



December, 2019

PART I: INDIAN ECONOMY

News Features

1. **FlixBus plans to enter Indian market:** FlixBus, largest intercity bus network in Europe, which is backed by investors General Atlantic and Silver Lake, is looking to enter into Indian market. The company works on the same model as already existing cab service aggregators such as Uber or Ola. Though, the company does not own any bus or hire drivers, it provides operational support such as scheduling and ticketing. It partners with the regional bus operators and provide rides across Europe and in the US. In India, it is expected that the entry of FlixBus could lead to a big shift in intercity transport. Although, there are operators that are offering online platforms for ticketing and customer support, there is no Uber-like standardisation of services on a large scale.



2. **India among top 10 improvers in EODB:** According to the World Bank's Ease of Doing Business (EODB) Report 2020, India ranks 63rd among 190 countries improving by 14 ranks from its rank of 77 in 2019. India improved its rank in 7 out of 10 indicators and has moved closer to international best practices. The Report acknowledged India as one of the top 10 improvers, third time in a row, with an improvement of 67 ranks in 3 years. It is also the highest jump by any large country since 2011.



3. **Indian sugar exports to hit record 5 million tonnes:** India, the world's biggest sugar producer, is expected to cross its own export record this year. This is attributed to a flurry of overseas sales in the past few months driven by attractive global prices. In the new season, which began on 1 Oct 2019, sugar mills in India have done deals to export 2 million tonnes, raising hopes that the country would sell at least 5 million tonnes globally in the season of 2019/20, which would exceed its previous peak of 4.96 million tonnes shipped in 2007/08, as per the trade and industry data.



4. **Croatian innovator won the gold medal in India:** Mr. Tomislav Pokrajčić, Director, Jel-Tom d.o.o. won the gold medal at 3rd International Innovation Fair held in Hyderabad, India from 1-3 December 2019. Indian Innovators Association awarded Mr. Tomislav Pokrajčić for his innovation 'Anti-flood box barrier incorporating an anti-flood device'.



Main Economic Indicators

Gross Domestic Product – GDP				
Fiscal Year	2016-17	2017-18	2018-19	Est.
				2019-20
Real GDP (% change, YoY)	7.1%	7.2%	7.2%	6.1%
GDP (US \$ billion), current prices	2251.1	2300	2600	/

Source: Indian Central Statistics Office and Moody's

Foreign Trade

I. Merchandise Trade		
Exports & Imports: (US \$ billion)	Dec 2019	Apr - Dec 2019-20
(Provisional)		
Exports (including re-exports)		
2018-19	27.86	244.08
2019-20	27.36	239.29
% Growth 2019-20/2018-19	-1.80	-1.96
Imports		
2018-19	42.35	392.31
2019-20	38.61	357.39
% Growth 2019-20/2018-19	-8.83	-8.90
Trade balance		
2018-19	-14.49	-148.23
2019-20	-11.25	-118.10
II. Trade in Services		
Exports & Imports: (US \$ billion)	Nov 2019	Apr–Nov 2019-20
(Provisional)		
Exports (Receipts)	18.00	140.27
Imports (Payments)	11.47	86.44
Trade balance	6.52	53.83

Source: RBI Press Release, dated 15th January 2020

Industry

According to Indian Central Statistics Office (CSO) data, India's industrial production recovered from three months of contraction to expand by 1.8% in November 2019. The recovery, which came against the backdrop of near-flat output growth seen in the same month a year ago, was driven by a 2.7% expansion in manufacturing output.

Foreign Direct Investment (FDI)

According to the Department for Promotion of Industry and Industrial Trade (DPIIT), India received a US \$ 27.2 billion foreign investment in the first half of 2019. Although, the FDI is allowed through automatic route in most of the sectors, certain areas such as defence, telecom, media, pharmaceuticals and insurance, government approval is required for foreign investors. Under the government route, the foreign investor has to take prior approval of the respective ministry/department. Through the automatic approval route, the investor just has to inform the RBI after the investment is made. There are sectors where FDI is prohibited such as lottery business, gambling and betting, chit funds, real estate business, and manufacturing of cigars, cheroots, cigarillos and cigarettes using tobacco.

Inflation

Indian Central Statistics Office (CSO) data showed that the retail inflation rose to 7.35% in December 2019, compared with 5.54% in November 2019, largely due to a continued rise in food prices.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

News Features

1. **Provincial Economic Outreach:** As part of economic outreach programme, Ambassador visited (10-11/12) cities of Osijek and Donji Miholjac. In Osijek, Ambassador met with Deputy Mayor Mr. Boris Piližota and held discussion on building bilateral partnerships. Ambassador also offered skill training to Osijek officials in various fields under Indian Technical and Economic Cooperation Programme (ITEC). Ambassador made a presentation on Indian economy 'New India' at Faculty of Economy and met with prof.dr.sc. Josip Mesarić and prof.dr.sc. Nataša Drvenkar. 'Days of Indian Movies' were also inaugurated by Ambassador at cinema Urania. In Donji Miholjac, Ambassador visited the facility of Kanaan (food processing industry), and met with the company Management Board. They discussed possibilities in expanding economic cooperation between the two countries.



2. **Lecture on public diplomacy:** Students of the Faculty of Political Science, University of Zagreb visited (19/12) the Embassy and had a first hand experience on working and functions of the Indian Embassy. During the visit, Ambassador briefed them on Indian diplomacy and India-Croatia relations.



3. **Meetings with other business leaders:** During the month, meetings were held with several business leaders in sectors of media, culture, tourism, etc.

4. **Increase of Indian tourist arrivals to Croatia:** According to data published (13/01) by the Croatian Central Bureau of Statistics (DZS), in the period Jan-Nov 2019, Croatia had a total of 68,027 Indian tourist arrivals or 7.20% more than in Jan-Nov 2018, with 150,749 overnight stays, 8.27% more than in the same period 2018.

Bilateral Trade

During the period Jan-Oct 2019 (for which local statistics are available) the total bilateral trade stood at Euro 126.72 million, i.e. India's exports worth Euro 92.31 million and India's imports worth Euro 34.41 million.

Year	2015	2016	2017	2018	<i>Euro million</i>
					Jan - Oct 2019
Croatia's Exports	€ 17.53	€ 11.05	€ 15.36	€ 11.02	€ 34.41
Croatia's Imports	€ 104.5	€ 100.60	€ 126.14	€ 126.33	€ 92.31
Total Trade	€ 122.03	€ 111.65	€ 141.50	€ 137.35	€ 126.72

(Source: Croatian Central Bureau of Statistics)

Trade Queries from India for Import/Export attended by the Mission			
No.	Enquiry Originator	Product	Nature
			Import/Export
1	Navika International	Ceramic Products	Export
2	Tech Fanatics Garage Equipments	Garage Equipment	Export
3	Kali Fashion	Garments	Export
4	MMTC Ltd.	Onion	Import
5	Katyal Overseas India	Handicrafts	Export
6	Nebullus Ovreseas LLP	Fruits & Vegetables	Export
7	Rd Exim	Fabrics & Garments	Export
8	RnR Handicrafts	Furniture	Export
9	Ajaj Weber International	Camping Tents	Export
10	KICH Arhitectural Products	Door Handles	Export
11	Troikaa Pharmaceuticals	Pharmaceuticals	Export
12	Darshit Kamdar	Coffee	Export
13	Imex Overseas	Rice	Export
14	Top Travel & Tours	Tourist Agencies	Export
15	Vision Pharma	Pharmaceuticals	Export
16	Artstory Ventures	Handicrafts	Export
17	Shree International	Groundnuts	Export
18	Avience Pharma	Medical Surgical	Export
19	RD Exim	Spices	Export
20	Sharda Fashion	Textiles	Export
21	Satkarta Exports	Garments	Export
22	Rajgranth Metal & Alloys	Stainless Steel	Export
23	Gayatri Tradechem	Chemicals	Export
24	Kesri Metal Limited	Aluminium	Export
25	Abhyuday Enterprises	Seeds	Export
26	Excellent Corporation	Jewellery	Export

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

No.	Organizer	Event / Tender	Date	City/State
1	Indian Electrical & Electronics Manufacturers' Association (IEEMA)	14 th edition of World Electricity Forum 'Elecrama'	18-22 Jan 2020	Greater Noida, Uttar Pradesh

2	Ministry of Environment, Forest and Climate Change, Government of India	13th Conference of Parties to the Convention on Migratory Species (CMS COP 13)	15-22 Feb 2020	Gandhinagar, Gujarat
3	Exhibitions India Group	28th Convergence India 2020 Expo	19-21 Feb 2020	New Delhi
4	International Union of Geological Sciences (IUGS)	36 th International Geological Congress (IGC)	02-08 Mar 2020	New Delhi
5	IMC Chamber of Commerce and Industry	IMC India Calling Conference	12 Mar 2020	Mumbai, Maharashtra
6	Engineering Export Promotion Council (EEPC)	International Engineering Sourcing Show (IESS)	04-06 Mar 2020	Coimbatore, Tamil Nadu
7	World Wedding Forum	World Wedding Forum	11-15 Mar 2020	New Delhi
8	Exhibitions India Group	6th Smart Cities India 2020 Expo	20-22 May 2020	New Delhi

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