1. **INDIA-SOUTH AFRICA TRADE:**

India-SA trade in 2016-2017 (Apr’16-Feb’17) was at US$9.149 billion with exports from India at US$ 3.053 billion and imports to India at US$ 5.097 billion. Bilateral trade, however, saw a dip from USD 9.495 billion in 2015-16 owing to fall in global demand that impacted the South African economy as well and fall in commodity prices in 2016. India was the 4th largest importing partner and the 8th largest export destination for SA in 2016-17.

### INDIA-SOUTH AFRICA BILATERAL TRADE

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<tbody>
<tr>
<td><strong>India's Exports</strong></td>
<td>3,985.0</td>
<td>4,731.1</td>
<td>5,106.9</td>
<td>5,074.2</td>
<td>5,301.9</td>
<td>3,588.18</td>
<td>3,052.19</td>
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<tr>
<td><strong>India's Imports</strong></td>
<td>7,140.5</td>
<td>10,973.1</td>
<td>8,887.8</td>
<td>6,075.2</td>
<td>6,496.5</td>
<td>5,907.39</td>
<td>5,096.84</td>
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<tr>
<td><strong>Total</strong></td>
<td>11,125.5</td>
<td>15,704.2</td>
<td>13,994.7</td>
<td>11,149.5</td>
<td>11,798.4</td>
<td>9,495.56</td>
<td>9,149.03</td>
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*Source: EXIM Data, Ministry of Commerce*

South Africa is still India's largest trading partner in the Sub-Saharan Africa, after Nigeria. Like past years, the trade balance is still in favour of South Africa. The earlier bilateral trade target of US $ 10 billion was revised to US $ 15 billion to be reached by 2014. This target was achieved in 2011-12, ahead of schedule. The bilateral trade which dipped in 2013-14 had shown some recovery in 2014-15 up by 5.8%. However, in 2015-16 and 2016-17 the bilateral trade has declined to the lowest level in last 5 years. The Hon’ble Prime Minister during his visit to South Africa from 7-9 July, 2017 while addressing the India-South Africa CEOs’ forum and Business Meeting has emphasized on doubling the bilateral trade between India and South Africa in the next five years.

*(India’s exports to SA have seen more than a three-fold increase in the last 10 years: it increased from US$ 984 million in 2004-05 to US$3.052 billion in 2016-17. During the same period, India-SA bilateral trade saw a jump from US$ 3.08 billion to US$9.149 billion. SA exports to India grew from US $2.1 billion in 2004-05 to US$5.096 billion in 201617. Imports from India as a percentage of total and the same for exports to India as a percentage of India’s total are 1.37% and 1.56% respectively.)*

As per information available with Department of Trade and Industry of South Africa, top 10 of South Africa’s exports to India account for 94.6% of total exports. Further, export of raw materials account for over 90% of total exports, while export of manufactured products account for only 3.7% of total exports. On the import side, top 10 of South Africa’s imports from India account for 71% of total imports; these include 37% manufactured goods and 34% raw materials.
There is substantial potential for further deepening trade between the two countries.Exports from India to South Africa include chemicals, vehicles and components thereof, transport equipment, drugs and pharmaceuticals, engineering goods, footwear, dyes and intermediates, textiles, rice and gems and jewellery, sports goods etc. Imports from South Africa to India include gold, thermal and coking coal, copper ores & concentrates, phosphoric acid, manganese ore, aluminium ingots & other minerals.

**Exports from South Africa:** From South Africa, coal, gold, diamond, manganese, platinum, phosphoric acid, copper ores and products, aluminium ingots & other minerals formed the bulk of exports. India is the largest importer of coal from South Africa. Gold from South Africa is also a leading export to India. However, this is not reflected in the South Africa figures as SA gold is traded through Switzerland where value addition and standardisation is done before it is sent to India.

**Imports from India:** Exports from India to South Africa include distillate fuel, vehicles and components thereof, transport equipment, drugs and pharmaceuticals, engineering goods, footwear, dyes and intermediates, chemicals, textiles, rice and gems and jewellery.

2. **SOUTH AFRICAN ECONOMY IN 2016:**

The South African economy showed some signs of recovery with its gross domestic product (GDP) growing by 3.3% quarter-on-quarter in the second quarter of 2016, after contracting by 1.2% in the previous quarter. The year-on-year growth was 0.6%. The primary sector showed a growth rate of 8.8%, with mining up by 11.8% and agriculture down 0.8%. The secondary sector grew by 5.3% with manufacturing up 8.15%, construction up by 0.1% and electricity down by 1.8%. There were notable increases in the petroleum and motor vehicle manufacturing divisions. The tertiary sectors showed a growth rate of 2%, with finance up 2.9%, transport up 2.9%, and trade up 1.4%, government up 1.2% and personal services up 0.8%. The Finance Minister however warned that the surprising economic growth of 3.3 percent in the second quarter could not be sustained and pledged continued fiscal prudence, a key recommendation by ratings agencies.

In another positive development, the SA current account deficit narrowed more than expected in the second quarter. The latest data from the SA Reserve Bank showed that the deficit contracted to 3.1 percent of gross domestic product (GDP) after exports received a boost from the lagged effect of last year’s rand weakness. This has provided support to Finance Minister Pravin Gordhan’s view that the country was not in “recession territory”. The SA Reserve Bank said weak growth in domestic demand led to a decline in merchandise import volumes. The trade balance consequently switched from a shortfall of R48 billion in the first quarter to a surplus of R33bn in the second quarter. Finance Minister Gordhan had earlier told business leaders that South Africa had a better than 50 percent chance of avoiding a downgrade of its credit rating to junk status this year. He also pledged to stick to deficit targets set out in his budget in February, despite weak economic growth. Following a contraction of 1.7 percent in the first quarter, growth in real final consumption expenditure by households accelerated to an annualised rate of 1 percent in the second quarter. The Rand has also been consistently weak and has declined nearly 50% in the past one year touching record lowest levels in the first quarter of 2016.
Credit and Ratings Agencies Views:

Earlier this year, South Africa staved off a credit rating downgrade from Moody’s, Standard & Poor’s and Fitch, although all three agencies said sluggish growth and economic uncertainty were worrying factors. In May, Moody’s affirmed South Africa’s credit rating at Baa2 – two notches above junk, while keeping the outlook negative. Both Fitch and S&P left the credit rating at BBB- in June, one level above junk. These ratings were seen with sense of relief as many had expected junk status ratings.

Despite the 3.3% gross domestic product growth recorded in the second quarter of 2016, Moody’s is of the view that South Africa’s GDP growth will “nearly stagnate” at 0.2% for the whole of 2016, before recovering to 1.1% in 2017 and 2% in 2018. In the first week of September 2016, Moody’s placed five state owned enterprises on immediate review for a down grade citing concerns about funding sources, governance and the unstable political environment. These include Eskom, the South African National Roads Agency, the Industrial Development Corporation, the Development Bank of Southern Africa and the Land Bank. Moody’s primary concern is to assess whether the companies will continue to have access to the debt market in the future and whether they will be able to absorb higher funding costs. The sudden and dramatic action by Moody’s indicates significantly heightened investor concerns over state-owned companies, several of which have been tainted by governance and corruption concerns over the past few months.

A new report by McKinsey said that although SA is one of Africa’s most stable economies, its growth — together with that of "Arab Spring" countries — has dragging down the continent’s growth rate since 2010. The consultancy’s new “Lions of Africa” report categorises SA as one of the "slow growers", which account for 46% of Africa’s GDP but together grew at just 1.3% a year on average in 2010-15. This was less than the 2.9% global average over the period. The "slow growers" include Libya, Egypt and Tunisia as well as SA. The report describes SA as "experiencing slow growth and high unemployment in spite of promising opportunities that could spur development". SA ranks high, however, on McKinsey’s Africa Stability index. And it rates a special box in the report on why it is such an outlier in terms of corporate size. "Home to almost half of Africa’s large companies, SA is an outlier not just in its own continent but in the world." By contrast the group of "stable growers", mostly smaller, non-resource based economies such as Mauritius, Rwanda and Morocco, recorded average growth of 5.8% a year in 2010-2015. The "vulnerable growers", which accounted for 35% of Africa’s GDP achieved an average 5.1% a year. They include such countries as Nigeria, Angola and Zambia that are heavily dependent on resources — the first two being hard-hit by the oil price slump. The McKinsey report, its second on Africa, points to the slowdown in the continent’s economic growth rate to 3.3% in 2010-2015 from 5.4% in the previous decade.

The IMF has also lowered the rate of GDP growth for South Africa to 0.7% down from the 1.4% posited earlier. The OECD also has stated the outlook for 2016 and 2017 as uncertain and subdued.

The South African Rand Merchant Bank warns in its own report that SA could lose its place at the top of the list of Africa’s top 10 investment destinations. The report says that SA continues to stand firm at number one but risks losing its coveted spot in the next few years as a faltering growth outlook and uncertain business environment slowly eats away at its investment score. On RMB’s global investment attractiveness index of 188 countries, SA has dropped from being in the top 40 in 2006 to 45th now, with most African countries ranked between 120 and 188.
South Africa has also been steadily losing out in the Economic Freedom of the world Index. In its latest rankings released on 15 September 2016, SA slipped down to 105th out of 159 countries ranked. In 2001, South Africa figured at 41 but since then South Africa has seen its ranking slip fairly consistently from year to year. In 2015 the country was 93rd. The comparative rankings of other BRICS countries being, Russia (102), India (112), China (113) and Brazil (124).

Conclusion
The South African economy in general is suffering from a serious fallout from the current plunge in the price of minerals, said to be the worst slump in 40 years. South Africa's economy, the second largest in Africa after Nigeria, is stagnating as electricity shortages, weakening global demand and falling metal prices stifle output. Questions have also been raised on political leadership, lack of progress in implementing reforms at state-owned enterprises and the lack of deeper structural reforms to revive business confidence and growth are yet to take off. Natural factors have also contributed to this decline. South Africa’s rainfall in 2015 was the lowest it received in the past 55 years. Annual rainfall was recorded at 403 mm in 2015 as against a long term average of 618 mm. This combined with soaring temperatures decimated harvest especially of the maize, a staple food crop of the region.

3. PRIME MINISTER’S VISIT TO SOUTH AFRICA (7-9 JULY, 2016): During his visit the Hon’ble Prime Minister of India and President of SA, H.E. Mr. President Jacob Zuma interacted with the members of India-South Africa CEOs ‘Forum and addressed an enlarged India-South Africa Business Meeting in Pretoria on 8th July, 2016.

While addressing the India-South Africa Business Meeting, the Hon’ble Prime Minister emphasized on doubling the bilateral trade between India and South Africa in next five years.

During his meeting with the Hon’ble Prime Minister, President Jacob Zuma noted and welcomed the relaxation of FDI rules through the lifting of the caps on FDI in nine sectors of the Indian economy including defence, food processing, aviation, and pharmaceuticals, indicating that the announcement will have a major impact of attracting foreign investments in these areas, including from South Africa. Both sides also underlined the need and importance of ease of movements of people and businessmen to each other’s countries in expansion of economic and trade relations.

Four MOUs on ICT, Programme of Cooperation in Arts & Culture, Tourism and Grass Root Innovation (Science & Technology) were signed during Hon’ble Prime Minister’s visit.

4. INDIA-SOUTH AFRICA CEOs FORUM MEETING: Meeting of the India South Africa CEOs Forum was held on 8th July 2016 at Pretoria, on the sidelines of Hon’ble Prime Minister’s visit to South Africa from 7-9 July, 2016. The Joint Statement issued after the meeting is attached as annexure.

At this meeting, it was proposed to organize the next meeting of the CEOs Forum on the sidelines of the BRICS Forum on 13th October 2016 at New Delhi.

However, since many of the members of the CEOs Forum on both sides were not available and hence unable to join, in view of this, it was decided to re-position this meeting as “India South Africa Business Roundtable” instead of a formal meeting of the CEOs Forum on 14th October, 2016 at New Delhi. Many
other business representatives attending the BRICS Business Forum, in addition to those who are members of the CEOs Forum were also invited to attend this Session.

5. **MOUs:**

(i) **MoU signed between Hindustan Zinc Limited [HZL, Vedanta Group] and MINOVA AFRICA [based in South Africa] for development and supply of rock support systems for underground mining in India. Minova would set up a manufacturing facility in India to serve HZL and other mines.**

(ii) **MoU signed between Hindustan Zinc [HZL] and Fermel [South African company] for supply and maintenance of underground mining equipment to improve safety, efficiency and productivity in modern mechanised underground mines of HZL. Fermel would also develop local skills for maintenance of mining equipment.**

(iii) **MoU signed between MMI Holdings [South African company] and Aditya Birla Nuvo Limited Group [ABNL, India]:** MMI Holdings and Aditya Birla Nuvo Limited [ABNL] have signed an agreement to form a JV in the health insurance sector in India. This happened in June 2015. The present MOU operationalises the agreement consequent upon all the approvals.

(iv) **MoU signed between Ion Exchange Safic [JV between Ion Exchange, India and Safic, South Africa] and Stefanutti Stocks [South African Company]:** Ion Exchange Safic, a leading water and waste water treatment company with presence in South Africa signed a MoU with Stefanutti Stocks, one of Africa’s leading construction group, for collaborating in large scale water and effluent treatment projects in South Africa and Africa.

(v) **MoU signed between SAAB Grintek Defence [SGD, South Africa] and Tata Power [India]:** The two parties signed a MoU for production of LEDS-50 (Land Electronic Defence Systems) in India.

(vi) **MoU signed between Pioneer Global Enterprises, India and ARMSCOR, South Africa:** The two Parties signed a MoU to produce ULTRASONIC BROKEN RAIL DETECTOR SYSTEM [UBRD System] for Indian Railways in India. The project involves technology transfer.

(vii) **MoU signed between Indian School of Business [ISB] Hyderabad, India and Gordon Institute of Business Science [GIBS, South Africa]:** GIBS is the leading business school in South Africa and Africa. They signed a MoU with ISB Hyderabad to enter into collaboration for senior executive programme, student exchange, faculty exchange and joint research.

(viii) **MoU signed between CIPLA [India] and DUBE TRADEPORT CORPORATION [SEZ in Durban]:** Cipla Biotec signed a MoU with Dube Tradeport for setting up a bio-similar plant. The medication produced will be used for treatment of cancer, auto-immune and respiratory diseases and it would cater for the SA market as well as for export (US and EU). The state of the art Biotech facility project investment would be around ZAR 1.3 bn.
6. **INDIA BUSINESS FORUM:**

Indian companies in South Africa are networked together in a platform called India Business Forum. The High Commissioner of India is the patron of the Forum. The Consulate organised regular meetings of the Forum to get their inputs and discuss the way forward for Indian business in South Africa.

The Consulate organized an interaction of the India Business Forum with the concerned senior officials in the Departments of Trade & industry, Home Affairs and Labour where the senior officers dealing with India in the Department of International Relations and Cooperation (DIRCO) were also present. During the interaction, the Indian companies talked about their investments and CSR activities they were engaged in. The discussion that followed included various issues such as visa issues, opportunities to work with government sector, investment in identified sectors and social sectors and positive business climate in the respective countries were highlighted. The objective behind the interaction was to bring political spotlight on Indian investments in South Africa [some US$ 9 billion or thereabout] and the kind of socio-economic values our companies are creating for the host society.

7. **SOUTH AFRICAN BUSINESS IN INDIA**

South African investments in India are estimated to be around USD 1 billion. Leading SA companies include Old Mutual, FNB, Sasol, Shaft Sinkers, ACSA, Life Healthcare, Sanlam, Momentum, ALTEC, Smollan and Hollard which are amongst other companies having business operations in India.

**Sanlam- Sriram Capital JV:** Following the liberalisation in FDI norms in the Indian insurance sector, Sanlam raised its stake in their JV with Shriram Capital to 49%. They brought in approx. USD 200 million new money in their Indian business.

**Momentum- Aditya Birla Group JV:** South African insurance major MMI Holdings Ltd and Aditya Birla Nuvo Ltd (ABNL), part of the Aditya Birla Group, entered into joint venture agreements to provide innovative health insurance and wellness solutions in India. The partners are in advanced stage of business operations. As per the agreement, MMI Holdings will hold 49% and ABNL 51% in the JV to be named Aditya Birla Health Insurance Co. Limited (ABHICL). Though the value of the JV has not been disclosed, it is understood from company sources that it would be in the range of US$ 150 million. MMI sources claim that they would bringing new and innovative products to India.

**Shaft Sinkers- Vedanta project:** Shaft Sinkers, a leading deep shaft making company, is working on drilling more than kilometre deep mining shafts in Bhilwara, Rajasthan for Vedanta. This is the second big project for Shaft Sinkers in India. The company is looking for new opportunities.

8. **INDIAN BUSINESS IN SOUTH AFRICA**

Indian companies have a large presence in South Africa with an overall of investment of over US$ 9 billion. There are more than 150 Indian companies operating in South Africa. All major Indian MNCs including TATA, Ranbaxy, TCS, WIPRO, TechMahindra, etc. are present in South Africa. The main areas of engagement are pharmaceutical, IT, automobile, banking and mining, but there are other sectors where our companies are doing brisk business.
TATA Group
1. Tata Africa Holding: This parent company of Tata operations in Africa is based in Johannesburg. TATA Group’s investment in South Africa would be well over USD 1 billion.
2. TATA POWER: Tata Power has two large scale power projects presently under way in South Africa and Zambia. In SA, TATA power has formed a JV with local black group EXXARO called CENNERGI. The JV is implementing a ZAR 750 million wind project [235 megawatt] in the Eastern Cape province of South Africa
3. TATA Communications: Tata Communications owns 70% of NEOTEL, a local telecom company. Neotel provides fixed line phone and broad band internet service. Tata Communications recently tried to sell its stake in NEOTEL to VODACOM for ZAR 700 billion but the deal did not go through
4. TATA STEEL: Tata steel has few iron ore mines in South Africa. It was running a chrome plant at Richards Bay which it has sold recently.
5. Tata Steel processors: This Company is owned by Tata Africa Holding. It is into order supply of steel products as per specifications.
6. IHMS Hotels: This Company is a JV between Tata International and Taj Hotels. It runs a five star hotel in Cape Town. The company is looking for new ventures and tie-ups in Africa and South Africa.
7. TATA Capital: Tata Capital opened its office in South Africa in 2013. The company is in its infancy stage of operations.
8. TATA Motors: Tata Motors has an assembly plant outside Pretoria. Tata vehicles are doing well in the truck and pick-up van segments in SA. In the car segment, their market penetration is not that impressive.
9. TATA CONSULTING ENGINEERS LTD: TCE has been active in the power sector. They have some 40 engineers working on new power plants that our coming up in the country.

Information Technology
10. TCS: Of all the IT companies, TCS has the largest presence in South Africa. The company has a local Black Economic Empowerment partner which holds 30% in the venture.
11. WIPRO: WIPRO has substantial presence in South Africa. They have recently launched a Chief Information Officer [CIO] programme at the Gordon School of Business Science to strengthen their presence in South Africa.
12. HCL Technologies: HCL has a diversified presence in South Africa. The company looks after all its Africa and Middle East operations from Johannesburg.
13. TECH MAHINDRA: Tech Mahindra is a recent entrant in the IT sector in South Africa. The company is focussed on large Government projects in health, education, waste management etc. It is engaged in several training programmes in partnership with local entities.
14. L&T Infotech: The Company is active in the financial services space. It also runs an off-shore development centre for training local youths in IT skills.
15. ZENSAR: This RPG group company opened its office in South Africa in 2000. It presently employs over 600 people and is active in the banking, retail, manufacturing and insurance space.
16. NIHILENT: Nihilent started its South Africa operations in 2000. It employs over 300 people and is engaged in financial services, media, business processing, and retail space.
17. INFOSYS: Infosys operations in South Africa is small. The company launched a BPO operation comprising 20 employees in 2013. Phillips is its leading client in South Africa. It is engaged in several small IT projects especially in the mining sector.
18. Millennium Technologies: Millennium Technologies is a small size IT company but it has seen significant growth in the last two years.

19. Alt Africa: Alt Africa is engaged in e-learning space. They are running several projects on e-learning in government schools in various provinces of South Africa.

In addition to the above, there are a large number [approx. 25 plus] of small size Indian IT companies in South Africa

**Banking and Financial Services**

20. State Bank of India: The State Bank of India is the leading Indian Bank in South Africa. It opened its operations in South Africa in 1997. The bank has branches in several cities of South Africa.

21. Bank of Baroda: Bank of Baroda opened operations in 1997 in South Africa. The bank has branches in Johannesburg and Durban and is involved in corporate and commercial banking. It is largely focussed on financing Indian projects in South Africa and Africa. The bank’s exposure in South Africa is around ZAR 4 billion.

22. ICICI Bank: ICICI Bank got license to operate in South Africa a year back. Earlier, it just had a Representative Office. The company is looking at trade financing as its business strategy targeting local and Indian companies.

23. Canara Bank: Canara Bank opened its operations in South Africa in 2014. Since then, the company has done well and acquired several businesses. Canara Bank is awaiting license to start their retail business.

24. Bank of India: Bank of India has been in South Africa since 2012. It has conservative business approach. BOI is also awaiting license to start their retail business.

25. EXIM Bank: EXIM Bank shifted its Africa operations from Abidjan to Johannesburg in 1997. The Bank has a pan-African exposure of around USD 7 billion. In South Africa, it financed a Suzlon wind power project of 120 Megawatt few years back.

26. GIC RE South Africa Ltd: GIC acquired RE South Africa in 2014. In two year of its existence, the company has done well. Last year, it generated business worth ZAR 40 million. GIC RE is looking at opportunities for tie-ups with South African insurance companies.

**Mining and Natural resources**

27. Jindal Africa: Jindal Africa is headquartered in Johannesburg. The company has coal mining operations in South Africa. It has mining interests in Botswana and Mozambique as well.

28. Vedanta: Black Mountain Company [owned by Vedanta] is the largest Indian investment in South Africa. The company bought a large Zinc mine for around USD 700 million in 2015. Black Mountain is looking to acquire new assets in South Africa and Africa taking advantage of the slump in commodity market. Vedanta has recently bought share in Anglo American in South Africa worth USD2.4 billion.

29. Cairn India: Cairn India has formed a JV with Petro SA and is engaged in off shore exploration in Block 1 covering an area of 20,000 square Kms in Orange Basin. The exploration is in its initial stage.

30. Osho: Osho is into coal mining and trading. They have recently bought few coal mines taking advantage of the slump in commodity market.

31. Atha: Atha Group has acquired coal assets in Waterberg area of South Africa. It is still developing the mines and is likely to start production in a few months’ time.
32. Oakbay Investments: Oakbay investments owned by the Sahara group [of South Africa] is into coal, iron ore, uranium and other minerals. They have a diversified portfolio.
33. Action Group: Action group is into mining of coal and other minerals. They are also investing in a SEZ near Dube port in Durban.
34. Sun International: Sun International has stakes in FOSKOR, a leading South African company manufacturing phosphoric acid and MAP [phosphate]. It is also involved in iron ore and coal trading. The company is in the initial stages of acquiring 11,000 hectares of reclaimed land to begin commercial farming. The model being adopted is to make the community a business partner, share revenue with them and developing their skills.
35. Coromandel Fertilizer: Coromandel Fertilizer has 14% stake in Foskor.
37. KGK Diamonds: KGK is the biggest diamond processing and trading Indian company based in SA.
38. A& B Global Mining: This Company is active in trading of natural resources- coal, iron ore, manganese and copper.
39. Oriental Rubber Industries: This Pune based company manufactures industrial conveyor belts for the mining Industry.
40. Swancot South Africa Pty Ltd: This Company deals with scrap, minerals and textile trade.
41. Natel Group: Natel Group is engaged in trading of minerals and pharma products.
42. Arctocel: Arctocel is engaged in trading of minerals and food stuff.

Automobile
[TATA Motors: Already detailed above]
43. Mahindra & Mahindra: Mahindra vehicles are doing very well in South Africa. Their SUVs and Pick-up vans are a major success.
44. Motherson Sumi: This Noida based company is an OEM supplier for Toyota and Ford in SA. Motherson has units in Pretoria and Durban. They are putting up a third plant in Port Elizabeth.
45. KLT: KLT manufacturing precision tubes, hydroforming components and automotive chassis for Ford and other companies.
46. Ashok Leyland: Ashok Leyland has been present in South Africa for several years. Their vehicles have negligible presence but the company has collaborations with South African entities for various products and services for its India operations.

Pharma
47. CIPLA: CIPLA is the largest Indian pharma player in South Africa. It bought a local SA company Medpro based in Durban for USD 500 million. CIPLA is looking to expand its presence in SA.
48. Ranbaxy SA PVT Ltd: Even after the takeover by SUN group, this company retains its old name. Ranbaxy has a plant in South Africa to produce HIV anti-retroviral. It also has a local JV called SONKE Pharma
49. Dr. Reddy Labs: Reddy Labs has sizeable presence in South Africa with a large number of products in the market. It, however, does not have a manufacturing unit.
50. Aurobindo Pharma: Aurobindo Pharma is operating in South Africa under different brands.
51. Himalaya: Himalaya products are doing well in South Africa. The company recently got several of its products on the shelf of DISCHEM, a leading SA pharma chain.
52. Zydus Healthcare: Zydus has sizeable presence in South Africa in the generics sector.
53. Dabur: Dabur’s engagement in South Africa is in the hair gel and related products segment.
54. Medreich: Medreich is in the process of selling its South African company.
55. Hetero Drugs: Hetero is engaged in contract manufacturing for leading SA pharma companies- Aspen and Adcock. They are also active in the ARV space.
56. Pharma Pvt Limited: They deal with bulk drugs and APIs.

Infrastructure and manufacturing
57. National Small Industries Corporation: NSIC [PSU] has been in South Africa since 1996. Recently, it entered into an MOU with the Black Business Council to put up 5 Incubation centres in South Africa. NSIC has undertaken few turnkey community projects in the country.
58. SUZLON: Suzlon has set up few wind farm projects in South Africa.
59. L&T Infrastructure: L&T has been exploring possibilities of doing large scale EPC work in South Africa. They have also formed a JV in the country.
60. Extrupet: Extrupet is Africa’s largest PET [plastic] recycler. It has 5 plants in South Africa employing 500 people. This group is owned by Chan Rai family of Mumbai.
61. Ion Exchange: Ion Exchange is into water treatment business. They have made good in-roads and are in talks with infra major Stefanutti Stocks for large scale projects.
62. IRCON: IRCON bagged a major contract worth ZAR 660 million [approx. USD 50 million] for undertaking signal and track work for SA railway major TRANSNET. IRCON is in the process of setting up its office in Johannesburg.
63. Sterling and Wilson: Sterling Wilson, a Shapoorji Pallonji company, is undertaking a large scale EPC contract for a solar power plant in Cape Town area. The EPC is worth USD 200 million.
64. Bray Bar Pumps Pvt Limited: Bray Bar is a Kirloskar group company. They deal in water pumps of all specifications. The company also looks after a unit of SPP. SPP, a UK based pump company was acquired by Kirloskar few years back.
65. CRI Pumps: CRI is active in water pump space. It has several projects going on with parastatal companies in water supply.
66. McNally Bharat Eng. Co Ltd: McNally Bharat is engaged in design, equipment manufacturing and EPC work. They have completed two projects in Zambia and are presently looking at developing a Flour Spar beneficiation project in South Africa.
67. Synthetic Polymers: Synthetic polymers manufacturer organic chemicals. The company was set up three years back and is doing very well.
68. Praj Industries: Praj has a commercial office in Johannesburg. The company is into selling machinery for sugar plants, distillery, brewery and water treatment. From its Johannesburg base, Praj has been able to expand its presence in Africa.
69. Joburg Industrial Trading SA: This trading company belongs to the Kirloskar group and looks after the whole of Southern Africa. They are into trading of all Kirloskar products-gensets, diesel engines, chillers, compressors etc.
70. Apollo tyres: Apollo has established two manufacturing units in South Africa. Last year they sold one of their unit to Sumitomo of Japan and closed down the second. The company is now involved only in trading of tyres.
71. Allied Steel: Allied steel is one of the leading producer of steel products of certain specifications. They are a key supplier to Arcelor Mittal in South Africa.
72. India Steel: India Steel is a medium size steel producer. They also deal in scrap metal.
73. Arcelor Mittal: Arcelor Mittal South Africa is the largest steel make in Africa. The company has two large works and is also into producing chemical and coke.
74. SRF: SRF Flexipack has a state of the art BOPP film manufacturing [plastic packaging] plant close to Durban. The plant was commissioned in 2014 and the value of investment is USD 65 million.
75. GPT: This Kolkata based company has manufacturing unit in Kwa-Zulu Natal province. They make concrete railway sleepers

**Media**
76. ZEE Group: ZEE TV has 9 channels running in Africa. These operations are managed through its head office in Johannesburg
77. CNBC Africa: CNBC Africa owned by ABN Group has TV channel, online news and entertainment and Forbes Africa magazine in South Africa. It also has some potential university education projects in other countries in Africa.
78. Sahara media: The Sahara group owns ANN7 TV channel and The New Age newspaper.

**Hospitality and Services**
79. Extraordinary Group: Extraordinary group owns few lodges in South Africa. The company also manages several resorts in Southern Africa.
80. Jet Airways: Jet Airways has an office in Johannesburg. They were flying to Johannesburg from India till 2012. Thereafter, they were in code-sharing arrangement with South African Airways. With 49% Etihad stake in Jet, the airlines still maintains its office in Johannesburg. Etihad has daily flights from Abu Dhabi to Johannesburg.
81. Raj Group: Raj group is into events and hospitality. The company has 27 chain restaurants in South Africa
82. Ratan Foods: Ratan Foods is engaged in large scale poultry projects.

**IRCON contract:** IRCON started work n their major contract worth ZAR 660 million [approx. USD 50 million] for undertaking signal and track work for SA railway major TRANSET.

**DIMITS:** Delhi Integrated Multi-modal Transit System Limited, a JV of Govt. of NCT of Delhi and IDFC Foundation would soon be opening an office in South Africa. A DIMITS delegation visited SA to finalize their plans. The company is in touch with transport entities in South Africa to make inroads in the market.

**Titagarh Wagons Limited:** Kolkata based Titagarh Wagon Limited is in the processing of opening an office in Johannesburg. The company is interested in manufacturing wagons for Transnet and PRASA. It also plans to use South Africa for launching itself in the Sub-Saharan market.

**Champalal Group:** Champalal Group, a Gujarat based chemical company will be opening a trading office in Johannesburg soon. The company has completed all formalities and is looking for physical infrastructure to start its operations.
9. **INDIA-SOUTH AFRICA BUSINESS ENGAGEMENT IN 2016: VISITS AND EVENTS**

- ‘Mining Indaba’ from 8-11 February, 2016 at Cape Town.
- IBF Meeting on 23.2.2016 with Mr. Abdullah Varachia, GIBS at the Consulate in connection with proposed ‘India-Africa Business Connect’.
- IBF Meeting with DTI, DHA & DoL on 8.3.2016 at WTC, Sandton.
- India South Africa Partnership : Exploring New Business Opportunities -Business Networking Session at JCCI on 15.03.2016
- Business Outreach to Mpumalanga Province on 5-6 May 2016.
- Global Association of Physicians of Indian Origin (GAPIO) at Consulate on 7.5.2016.
- Africa Asia & BRICS dialogue at Wits University on 7 June 2016.
- ‘Africa Health’ at Johannesburg from 8-10 June 2016 – Participation anchored by ITPO.
- ‘SAITEX’ & ‘Africa Big 7’ trade exhibition at Johannesburg from 19-21 June, 2016 – Participation anchored by ITPO.
- ‘India-South Africa CEOs Forum’s Meeting’ and ‘India-South Africa Business Event’ at CISR, Pretoria on 8th July, 2016 during Prime Minister’s visit to South Africa.
- ‘DECOREX’ from 5-9 August 2016 – Participation from India anchored by HEPC, Chennai.
- Indore Overseas Chamber of Commerce & Industry (IOCCI) delegation from 7-14 Aug 2016.
- FICCI delegation visit to Johannesburg and Cape Town from 5-8 September, 2016 – Roadshows & Press Conference for promotion of 1st BRICS Trade Fair in India.
- “India South Africa Business Roundtable” held on 14th October, 2016 at New Delhi on the sidelines of BRICS Summit.
- “1st BRICS Trade Fair” at New Delhi from 12-14 October, 2017 – 37 South African companies under the banner of DTI participated.
- “BRICS Business Forum” meeting at New Delhi on 13 October, 2016 – 150 member business delegation from South Africa participated.
- “India South Africa Business Roundtable” instead of a formal meeting of the CEOs Forum on 14th October, 2016 at New Delhi on the sidelines of BRICS Summit in India.

**Visit by CHEMEXCIL Delegation from India:** A large Indian business delegation comprising 61 companies under the banner of CHEMEXCIL visited Johannesburg, South Africa to explore business opportunities.
The companies which belonged to basic chemicals, cosmetics and dyes segments displayed their products at the two day exhibition held at the Sandton Convention Centre in Johannesburg on 12-13 February. The exhibition saw a high turnout of South African businesses; in total more than 150 local companies participated in the exhibition. In engagement of Consul General (CG) with the companies, CG urged them to have sustained engagement with South African partners so as to make deeper inroads into the South African market. He also advised them to look at opportunities to form joint ventures with South African companies to support the MAKE IN INDIA programme. Dr B.K. Gaikwad, Chairman of CHEMEXCIL, who led the delegation, called upon South African businesses to take advantage of the vast range of chemicals and chemical products being manufactured in India. He noted that both on quality and cost Indian products were counted among the best in the world.

In addition to the exhibition, the Consulate organised a business networking session on 12 Feb 2016 where prominent SA chemical and cosmetics players were invited. Members of the local chambers of commerce and Indian banks in Johannesburg also participated. During the engagement, Mr Debajit Shome, a leading chemical Industry expert made a detailed presentation on the scope, opportunities and challenges in the African and South African chemicals Industry markets. The presentation gave a well-rounded understanding of the market to our delegation and was very well appreciated. At the event, Indian companies also got a chance to look at opportunities in South Africa beyond chemicals sector and to understand South Africa economy and its dynamics from a larger perspective.

Presently, India companies are exporting chemicals and dyes [those that form part of CHEMEXCIL portfolio] worth USD 130 million to South Africa. However, if petrochemicals [distillate fuel] are also included to the basket, chemical products would form India’s largest export to South Africa amounting to well over USD 1 billion annually. Leading competitors in chemicals sector are US, China, Germany and France.

**Power & Electricity World Africa:** Consul General, Mr. Randhir Jaiswal, inaugurated the India Pavilion at the Power & Electricity World Africa 2016, held during 15-16 March, 2016 at Sandton Convention Centre, Sandton. Seventeen companies from India were represented at the India Pavilion. Consulate General also organised a presentation for the participants by the Gauteng Growth & Development Agency.

**PROPAK:** An Indian delegation anchored by ASSOCHAM participated in the packaging exhibition, ‘PROPAK AFRICA 2016’ held at NASREC Expo Centre in Johannesburg. The fair was held from 15-18 March 2016. Consul General Shri Randhir Jaiswal inaugurated the fair and visited all the Indian stalls. Our business participation was an impressive one. In all, there were 47 Indian companies from the food processing & packaging sectors who participated.

ASSOCHAM did a good job in putting together the Indian participation. PROPAK being a leading packaging trade fair in Africa, the footfall was on the higher side and the Indian delegation was much encouraged by the overall business exposure. A large number of them generated enquiries and some even orders. Branding at the fair was done in a professional manner. The event showcased the various facets of Indian packaging industry and its high quality. Brand India was also well displayed.
**ITPO participation at Africa Health:** A delegation led by ITPO participated in the Africa Health trade fair held in Johannesburg during 8-10 June, 2016. In all 25 Indian companies participated through ITPO. Some Indian companies also participated on their own. The focus of the fair was medical devices and surgical equipment. The Indian pavilion at the fair was inaugurated by Consul General, Shri Randhir Jaiswal.

Although the health products market in South Africa is presently dominated by Europe and USA, but given the emphasis in South Africa to lower the health cost affordable to a sizeable poor black population, export of medical devices and surgical equipment from India at affordable prices holds good potential. China and Pakistan also have their presence in this segment.

**SAITEX & Africa Big 7:** SAITEX 2016 was held along with Africa’s Big Seven (AB7). Compare to huge participation by Indian companies in the previous years (average between 60-70 companies), this year, however, only 25 Indian companies anchored by ITPO participated in the SAITEX fair held in Johannesburg from 19-21 June, 2016. The India pavilion at the fair was inaugurated by Consul General, Shri Randhir Jaiswal.

SAITEX along with AB7 is one of the largest fairs in Africa. AB7 was the major attraction of SAITEX this year too. Unfortunately, this year there was no participation from any Indian companies in AB7. Whereas, last year MPEDA, Spice Board and APEDA with 12 companies participated in the AB7 food show. Even Service Export Promotion Council (SEPC) had also put up their stall at SAITEX 2015.

**DECOREX:** An Indian delegation participated in DECOREX Fair held in Johannesburg from 5-9 August, 2016. The delegation was anchored by Handloom Export Promotion Council (HEPC). Shri Naresh Kumar, Acting Consul General and Consul (Commercial) inaugurated the Indian Pavilion at the fair.

Only 6 Indian companies dealing in home furnishings, home decor, mats, coir products, floor coverings, home textile, bags and accessories, sofa covers, cushion and cushion covers, table top items etc. participated in the fair this year. The feedback of our exporters from the fair was not good as they were not satisfied with the response. Some of the new products of coir have a good market in South Africa. These products did not get adequate exposure at the fair. It would do well for Coir Board to attend the DECOREX in 2017 and other fairs in South Africa where these products can be displayed.

**Trade Enquiries:** During the year 2016-17, the Consulate received and replied to more than 300 trade enquiries from India and around 30 from South African companies seeking details of importers and distributors for a wide range of products in South Africa and India respectively.

**Trade Disputes:** During the year 2016-17, the Consulate received 7 trade disputes from Indian companies and 3 from South African companies. Out of which total 5 (3 from Indian companies and 2 from South African companies) have been disposed-off amicably between the parties concerned.

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