

Embassy of India, Zagreb



Monthly Economic Newsletter

May, 2018

PART I: INDIAN ECONOMY

News Features

1. **India sixth wealthiest country in the World:**

According to the AfrAsia Bank Global Wealth Migration Review, India is the sixth wealthiest country in the world with a total wealth of USD 8,230 billion. Total wealth refers to the private wealth held by all the individuals living in each country. It includes all their assets (property, cash, equities, business interests) less any liabilities.



2. **India to phase out single-use plastics by 2022:**

During an event to celebrate the World Environment Day (WED) 2018 in New Delhi, Environment Minister Harsh Vardhan, in the presence of PM Narendra Modi, pledged to eliminate single-use plastics from India by 2022. With this, India has demonstrated global leadership and it is now up to other countries to follow India's lead.



3. **5G subscription by 2022 in India:** According to a report released by Ericsson Mobility, Indian mobile users can expect to access 5G services by 2022 while 4G connections are estimated to soar around four-folds in the country. The report, based on data from 180 countries, estimates that there will be 3.5 billion IoT (internet of things) cellular connection by 2023 of which 72 million are estimated in India.



4. **Solar installations in India rose by 34% in Q1 of 2018:** According to a report released by Mercom Communications, solar installations in India increased by 34% to 3,269 MW in the first quarter of 2018 compared with the fourth quarter of 2017. This was the first quarter of over 3 GW installed in the Indian solar market, and the fifth quarter in a row with at least 2 GW of solar installations. The cumulative solar installed capacity totalled 22.8 GW at the end of Q1 2018.



Main Economic Indicators

Gross Domestic Product – GDP				
Fiscal Year	2015-16	2016-17	2017-18	Est. 2018-19
Real GDP (% change, YoY)	8.2%	7.1%	6.7%	7.3%
GDP (US \$ billion), current prices	2251.1	2300	/	/
GDP per capita (US \$), current prices	1718	/		

Source: Indian Central Statistics Office and World Bank

Foreign Trade

I. Merchandise Trade		
Exports & Imports: (US \$ billion)	May	Apr-May
(Provisional)		
Exports (including re-exports)		
2017-18	24.01	48.65
2018-19	28.86	54.77
% Growth 2018-19/2017-18	20.18	12.58
Imports		
2017-18	37.86	75.74
2018-19	43.48	83.11
% Growth 2018-19/2017-18	14.85	9.72
Trade balance		
2017-18	-13.84	-27.09
2018-19	-14.62	-28.34
II. Trade in Services		
Exports & Imports: (US \$ billion)	Apr 2018	
(Provisional)		
Exports (Receipts)	17.56	
Imports (Payments)	10.92	
Trade balance	6.65	

Source: RBI Press Release, dated 15th May 2018.

Industry

According to Indian Central Statistics Office (CSO) data, industrial production rose 4.9% in Apr 2018 over Apr 2017. Electricity rose 2.1% yoy; mining rose 5.1% yoy, and capital goods production rose 13% yoy in the month. Infrastructure and construction goods also rose 7.5% on a yoy basis.

Foreign Direct Investment (FDI)

According to the fDi Report 2018, compiled by FDI Intelligence, a division of *The Financial Times*, the number of greenfield FDI projects in India during 2017 fell sharply by 21%. India had maintained the numero uno slot in greenfield FDI investment in 2015 and 2016. The Indian

Government is considering allowing 100% FDI in insurance intermediaries with a view to give a boost to the sector and attracting more funds. Intermediary services include insurance broking, third party administrators, surveyors and loss assessors. The FDI policy, at present, allows 49% foreign investment in the insurance sector, which includes insurance intermediaries.

Inflation

Indian Central Statistics Office (CSO) data showed that the consumer price inflation rose to 4.87% in May 2018 from a year earlier, mainly due to higher fuel prices and depreciating rupee.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

News Features

1. **Visit to HS Produkt:** Ambassador visited (10/05) HS Produkt, Croatian top defense production firm (small armaments) and met with Mr. Zeljko Pavlin, Director and Mr. Ivan Zabcic, Co-owner. They discussed business opportunities in Indian market. HS Produkt is actively exploring the Indian market for export of carbines, as well as joint manufacturing and ToT.



2. **"India Means Business" corporate event:** Embassy participated (15/05) in 'India Means Business' event, jointly organized by India Tourism Office, Frankfurt and Qatar Airways (15/05) at Esplanade hotel in Zagreb. The objective was to inform the Croatian companies about the Indian economy, business and tourism opportunities that India provides and to stimulate business entities to visit India. At the event, representative from Croatian Chamber of Economy gave a presentation on 'How to do business with India', and briefed all the invitees about the support that Chamber is providing to the companies which want to do business with Non-European Countries. Ambassador also made a presentation on Indian economy, while Qatar Airways offered its exclusive deals for flights to India. Qatar Airways flies to 12 destinations in India: Kolkata, Kochi, Thiruvananthapuram, Calicut, Chennai, Bangalore, Goa, Mumbai, Ahmedabad, Delhi, Hyderabad and Nagpur. Qatar Airways offers to travel to any of the above destinations with up to 12% discount on regular and promo fares in both economy and business class.



Sales period: May 21st, 2018 – November 30th, 2018.

Travel period: May 21st, 2018 – May 15th, 2019.

Book your tickets on: www.qatarairways.hr

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3. **"Atlas Travel Club" event:** Embassy participated (17/05) in 'Atlas Travel Club' event, jointly organized by India Tourism Office, Frankfurt, Atlas travel agency, Turkish Airlines and the Embassy, in Zagreb. The objective was to inform the Croatian people about new destinations in India. At the event, Ambassador made a presentation on 'Incredible India', covering various aspects like medical, Yoga, Ayurveda, spiritual, adventure tourism. It was attended by appx. 80 people.



4. **Meetings with business leaders:** During the month, meetings were held with several business leaders in sectors of defence (arms), medical, tourism, energy (electric & nuclear), hospitality, consultancy, etc.

5. **Increase of Indian tourist arrivals to Croatia:** According to data published (11/06) by the Croatian Central Bureau of Statistics (DZS), in the period Jan-Apr 2018, Croatia had a total of 5,331 Indian tourist arrivals or 9.64% more than in the same period of 2017, with 12,007 overnight stays, or 4.28%, less than in the same period of 2017.

Bilateral Trade

During the period Jan-Mar 2018 (for which local statistics are available) the total bilateral trade stood at Euro 37.14 million (**+8.31%**), i.e. India's exports worth Euro 33.96 million and India's imports worth Euro 3.18 million.

Year	2014	2015	2016	2017	Jan-Mar 2018
Croatia's Exports	€ 13.50	€ 17.53	€ 11.05	€ 15.36	€ 3.18
Croatia's Imports	€ 88.19	€ 104.5	€ 100.60	€ 126.14	€ 33.96
Total Trade	€ 101.69	€ 122.03	€ 111.65	€ 141.50	€ 37.14

Euro million

(Source: Croatian Central Bureau of Statistics)

Trade Queries from India for Import/Export			
No.	Enquiry Originator	Product	Nature
			Import/Export
1	Panchvati Export	Dehydrated Onion & Garlic	Export
2	Orange Yarns	Polyester Yarns	Export
3	Rewa International	Wheat Flour	Export
4	Rewa Exports	Tiles	Export
5	Indian Reverso Exporters	Furniture	Export
6	Sophia Impex	Animal Feed	Export
7	Akshar Overseas	Tiles	Export
8	A.B. Industries	Brass & Aluminium	Export
9	Wings Impex	Vegetables & Fruits	Export
10	Kavya Industries	Medical Cotton	Export
11	Shree Hari Traders	Tea	Export
12	Hi-Tech Engineers	Paper	Export
13	Medical Devices	Laboratory Equipment	Export
14	Lany Tiles	Ceramic Tiles	Export
15	Shree Lamipack	Self-Adhesive Labels	Export
16	Pavit Ceramics	Ceramic Tiles	Export
17	Sarathi International	Vegetables	Export
18	MSP Exports	Food Products	Export
19	Nitco Ltd.	Tiles	Export

20	Can Exim International	Fabric	Export
21	Mangalam NX	Cotton	Export

PART III: UPCOMING EVENTS, FAIRS, CONFERENCES & TENDERS IN INDIA

No.	Organizer	Event / Tender	Date	City/State
1	Ministry of Textiles, Govt. of India and Federation of Indian Chambers of Commerce & Industry (FICCI)	Exhibition and conference on technical textiles - 'Technotex 2018'	28-29 Jun 2018	Mumbai, Maharashtra
2	Export Promotion Council for Handicrafts	Indian Fashion Jewellery & Accessories Show (IFJAS)	16 - 18 Jul 2018	New Delhi
3	International Trade and Exhibitions India	International Exhibition on Engineering and Manufacturing (Tech India)	29-31 Aug 2018	New Delhi
4	IED Communications Ltd.	Automation Expo	29 Aug-01 Sep 2018	Mumbai, Maharashtra
5	The Sports Goods Export Promotion Council (SGEPC)	India's largest B2B Fair for Toys and Children's Products (Kids India)	04-06 Sep 2018	Mumbai, Maharashtra
6	MMI India Pvt. Ltd.	India Lab Expo	06-08 Sep 2018	Hyderabad, Telengana
7	GlobeTech Media Solutions	Globe-Tech Engineering Expo	14-16 Sep 2018	Pune, Maharashtra
8	Good Governance India Foundation	15th Municipalika Exhibition and Conference on Smart & Sustainable City Solutions	19-21 Sep 2018	Mumbai, Maharashtra
9	Department of Chemicals and Petrochemicals	India Chem	04-06 Oct 2018	Mumbai, Maharashtra
10	Department of Commerce, Ministry of Commerce and Industry, Government of India	FICCI Higher Education Summit 2018 (FHES 2018)	30 Oct-01 Nov 2018	New Delhi
11	Messe Essen GmbH	India Essen Welding & Cutting	27-29 Nov 2018	Mumbai, Maharashtra
12	Confederation of Indian Industry (CII)	Agro Technology & Business Fair	01-04 Dec 2018	Chandigarh, Punjab
13	Ministry of Steel, Government of India	International Exhibition & Conference on Steel Industry – 'INDIA STEEL EXPO 2019'	22-24 Jan 2019	Mumbai, Maharashtra

14	Electronics and Computer Software Export Promotion Council (ESC)	19 th edition of INDIASOFT 2019	04-05 Feb 2019	Hyderabad, Telengana
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