



June, 2020.



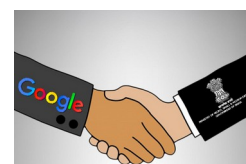
## PART I: INDIAN ECONOMY

### News Features

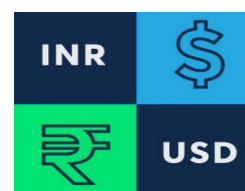
1. **Auction of 41 coal mines:** With a view to achieving 'atmanirbharata' (self reliance) in the coal sector, PM Narendra Modi launched (18 June), the process for auction of 41 coal mines under the provisions of CM (SP) Act and MMDR Act. The auction process marks the beginning of opening of Indian coal sector for commercial mining. It will enable the country achieve self-sufficiency in meeting its energy needs and boost industrial development. The PM outlined his vision for the country to achieve 'atmanirbharata' in the coal mining sector, key input for many basic industries like power, steel, aluminum, sponge iron etc.



2. **Google announces \$10bn investment in 'Digital India':** CE Sundar Pichai of Alphabet Inc., parent company of Google, announced that Google will invest \$10bn in India in the next five to seven years, the investment will be used to build products and services for India, help businesses go digital and use technology "for social good". With more than 500 mn active internet users in the country, India has become the biggest potential growth market for Google. The investment will be made through the Google for India Digitization Fund. Pichai said the fund would focus on four areas to scale up digital infrastructure in India: (i) enable "affordable access and information for every Indian in their own language"; (ii) "build new products and services that are deeply relevant to India's unique needs"; (iii) empower local businesses who want to go digital; and (iv) "leverage technology and AI for social good" in sectors like health, education and agriculture. Pichai also cited PM Narendra Modi's Digital India project which aims to overhaul the country's digital infrastructure. PM Modi tweeted to say that he and Pichai had discussed "leveraging the power of technology to transform the lives of India's farmers, youngsters and entrepreneurs".



**3. INR-USD (Rupee-Dollar) Futures and Options contracts:** Finance Minister of India, Nirmala Sitharaman launched (May 2020) Indian Rupee – US Dollar (INR-USD) futures and options contracts on the two international exchanges BSE's India INX and NSE's NSE-IFSC, at GIFT International Financial Services Centre in Gandhinagar through a video conference. The INR-USD contracts will be available 22 hours across all the time zones for all global participants from GIFT IFSC. This initiative will help the Reserve Bank of India in curbing the influence of foreign trade centers in the Rupee derivatives trade and in reducing the foreign influence on the Indian rupee. During the last decade, a considerable market share of financial services related to India moved to international financial centers. With this initiative taken by the Indian government, businesses related to financial services can be brought back to India, boosting economic activity and employment in India.



**4. Hyderabad Airport becomes India's first to introduce facial recognition for passengers:** The Rajiv Gandhi International Airport has initiated Face Recognition (FR) system on a trial basis for passengers for entry into the aerodrome. The initiative titled 'Digi Yatra' aims to promote paper-less travel and reduce the repetitive identity checks at multiple points in an airport. If trials are successful, passengers will be able to breeze through entry points, security check and boarding procedures. The system will also enable them to facilitate self-bag drops. Passengers can apply for a Digit Yatra ID by providing the Ministry of Civil Aviation with a form of government-issued ID and other details such as a phone number and email. The system is designed to help passengers as well as airlines by minimising delays caused by passengers lost in the airport terminal.



**5. Microsoft launches program to accelerate growth of agritech startups in India:** Microsoft launched (3 June) program for agritech startups. The program is designed to help startups build industry-specific solutions, scale-up and grow with access to deep technology, business and marketing resources. Agritech startups in India are transforming agriculture by developing innovative digital solutions to maximize productivity, improve market linkages, increase supply chain efficiency and provide greater access to inputs for agri-businesses. Bringing together startups, corporates, industry bodies, governments and venture capital firms, the program aims to create a shared platform for learning and innovation. More details about the programme can be accessed at [aka.ms/MSIndiaStartups](https://aka.ms/MSIndiaStartups).



## Main Economic Indicators

Gross Domestic Product – GDP				
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)	<b>June 2020</b>	<b>Apr-June 2019-20</b>
(Provisional)		
<b>Exports (including re-exports)</b>		
2019-20	25.01	81.08
2020-21	21.91	51.32
% Growth 2020-21/2019-20	<b>-12.41</b>	<b>-36.71</b>
<b>Imports</b>		
2019-20	40.29	127.04
2020-21	21.11	60.44
% Growth 2020-21/2019-20	<b>-47.59</b>	<b>-52.43</b>
<b>Trade balance</b>		
2019-20	-15.28	-45.96
2020-21	0.79	-9.12
<b>II. Trade in Services</b>		
Exports & Imports: (US \$ billion)	<b>May 2020</b>	<b>April-May 2020-21</b>
(Provisional)		
<b>Exports (Receipts)</b>	16.77	33.22
<b>Imports (Payments)</b>	9.94	19.24
<b>Trade balance</b>	6.83	13.98

Source: RBI Press Release, dated 15<sup>th</sup> July 2020. (<https://pib.gov.in/PressReleaseframePage.aspx?PRID=1638804>)

## Industry

The index of industrial production continued to see a broad-based contraction in May (figures for June not released yet), albeit at a slower pace. It contracted by 34.7% YoY compared to a record low decline of 57.6% YoY in April, implying that the overall industrial activities were hurt by the precautionary Covid lockdown and the spillover effect of weak demand in the economy. Among the three key sectors (manufacturing, mining, and electricity), manufacturing continues to be the worst-hit sector, although it fared better than the previous month. It saw a 39.3% contraction in May compared to a contraction of 67.1% YoY in April. All the 23 industrial groups within the manufacturing sector recorded a negative growth except for the pharmaceuticals sector, which recorded a positive growth of 2.5% YoY. Similar to the previous month, the industrial output as per used-based classification, saw an across the board contraction. The production of consumer durables (-68.5% YoY) and capital goods (-64.5% YoY) suffered some of the largest losses in May.

## Foreign Direct Investment (FDI)

The government stepped up efforts to attract more foreign investments, to give a fillip to business opportunities and employment in the country, even as the United Nations Conference on Trade and Development (UNCTAD) warned that the impact of the coronavirus pandemic, lockdown measures, supply chain disruptions, and economic slowdown may hamper India's ability to attract foreign investments in the current year. It may be mentioned that the country saw FDI inflows of \$51 bn in 2019, which was a rise of 20 % year-on-year. Among the nations receiving maximum FDI inflows, India improved its position from 12th in 2018 to 9th position as largest recipient of FDI in 2019, according to the latest World Investment Report 2020 by UNCTAD. However, between Jan and Mar 2020, the number of greenfield investment announcements fell by 4 % and M&As shrank by 58 %.

**India attracts more than \$20 bn FDI during pandemic months:** Encouragingly, even during the pandemic period (since April) India has attracted around \$20 bn FDI. These have been announced by some of the top multinationals viz. Google (\$10 bn), Facebook (\$ 5.7 bn – through Reliance’s Jio platforms), Walmart (\$1.2 bn), Foxconn (\$ 1 bn) and Qualcomm Ventures (\$97 mn).

## Inflation

According to the latest data released by the Ministry of Statistics & Programme Implementation (MoSPI) India’s retail inflation, which is measured by the Consumer Price Index (CPI) increased 6.09% year-on-year in Jun 2020, well above market forecasts of 5.3%. Biggest increases were seen in cost of tobacco (9.7%), food and beverages (7.29%), miscellaneous (5.7%), housing (3.55%), clothing and footwear (3.53%) and fuel and light (2.69%). The food index alone increased 7.87%, the least in eight months. Within food, the biggest rises were seen for cost of pulses (16.68%), meat and fish (16.22%) and spices (11.74%) while prices of fruits fell 0.68% and cost of vegetables rose 1.86%. Figures for Apr and May of 2020 were released only with the June ones, as visits to collect the data were suspended from Mar 19 due to the coronavirus lockdown. (India first imposed a coronavirus lockdown in late Mar and has extended it several times as the number of infections is spiking).

## **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. Embassy’s social media platforms were used effectively. Webinars were held with Indian community and Support Groups.



**2. Embassy Provincial Outreach Programmes:** Ambassador visited County Sligo (30 Jun-01 Jul), his first County visit after lifting of inter-county pandemic travel restrictions. It was an occasion to meet with and greet the Indian Community Support Group members who have provided commendable round-the-clock assistance to Indian community in distress & need during the pandemic. As a tribute to front-line health workers for exceptional services in fight against Covid, Ambassador visited Sligo Univ Hospital and interacted with GM Grainne McCann, Indian nurses & medical specialists towards institution building with relevant organisation in India. Encouragingly, Sligo had one of lowest infection rates in Ireland & zero fatality. Ambassador also met with (i) Junior Minister for Health Frank Feighan TD & discussed ways to strengthen bilateral ties in health sector; (ii) Mayor of County Cllr Dara Mulvey, Mayor of Sligo Borough Dist Cllr Rosaleen O’Grady & CEO of Sligo County Council Ciaran Hayes, and discussed possibilities of collaboration post-Covid, particularly in economic & medical fields; and (iii) Mr. Keith Moran, CEO of SL Controls Company, recognised as leader in industrial automation equipment & control systems. The Company plans to set up business office in Ahmedabad, Gujarat. As side visits, Ambassador toured the County Sligo Museum, Model Arts Centre & King House, Boyle. The King House was the military barracks and recruiting depot for the famous Connaught Rangers Regiment of the British Army in late 19th C. Centenary of Connaught Rangers Mutiny in India in 1920 is being observed this year. Homage was also paid at the grave of WB Yeats, hailing from Sligo, who had a strong bond with Rabindranath Tagore.



Ambassador with Sligo County leadership



Ambassador with Frank Feighan T.D



Ambassador with Keith Moran, CEO of SL Controls Company

**3. Organisation of second “Vande Bharat Mission” Special Repatriation Flight:** The second Air India repatriation flight to take back Indian citizens, comprising of stranded tourists, the elderly, pregnant women, people with medical emergencies, students and seafarers left on 03 June for New Delhi and Mumbai. Around 250 citizens were transported home. (The first repatriation flight was organised on 26 May). These flights are also being used to bring Indian and Irish citizens from India to Ireland, including Indian nurses who have been offered frontline positions in medical institutions throughout Ireland. The Embassy will also continue working for institutionalization of direct flights between India and Ireland which will provide a spur to business and tourism.



The Ambassador wished safe flight to all passengers

**4. Irish Commemoration of the centenary of the Connaught Rangers Rebellion in India:** Ambassador participated at a wreath-laying ceremony (28 June) led by Deputy PM Leo Varadkar. in Glasnevin Cemetery, Dublin to commemorate centenary of Connaught Rangers Mutiny, one of the most extraordinary acts of defiance against the British Empire in India on 28 June 1920 when four Irish soldiers, members of the British army, protested against the suppression of the independence movement in Ireland. Event marks poignant linkage between the Indian and Irish freedom struggle movements. This was the first official duty of Mr. Varadkar as Deputy PM after the formation of the new coalition government the previous day.



Wreath-laying ceremony; Ambassador with Tánaiste L. Varadkar T.D.

**5. 'Friends of India' in Ireland donate substantial amount for Indian PM CARES fund:** Amongst other collections, Irish NGO 'Friends of India' in Ireland collected around Euro 17,800 for Indian PM Cares Fund for assistance during COVID-19. Noble gestures like these bring people of Ireland and India closer. (The PM Cares Fund was created on 28 March 2020 for relief efforts against the coronavirus outbreak. The donations will be tax exempt and fall under corporate social responsibility).



Ambassador with Calodagh McCumiskey from Friends of India

**6. Meetings with business leaders:** Due to the Covid-19 pandemic restrictions, business meetings in various sectors were conducted virtually.

**7. Consular services:** The Consular Section of the Embassy continued to provide limited services, in line with HSE protocols. 201 passports and 39 Overseas Citizens of India (OCI) cards were issued/renewed through postal means.

**8. International Day of Yoga (IDY):** IDY-2020 was held (20 June) with limited number of participants at the Dun Laoghaire Harbour Green. The live-streamed event was joined by more than 10K people practising from home, as per stipulated local health protocol and prescribed social distancing. It was organised in partnership with the Dun Laoghaire Rathdown County Council. The event was dedicated to front-line staff in Ireland, India and the world who have rendered exceptional services during the unprecedented crisis. The participants were mainly front-line staff from various Departments viz. Police force, Fire Service, National Ambulance, Dublin Bus, Hospitals and Cleaning Services. Additionally, the event had the participation of newly-elected Dun Laoghaire Mayor, Councillor Una Power; MP Ossian Smyth; MP Cormac Devlin; Councillor Deirdre Donnelly; community leaders; women; youth and other Yoga practitioners. It was highlighted that the quintessential message of Yoga promoting holistic health, community connectivity, peace and harmony was particularly relevant in the time of Covid and resonated strongly with the core value system critical to tackling the pandemic. Other events included virtual Yoga quiz competition, My Life-My Yoga video blogging competition, online Yoga films and free online Yoga classes offered by some Institutes.



## Bilateral Trade

The analysis of data available for the period Jan-May 2020 showed that total bilateral trade stood at Euro 363 mn. India's exports to Ireland were Euro 220 mn and India's imports from Ireland worth Euro 143 mn. Balance of trade was Euro 77 mn in favor of India. (Total bilateral trade for the period Jan-Dec 2019 was 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-May 2020
Ireland's Exports to India	€ 296	€ 353	€ 327	€480 (+46.80%)	€143 (-20.55%)
Ireland's Imports from India	€ 544	€ 683	€ 560	€636 (+13.57%)	€220 (-25.44%)
Total Trade	€ 840	€1036	€ 887	*€1116 (+25.82%)	*€363 (-23.58%)

\*(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	Ferro Equip	provides Mobility solutions for the Specially abled ( Physically Challenged) enabling them to drive independently	Export
2	Shree Shagun Polyfab PVT LTD	merchant of digital printing machineries, Spare parts, sublimation paper and sublimation ink , ect.	Export
3	Vinayak food enterprise	Agricultural commodities, vegetables, rice and spices	Export
4	Jenil Bags based at Rajkot, Gujarat, India	Biodegradable Plastic Bags	Export
5	Palani Group	Guar Gum Powder & Psyllium	Export
6	PATEL METAL PRODUCTS	Manufacturer, Supplier and Exporter of "BRASS BUILDER HARDWARE "	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	49 <sup>th</sup> IHGF Delhi Fair - Virtual 2020 Mega Handicrafts Virtual Fair	13-18 July 2020	<a href="https://youtu.be/V_aXivvxq-I">https://youtu.be/V_aXivvxq-I</a>
Confederation of Indian Industry (CII)	CII Healthcare Week 2020 Conference cum Exhibition "Redefining Healthcare Ecosystem"	17-21 Aug 2020	<a href="http://www.cii.in">www.cii.in</a>

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