

Embassy of India, Zagreb



Monthly Economic Newsletter

August, 2018

PART I: INDIAN ECONOMY

News Features

1. **ISRO to send first Indian into Space by 2022:** According to the Indian Space Research Organisation (ISRO), India's first Indian human mission will be launched by 2022. The programme will make India the fourth nation in the world to launch a Human Spaceflight Mission. So far, only the USA, Russia and China have launched human spaceflight missions. ISRO has already developed some critical technologies like re-entry mission capability, crew escape system, crew module configuration, thermal protection system, deceleration and floatation system, sub-systems of life support system etc. which will enable it to accomplish the objective in a short span of 4 years.



2. **Indian pharma exports to cross USD 19 billion in FY19:** According to Pharmaceuticals Export Promotion Council (Pharmexcil), pharmaceutical exports from India fetched USD 17.27 billion in the previous fiscal, and this year it is expected to be between USD 19 billion and USD 20 billion. EU constitutes over 16% of Indian pharma exports.



3. **Increase in foreign tourist arrivals in India:** According to the Indian Ministry of Tourism, 10.4 million foreign tourist visited India in 2017 which represents an increase of 14% in comparison to 2016.



4. **India to construct 100 airports worth USD 60 billion:** According to the Ministry of Civil Aviation, India plans to construct 100 new airports with an investment of close to USD 60 billion in the next 10-15 years. Amid the country's domestic aviation sector recording double-digit growth for more than three years on the back of rising demand, Government is working on ways to bolster the infrastructure for the sector.



5. **India's crude steel output up 8% in Jul 2018:** According to the World Steel Association, India's crude steel output increased by 8% to 9 million tonnes (MT) in Jul 2018, while in the same month in 2017 it produced 8.33 MT crude steel.



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 IMF

Foreign Trade

I. Merchandise Trade		
Exports & Imports: (US \$ billion) (Provisional)	Aug 2018	Apr-Aug 2018
Exports (including re-exports)		
2017-18	23.36	117.19
2018-19	27.84	136.09
% Growth 2018-19/2017-18	19.21	16.13
Imports		
2017-18	36.07	184.45
2018-19	45.24	216.43
% Growth 2018-19/2017-18	25.41	17.34
Trade balance		
2017-18	-12.72	-67.27
2018-19	-17.39	-80.35
II. Trade in Services		
Exports & Imports: (US \$ billion) (Provisional)	Jul 2018	
Exports (Receipts)	17.55	
Imports (Payments)	10.85	
Trade balance	6.70	

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

Industry

According to Indian Central Statistics Office (CSO) data, the eight core industries, driving 40.27% of India's industrial production, grew 6.6% during Jul 2018 against a growth of 2.9% in Jul 2017. The growth was largely on account of robust energy demand met by higher production by the oil refineries.

Foreign Direct Investment (FDI)

Data published by the Department of Industrial Policy and Promotion showed FDI in India grew by 23% to USD 12.75 billion during the April-June quarter of 2018-19. Key sectors that received maximum foreign investment during the first quarter of the fiscal include services (USD 2.43

billion), trading (USD 1.62 billion), telecommunications (USD 1.59 billion), computer software and hardware (USD 1.4 billion), and power (USD 969 million).

Inflation

Indian Central Statistics Office (CSO) data showed that India's consumer price inflation in Aug 2018 fell to 3.69% from 4.17% in Jul 2018, mainly due to a fall in prices of kitchen items, including fruits and vegetables.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

News Features

1. **Provincial Economic Outreach:** As part of economic outreach programme, Ambassador visited cities of Varazdin (03/08), Ludbreg (03/08), Opatija (10/08), Labin (16/08), Pazin (17/08), Split (28/08), Hvar (28/08) and Vis (29/08). **In Varazdin**, Ambassador met with County Prefect Mr. Radimir Cacic, Deputy Mayor of Varazdin, Ms. Sandra Malenica, and Director of Varazdin Tourist Board, Ms. Jelena Toth. They discussed building bilateral partnerships and business opportunities in hospitality sectors. **In Ludbreg**, Ambassador met with Mayor of Ludbreg, Mr. Dubravko Bilic, and discussed building on economic opportunities. The largest Indian investment of ACG Worldwide in pharmaceutical sector is based in Ludbreg. **In Opatija**, Ambassador met with Ms. Jasna Staraj, owner of Inflow company (construction) which has recently inducted 16 Indian construction workers in view of the shortage of qualified labor in Croatia. There is growing trend of Indian workers being inducted in Croatian institutions in construction/hospitality and other low skilled service sectors. **In Labin and Pazin**, Ambassador met with Mayor of Labin, Mr. Valter Glavicic, and Mayor of Pazin, Mr. Renato Krulcic, and discussed building bilateral partnerships. **In Hvar and Vis**, Ambassador met with Mayor of Hvar, Mr. Rikardo Novak, Director of Hvar Tourist Board, Mr. Petar Razovic, Mayor of Vis, Mr. Ivo Radica and Director of Vis Tourist Board, Mr. Ivo Fiamenco, and discussed possibility of organizing Indian Day events, including in economic fields and usage of India's ITEC programmes for skills development.



Indian Ambassador with Inflow's workers

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

3. **Increase of Indian tourist arrivals to Croatia:** According to data published (11/09) by the Croatian Central Bureau of Statistics (DZS), in the period Jan-Jul 2018, Croatia had a total of 42,599 Indian tourist arrivals or 55.06% more than in the same period of 2017, with 92,599 overnight stays, 52.26% more than in the same period of 2017.

Bilateral Trade

During the period Jan-Jun 2018 (for which local statistics are available) the total bilateral trade stood at Euro 64.9 million, i.e. India's exports worth Euro 59.74 million and India's imports worth Euro 4.95 million.

Euro million

Year	2014	2015	2016	2017	Jan-Jun 2018
Croatia's Exports	€ 13.50	€ 17.53	€ 11.05	€ 15.36	€ 4.95
Croatia's Imports	€ 88.19	€ 104.5	€ 100.60	€ 126.14	€ 59.74
Total Trade	€ 101.69	€ 122.03	€ 111.65	€ 141.50	€ 64.69

(Source: Croatian Central Bureau of Statistics)

Trade Queries from India for Import/Export			
No.	Enquiry Originator	Product	Nature
			Import/Export
1	Fabrich Valley LLP	Fabrics	Export
2	Futurelife Pharmaceuticals	Pharmaceuticals	Export
3	Harvi Exports	Ceramic Tiles	Export
4	Maruti Interior Products	Kitchen Furniture	Export
5	V.P. Exports & Imports	Leather Bags	Export
6	Crino Exim	Lace	Export
7	JMR Brass Industries	Brass Products	Export
8	Unico Tiles Pvt. Ltd.	Tiles	Export
9	Urjaa Exim Pvt. Ltd.	Rice	Export
10	Nova Pharmacy	Pharmaceuticals	Export
11	Sukun7 Intercontinental	Wheat	Export
12	Dynamic International	Peanuts & Sesame Seeds	Export
13	Sara Exports	Clothing & Spices	Export
14	Girmount Ovreseas LLP	Automobile Engineering Products	Export
15	Aradhya Colour	Food Colours	Export
16	Schweissen Metal Industries	Brass Fittings	Export
17	Paragon Tapes	Tapes	Export
18	Shivalay Exports	Wooden Handicraft	Export
19	J.D. Enterprise	Bathroom Accessoires	Export
20	Ambani Vitrified	Ceramic Tiles	Export
21	Gopinathji IMPEX	Chemicals	Export
22	Dhanraj Enterprise	Dried Fruits	Export
23	Lany Tiles	Ceramic Tiles	Export
24	SNG Exports	Garments & Spices	Export
25	Ashapura Minechem Ltd.	Ceramic Tiles	Export
26	Annexy International	Tiles	Export
27	Nithindia Foreign Trade	Spices & Animal Feed	Export
28	Daylightsimpex Own	Garlic & Herbs	Export
29	Sak Export	Garments	Export
30	Unico Tiles Pvt. Ltd.	Granite	Export
31	Royal Enterprise	Dehydrated Onion and Garlic	Export
32	Shouut	Mobile App	Export

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

No.	Organizer	Event / Tender	Date	City/State
1	Economic Times – Edge India Leadership Council (ILC)	The ET Banking and Financial Innovation Tribe 2018	20-21 Sep 2018	New Delhi
2	Good Governance India Foundation	15th Municipalika Exhibition and Conference on Smart & Sustainable City Solutions	19-21 Sep 2018	Mumbai, Maharashtra
3	Department of Chemicals and Petrochemicals	India Chem	04-06 Oct 2018	Mumbai, Maharashtra
4	Carpet Export Promotion Council (CEPC)	India Carpet Expo	21-24 Oct 2018	Varanasi, Uttar Pradesh
5	Indian Council of Food and Agriculture (ICFA)	India International Agro Trade and Technology Fair 2018	25-27 Oct 2018	New Delhi
6	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
7	India Trade Promotion Organization	India International Trade Fair	14-27 Nov 2018	New Delhi
8	Messe Essen GmbH	India Essen Welding & Cutting	27-29 Nov 2018	Mumbai, Maharashtra
9	Confederation of Indian Industry (CII)	Agro Technology & Business Fair	01-04 Dec 2018	Chandigarh, Punjab
10	Economic Times – Edge India Leadership Council (ILC)	Global Sports Show	13-14 Dec 2018	Mumbai, Maharashtra
11	Trade Promotion Council of India (TPCI)	INDUSFOOD	14-15 Jan 2019	Greater Noida, Uttar Pradesh
12	Ministry of Steel, Government of India	International Exhibition & Conference on Steel Industry – ‘INDIA STEEL EXPO 2019’	22-24 Jan 2019	Mumbai, Maharashtra
13	Centre for Development of Stones (CDOS)	INDIA STONEMART 2019- International Stone Industry Exhibition	31 Jan-03 Feb 2019	Jaipur, Rajasthan
14	Electronics and Computer Software Export Promotion Council (ESC)	19 th edition of INDIASOFT 2019	04-05 Feb 2019	Hyderabad, Telangana
15	Department of Industrial Policy and Investment Promotion	Global Investors Summit 2019	23-24 Feb 2019	Indore, Madhya Pradesh

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