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ECONOMIC BULLETIN

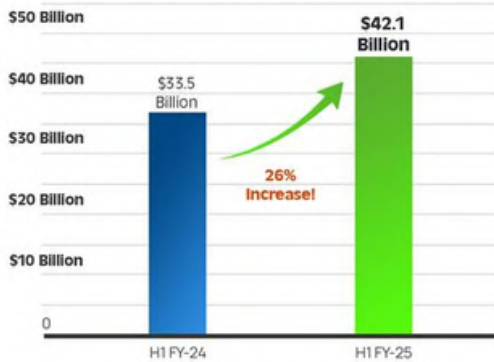
Newsletter of the Consulate General of India, Toronto

Economic Landscape in India

Growth in India's FDI Inflows



India's FDI Journey Hits \$1 Trillion



Source - Department for Promotion of Industry and Internal Trade (DPIIT)

India has achieved a remarkable milestone in its economic journey, with gross foreign direct investment (FDI) inflows reaching an impressive \$1 trillion since April 2000. This landmark achievement was bolstered by a nearly 26% rise in FDI to \$42.1 billion during the first half of the current fiscal year. Such growth reflects India's growing appeal as a global investment destination, driven by a proactive policy framework, a dynamic business environment, and increasing international competitiveness. FDI has played a transformative role in India's development by providing substantial non-debt financial resources, fostering technology transfers, and creating employment opportunities. Initiatives like "Make in India," liberalised sectoral policies, and the Goods and Services Tax (GST) have enhanced investor confidence, while competitive labour costs and strategic incentives continue to attract multinational corporations. Over the last decade (April 2014 to September 2024), total FDI inflows amounted to \$709.84 billion, accounting for 68.69% of the overall FDI inflow in the past 24 years. This robust inflow of investments underscores India's pivotal role in shaping the global economic landscape. Read the article [here](#).

2024 Year End Review for Department for Promotion of Industry and Internal Trade, Govt.of India



From achieving milestones under the PLI scheme to boosting startup ecosystems, streamlining logistics, and enhancing FDI inflows, DPIIT has played a pivotal role in building a self-reliant and globally competitive India. Some of the key initiatives and achievements of the Department in the year 2024 are: Keeping in view India's vision of becoming 'Atmanirbhar', PLI Schemes for 14 key sectors have been announced with an outlay of over US\$26 billion to enhance India's Manufacturing capabilities and Exports. Approved by Cabinet on 11.11.2020, the scheme has achieved significant milestones, including investments of US\$17.5 billion, production/sales of US\$150 billion, exports worth US\$48 billion and direct and indirect employment for 9.5 lakh individuals. Over 1300 manufacturing units across 14 sectors under 10 Ministries/Departments have been established in 27 States/UTs.

Read the full article [here](#).



The government has been actively engaging in Free Trade Agreement (FTA) negotiations to enhance trade relations. Notably, the Trade and Economic Partnership Agreement (TEPA) was signed with the European Free Trade Association (EFTA) in March 2024, marking India's first FTA with a European economic bloc. Additionally, negotiations for FTAs with the European Union and the United Kingdom have been progressing, aiming to further boost trade and economic cooperation. Moreover, India's merchandise trade deficit in October 2024 widened to \$27.14 billion, driven by a rise in imports despite an increase in exports. Merchandise exports rose by 17.26% year-over-year to \$39.2 billion, while imports increased by 3.88% to \$66.34 billion. This expansion in trade activity reflects robust demand for engineering and electronic goods, which have been key contributors to export growth.

Read the full article [here](#).



India Canada Trade Dashboard

Merchandise Trade

Description	Jan-Oct 2023	Jan-Oct 2024	% Change
(Amount in USD billion)			
Exports to Canada	4.7	4.76	1.3
Imports from Canada	3.01	3.22	7.1
Total Trade	7.71	7.98	3.5

(Source: Statistics Canada)



India Canada Service Trade

The bilateral services trade is broadly classified into 3 major components: Commercial Services, Travel Services, and Transport and Government Services. India's service exports to Canada are majorly in the form of Commercial Services driven by the ICT (Information and Communication Technology) services offered by a large group of Indian IT companies operating in Canada while Canada's major service export to India is in the form of Travel Services.

(Source: Statistics Canada)

Service Exports to Canada					
Description/Year	2019	2020	2021	2022	2023
(in CAD million)					
Total	2743	2477	2857	3329	3223
Travel,	601	256	248	330	393
Commercial services, imports 2	1957	2062	2401	2749	2606
Transportation and government services,	184	159	208	250	225
Service Imports from Canada					
Total	5272	5162	5806	9035	14067
Travel,	4785	4566	5032	8344	13457
Commercial services,	269	450	588	448	328
Transportation and government services, exports	217	146	187	243	282

Year to Date Trade Data of top 5 items of Trade

Top 5 items of export to Canada

		Jan-Oct 2023	Jan-Oct 2024	% Change
	Description	(Amt. in USD Million)		
1	300490 - Medicaments, nes, in dosage	376.06	404.54	7.57
2	711319 - Articles of jewellery & pts thereof, of o prec met, w/n plated/clad w precious met	132.24	173.17	30.95
3	851713 - Smartphones, for cellular networks or for other wireless networks	250.53	137.51	-45.11
4	030617 - O shrimps & prawns, frozen, o/t cold-water, shell/not, incl in shell ckd in water, etc	111.92	113.2	1.15
5	710239 - Diamonds, non-industrial, sorted, worked, not mounted or set diamonds, nes	111.85	96.89	-13.38

(Source: Statistics Canada)

Top 5 items of Imports from Canada

		Jan-Oct 2023	Jan-Oct 2024	% Change
	Description	(Amt. in USD Million)		
1	071310 - Peas dried, shelled, whether or not skinned or split	1.52	543.86	35558.22
2	270112 - Bituminous coal, whether or not pulverized but not agglomerated	584.19	411.86	-29.5
3	071340 - Lentils, dried, shelled, whether or not skinned or split	440.32	304.88	-30.76
4	310420 - Potassium chloride, in packages weighing more than 10 kg	388.24	272.89	-29.71
5	480100 - Newsprint, in rolls or sheets	183.76	181.45	-1.25

(Source: Statistics Canada)

The above trade data between India and Canada reflect dynamic patterns with significant sectoral shifts over the two years. From January to October 2024, exports to Canada showed moderate growth in key categories, with medicaments increasing by 7.57%, jewelry articles rising significantly by 30.95%, and shrimp and prawns maintaining stable demand with a 1.15% increase. However, smartphone exports fell sharply by 45.11%, and non-industrial diamonds declined by 13.38%. Exports to Canada show mixed trends, with notable increases in jewelry and declines in smartphones and diamonds. On the import side, Canada's export of dried peas to India skyrocketed by 35,558.22%, making it the most notable change, while bituminous coal, lentils, and potassium chloride imports saw substantial declines of around 30%, and newsprint imports remained largely unchanged with a minor decrease of 1.25%. Imports from Canada are dominated by an unprecedented surge in dried peas, while other top imports show declining trends. It further highlights shifting trade dynamics, particularly in agriculture and technology sectors.

Media Coverage-India Canada Economic Corridor

Fairfax India to Acquire an Additional 10% Interest in Bangalore International Airport Limited

FAIRFAX INDIA

Fairfax India Holdings Corporation announces that, through its wholly-owned subsidiary, it has entered into an agreement to acquire an additional 10% equity interest in Bangalore International Airport Limited ("BIAL") from Siemens Project Ventures GmbH, part of Siemens Financial Services ("Siemens"). Following the closing of the transaction, Fairfax India's equity interest in BIAL will increase from 64% to 74% (30.4% to be held by its wholly-owned subsidiary and 43.6% to continue to be held by its subsidiary, Anchorage Infrastructure Investments Holdings Limited). The transaction is expected to close in Q1 2025, upon which the additional 10% equity interest in BIAL will be acquired by Fairfax India for, in aggregate, \$255.0 million (the "Purchase Price"). The Purchase Price will be payable in three installments, with the initial installment to be paid on the closing date in Q1 2025. The second and third installments are to be paid on or around August 31, 2025 and July 31, 2026, respectively. The transaction is subject to approval by Fairfax India's shareholders in accordance with the terms of the Company's by-laws, third party consents and other customary closing conditions.

Read the full article [here](#).

The first consignment of Soya Chaap by a Farmer Producer Company from Aterna Village, Sonipat, Haryana is set to be exported to Canada

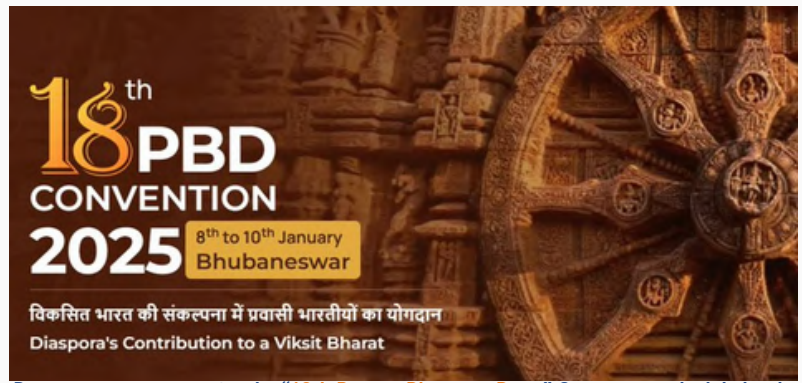
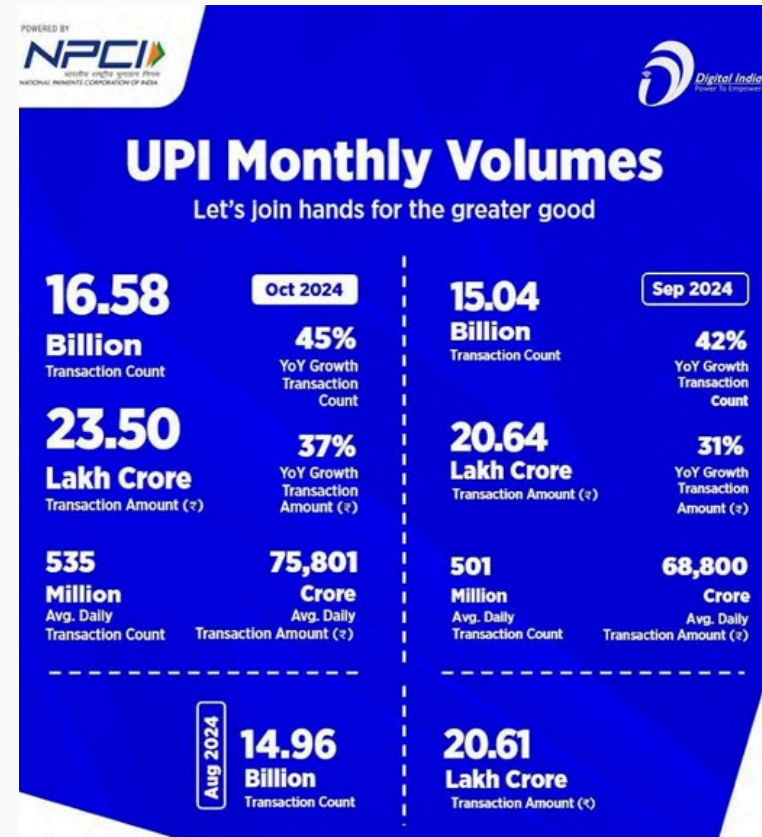


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Watch Out Column

Digital India in the fast lane!

Unified Payments Interface (UPI) has accomplished a historic milestone by processing 16.58 billion financial transactions in October 2024



Registrations are open for the "18th Pravasi Bharatiya Divas" Convention scheduled to be held at Bhubaneswar, Odisha from 8-10 January 2025. Click [here](#) to register



World Audio Visual & Entertainment Summit, known by the acronym WAVES, will be a key forum for promoting discussions, collaboration, and innovation in the M&E industry scheduled to be held from 5-9 February 2025. Know more about the summit [here](#).



The Maha Kumbh Mela 2025 is scheduled to take place in Prayagraj, Uttar Pradesh, from January 13 to February 26, 2025. Recognized as the world's largest public gathering, this event draws ascetics, saints, sadhus, sadhvis, kalpvasis, and pilgrims from all walks of life. Anchored in Hindu traditions, the Kumbh Mela is celebrated four times over 12 years across four locations in India, with each celebration aligning with distinct astrological positions of the Sun, Moon and Jupiter. This makes the event a unique confluence of astronomy, astrology, spirituality, and socio-cultural heritage. Prayagraj holds sacred significance as the confluence point of the Ganga, Yamuna, and Saraswati rivers, making it a pivotal destination during the Maha Kumbh Mela. The city offers a rich tapestry of ancient temples, monuments, and various tourist attractions. Notable sites include the Shri Lete Hue Hanumanji Temple, Akshayvat, Saraswati Koop, Mankameshwar Temple, and Maharshi Bharadwaj Ashram. Additionally, visitors can explore the State Pavilion, Sanskriti Gram, Kala Gram, and enjoy water laser shows, drone shows, thematic gates and facade lighting. During the Maha Kumbh, experience awe-inspiring ceremonies like the traditional procession of Akharas, featuring elephants, horses, and chariots, as well as the sacred rituals of the Naga Sadhus during 'Shahi Snan'. Participate in this extraordinary spiritual journey and celebration of faith, reinforcing our shared cultural roots. For more information, visit the official website [here](#).

महाकुम्भ 2025

