

Embassy of India, Zagreb



# Monthly Economic Newsletter

June, 2018

## PART I: INDIAN ECONOMY

### News Features

#### 1. **India records highest number of IPOs globally:**

According to Ernst & Young India IPO Readiness Survey Report, Indian exchanges recorded the highest IPO activity in terms of number of deals accounting for 16% of the total issues in the first half of 2018. In terms of proceeds, Indian exchanges accounted for 5% of global proceeds in the Jan-June 2018 period. As per the report, the Jan-June period saw 90 IPOs raising US\$ 3.9 billion, registering a 27% jump in number of deals and 28 % rise in value terms over the same period in 2017.



2. **Bosch to invest US\$ 249.69 million in India:** German company Bosch Group has planned to invest US\$ 249.69 million in India over the coming three years to meet the demand in India's domestic auto market. It will also invest in electric vehicles, automated driving, diesel engines, artificial intelligence and revamping of its Bangalore factory. Bosch is looking at the electric vehicle technologies as the future growth area in the country, given sufficient time.



#### 3. **Revenue from e-commerce in India to touch US\$ 52 billion:**

According to a report by Admitad, the revenue from e-commerce amounted to USD 25 billion in India in 2017 and is likely to grow by 20.2% per year to hit US\$ 52 billion by 2022. Report also showed that in 2017, 37% of the population comprised of internet users, 14% of whom made online purchases regularly. This population's share of internet users is expected to grow to 45% by 2021 and the number of online buyers is expected to grow to 90%.



4. **India 19th in attracting cross-border capital:** According to property consultant Knight Frank, India is at the 19th position among 73 countries in terms of attracting cross-border capital into their respective property markets in 2017, with inflows touching US\$ 2.6 billion. India ranks ahead of its Asia Pacific regional counterparts like Malaysia, Thailand, Indonesia, Vietnam and Philippines, which collectively attracted lesser capital flows compared to India.



## Main Economic Indicators

<b>Gross Domestic Product – GDP</b>				
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

<b>I. Merchandise Trade</b>		
Exports & Imports: (US \$ billion)	June	Apr-Jun
(Provisional)		
<b>Exports (including re-exports)</b>		
2017-18	23.56	72.21
2018-19	27.70	82.47
% Growth 2018-19/2017-18	<b>17.57</b>	<b>14.21</b>
<b>Imports</b>		
2017-18	36.52	112.26
2018-19	44.30	127.41
% Growth 2018-19/2017-18	<b>21.31</b>	<b>13.49</b>
<b>Trade balance</b>		
2017-18	-12.96	-40.05
2018-19	-16.60	-44.94
<b>II. Trade in Services</b>		
Exports & Imports: (US \$ billion)	May 2018	
(Provisional)		
<b>Exports (Receipts)</b>	16.17	
<b>Imports (Payments)</b>	10.21	
<b>Trade balance</b>	5.97	

Source: RBI Press Release, dated 13<sup>th</sup> July 2018.

## Industry

According to Indian Central Statistics Office (CSO) data, industrial production decelerated to 3.2% in May from April's 4.8%. Industrial production growth in May slowed due to an output contraction of consumer non-durable goods, and weak growth in the production of intermediate goods.

## Foreign Direct Investment (FDI)

According to data released by the Department of Industrial Policy and Promotion (DIPP), in 2017-18 financial year, India's FDI growth plummeted to a five-year low of 3%, hitting US \$44.85 billion. The service sector, which includes banking and financial services, insurance, non-financial businesses, research and development, and analysis, attracted the highest FDI in 2017-18.

## Inflation

Indian Central Statistics Office (CSO) data showed that the inflation measured by the Wholesale Price Index (WPI) was 5.77% in Jun 2018, accelerating sharply from 4.43% in May 2018.

## **PART II: INDIA-CROATIA ECONOMIC RELATIONS**

### **News Features**

1. **Annual Business Conference of Mahindra & Mahindra:** Ambassador attended (08/06) the Annual Business Conference of Mahindra & Mahindra (M&M) in Dubrovnik, which was attended by 350 business delegates from India and across the globe. On the occasion, the best performing suppliers in various categories were also awarded. M&M has reportedly signed an agreement with a Croatian electric-car manufacturing company “Rimac Automobili”, which has developed AI technology for its electrical car C\_two, making it the smartest and most connected car in the world.



2. **Provincial Economic Outreach:** As part of economic outreach programme, Ambassador visited Pula (19/06), Zadar (20/06), Sibenik and Makarska (21/06). In Pula, Ambassador met with Dean of Pula Faculty of Humanities and Social Sciences Prof. dr. sc. Klara Bursic Matijasic and held discussion on building bilateral partnerships. A Sanskrit course has been introduced in Undergraduate curriculum of Faculty of Asian Studies. In Zadar, Ambassador met with Director of Zadar Tourist Board Mr. Ante Rados, Mr. David Lekaj, CEO of Euro-Asian Business Association and Mr. Tomislav Fain, President of the Association of Croatian Travel Agencies with whom he discussed possibilities in expanding economic cooperation, and also organizing ‘India Day’. In Sibenik and Makarska, Ambassador met with Mayor Zeljko Buric and Mayor Jure Brkan respectively and discussed economic possibilities.



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

5. **Increase of Indian tourist arrivals to Croatia:** According to data published (10/07) by the Croatian Central Bureau of Statistics (DZS), in the period Jan-May 2018, Croatia had a total of 20,142 Indian tourist arrivals or 28.47% more than in the same period of 2017, with 41,562 overnight stays or 16.45%, more than in the same period of 2017.

## Bilateral Trade

During the period Jan-Apr 2018 (for which local statistics are available) the total bilateral trade stood at Euro 47.75 million, i.e. India’s exports worth Euro 44.19 million (+3.24%) and India’s imports worth Euro 3.56 million (-31.66%).

*Euro million*

Year	2014	2015	2016	2017	Jan-Apr 2018
Croatia’s Exports	€ 13.50	€ 17.53	€ 11.05	€ 15.36	€ 3.56
Croatia’s Imports	€ 88.19	€ 104.5	€ 100.60	€ 126.14	€ 44.19

Total Trade	€ 101.69	€ 122.03	€ 111.65	€ 141.50	€ 47.75
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(Source: Croatian Central Bureau of Statistics)

Trade Queries from India for Import/Export			
No.	Enquiry Originator	Product	Nature
			Import/Export
1	Secora Tiles LLP	Tiles	Export
2	CDET Explosive Industries	Industrial Explosive	Export
3	Octopus Exim	Rice & Vegetables	Export
4	Ravi Expo International	Leather Bags	Export
5	Bhavesh Glass House	Polystyrene Frames	Export
6	Evergreen Agro Creations	Spirulina	Export
7	Antiga Ceramic	Ceramic Tiles	Export
8	Meghmani Dyes & Intermediates	Chemicals	Export
9	Home Grown Brothers	Spices	Export
10	Doll Ceramic Pvt. Ltd.	Ceramic Tiles	Export
11	JK International	Sanitary Ware	Export
12	Adiba Enterprizes	Fruits & Vegetables	Export
13	Big Shipment Overseas	Fruits & Vegetables	Export
14	Nishant Enterprises	Rice	Export
15	Generix Lifescience	Pharmaceuticals	Export
16	Newedge Overseas	Chemicals	Export
17	Ashapura Aromas Pvt. Ltd.	Fragrance & Flavour Ingredients	Export
18	Vijay Engineers	Machining Parts	Export

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

No.	Organizer	Event / Tender	Date	City/State
1	Essential Oil Association of India	INTERNATIONAL CONGRESS & EXPO 2018	03-05 Aug 2018	Bengaluru, Karnataka
2	International Trade and Exhibitions India	International Exhibition on Engineering and Manufacturing (Tech India)	29-31 Aug 2018	New Delhi
3	IED Communications Ltd.	Automation Expo	29 Aug-01 Sep 2018	Mumbai, Maharashtra
4	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
5	MMI India Pvt. Ltd.	India Lab Expo	06-08 Sep 2018	Hyderabad, Telengana
6	GlobeTech Media Solutions	Globe-Tech Engineering Expo	14-16 Sep 2018	Pune, Maharashtra

7	Good Governance India Foundation	15th Municipalika Exhibition and Conference on Smart & Sustainable City Solutions	19-21 Sep 2018	Mumbai, Maharashtra
8	Department of Chemicals and Petrochemicals	India Chem	04-06 Oct 2018	Mumbai, Maharashtra
9	Carpet Export Promotion Council (CEPC)	India Carpet Expo	21-24 Oct 2018	Varanasi, Uttar Pradesh
10	Indian Council of Food and Agriculture (ICFA)	India International Agro Trade and Technology Fair 2018	25-27 Oct 2018	New Delhi
11	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
12	Messe Essen GmbH	India Essen Welding & Cutting	27-29 Nov 2018	Mumbai, Maharashtra
13	Confederation of Indian Industry (CII)	Agro Technology & Business Fair	01-04 Dec 2018	Chandigarh, Punjab
14	Ministry of Steel, Government of India	International Exhibition & Conference on Steel Industry – 'INDIA STEEL EXPO 2019'	22-24 Jan 2019	Mumbai, Maharashtra
15	Centre for Development of Stones (CDOS)	INDIA STONEMART 2019- International Stone Industry Exhibition	31 Jan-03 Feb 2019	Jaipur, Rajasthan
16	Electronics and Computer Software Export Promotion Council (ESC)	19 <sup>th</sup> edition of INDIASOFT 2019	04-05 Feb 2019	Hyderabad, Telengana

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*\*\*The new General Data Protection Regulation (GDPR) has come into effect on 25 May 2018. To help us comply with its requirements we need to confirm that you would still like to receive our newsletters. If you do not wish to continue to receive our newsletters, you can unsubscribe by replying "unsubscribe" to this email. Your details that we hold are your name and email address. We do not share your details with any third parties.*