

Embassy of India
Prague

Economic and Commercial relations between India and the Czech Republic

1. Trade ties between India and the Czech Republic, formerly Czechoslovakia, preceded India's independence. Czechoslovakia established its consulate in Mumbai in October 1920 and in Calcutta in December 1929.
2. The famous Czech shoe company Bata, which started its operations in Batanagar (West Bengal) in the 1930s, is one of the most popular Czech brands in India. While Škoda is currently a well-known Czech brand in the automotive industry, Czech Jawa and Yezdi motorcycles were also popular in the 1960s. Due to this popularity, Indian car giants Mahindra and Mahindra have successfully revived the Jawa brand. Jawa motorcycles made in India are exported to the Czech Republic.
3. During the communist era, Czech companies launched a number of important industrial projects in India in the fields of energy, metallurgy, machine tools and transport; by 1990, they had approximately 60 large projects in India. Some of these Czech companies continue to work on projects in the heavy engineering sector in India. A Czech Industrial Cluster has been set up in Bengaluru in December, 2018 to facilitate trade and investment.
4. The Czech policy of trade diversification outside the EU has given new impetus to Indo-Czech bilateral trade and economic relations. New mechanisms and diversified interaction thereafter resulted in revival of bilateral trade to more than US \$ 3.67 billion in 2023, from just US \$ 86 million in 1993 as per Czech statistics.

Main Indian products exported to the Czech Republic:

1. Smartphones
2. Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes, put up in measured doses "incl. those in the form of transdermal administration" or in forms or packings for retail sale
3. Heterocyclic compounds with nitrogen hetero-atom[s] only (excl. those containing an unfused pyrazole, imidazole, pyridine or triazine ring, whether or not hydrogenated, a quinoline or isoquinoline ring-system, not further fused, whether or
4. Tubes, pipes and hollow profiles, seamless, of circular cross-section, of stainless steel, not cold-drawn or cold-rolled "cold-reduced" (excl. line pipe of a kind used for oil or gas pipelines or of a kind used for drilling for oil or gas)
5. Brakes and servo-brakes and their parts, for tractors, motor vehicles for the transport of ten or more persons, motor cars and other motor vehicles principally designed for the transport of persons and goods and special purpose motor vehicle

Main Czech products imported to India:

1. Spark-ignition reciprocating piston engine, of a kind used for vehicles of chapter 87, of a cylinder capacity > 1.000 cm
2. Butadiene rubber "BR", in primary forms or in plates, sheets or strip
3. Drive-axles with differential, whether or not provided with other transmission components, and non-driving axles, and parts thereof, for tractors, motor vehicles for the transport of ten or more persons, motor cars and other motor vehicles
4. Gas or smoke analysis apparatus
5. Reservoirs, tanks, vats and similar containers, of iron or steel, for any material "other than compressed or liquefied gas", of a capacity of > 300 l, not fitted with mechanical or thermal equipment, whether or not lined or heat-insulated

5. Institutional cooperation

a) Joint Commission on Economic Cooperation: The first meeting of the Indo-Czech Joint Commission on Economic Cooperation (JCEC) took place in New Delhi in November 2010. The JCEC has been meeting regularly since then, with the 12th meeting taking place in December 2023 in New Delhi.

b) JWG for Heavy Engineering: During the 9th meeting of the Joint Economic Commission in 2012, both parties agreed to reactivate the JWG Joint Working Group on Heavy Engineering. The first meeting of the JWG took place in Mumbai on 15 March 2013 and the JWG has met regularly since then. The 6th JWG Heavy Engineering Meeting was held in Brno in October 2019 as part of the International Engineering Fair in Brno.

Bilateral investments:

6. Almost 7% of Czech investments outside Europe go to India. More than 30 Czech companies have invested in India, including Škoda Auto, Doosan Škoda Power, Bonatrans, Home Credit, Liko-s, Tatra trucks, Zetor, DINA-HITEX spol. s r.o., in various sectors such as transport, energy, automotive, metallurgy and finance. In 2021, Skoda Auto launched two new models in India – Kushaq and Slavia, Volkswagen followed with the launch of Taigun and Virtus. As a part of investment initiatives of Volkswagen group the new investment (India 2.5) will introduce small city-centric electric car that will be produced in India built using locally procured parts.

7. Indian companies have invested in the Czech Republic in sectors such as IT, electronics, telecommunication, textile industry, pharmaceuticals, automotive components, food industry. Major Indian companies that have invested in the Czech Republic include Infosys, APAG Elektronik, Varroc Lightning systems, Pricol, Glenmark Pharmaceuticals, Mileta Hořice, MSSSL Advanced Polymers.

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