

Embassy of India, Zagreb



Monthly Economic Newsletter

April, 2020

PART I: INDIAN ECONOMY

News Features

1. Ministry of Tourism launched webinar series:

COVID-19 pandemic has major impact on human life, not just in India but globally. Tourism is one of the sectors which has been hugely impacted due to Covid-19. But the Indian Ministry of Tourism, while using technology, has found a unique way in which it is possible to visit places and destinations virtually and plan travels for a later date. Keeping this in view, the Ministry of Tourism launched its webinar series to provide information on many destinations and the sheer depth and expanse of the culture and heritage of Incredible India. The first webinar, which was part of a series that shall unfold, touched upon the long history of Delhi as it has unfolded as 8 cities, each one unique in its character and leaving behind traces which makes Delhi the magnificent city that it is today. The webinar was titled "City of Cities- Delhi's Personal Diary".



2. India signed US\$ 1.5 billion loan with ADB to support India's COVID-19 immediate response:

The Government of India and the Asian Development Bank (ADB) signed a \$1.5 billion loan that will support the government's response to the novel coronavirus disease (COVID-19) pandemic, focusing on immediate priorities such as disease containment and prevention, as well as social protection for the poor and economically vulnerable sections of the society, especially women and disadvantaged groups. India has taken several decisive measures to contain the outbreak of COVID-19 pandemic, including a US\$ 2 billion health sector spending programme to expand hospital facilities, ramp up test-track-treatment capacity and launched a US\$ 23 billion pro-poor package to provide direct cash transfer, provide basic consumption goods and free cooking gas cylinders to the poor, particularly to women, old and socially disadvantaged groups. It has also extended insurance coverage to frontline health workers engaged in COVID-19 response.



3. India installed 7.3 GW of solar power in 2019:

In 2019, India installed 7.3 GW of solar power across the country, establishing its position as the third-largest solar market in the world. According to a study by Mercom Communications India, a subsidiary of global clean energy communications and consulting firm Mercom Capital Group, India also had a robust pipeline of utility-scale projects under development of 23.7 GW at the end of 2019, with another 31.5 GW of tenders pending auction. The report added that in India, there are about 29 large-scale solar developers with a project pipeline of 100 MW or more.



4. Tech Mahindra & IBM tie up to set up innovation

centres: Tech Mahindra decided to set up innovation centres in collaboration with IBM, in order to provide boost to digital transformation and encourage adoption of more cloud-based technologies among its global customers. The centres will showcase IBM's digital transformation solutions built with Cloud Paks running on Red Hat OpenShift, which could come handy for solving complex business problems for various industries, including healthcare, telecommunication, financial services, manufacturing, insurance and retail. The company plans to open the first such innovation centre in Bengaluru in 2020 and more such centres will be set up across North America and UK later this year.



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%	5%
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)	April	
(Provisional)		
Exports (including re-exports)		
2019-20	26.07	
2020-21	10.36	
% Growth 2020-21/2019-20	-60.28	
Imports		
2019-20	41.40	
2020-21	17.12	
% Growth 2020-21/2019-20	-58.65	
Trade balance		
2019-20	-15.33	
2020-21	-6.76	
II. Trade in Services		
Exports & Imports: (US \$ billion)	Mar 2020	Apr 2019 – Mar 2020
(Provisional)		
Exports (Receipts)	18.16	214.61
Imports (Payments)	11.11	131.56
Trade balance	7.05	83.05

Source: RBI Press Release, dated 15th May 2020

Industry

According to Indian Central Statistics Office (CSO) data, India's Index of Industrial Production fell 16.7% in March 2020 over a year earlier. The steep fall in IIP during March was mainly on account of a dismal show by mining, manufacturing and electricity sector due to Covid-19 related nationwide lockdown.

Foreign Direct Investment (FDI)

According to the Department for Promotion of Industry and Industrial Trade (DPIIT), during the first half of the 2019-20 financial year (April – September 2019), FDI into India was US\$ 26 billion, an increase of 15%. The maximum foreign inflows were in sectors that include services (US\$ 4.45 billion), computer software and hardware (US\$ 4 billion), telecommunications (US\$ 4.28 billion), automobile (US\$ 2.13 billion) and trading (US\$ 2.14 billion). The foreign investment norms were relaxed recently by the Government in sectors such as brand retail trading, coal mining and contract manufacturing.

Inflation

Indian Central Statistics Office (CSO) data showed that the retail inflation falls to 5.91% in March 2020, due to the sharp fall in vegetable prices.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

Bilateral Trade

In February 2020 (for which local statistics are available) the total bilateral trade stood at Euro 32.44 million, i.e. India's exports worth Euro 29.43 million and India's imports worth Euro 3.01 million.

<i>Euro million</i>					
Year	2016	2017	2018	2019	Feb 2020
Croatia's Exports	€ 11.05	€ 15.36	€ 11.02	€ 39.81	€ 3.01
Croatia's Imports	€ 100.60	€ 126.14	€ 126.33	€ 109.50	€ 29.43
Total Trade	€ 111.65	€ 141.50	€ 137.35	€ 149.31	€ 32.44

(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	Mohan Muhta Group	Rice	Export
2	Vatsalya Exports	Fruits & Vegetables	Export
3	Kshemkari International	Granite & Marble	Export
4	Pannchal Merchants	Textile	Import
5	Proventus Life Sciences Pvt. Ltd.	Pharmaceuticals	Export
6	Abhishek Birla	Pulses	Export
7	Monisha Exports	Home Textile	Export

8	Savera International	Tiles	Export
9	Gujral Industries	Sport Goods	Export
10	Priffco Foods	Snacks	Export
11	Apan Imex Pvt. Ltd.	Chemicals	Export
12	Jagdamba International	Fabrics	Export
13	Jyoti Impex	Agro Products	Export
14	Micro Tech Industries	Engine Spares	Export
15	Arihant International Overseas	Garment	Export
16	Sara Textiles	Bathroom Accessories	Export
17	Sellwell Overseas	Arhitectural Hardware	Export
18	Hans Raj Mahajan & Sons	Textile	Export
19	Fuji Tehnical Services	Power Plant Spare Parts	Export
20	DGM International Business	Power Transformers	Export
21	Abdullahanwar	Home Textile	Export
22	Decent Appliances	Home Appliances	Export
23	Magnum International	Chemicals	Export
24	Priyanshi Natural Oils	Essential Oils	Export
25	Alps Cotton Apparel	Hospital Garments	Export
26	Sinodia Healthcare Pvt. Ltd.	Medical Equipment	Export
27	Atul Sharma	Vegetables & Fruits	Export
28	Uniphos International Ltd.	Electrical Goods	Export
29	Ashwani Yadav	Vegetables & Fruits	Export

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

No.	Organizer	Event / Tender	Date	City/State
1	Trinity Group	Outbound Tourism International (Worldwide Tourism) Expo & Conference	29-31 Jul 2020	Goa
2	MSME DEVELOPMENT FORUM	7th "INDIA INTERNATIONAL MSME EXPO & SUMMIT- 2020	27-29 Aug 2020	New Delhi
3	Pesticides Manufacturers and formulators Association of India	15 th Agrochemical Exhibition	05-06 Nov 2020	Goa

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