

Embassy of India, Zagreb



Monthly Economic Newsletter

March, 2018

PART I: INDIAN ECONOMY

News Features

1. **India fastest growing market for UAVs:** According to global market intelligence and advisory firm BIS Research, by 2021, the Indian unmanned aerial vehicles (UAV) market will reach USD 885.7 million, while the global market size will touch USD 21.47 billion. India is one of the fastest-growing markets for UAVs, and one of the top UAV importers for military purposes worldwide. The report noted that customer-focused innovation in UAV technology and the rise in demand for UAVs for surveillance, civil, and commercial applications from global markets will drive this growth.



2. **World's largest solar park launched in Karnataka:** The world's largest solar park in Karnataka's Tumakuru district was launched on 05 Mar 2018. The 2,000 MW park spans across 13,000 acres and is a benchmark in the unique people's participation in power model put on ground. The park was developed by the Karnataka Renewable Energy Development Ltd (KREDL) and Solar Energy Corp. of India (SECI). The project has been executed within a record time of two years.



3. **Delhi and Mumbai airports ranked among best in world:** According to the Airport Service Quality (ASQ) ranking by Airports Council International, an association of the world's airports, the top two metro airports in India have emerged as top scorers in the ranking of the world's best. Delhi's Indira Gandhi International Airport (IGIA) won the best award for the year 2017, for passenger service under the category of those handling over 40 million passengers per annum and Mumbai's Chhatrapati Shivaji International Airport scored the highest for customer experience in the same category.



4. **India becomes world's second largest mobile phone producer:** According to Indian Cellular Association (ICA) data, India became the second largest mobile phone producer in the world after China. India accounted for 11% of global mobile production in 2017 compared to 3% in 2014. The fast track task force, a body under Ministry of Electronics and IT, has set target to achieve around 500 million mobile phone production in India by 2019, with value estimated to be around USD 46 billion.



Main Economic Indicators

Gross Domestic Product – GDP			
Fiscal Year	2015-16	2016-17	2017-18
			Forecast
Real GDP (% change, YoY)	8.2%	7.1%	6.6%
GDP (US \$ billion), current prices	2251.1	2300	/
GDP per capita (US \$), current prices	1718	/	/

Source: Indian Central Statistics Office

Foreign Trade

I. Merchandise Trade		
Exports & Imports: (US \$ billion) (Provisional)	Mar	Apr-Mar
Exports (including re-exports)		
2016-17	29.30	275.85
2017-18	29.11	302.84
% Growth 2017-18/2016-17	-0.66	9.78
Imports		
2016-17	39.95	384.36
2017-18	42.80	459.67
% Growth 2017-18/2016-17	7.15	19.59
Trade balance		
2016-17	-10.65	-108.50
2017-18	-13.69	-156.83
II. Trade in Services		
Exports & Imports: (US \$ billion) (Provisional)	Feb 2018	
Exports (Receipts)	15.71	
Imports (Payments)	10.14	
Trade balance	5.57	

Source: Press Information Bureau, Government of India, Ministry of Commerce & Industry, dated 13th Apr 2018.

Industry

According to Indian Central Statistics Office (CSO) data, industrial production rose 7.1% in Feb 2018 over Feb 2017, mainly driven by robust performance of the manufacturing sector coupled with higher offtake of capital goods and consumer durables.

Foreign Direct Investment (FDI)

According to the UBS Investment Bank report, India is among the most favoured FDI destinations. The annual inflows to the country is expected to rise to around USD 75 billion over the next five years. India attracted USD 60 billion FDI from Apr 2016 to Mar 2017 period. The main sectors that received maximum FDI include services, computer software and hardware, telecommunications, construction, trading and automobile.

Inflation

Indian Central Statistics Office (CSO) data showed that the index of consumer price inflation slowed to 4.28% in Mar 2018, from 4.4% in Feb 2018.

PART II: INDIA-CROATIA ECONOMIC RELATIONS

News Features

1. **Provincial Economic Outreach:** Ambassador visited cities of Makarska (16/03), Mali Losinj (29/03) and Krk (30/03) for bilateral economic promotion. In Mali Losinj, he met with Deputy Mayor of Mali Lošinj Mr. Anto Nedic and Marketing Manager of Tourist Board Ms. Zrinka Badurina and discussed economic opportunities and possibility of organizing 'India Day' - multifaceted event to build understanding about India. In Krk, Ambassador met with Director of Krk Tourist Board Nataša Jurina and discussed economic cooperation. In Makarska, the 'India Day' event was organized with components of Ayurveda, Yoga, cuisine, Himalaya photo exhibition, tourism and economy. He also met with Archbishop of Split-Makarska Archdiocese H.E. Milan Barisic and Mayor of Makarska, Jure Brkan and discussed economic cooperation. During the visit, Mayor of Makarska, Jure Brkan figured in the Embassy's Program 'Chai with Ambassador'. The video can be viewed at the link: <https://www.facebook.com/IndiainCroatia/videos/1995189740734321/>



2. **Presentation on 'Indian Economy':** Ambassador made (13/03) a presentation on Indian culture, economy and way of life at International Women's Club Zagreb (IWCZ) event held at Sheraton Hotel. It was attended by 100 members followed by enthusiastic Q&A. IWCZ group is planning a trip to India later this year.



3. **'Ready2Go' programme:** Second Secretary (Com), made (01/03) a presentation on Indian economy, at the programme "Ready2Go", jointly organized by the Croatian and Milan Chambers of Commerce. In the programme, funded by the European Commission, selected SMEs from EU are provided with the necessary tools for guaranteed success in targeted markets outside EU. The theme of the programme was "Doing Business in India". About 23 companies from Croatia, Finland, France, Italy, Portugal, Turkey, Romania, etc., who have chosen India as target market will also be participating in the Smart City Expo in New Delhi from 23-25 May 2018.

4. **Place2Go International Tourism Fair:** The Embassy participated in the International Tourism Fair "Place2Go 2018" in Zagreb (16-18/03). There were 186 exhibitors and was attended by 16,300 visitors from various stakeholders from tourism, agriculture and hospitality sectors. Indian dance and Henna painting were showcased and tourist brochures from different Indian States were presented which attracted a lot of interest. In the following months, Embassy is planning to organize two major tourism events in cooperation with Qatar Airways and Atlas (tourism agency).



5. **Meetings with business leaders:** During the month, Embassy held meetings with several business leaders in sectors of media, tourism, education, advertisement, shipbuilding, agro processing, IT, etc.

Bilateral Trade

During Jan 2018 (for which local statistics are available) the total bilateral trade stood at Euro 16.19 million (**+49%**), i.e. India's exports worth Euro 15.65 million and India's imports worth Euro 0.54 million.

Euro million

Year	2014	2015	2016	2017	Jan 2018
Croatia's Exports	€ 13.50	€ 17.53	€ 11.05	€ 15.36	€ 0.54
Croatia's Imports	€ 88.19	€ 104.5	€ 100.60	€ 126.14	€ 15.65
Total Trade	€ 101.69	€ 122.03	€ 111.65	€ 141.50	€ 16.19

(Source: Croatian Central Bureau of Statistics)

Trade Queries from India for Import/Export			
No.	Enquiry Originator	Product	Nature
			Import/Export
1	M G Associates	Laboratory Equipment	Export
2	Sarina Enterprises	Garment	Export
3	Vega International	Ceramics	Export
4	Ratnakala Exports Pvt. Ltd.	Diamonds	Export
5	Romero Overseas Pvt. Ltd.	Abrasives	Export
6	KBH Trade	Agro Products	Export
7	Aayuritz Phytonutrients	Herbs	Export
8	Bizmax Techno Private Ltd.	Laboratory Equipment	Export
9	R&R Agro Impex	Animal Feed	Export
10	Bhalodiya International	Ceramic Tiles	Export
11	Elastomer Lining Works	Rubber Components	Export
12	JSK Enterprises	Solar Panels	Export
13	Shree Fashion	Yarns & Fabrics	Export
14	Pasari Textiles	Fabrics	Export
15	Usha Gems	Jewelry	Export
16	Seeds & Nut Trade – Link	Pulses	Export
17	Siddhart Poly Industries	PP Strap	Export
18	VM International	Bearings	Export

Trade Queries from Croatia for Import/Export			
No.	Enquiry Originator	Product	Nature
			Import/Export
1	Pastor Inženjering	Valves	Export

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

No.	Organizer	Event / Tender	Date	City/State
1	Ministry of Commerce & Industry	Indian Pharmaceuticals and Healthcare Expo - iPHEX	08-10 May 2018	New Delhi

2	Ministry of Commerce and Industry, Services Export Promotion Council (SEPC), India Trade Promotion Organisation (ITPO) and the Confederation of Indian Industry (CII)	4 th edition of the Global Exhibition on Services (GES)	15-18 May 2018	Mumbai, Maharashtra
3	Exhibitions India Group	4th Smart Cities India Expo	23-25 May 2018	New Delhi
4	International Trade and Exhibitions India	International Exhibition on Engineering and Manufacturing (Tech India)	29-31 Aug 2018	New Delhi
5	IED Communications Ltd.	Automation Expo	29 Aug-01 Sep 2018	Mumbai, Maharashtra
6	MMI India Pvt. Ltd.	India Lab Expo	06-08 Sep 2018	Hyderabad, Telengana
7	GlobeTech Media Solutions	Globe-Tech Engineering Expo	14-16 Sep 2018	Pune, Maharashtra
8	Good Governance India Foundation	15th Municipalika Exhibition and Conference on Smart & Sustainable City Solutions	19-21 Sep 2018	Mumbai, Maharashtra
9	Department of Chemicals and Petrochemicals	India Chem	04-06 Oct 2018	Mumbai, Maharashtra
10	Messe Essen GmbH	India Essen Welding & Cutting	27-29 Nov 2018	Mumbai, Maharashtra

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