

Embassy of India, Zagreb



Monthly Economic Newsletter

September, 2018

PART I: INDIAN ECONOMY

News Features

1. **EU-India Innovation Platform:** To foster innovative cooperation between India and Europe, the EU launched (10/10) a piloting initiative that seeks to bring together innovators, start-ups and incubators from both sides for interaction. The drive for this initiative comes from the India-EU Summit held on 6 October 2017, where the two leaders agreed, amongst others, to strengthen the cooperation on research, and most important to work towards an enhanced cooperation on innovation and technology development, aiming at actions strengthening cooperation between European and Indian industries and start-up ecosystems.



2. **49 universities from India among the best in the World:** Led by Indian Institute of Science (IISc) in Bangalore, India has a record 49 institutions among the best universities in the world, according to the Times Higher Education (THE) World University Rankings 2019. While IISc remained the top school from the country, the list saw some fresh names including the newly established Indian Institute of Technology at Indore (IIT Indore), making an impressive debut in the global rankings.



3. **India targeting 40% of power generation from non-fossil fuel by 2030:** India is targeting 40% of electricity generation from non-fossil fuel-based resources by 2030 as it looks to tap vast solar and wind potential to replace reliance on polluting coal to meet its energy needs. Country has investment potential of USD 70-80 billion in solar manufacturing only.



4. **India ranks 96th on Economic Freedom Index:** According to the Economic Freedom Index report, released by the Centre for Civil Society (CCS) in conjunction with Canada's Fraser Institute, India was placed 96th among 162 countries in this year's report. In 2017, India's rank was 98. India improved its score on parameters such as legal system and property rights, access to sound money, freedom to trade internationally and regulation of credit, labour and business.



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%	7.8%
GDP (US \$ billion), current prices	2251.1	2300	/	/
GDP per capita (US \$), current prices	1718		/	

Source: Indian Central Statistics Office and Fitch

Foreign Trade

I. Merchandise Trade		
Exports & Imports: (US \$ billion) (Provisional)	Sep 2018	Apr-Sep 2018
Exports (including re-exports)		
2017-18	28.57	145.75
2018-19	27.95	164.04
% Growth 2018-19/2017-18	-2.15	12.54
Imports		
2017-18	37.96	222.42
2018-19	41.93	258.36
% Growth 2018-19/2017-18	10.45	16.16
Trade balance		
2017-18	-9.40	-76.66
2018-19	-13.98	-94.32
II. Trade in Services		
Exports & Imports: (US \$ billion) (Provisional)	Aug 2018	
Exports (Receipts)	16.53	
Imports (Payments)	10.35	
Trade balance	6.17	

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

Industry

According to Indian Central Statistics Office (CSO) data, industrial production growth slipped to a three-month low of 4.3% in Aug 2018, mainly due to a sharp decline in the mining sector output and poor offtake of capital goods. The industrial production measured in terms of Index of Industrial Production (IIP) was 4.8% in Aug 2017.

Foreign Direct Investment (FDI)

According to the Indian Chamber of Commerce and Industry, India is approaching towards USD 100 billion FDI inflow per annum by 2022 as volumes of foreign direct investment are increasing year after year. The annual FDI inflows in the country increased from USD 36 billion in 2013-14 to USD 62 billion in 2017-18. Make in India has been instrumental during the last four years to attract FDI reforms in the country. Despite the global challenges, the country was able to attract tremendous flow of investments.

Inflation

Indian Central Statistics Office (CSO) data showed that India's consumer price inflation in Sep 2018 rose to 3.77% from 3.69% in Aug 2018, mainly due to the higher food and fuel costs, pushed up by a battered rupee and suggesting further policy tightening from the Reserve Bank of India.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

News Features

- Provincial Economic Outreach:** As part of economic outreach programme, Ambassador visited (04/09) company Rimac Automobili in the city of Sveta Nedjelja and met with the owner Mr. Mate Rimac. They discussed business opportunities in automotive sector between the two countries. Recently, Rimac Automobili has signed a contract with Mahindra&Mahindra, Indian multinational car manufacturing corporation, for supplying relevant technology for development of 'limited edition' of electric cars. Director of Rimac Automobili has also figured in the Embassy's Program 'Chai with Ambassador'. The video can be viewed at the following link: <https://youtu.be/s-3Ab0GaaQk>
- Meetings with business leaders:** During the month, meetings were held with several business leaders in sectors of automotive, hospitality, media, cinematography etc.
- Increase of Indian tourist arrivals to Croatia:** According to data published (10/10) by the Croatian Central Bureau of Statistics (DZS), in the period Jan-Aug 2018, Croatia had a total of 50,698 Indian tourist arrivals or 24.27% more than in the same period of 2017, with 111,715 overnight stays, 30.24% more than in the same period of 2017.

Bilateral Trade

During the period Jan-Jul 2018 (for which local statistics are available) the total bilateral trade stood at Euro 84.36 million, i.e. India's exports worth Euro 78.13 million and India's imports worth Euro 6.23 million.

Euro million

Year	2014	2015	2016	2017	Jan-Jul 2018
Croatia's Exports	€ 13.50	€ 17.53	€ 11.05	€ 15.36	€ 6.23
Croatia's Imports	€ 88.19	€ 104.5	€ 100.60	€ 126.14	€ 78.13
Total Trade	€ 101.69	€ 122.03	€ 111.65	€ 141.50	€ 84.36

(Source: Croatian Central Bureau of Statistics)

Trade Queries from India for Import/Export			
S. No.	Enquiry Originator	Product	Nature
			Import/Export
1	Vuseramik	Ceramic Tiles	Export
2	Romero Overseas	Sports Wear	Export
3	Vedanta Exim	Castings & Forging	Export
4	Pidilite Industries Ltd.	Chemicals	Export
5	Narsipur Chemicals Pvt. Ltd.	Chemicals	Export
6	SB International	Paper	Export

7	World of Organics	Herbs	Export
8	Shubhlaxmi Gum Industries	Animal Feed	Export
9	Leafree Exim Pvt. Ltd.	Rice	Export
10	Liberty Shoes	Safety Footwear	Export
11	Essenzaa Lifescience Ltd.	Herbal/Ayurveda Products	Export
12	Color Tile Pvt. Ltd.	Ceramic Tiles	Export
13	Giriraj Granite	Granite	Export
14	Shreedataashree	Chemicals & Textile	Export
15	Usha Gems	Jewelry	Export
16	Daksh Agri International	Seeds & Spices	Export
17	Get Well	Hospital Garments	Export
18	Thakker Overseas	Disposable Tableware	Export
19	Urvesh Psyllium Ind. Ltd.	Psyllium	Export
20	Maruti Exports	Dehydrated Vegetable	Export
21	Empire Spare Parts & Lubricants	Auto Parts	Export
22	Giriraj Granite	Granite	Export
23	Supreme Exports	Medical Disposables	Export

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

No.	Organizer	Event / Tender	Date	City/State
1	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
2	India Trade Promotion Organization	India International Trade Fair	14-27 Nov 2018	New Delhi
3	Messe Essen GmbH	India Essen Welding & Cutting	27-29 Nov 2018	Mumbai, Maharashtra
4	Confederation of Indian Industry (CII)	Agro Technology & Business Fair	01-04 Dec 2018	Chandigarh, Punjab
5	Economic Times – Edge India Leadership Council (ILC)	Global Sports Show	13-14 Dec 2018	Mumbai, Maharashtra
6	Trade Promotion Council of India (TPCI)	INDUSFOOD	14-15 Jan 2019	Greater Noida, Uttar Pradesh
7	Ministry of Steel, Government of India	International Exhibition & Conference on Steel Industry – 'INDIA STEEL EXPO 2019'	22-24 Jan 2019	Mumbai, Maharashtra
8	Centre for Development of Stones (CDOS)	INDIA STONEMART 2019- International Stone Industry Exhibition	31 Jan-03 Feb 2019	Jaipur, Rajasthan
9	Electronics and Computer Software	19 th edition of INDIASOFT 2019	04-05 Feb 2019	Hyderabad, Telengana

	Export Promotion Council (ESC)			
10	Department of Industrial Policy and Investment Promotion	Global Investors Summit 2019	23-24 Feb 2019	Indore, Madhya Pradesh
11	World Trade Centre (WTC) and All India Association of Industries (AIAI)	8 th Global Economic Summit 2019	06-08 Mar 2019	Mumbai, Maharashtra

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