

Embassy of India, Zagreb



Monthly Economic Newsletter

July, 2018

PART I: INDIAN ECONOMY

News Features

1. **India becomes world's 2nd largest phone maker:** 'Make in India' initiative has propelled India to become the world's second-largest manufacturer of mobile phones as the number of factories soared to 120 from just 2 four years ago. In 2017, India overtook the US to become the world's second-largest smartphone market after China. Samsung Electronics will be expanding its mobile phone manufacturing facility in India to produce 120 million devices per year.



2. **India will be a \$10 trillion economy by 2035:** According to the Ministry for Commerce & Industry, India will, with joint efforts of Government, industry and other stakeholders, be able to become a \$10 trillion economy by 2035. India's exports in the year 2017-18 were the highest in last six years. If its exports continue with this trend, India may be able to register record growth in exports in the year 2018-19.



3. **India's shift to green economy could add 3 million jobs by 2030:** According to a report by the International Labour Organization (ILO), an arm of the UN, India could add about 3 million new jobs by 2030 if 40% of India's electricity comes from renewables. The Indian renewable energy sector—it accounted for about 20% of installed capacity by May 2018 and 7.5% of total electricity generation in Feb 2018—employed 432,000 people in 2017, an increase of 16% over 2016.



4. **India's football exports up 15% in 2017-18:** India's football exports grew by over 15% to \$10.33 million in 2017-18 on account of growing demand in the markets of South America and Europe. Around 60 countries from across the globe imported India-made footballs in 2017-18. Inflatable balls, particularly football, are the top exported items in the sports goods and toys sector from India.



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)	Jul 2018	Apr-Jul 2018
(Provisional)		
Exports (including re-exports)		
2017-18	22.54	94.76
2018-19	25.77	108.24
% Growth 2018-19/2017-18	14.32	14.23
Imports		
2017-18	33.99	146.26
2018-19	43.79	171.20
% Growth 2018-19/2017-18	28.81	17.05
Trade balance		
2017-18	-11.45	-51.50
2018-19	-18.02	-62.96
II. Trade in Services		
Exports & Imports: (US \$ billion)	Jun 2018	
(Provisional)		
Exports (Receipts)	16.87	
Imports (Payments)	10.30	
Trade balance	6.57	

Source: RBI Press Release, dated 14th Aug 2018.

Industry

According to Indian Central Statistics Office (CSO) data, industrial production expanded at a five-month high in Jun 2018 with all three major sectors —manufacturing, mining and electricity — contributing to the recovery. Growth, as measured by the Index of Industrial Production (IIP), stood at 7% in Jun 2018 compared with 3.9% in May 2018.

Foreign Direct Investment (FDI)

FDI inflows into India rose 3.17% at \$44.8 billion in FY18. The FDI in the food processing sector rose 24% in 2017-18 to \$904.9 million. At present, 100% FDI in food processing sector is allowed through automatic route. India attracted the highest ever FDI in 2017 with inflows totaling \$62 billion.

Inflation

Indian Central Statistics Office (CSO) data showed that India's consumer price inflation in Jul 2018 slowed to 4.17% from 4.92% in Jun 2018. In the same period of 2017, inflation was 2.36%.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

News Features

1. **Provincial Economic Outreach:** As part of economic outreach programme, Ambassador visited (19-20/07) island Pag and (24-26/07) Dubrovnik. In Pag, Ambassador met with Mr. Ante Fabijanic, Mayor, and Ms. Vesna Karavanic, Director, Tourist Board. They expressed interest in organizing IDY in 2019, and 'India Day' event including business interactions. There was also understanding that India's Technical and Economic Cooperation programme will be utilized for skills development of the officials of Pag Administration. In Novalja, Ambassador met with the Director of the Tourist Board, Ms. Marina Sciran Rizner, and visited an olive farm, one of the main stays of Novalja economy, along with tourism. During the visit, Ambassador also visited Simuni Camping Complex and met with the 8 Indian chefs working in the complex. Given the shortage of personnel in the tourism sector in Croatia, there is growing trend for workers to be imported from India, not just chefs, but also carpenters, plumbers, and other service providers. In Dubrovnik, Ambassador met with Mayor of Dubrovnik, Mr. Mato Frankovic, and Dubrovnik-Neretva County Perfect, Mr. Nikola Dobroslavic, and discussed economic opportunities.



2. **Meetings with business leaders:** During the month, meetings were held with several business leaders in sectors of tourism, media, hospitality, energy, etc.

3. **Increase of Indian tourist arrivals to Croatia:** According to data published (10/08) by the Croatian Central Bureau of Statistics (DZS), in the period Jan-Jun 2018, Croatia had a total of 33,038 Indian tourist arrivals or 20.26% more than in the same period of 2017, with 70,257 overnight stays or 15.52%, more than in the same period of 2017.

Bilateral Trade

During the period Jan-May 2018 (for which local statistics are available) the total bilateral trade stood at Euro 56.80 million (-9.56%), i.e. India's exports worth Euro 52.56 million (-5.85%) and India's imports worth Euro 4.24 million (-39.25%).

Euro million

Year	2014	2015	2016	2017	Jan-May 2018
Croatia's Exports	€ 13.50	€ 17.53	€ 11.05	€ 15.36	€ 4.24
Croatia's Imports	€ 88.19	€ 104.5	€ 100.60	€ 126.14	€ 52.56
Total Trade	€ 101.69	€ 122.03	€ 111.65	€ 141.50	€ 56.80

(Source: Croatian Central Bureau of Statistics)

Trade Queries from India for Import/Export			
No.	Enquiry Originator	Product	Nature
			Import/Export
1	Narmada Weavetech Pvt. Ltd.	Textile	Export
2	Ajay Weber International	Home Textile	Export
3	Range Ceramic	Ceramic Tiles	Export
4	Thangavel	Apparel	Export
5	Synthopharm Chemicals	Chemicals	Export
6	Glowfly International Pvt. Ltd.	Wool	Export
7	Sisara International	Tobacco	Export
8	Aaksh Beverages Pvt. Ltd.	Coffee	Export
9	Glam Elegance Export	Garment	Export
10	Lorians Ceramic LLP	Ceramic Tiles	Export
11	Neo Tech Conslutant	Cosmetics	Export
12	Balaji Tradexim Pvt. Ltd.	Spices	Export
13	Ramco Industries Limited	Building Materials	Export
14	Euro Vistaa	Yarn & Fabrics	Export
15	Helicon International	Tiles	Export
16	Ambitions Jewelers	Jewelry	Export
17	Vedichomz	Home Decor Items	Export
18	Dynamo Impex	Ceramic Tiles	Export
19	Rohit Investments Pvt. Ltd.	Tea	Export
20	Navrang Creations	Bags & Apparels	Export

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

No.	Organizer	Event / Tender	Date	City/State
1	International Trade and Exhibitions India	International Exhibition on Engineering and Manufacturing (Tech India)	29-31 Aug 2018	New Delhi
2	IED Communications Ltd.	Automation Expo	29 Aug-01 Sep 2018	Mumbai, Maharashtra
3	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
4	MMI India Pvt. Ltd.	India Lab Expo	06-08 Sep 2018	Hyderabad, Telengana
5	GlobeTech Media Solutions	Globe-Tech Engineering Expo	14-16 Sep 2018	Pune, Maharashtra
6	Economic Times – Edge India Leadership Council (ILC)	The ET Banking and Financial Innovation Tribe 2018	20-21 Sep 2018	New Delhi

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	India Trade Promotion Organization	India International Trade Fair	14-27 Nov 2018	New Delhi
13	Messe Essen GmbH	India Essen Welding & Cutting	27-29 Nov 2018	Mumbai, Maharashtra
14	Confederation of Indian Industry (CII)	Agro Technology & Business Fair	01-04 Dec 2018	Chandigarh, Punjab
15	Economic Times – Edge India Leadership Council (ILC)	Global Sports Show	13-14 Dec 2018	Mumbai, Maharashtra
16	Trade Promotion Council of India (TPCI)	INDUSFOOD	14-15 Jan 2019	Greater Noida, Uttar Pradesh
17	Ministry of Steel, Government of India	International Exhibition & Conference on Steel Industry – ‘INDIA STEEL EXPO 2019’	22-24 Jan 2019	Mumbai, Maharashtra
18	Centre for Development of Stones (CDOS)	INDIA STONEMART 2019- International Stone Industry Exhibition	31 Jan-03 Feb 2019	Jaipur, Rajasthan
19	Electronics and Computer Software Export Promotion Council (ESC)	19 th edition of INDIASOFT 2019	04-05 Feb 2019	Hyderabad, Telengana
20	Department of Industrial Policy and Investment Promotion	Global Investors Summit 2019	23-24 Feb 2019	Indore, Madhya Pradesh

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