinska, Nediljko Vučetić, Director of Malinska Tourist Board to discuss economic possibilities as well as President of Vila Rova Hotel.



4. **Participation in Place2Go Fair:** The Embassy participated (17-19/3) in the International Tourism Fair 'Place2Go' held in Zagreb. The Fair was attended by more than 15.000 visitors from various companies from tourism sector, Embassies, media, government institutions and public.



5. **Publicity about Indian State of Goa:** As part of State promotion activities, a special supplement on Goa was taken out by the Embassy in the leading Croatian Daily "Jutarnji List" (24/3), which covered features on the linkages between Croatia and Goa, business and tourist opportunities in the State.



Bilateral Trade

During Jan 2017 (for which local statistics are available) the total bilateral trade stood at Euro 10.87 million, i.e. India's exports worth Euro 9.36 million and India's imports worth Euro 1.51 million.

Croatia-India Bilateral Trade (Euro million)					
Year	2013	2014	2015	2016	Jan 2017
Croatia's Exports	€ 6.82	€ 13.50	€ 17.53	€ 11.05	€ 1.51
Croatia's Imports	€ 72.67	€ 88.19	104.5	€ 100.60	€ 9.36
Total Trade	79.49	€ 101.69	€ 122.03	€ 111.65	€ 10.87

(Source: Croatian Central Bureau of Statistics)

Major Trade Queries from India for Import/Export			
S. No.	Enquiry Originator	Product	Nature
			Import/Export
1	Aspire International	Personal Protective Equipment	Export
2	Purohit Impex	Rice & Animal Seeds	Export

3	Metal Make India	Precision Brass Components	Export
4	Sealmech Valves	Ball Valves Pipe Fittings	Export
5	Shraddha Art	Lace	Export
6	Ganga Textiles	Onion & Seeds	Export
7	Inox Wares Pvt. Ltd.	Kitchenwares & Tablewares	Export
8	Someshwar Metal Pvt. Ltd.	Non Ferrous Metal Wire	Export
9	Fibrox 3D Printing Solutions	Jewellery	Export
10	Origin Exports	Agricultural Products	Export
11	Quality Lifesciences Pvt Ltd	Handicrafts & Tiles	Export
12	KP Textile	Fabric & Silk	Export
13	Daman International	Petroleum & Chemicals	Export
14	Pursuit Pharma	Chemicals	Export
15	New Way Exim	Agro Products & Spices	Export
16	Infinite Corporation	Natural Sweetener	Export
17	Jet Granito Pvt. Ltd.	Ceramic Tiles	Export
18	Aaradhya Textiles	Fabrics	Export
19	Umang Trading	Agriculture Products	Export
20	Quality Lifesciences Pvt. Ltd.	Pharma & Chemical Products	Export
21	Iconic Exim	Rice & Tiles	Export
22	BMI Bearings	Truck Parts	Export
23	Piramal Enterprises Limited	Ayurvedic Products	Export
24	Dayani International	Spices & Agro products	Export
25	Goldi Green Technologies	Solar PV Modules	Export
26	Andy International	Rice	Export
27	Diliso Ceramic	Tiles	Export

PART III: UPCOMING EVENTS, FAIRS & CONFERENCES IN INDIA

No.	Organizer	Event	Date	City/State
1	The Federation of Indian Chambers of Commerce and Industry (FICCI)	Global R&D Summit 2017	6-7 Apr 2017	Bengaluru, Karnataka
2	Ministry of Commerce, Government of India	Global Exhibition on Services	17-20 Apr 2017	Greater Noida, Uttar Pradesh
3	The Federation of Indian Chambers of Commerce and Industry (FICCI)	Third Exhibition of India Steel	19-21 Apr 2017	Mumbai, Maharashtra
4	Ministry of Commerce, Government of India	Indian Pharmaceuticals and Healthcare Expo (IPHEX)	27-29 Apr 2017	Hyderabad, Telangana
5	Exhibitions India Group	3 rd Smart Cities India 2017	10-12 May 2017	New Delhi
6	Exhibitions India Group	2nd Transport India 2017 expo	10-12 May 2017	New Delhi
7	Ministry of New and Renewable Energy, Government of India	Renewable Energy World India	17-19 May 2017	New Delhi
8	The Federation of Indian Chambers of Commerce and Industry (FICCI)	SMART Railways Conclave	6 Jun 2017	New Delhi
9	Fairfest Media Limited	Travel & Tourism Fair (TTF)	7-9 Jul 2017	Kolkata, West Bengal
10	Confederation of Indian Industry (CII)	12 th International Railway Equipment Exhibition	11-13 Oct 2017	New Delhi
11	Messe Farankfurt	Automotive Engineering Show	9-11 Nov 2017	Chennai, Tamil Nadu

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