

Embassy of India, Zagreb



Monthly Economic Newsletter

July, 2020

PART I: INDIAN ECONOMY

News Features

1. **National Handloom Day:** Indian National Handloom Day was celebrated on 7th August 2020. India observes "National Handloom Day" on 7th August every year. This day is celebrated to honour the handloom weavers in the country and also highlight the handloom industry. The Day highlights the contribution of handloom to the socio-economic development of the country and increases the income of the weavers. The first National Handloom Day was inaugurated on 7 August 2015 by Prime Minister Narendra Modi at the Centenary Hall of Madras University in Chennai.



2. **India can be among top-5 agri goods exporters:** According to a report by the World Trade Centre, India can be among the top five exporters of agro-commodities by shifting its focus on cultivation and effectively handholding farmers. The Government also introduced some reforms in the farm sector by permitting farmers to sell produce outside the regulated APMC markets, and relaxing the Essential Commodities Act, among others, which can help boost exports. The country ranked eighth with an annual agro export of US\$ 39 billion in 2019, after the EU (US\$ 181 billion), the US (US\$ 172 billion), Brazil (US\$ 93 billion), China (US\$ 83 billion), Canada (US\$ 69 billion), Indonesia (US\$ 46 billion) and Thailand (US\$ 44 billion).



3. **India's second coronavirus vaccine set to go into human trial on 1,000 people:** India's second possible vaccine against COVID-19, ZyCoV-D, is all set to begin its human trial this month, the company said. It plans to conduct the trials on 1,000 volunteers across multiple sites in the country. In last week of June 2020, Zydus Cadila group received approval from Drug Controller General of India (DGCI) to initiate phase 1 and phase 2 human clinical trials of possible COVID-19 vaccine in India. The estimated time to finish the trials is around three months. The company will get approval from apex drug regulators to go for phase 3 trials only after it has completed the phase 1 and phase 2 of human trials. The ZyCoV-D vaccine is developed at Zydus' Vaccine Technology Centre in Ahmedabad, show a "strong immune response" in animal studies.



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% | 4.2% |
| 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) | July 2020 | Apr 2020 - July 2020 |
| (Provisional) | | |
| Exports (including re-exports) | | |
| 2019-20 | 26.33 | 107.41 |
| 2020-21 | 23.64 | 74.96 |
| % Growth 2020-21/2019-20 | -10.21 | -30.21 |
| Imports | | |
| 2019-20 | 39.76 | 166.80 |
| 2020-21 | 28.47 | 88.91 |
| % Growth 2021-20/2019-20 | -28.40 | -46.70 |
| Trade balance | | |
| 2019-20 | -13.43 | -59.39 |
| 2021-20 | -4.83 | -13.95 |
| II. Trade in Services | | |
| Exports & Imports: (US \$ billion) | June 2020 | April – June 2020 |
| (Provisional) | | |
| Exports (Receipts) | 17.00 | 50.21 |
| Imports (Payments) | 9.96 | 29.20 |
| Trade balance | 7.04 | 21.01 |

Source: RBI Press Release, dated 14th August 2020

Industry

According to Indian Central Statistics Office (CSO) data, India's industrial production contracted at a slower pace of 16.6% in June on the back of a modest recovery in manufacturing while it shrank 36% for the quarter that ended last month from a year ago, pointing to a deep cut in gross domestic product (GDP) for the three-month period.

Foreign Direct Investment (FDI)

India's FDI regime is the most liberal in the world, and even during the COVID-19 pandemic, the country has attracted over US\$ 22 billion worth of direct investments. Almost 90% of the US\$ 22 billion foreign direct investment in India during the pandemic came through the automatic route.

Inflation

Indian Central Statistics Office (CSO) data showed that India's retail inflation rose to 6.93% in July on higher food prices. It is for the second consecutive month that the retail inflation has been above the RBI's comfort level.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

Bilateral Trade

In the period from Jan-May 2020 (for which local statistics are available) the total bilateral trade stood at Euro 67.36 million, i.e. India's exports worth Euro 59.89 million and India's imports worth Euro 7.47 million.

| Year | 2016 | 2017 | 2018 | 2019 | Jan - May 2020 |
|-------------------|----------|----------|----------|----------|----------------|
| Croatia's Exports | € 11.05 | € 15.36 | € 11.02 | € 39.81 | € 7.47 |
| Croatia's Imports | € 100.60 | € 126.14 | € 126.33 | € 109.50 | € 59.89 |
| Total Trade | € 111.65 | € 141.50 | € 137.35 | € 149.31 | € 67.36 |

(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 | Dinanath Overseas India | Fruit & Vegetable | Export |
| 2 | Kavyaas Designer Boutique | Women Apparel | Export |
| 3 | Esquire Décor | Decorative Laminates | Export |
| 4 | Patelmetal | Brass Hardware | Import |
| 5 | Rajal Industries | Fasteners | Export |
| 6 | Vinayak International | Pharmaceuticals | Export |
| 7 | Bhavna Electrical Industries | Electrical Equipment | Export |
| 8 | Meera Chotaliya | Sanatizing Products | Export |
| 9 | Sagar Kathiriya | Textile | Export |
| 10 | HarryBabu Creations | Textile | Export |
| 11 | Singa Exports | Laces | Export |
| 12 | Adinath Industrial Input | Fasteners | Export |
| 13 | Radhalaxmi Spintex | Cotton & Yarn | Export |
| 14 | Indeuro Ceramic | Tiles | Export |
| 15 | Eastman Industries | Electric Bikes | Export |
| 16 | Jagdamba International | Fish | Export |
| 17 | Healty Inc | Face Mask Machine | Export |
| 18 | Aerolam Group | Cardboard Sheets | Export |

| | | | |
|----|------------------------------------|-------------------------|--------|
| 19 | Topsun Energy | Solar Equipment | Export |
| 20 | Pac Bags Enterprises | Paper Bags | Export |
| 21 | Trade Facilitation Organization | Textiles | Export |
| 22 | Zohra Nirmal Udyog | Detergent | Export |
| 23 | Devman Industries | Ceramic Tiles | Export |
| 24 | Madhav Traders | Textile | Export |
| 25 | Dreamz World | Woven Carpets | Export |
| 26 | Miroliya Export | Textile | Export |
| 27 | Adijina Global | Building Materials | Export |
| 28 | Troikaa Pharmaceuticals | Pharmaceuticals | Export |
| 29 | Yaman Technologies | Alert Siren System | Export |
| 30 | Vira International | Hospitality Recruitment | Export |
| 31 | Govind Silk Mills | Fabrics | Export |
| 32 | Sitaram Enterprises | Jewelry | Export |
| 33 | National Council for Intern. Trade | Trade Organisations | Export |
| 34 | H.K. International | Kitchen Ware | Export |
| 35 | Malkan Farm | Cow-Dung-Cake | Export |
| 36 | Abhay Surgicals | Sanitisers | Export |
| 37 | Mahavir Tex Fin | Agricultural Products | Export |
| 38 | LP India | Brass Products | Export |
| 39 | Drytech Processes | Food Products | Export |
| 40 | Dhruv Overseas | Chemicals | Export |
| 41 | Amrut International | Food Products | Export |
| 42 | Avik Pharmaceutical Ltd. | Pharmaceuticals | Export |
| 43 | Gears Energy Soultiuons Pvt. Ltd. | Solar Equipment | Export |
| 44 | Pitambra Books | Book Publishers | Export |
| 45 | Matha Exports International | Cosmetics | Export |
| 46 | Vijaj Surgical Corporation | Medical Disposables | Export |
| 47 | Supreme Microfines Pvt. Ltd. | Vegetables | Export |
| 48 | MSA Overseas | Leather Bags | Export |
| 48 | Saroj Granite Industries | Granite & Marble | Export |
| 49 | Sekol Tiles LLP | Tiles | Export |
| 50 | Murlidhar Enterprises | Textile | Export |
| 51 | Seven Sea International | Vegetables | Export |
| 52 | Jeet Marble Group | Stones | Export |

| | | | |
|----|--------------------------------|----------------------|--------|
| 53 | Yamuna Exports | Vegetables | Export |
| 54 | Thukral Exim | Safety Workwear | Export |
| 55 | Tushar Jain | Coffee | Export |
| 56 | Bharti Om Exports | Agriculture Products | Export |
| 57 | Shree Shagun Polyfab Pvt. Ltd. | Fruit & Vegetables | Export |
| 58 | Satwik Ahar | Vegetables | Export |
| 59 | Quality Means | Aluminium Foil | Export |
| 60 | Apex Auto Coolers | Auto Radiators | Export |
| 61 | Aryavarta International | Tiles | Export |
| 62 | Yax Exports | Tiles | Export |
| 63 | Exagres International | Tiles | Export |
| 64 | Amass International | Textiles | Export |
| 65 | Indeuro Ceramic | Tiles | Export |
| 66 | Revlerz Enterprises | Thread Gauges | Export |
| 67 | Allied Resources | Vegetables & Fruits | Export |
| 68 | Wow Collective FCZ | Garments | Export |
| 69 | Technical Associates Limited | Power Transformers | Export |
| 70 | Vishal Eng-Chem | Spare Parts | Export |
| 71 | Alamdar Suppliers | Tiles | Export |
| 72 | Kothari Exports | Tiles | Export |
| 73 | Keyur Rupala | Tiles | Export |
| 74 | Chetna Overseas | Snacks | Export |
| 75 | Thomas Cook India | Trade Associations | Export |

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

| No. | Organizer | Event / Tender | Date | City/State |
|-----|---|---|----------------|----------------------|
| 1 | Carpet Export Promotion Council | 40 th INDIA CARPET EXPO – VIRTUAL EXHIBITION | 21-25 Aug 2020 | Virtual |
| 2 | MSME DEVELOPMENT FORUM | 7 th "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 |
| 4 | Ministry of Defence, Department of Defence Production | 13 th edition of Aero India-2021 | 03-07 Feb 2021 | Bengaluru, Karnataka |

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