



May, 2020.



## PART I: INDIAN ECONOMY

### News Features

**1. PM Narendra Modi addresses Confederation of Indian Industry's (CII) Annual Session 2020, themed "Getting Growth Back":** In his address, PM Modi stated that the concept of Atma Nirbhar Bharat rested on 5 I's - Intent, Inclusion, Investment, Infrastructure and Innovation.



He stated that the reforms announced in his relief package for Covid-19 have been systematic, planned, integrated, interconnected and futuristic and are all about creating strong enterprises, generating employment and robust supply chains. To provide immediate relief to the disadvantaged sections of society in the wake of the Covid-19 crisis, PM's Garib Kalyan Yojana provided free rations to 74 crore (740 mn) beneficiaries. In addition, the government provided financial assistance of Rs. 53,000 crores (approx. 6.95 bn US \$) and over 80 mn gas cylinders to the poor. Over 5 mn beneficiaries of the Employees Provident Fund Organisation saw the Government deposit 24% of their EPF contributions into their accounts. For reforming agriculture, the PM highlighted that the Government had amended the APMC Act to allow greater freedom to farmers to sell their products in the market. Electronic trading of foodgrains had also been allowed, to remove the dependence of the farmer on middlemen. In addition, labour reforms were being undertaken to help provide a boost to employment. Investment in non-strategic areas had been opened up for private sector participation. The coal sector had been deregulated to private sector investment and reduce dependence on imports. Stressing on the need to boost the Make in India – Make for the World campaign, the Prime Minister stated that there were several sectors such as air conditioners and mobile phones where we could manufacture in India and reduce dependence on imports. He pointed out that within 3 months, Indian industry had created manufacturing capacities for 0.3 mn PPE kits. This industry, he pointed out, had never existed in India before. Highlighting the role of MSMEs, the PM stated that the definition of MSMEs had been changed to foster growth in this sector. He stated that the Government would not float global tenders for procurement upto Rs. 200 crores (approx. 26 mn US\$), which would be restricted to domestic companies. This would

enable more MSMEs to participate in these tenders and promote “Atma Nirbhar Bharat”. PM suggested that Confederation of Indian Industry prepare a detailed study of every sector and develop growth plans.

**2. Launch of “CHAMPIONS” portal by Union Ministry of Micro, Small and Medium Enterprises (MSMEs):** In a major initiative Union Ministry of MSME launched (9 May) CHAMPIONS portal [www.Champions.gov.in](http://www.Champions.gov.in), a technology driven Control Room-Cum-Management Information System. The system utilising modern ICT tools is aimed at assisting Indian MSMEs march into big league as National and Global CHAMPIONS. It stands for Creation and Harmonious Application of Modern Processes for Increasing the Output and National Strength. This portal is a one-stop-shop solution of the MSME Ministry. It utilises modern ICT tools such as telephone, internet and video conference. It aims to make the smaller units big by providing them various facilities such as solving their grievances, encouraging, supporting, helping and hand holding. The portal is also empowered with Artificial Intelligence, Data Analytics and Machine Learning and is integrated with GOI's main grievances portal CPGRAMS.



**3. MSME Bank of Schemes, Ideas, Innovation & Research Portal:** Union Minister of Road Transport & Highways and MSME Nitin Gadkari launched (May 2020) Bank of Schemes, Ideas, Innovation and Research portal (<http://ideas.msme.gov.in/>) on MSMEs. The Portal gives access to all schemes of Union, State and UT Governments. It has the provision for uploading Ideas, Innovations & Researches in the sector. The portal has unique features of not only crowd sourcing of Ideas, but also evaluation and rating the ideas by crowd sourcing. It can also facilitate inflow of venture capital, foreign collaboration etc. The portal will benefit the potential entrepreneurs as ‘One Stop’ compendium of Ideas, innovation and research ready for commercialization. The Rating of Ideas can be seen publicly which will help in decision making. Venture capitalists can interact with MSMEs.



**4. India's online video market to touch \$4 bn by 2025:** India's online video market will touch \$4 bn by 2025, with subscription services contributing more than \$1.5 bn while advertising accounting for \$2.5 bn. Disney+ Hotstar, the streaming service owned by Disney India, will contribute significantly to this growth, acquiring a potential 25% of the total online video revenue pie by 2025, second only to Google's YouTube. These projections are part of a report titled “India Intelligence and Insights: Disney+ Hotstar: The Future of India's Largest Premium Digital Video Platform”, brought out by independent research and consultancy services firm Media Partners Asia (MPA).



**5. ADB provides US \$ 1.5 bn loan to support India's COVID-19 Immediate Response:** The Government of India and the Asian Development Bank (ADB) signed arrangement (29 Apr) for \$1.5 bn loan that will support the government's response to the COVID-19 pandemic, focusing on immediate priorities such as disease containment and prevention. It will also provide for social protection for the poor and economically vulnerable sections of the society, especially women and disadvantaged groups. Earlier, the ADB's Board of Directors approved the loan to provide budget support to the government to counter and mitigate the adverse health and socio-economic impact of the pandemic.

## Main Economic Indicators

<b>Gross Domestic Product – GDP</b>				
Fiscal Year	2016-17	2017-18	2018-19	Est. 2019-20
Real GDP (% change, YoY)	8.2%	7.2%	7.2%	5.0%
GDP (US \$ bn), current prices	2251.1	2300	2600	/

Source: Indian Central Statistics Office and Moody's

## Foreign Trade

<b>I. Merchandise Trade</b>		
Exports & Imports: (US \$ billion) (Provisional)	May 2020	Apr-May 2019-20
<b>Exports (including re-exports)</b>		
2019-20	29.99	56.07
2020-21	19.05	29.41
% Growth 2020-21/2019-20	<b>-36.47</b>	<b>-47.54</b>
<b>Imports</b>		
2019-20	45.35	86.75
2020-21	22.20	39.32
% Growth 2020-21/2019-20	<b>-51.05</b>	<b>-54.67</b>
<b>Trade balance</b>		
2019-20	-15.36	-30.69
2020-21	-3.15	-9.91
<b>II. Trade in Services</b>		
Exports & Imports: (US \$ billion) (Provisional)	Apr 2020	
<b>Exports (Receipts)</b>	16.45	
<b>Imports (Payments)</b>	9.30	
<b>Trade balance</b>	7.15	

Source: RBI Press Release, dated 15<sup>th</sup> June 2020. (<https://pib.gov.in/PressReleasePage.aspx?PRID=1631701>)

## Industry

The growth in India's industrial output contracted to a record low at 55.5% year-on-year (YoY) in Apr, 2020 compared to -18.3% YoY growth in the previous month. The contraction seen in Apr, 2020 has been the worst since the start of 2011-12. India's nation-wide lockdown throughout Apr, 2020, wherein a shutdown in business activities in majority of industries was seen, impacted manufacturing and created a massive loss for industries. Although the Government eased restrictions only for some industries, the activities in these industries too seem to have been contracted. Among the three key sectors, ie, manufacturing, mining and electricity the worst hit was the manufacturing sector. Manufacturing output growth contracted 64.3% YoY in Apr, 2020 compared to a contraction of 20.6% YoY in Mar, 2020. All the 23 industrial groups within manufacturing sector recorded a fall in production.

## Foreign Direct Investment (FDI)

According to the Department for Promotion of Industry and Industrial Trade (DPIIT), FDI into India rose 13% to a record \$49.97 bn in FY20 from \$44.36 bn a year earlier. FDI inflows were \$13.2 bn in the quarter ended Mar. Singapore remained the top source of FDI, accounting for \$14.67 bn, followed by Mauritius at \$8.24 bn. India's FDI inflows had dipped 1% in FY19. Services, computer software and hardware, trading, telecommunications, and hotel and tourism were the top five sectors for FDI. Services garnered FDI worth \$7.85 bn while investments in computer software and hardware were \$7.67 bn, and in trading were \$4.57 bn. Telecommunications drew FDI worth \$4.44 bn in FY20, and hotel & tourism attracted \$2.93 bn of foreign inflows. Jan saw the highest inflow of \$5.57 bn and Feb the least at \$3.36 bn. FDIs into India are likely to be impacted strongly by the pandemic, post March.

## Inflation

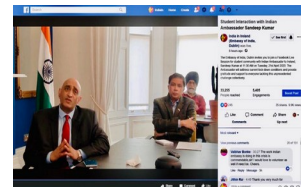
India's wholesale inflation shrank 3.21% in May 2020. The Government had suspended the release of wholesale price index (WPI) data last month due to the nationwide lockdown imposed since 25 Mar to contain the spread of the Covid-19 pandemic. The Department of Promotion of Industry and Internal Trade (DPIIT) took out a statement that price data collection had been affected by the lockdown. Final index for Apr 2020 will be released next month.

## PART II: INDIA-IRELAND ECONOMIC RELATIONS:

**1. Embassy of India, Dublin's ongoing response to COVID-19 :** Embassy continued to maintain its support structures put in place to assist Indian citizens in distress. These included continued functionality of 24/7 helplines, Community Support Groups in all major cities of Ireland, partnerships with Indian associations, gurudwaras, religious bodies and voluntary groups. Social media platforms were closely monitored.



**2. Webinar-level meetings:** Various engagements took place: (i) Monthly interaction (5 May) with the Indian community in Ireland. Ambassador interacted with cross section of community members, including students from across Ireland and responded to their queries regarding repatriation flights, accommodation, provision of food, financial issues, student visas, etc.; (ii) Internal deliberation of all EU Ambassador with Secretary (West), Ministry of External Affairs (MEA) to calibrate on assistance provided by MEA for stranded Indians abroad; and (iii) Monthly discussion (22 May) with Community Support Group members from across Ireland to assess situation of Indian community.



Ambassador interacting with Indian community

**3. Vande Bharat Mission:** The Government of India (GOI) launched on (7 May) a massive repatriation operation for stranded Indians abroad under 'Vande Bharat Mission'. In its second phase, the GOI and the Embassy organised two special Air India evacuation flights for the Indians in Ireland having compelling reasons to return to India (elderly, pregnant women, people with medical emergencies, deaths in families, stranded tourists, students). The first flight for Bengaluru-Kochi sector was on 26 May and the second for Delhi-Mumbai on 3 Jun. Around 500 stranded Indians were sent home. Any new cases of emergencies can avail of repatriation flights via Frankfurt and London.



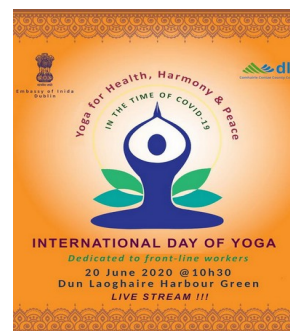
Repatriation flight

**4. Virtual outreach experiences:** To lift the spirits of the community, Embassy continued with virtual outreach programmes like sharing culinary experiences by Embassy staff, film, online Yoga and Ayurveda sessions.

**5. Meetings with business leaders:** Due to the Covid-19 epidemic during the month, meetings with business leaders from various industrial sectors were postponed or conducted virtually.

**6. Consular services:** Consular Section continued to provide limited services, including emergency passport and OCI renewals through post, in accordance with the local HSE protocols.

**7. Upcoming event: International Day of Yoga Ireland (IDY 2020):** This will be organised in partnership with the Dun Laoghaire Rathdown County Council at Dun Laoghaire Harbour Green, 20 June 2020, 10h30 - 12h00. The message of Yoga of holistic health, community solidarity, peace and harmony assumes greater importance in time of Covid and resonates with the core value system required to tackle the pandemic challenge. The event will be dedicated to front-line staff in all fields in Ireland, India and the world who have rendered exceptional services during these unprecedented times.



## Bilateral Trade

Analysis of data available for the period Jan-Apr 2020 the total bilateral trade stood at Euro 299 mn. India's exports to Ireland were worth Euro 181 mn and India's imports from Ireland worth Euro 118 mn. Balance of trade was 63 mn Euros in favor of India. During the period for month of Jan-Dec 2019 showed total bilateral trade stood at Euro 1.116 bn (+25.82%). India's exports to Ireland stood at Euro 636 mn (+13.58%) and imports from Ireland were Euro 480 mn (+46.80%). Balance of trade stood at Euro 156 mn in favour of India. **\*2019 was record year.**

Year/Period	2016	2017	2018	2019	Jan-Apr 2020
Ireland's Exports to India	€ 296	€ 353	€ 327	€480 (+46.80%)	€118 (-11.37%)
Ireland's Imports from India	€ 544	€ 683	€ 560	€636 (+13.57%)	€181 (-25.51%)
Total Trade	€ 840	€1036	€ 887	*€1116 (+25.82%)	*€299 (-20.49%)

\*(Source: Central statistics office Ireland, [www.cso.ie](http://www.cso.ie))

*Euro million*

## PART III: TRADE QUERIES

Sample of trade queries from India attended by the Mission			
No.	Enquiry Originator	Product	Nature Import/Export
1	UMA BROTHERS	Excipients, Pharmaceutical Raw Materials & Chemicals, Animal Health Chemicals & Veterinary Raw Materials	Export
2	SM Clothing	Textile & clothing	Export
3	Vinayak food enterprise	Agricultural commodities, vegetables, rice and spices	Export
4	Apex Homeneeds Pvt. Ltd.	Home Textile, Kitchenware, Tableware & Gas Lighter	Export
5	Soni Polymers Pvt. Ltd	Office Polymers , accessories	Export
6	Super Sales Maharashtra	Aluminium Kitchen Foil, Packing products, paper	Export

7	Palani Group	Guar Gum Powder & Psyllium	Export
8	Radha Raman Fabrics	Agricultural and clothes commodities	Export
9	Super Sales Maharashtra	Aluminium Kitchen Foil, Packing products, paper	Export

## PART IV: UPCOMING EVENTS

Upcoming events, fairs, conferences in India			
Organizer	Event / Tender	Date	City/State
Chamber for Import, Export & Health, Government of Maharashtra	The 7 <sup>th</sup> Annual TTI: Travel & Tourism India (TTI)	29-31 Jul 2020 03-05 Dec 2020	GOA: 29 - 31 July 2020, Panaji (India) MUMBAI: 3 - 5 December 2020, Maharashtra (India) <a href="http://www.ttindiaexpo.com/">http://www.ttindiaexpo.com/</a>
MSME development forum	The 7 <sup>th</sup> India International MSME Expo & Summit-2020	27-29 Aug 2020	Pragati Maidan, New Delhi, India <a href="https://www.indiamsme.org/">https://www.indiamsme.org/</a>
Export Promotion Council for Handicrafts	IHGF Textiles Virtual Fair 2020	15-18 Jun 2020	<a href="https://youtu.be/7CLEiAj0n78">https://youtu.be/7CLEiAj0n78</a>

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