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THE **IGEP** NEWSLETTER

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Waiting for the Dream Budget

Media, economists, analysts and organizations are in a strange competition this year. They apparently want to vie with each other in spreading worse news. Nearly unanimously they predict at best a stagnation for the European Union. They do not expect anything positive from the USA being up to its ears in debt. Former hopes on China or India have been drastically reduced. Instead of 9% or more China is now prepared for a GDP growth of 7.5% and India only expects 6.1%.

Because of the slow down in the foreign markets China and India concentrate their efforts more on the fast development of their huge domestic markets. Since India's economic performance depends to a large extent on the annual budget, everybody is waiting for something special to be presented in March.

Expectations are high. The budget should be "pro growth" giving a fresh, big push for the development of the whole economy. It should help to achieve price stability, additional employment and a stable balance of payments. In addition it should be "pro poor" with visible "inclusive growth."

The wish list of industries, associations and many other groups is long. The Minister of Finance is not to be envied. He is facing a Herculean task. To fulfill the expectations he has to sustainably increase revenues, reduce unnecessary expenditures and to finance a nearly endless number of useful and efficient programmes without further increasing the debts of the country.

As in all other countries there is a lot of helpful and less helpful advice from many sides. But while all may agree to the need of broadening the tax basis and enforcing the collection of revenues, some experts plead for higher taxes, fees, customs and excise duties while others with good reasons ask exactly for the contrary. More agreement may exist with regard to getting rid of permanently loss making public enterprises and even of restarting the disinvestment process. For reducing expenditures it will be unavoidable to make drastic cuts in the subsidy jungle. However, this is easier said than done, given the multitude of more or less strong interested groups. It remains always a walk on the tightrope.

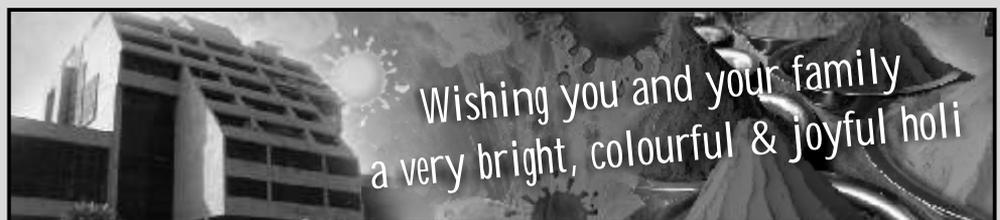
The best common nominator for the majority of wishes and expectations is therefore the banking on growth. It brings more revenues and makes even ambitious programmes financially affordable. Insofar focus should be on lowering the interest rates for enhancing private investment and consumption; and on considerably strengthening price stability. This is the undisputable precondition for safeguarding and improving competitiveness in foreign countries as well as on the domestic market.

It will be more efficient with strong coordination between different programmes and ministries. Here also new and unconventional approaches should be taken into consideration. So it may be checked e.g. in which way public employment programmes can be combined with provision of labour to private companies facing labour shortages. This could be a great help for labour intensive industries manufacturing and exporting textiles and garments, carpets, handicrafts or leather products.

The situation is difficult, but there is still much room for maneuver – and for a positive outlook.

With best regards
Yours

Dietrich Kepschull



Hamburg Entrepreneurs in India

"We have got a very positive feedback from all participants especially regarding the personal assistance provided by the IGEP-team" – Mr. Gunnar Geyer, CEO, HWWI, Hamburg

"For this wonderful and successful week I would like to thank all, especially the IGEP Team in Gurgaon who organized the trip and the meetings all over India , accompanied us and gave assistance whenever needed" - Mrs. Britta Puchert, Ministry of Economy, Transport & Innovation, Hamburg

We really worked hard to receive such feedback at the end of a very successful visit of a small Hamburg delegation that touched down on India in September, 2011.

The IGEP Foundation in cooperation with the HWWI (Hamburg Institute of International Economics) organized a trade mission from Hamburg to India from September 26th to 30th, 2011. The objective of this visit, the first of this kind organized by IGEP and HWWI jointly, was to give small and medium enterprises from Hamburg an opportunity to explore business prospects in India. The delegation comprised companies in renewable energy, training and education, trade fair development, and specialized engineering for offshore oil and gas industry. The delegation was headed by Mr. Gunnar Geyer, CEO of HWWI.

The visit was organized within the framework of our project "Services for Small and Medium Enterprises from Hamburg: Market Access India".

A welcome ceremony took place at the Confederation of Indian Industry (CII), New Delhi's office on September 26th. Mrs. Supriya Banerji, Deputy Director General and Mrs. Suparna Dutt, Deputy Director, Europe (West), on behalf of CII gave a warm welcome to the delegates. They expressed their hope that this visit would prove useful to all of them and give them a glimpse of the opportunities available in India. A brief power point presentation about CII as well as about the current macro-economic scenario in India was given to the delegates. This was followed by an interactive session where the immense potential for Indo-German cooperation in various spheres was discussed. Mr. Jan-Axel Voss, Environment and Climate Change Counsellor of the German Embassy in New Delhi was also present during the welcoming ceremony.

Mr. Gunnar Geyer while expressing his thanks to CII for their hospitality said that these interactions will help Hamburg and India to move closer economically as well as culturally. Hamburg is one of the oldest port and trade cities in the world. It has a long tradition in all matters connected with international trade. In addition, it is strongly environmentally oriented and has a lot to



From left to right: Michael René Weber (International Business School of Service Management), Atreeye Talapatra (Consultant, CII), Suparna Dutt (Deputy Director, Europe (West), CII), Jan-Axel Voss (Environment and Climate Change Counselor, Embassy of the Federal Republic of Germany, New Delhi), Supriya Banerji (Deputy Director General, CII), Dr. Joseph Mendler (Acentiss), Dr. Philip Steinwarder (Hamburg Messe and Congress GmbH), Dr. Dietrich Keschull (IGEP), Sharda Subramaniam (IGEP), Britta Manuela Puchert (Ministry of Economy, Transport & Innovation, Hamburg), Gunnar Geyer (HWWI).

GIRT-2011



Meeting of the delegation with representatives of the Confederation of Indian Industry.

offer to India in areas such as marine shipping, engineering & logistics, aeronautical engineering, civic and urban development, water supply management and renewable energy. Mr. Geyer thanked IGEP for helping conceptualize this visit and making the necessary arrangements

The delegation consisted of the following members:

- Mr. Gunnar Geyer, CEO, HWWI
- Mrs. Britta Puchert, Foreign Trade Department, Ministry of Economy, Transport & Innovation, Hamburg
- Mrs. Inken Braune, HWWI
- Dr. Josef Mendler, CEO, Acentiss GmbH
- Dr. Gerd Müller, Chairman & Managing Director, Hanseatic Rückenzentrum Holding AG
- Dr. Philipp Steinwärder, Senior Vice President, Corporate Development, Hamburg Messe & Congress
- Mr. Michael René Weber, Chancellor and CEO, ISS International Business School of Service Management

A dinner for the delegation was held in Dr. Kepschull's residence on 26th evening in Gurgaon. The delegation also visited Mumbai and Chennai. Meetings with Indian companies and institutes were organized in areas such as offshore engineering, wind energy, trade fair promotion and business management education.

Meanwhile three of the visiting companies are in good business relations with India. The respective company agreements and MoUs have been signed and activities are already in full swing.

Therefore the next delegation is under preparation!

2011 Signed off with German India Round Table (GIRT)

The PHD Chamber, New Delhi was the venue for yet another edition of the German India Round Table on Dec. 29th, 2011. About 70 Indians and Germans gathered at PHD Chamber to attend the meeting which dealt with the topic "Indo-German Business 2012 – An Optimistic Outlook for Future Chances?" Shri Amarendra Sinha, Development Commissioner MSME (Ministry of Micro, Small and Medium Enterprises, Government of India) was the Chief Guest during the meeting. The renowned Dr. Ashok K. Chauhan, Chairman of AKC Group of Companies was present as the Guest of Honour. Together with Dr. Dietrich Kepschull, Chairman of IGEP Foundation, Mr. Sharad Jaipuria (Vice President of PHDCCI) and Mr. S.K. Gupta, (Director, PHDCCI), gave the first key inputs to the meeting.

The German India Round Table or GIRT is always characterized by a friendly ambience to facilitate discussion on a relaxed setting. It is an opportunity to discuss key issues and have an open interaction concerning Indo German business as well as cultural topics.

Welcoming the gathering, Mr. S.K. Gupta, President of PHDCCI mentioned that India today is making a mark at the global level and more and more countries are recognizing India's potential. He highlighted the strong bilateral trade, which has increased phenomenally since India opened up its economy in 1991.

Dr. Kepschull while conceding that the European Union faced many problems, stated that there is reason for positive expectations since the German economy, the largest in Europe is proving to be highly resilient. According to Dr. Kepschull, India with its 1 billion plus population and growing middle class will be of increasing interest to the Germans. Their exports have reached a record US \$ 1.3 trillion and Germany is today, in spite of the euro crisis, enjoying the lowest unemployment rate in more than 2 decades.

Dr. Ashok K. Chauhan, Chairman of AKC Group praised IGEP and Dr. Kepschull for conducting GIRT on a regular basis and contributing to the enhancement of Indo German relations. India, he said, is today a rare window of immense opportunity which one should not miss. Indian companies should utilize the chances to go



From Left to Right: Dr. Dietrich Kebschull(Chairman IGEP), Mr. Sharad Jaipuria (Vice president PHDCCI), Shri Amarendra Sinha (Development Commissioner, MSME), Dr. Ashok K. Chauhan (Chairman AKC Group of Companies), Mr. S.K Gupta (Director PHDCCI)

global now. As someone who studied and worked in Germany early in his career, Dr. Chauhan offered an insight on how Germans perceive India. According to him Germans want to work in India as they realize the value of India. They find Indians dependable, good partners who have strategies that Europeans find hard to emulate.

Mr. Amarendra Sinha, Chief Guest in the gathering, kept the audience enthralled with his articulate dissection of the present situation in Europe and what the future holds for Indo German business. According to Mr. Sinha, Europe will experience economic turmoil in 2012. There will be a lot of churning before any good news emerges. However, countries facing economic hardships today can take a leaf out of Germany's experience on how to overcome recession. According to Mr. Sinha the solution lies in retraining the workforce, as well as innovative government policies to stimulate growth. He urged Indian and German companies to work together and exploit their comparative advantages. Never was the time as conducive for that kind of collaboration as it is today, he said.

The panel discussion was followed by an interactive session in which many interesting questions were raised and discussed.

For details of the topics discussed in GIRT, kindly contact IGEP Foundation at igepfoundation@igep.org or igepnd@vsnl.com. It can also be seen in the IGEP website – www.igep.org

Interaction with Students of Gargi College, Delhi

Mrs. Sharda Subramaniam (Director, IGEP Foundation) and Mr. Bernard Brandewiede, (Managing Director, AMEDON GmbH, Germany) were the guest speakers for the event " Dos and Don'ts of International Marketing" organized on Dec 17 at the premises of Gargi College, a prominent women's college of University of Delhi . It was an opportunity to interact with the students of Executive Excellence Program which is conducted by Gargi College in collaboration with MARC School of Business, headed by Prof. Dr. Shyam Vias.

Mrs. Subramaniam and Mr. Brandewiede stressed the importance of business ethics and commitment in conducting international business in today's globalized world. The world today is characterized by more and more countries cutting down barriers and restrictions to trade. These give rise to growing opportunities and access to the international markets. However all these



G MARC Students- Sana & Srishty presenting bouquets to Mrs. Sharda Subramaniam & Mr. Brandewiede

are worthless without proper planning and long term commitment.

Active listening and learning is an important skill set for anyone embarking on international marketing because it is a very important part of the communication process without which it is extremely difficult to establish rapport and understanding with the international community. Another aspect dwelt was to adopt good quality standards. It plays a vital role not just in production or manufacturing but also in other processes such as sales and marketing. Maintaining both performance quality as well as conformance quality was highlighted.

International marketing also requires good coordination skills. These are important pre-requisites to become successful marketers. It is always important and useful to take a feedback from another side. As an international/national marketer, it is important to be thorough about your subject area you are dealing in. "The international market is incredibly diverse, providing business managers with untapped potential...!" were the concluding words of Mrs. Sharda Subramaniam.

International Conference on Business Cases (ICBC 2011) at IME, Ghaziabad

To encourage academicians & practitioners to enhance problem solving abilities and solve business cases, the Institute of Management Education (IME), Ghaziabad, in collaboration with Management & Science University

(MSU, Malaysia) organized the 2 day 5th International Conference on Business Cases (ICBC) on 2nd December, 2011.

Dr. Dietrich Kebschull, Chairman IGEP Foundation was invited for the inaugural ceremony of ICBC as the Guest of Honor. Professor S.K.Kak, Vice Chancellor (Mahamaya Technical University, Noida) was the Chief Guest at ICBC.

IME's initiative to organize a conference on business cases provided a platform for academicians, practice managers, research scholars, and students of management to come together on a single platform to share experiences, interact, discuss & exchange views.

According to Dr. Kebschull, the case method is an important form of instruction at most management



Dr. Kebschull at IME Ghaziabad

schools around the world including India. A management education is considered as a golden ticket for success in India. With the demand for quality management education outstripping supply, there is a big shortage of seats in India's leading business schools. The situation has improved somewhat during the past few years with many private institutes offering specialized management courses. Dr. Kebschull stated that the challenges faced by management institutes today are maintaining top quality course, delivery, good industry interaction as well as sound infrastructure. "Good business cases can stimulate the students and enhance the learning experience of students", said Dr. Kebschull. He also spoke about international trade issues and challenges and also on the growing Indo – German economic relationship in much detail.

Waste to Energy Technology from Germany

Most Indian cities lack proper management of solid waste disposal. Systems adopted are often highly inefficient, outdated and lacking public participation. The population of urban India is growing rapidly and services to manage this growth are unfortunately lagging especially in waste management and sanitation. This scenario in Indian cities has therefore created opportunities for adoption of environmental technologies in waste management and non-conventional energy generation. Ibz Enprotec GmbH based in the small city of Mölln in the federal state of Schleswig Holstein, Germany, is an industrial design consultancy company which is ready to provide assistance to India in waste to energy technology based on biomass or biogas processes.



Mr. Udo Ziegler and Mr. Jens Beckmann of IBZ sign MoU With Mr. Anata Kumar & Mr. Umesh Agarwal of Water Tech along with Mrs. Sharda Subramaniam of IGEP

IGEP Foundation facilitated the first visit to India by an Ibz team in December, 2011. The team consisted of Mr. Udo Ziegler, Founder and Managing Director and Mr. Jens Beckmann, Executive Manager. They signed a MoU with Water Tech Solutions Pvt. Ltd., based in New Delhi for mutual cooperation for setting up biogas or biomass based waste to energy plants in India. The signing ceremony took place in IGEP's office on Dec 8th, 2011. The team along with IGEP and Watertech visited the waste disposal sites in Sewapura in Jaipur and Ghazipur in Delhi to have a firsthand understanding of the waste disposal techniques in India.

Ibz Enprotec also offers design consultancy in other engineering disciplines and during the visit also met companies in Mumbai, Pune and Delhi to explore cooperation opportunities.

German Application Service Providers to Boost Indian CRO Industry

Indian clinical research organizations (CROs) have moved from being low-end back office service providers to more market catering bodies with more responsible roles in the global drug development world. The drivers of this change were mainly the increasing availability of qualified personnel, exposure to multinational and global regulations as well as infrastructure and technological advances that have helped it move in this direction. However, today India accounts for only 7 % of the global CRO market. The competitive pressures of today's market place are forcing the biopharmaceutical industry to seek ways of reducing drug development times and increasing productivity. India can attempt to increase its market share by adoption of new technologies such as EDC (Electronic Data Capture) in the clinical trial process to speed up and accelerate the process cycle.

IGEP is assisting German companies in supporting Indian CROs through use of standardized open internet technologies, where no specialized software is required. In this context we had the pleasure to organize the visit to India of a German firm offering EDC technology in December, 2011.

The company specializes in the development of web-based solutions for data acquisition and the evaluation of newly-developed drugs as well as telemedicine applications. This technology is very valuable for the clinical research industry, telemedicine as well as for pharmaceutical studies.

According to the managing director of the company, the future of the clinical research business is bright in India, and his company is keen to provide its services as an application service provider to Indian clinical research organizations (CROs), drug companies and hospitals. IGEP organized meetings for the company with Ranbaxy, Fortis and Medanta Hospital Groups as well as with clinical research companies.

Manufacturer of High Quality Sensors Assisting Indian Metal Industries

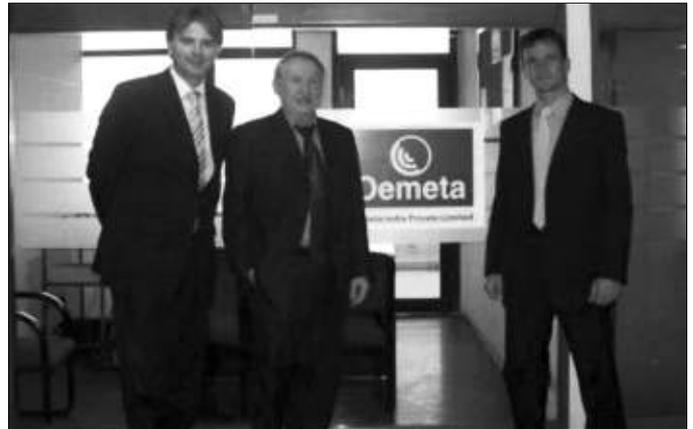
The majority of companies in Germany's strong industrial sector consist of small and medium enterprises. Many of them are family owned enterprises and can trace their ancestry to more than 100 years. Though these enterprises are small, a considerable number of them are world leaders in their domain. This is due to high priority given to research and development and product innovation. Many of such companies are called "Hidden Champions" - not well known to many people, but nevertheless world leaders in their product line.

The Federal States of Schleswig Holstein and Hamburg have their share of "Hidden Champions". IGEP is assisting them in getting more global, e.g. one company specializing in the production and marketing of sensors which is an important product related to the automation industry. Over decades this firm has established a strong reputation for quality products. Its sensors are now a bench mark for quality especially for sensors used in the steel and metallurgy industries. One will be surprised to know that this company is very well known with most of the steel industry in India and with most EPC contractors working in this segment. The company offers a wide variety of products to suit diverse applications. The product range consists of contactless sensors for recording of position, temperature, flow and fill levels. Also application-specific solutions for plant manufacturing and mechanical engineering in addition to steel and rolling mills are offered.

Environmental Friendly Machine Cutting Fluids (Coolants) from Oemeta India

Oemeta India Pvt. Ltd. was formed in 2011 as a subsidiary to Oemeta GmbH to introduce, promote and market their products, namely machine cutting fluids to the Indian market. IGEP Foundation assisted Oemeta GmbH to set up its Indian subsidiary and is presently helping it in establishing and growing its business.

Oemeta is a third-generation family owned and managed company. In the area of water-miscible coolants, Oemeta has steadily grown during the last 90



Dr. Dietrich Kebschull flanked by Mr. Ulf Meyen (Head of International Sales) and Mr. Hinrich Voss (Head of Business Development) in Oemeta India office in Gurgaon

years. Product inventions such as the two-component coolant and multi-function oils have led to lasting improvements and cost savings in the production processes of automotive and metal manufacturing industries. The products are renowned for their high quality and reliability. The focus on water-based cooling lubricants and application expertise has made them a leader in this field. The development process, tailored to the customers' specific requirements, leads to solutions and products that set standards in the metalworking industry. With an international operating network of subsidiaries and approved partners, Oemeta promotes its product and service philosophy to the most important nations.

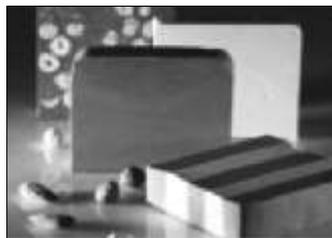
Customers get an extra 'added value' through service and consultancy in all aspects of metal working fluids and associated areas. This has a proven lasting effect on the total cost balance and the reliability of the machining process.

In November 2011, IGEP organized the visit to India of Mr. Hinrich Voss (Head of Business Development) and Mr. Ulf Meyen (Head of International sales) from Oemeta Germany. The first official board meeting of Oemeta India took place on November 7th, 2011 in Oemeta India's office in the Hamburg & Schleswig Holstein Business Centre of IGEP in Gurgaon. The team also visited several machine tools manufacturers as well as companies in the automotive and engineering sectors.

Lubeca Marzipan - German Delicacy from the City of Lübeck

Many of us in India have heard of Swiss chocolates. We are also aware of Germany as a world class chocolate

manufacturer in this field. However, one product that really is the pride of any German dining table is the well known and famous Marzipan. This is made from almond paste and has some resemblance to our own "Badam Barfi". However Marzipan is composed of less sugar and fat. The most famous Marzipan is made in the port town of Lübeck in North Germany by a company called Lubeca. It is the leading manufacturer of marzipan and nougat as well as chocolate couvertures and hazelnut or almond preparations designed for further processing. Lubeca serves customers in more than 40 countries: pastry cooks, chocolatiers, patissiers as well as bakeries and companies producing baked goods and confectionery.



Their traditional methods of production and high standards of quality guarantee an excellent product. The company only uses high quality almonds and they are roasted in copper roasting boilers.



Lubeca prefers to use almonds from plantations in the Mediterranean region for its top products as they have an excellent aroma due to the provenance and the climate.

IGEP Foundation assisted Lubeca in exporting its first consignment to India in 2011. Plans are under way to enhance the interest of Marzipan in India and to offer training and recipes to Indian hotels and catering establishments.

IGEP Assisting German Importer of Eco Friendly Garden Products

Gardening is a major part-time activity with Germans who love to maintain their gardens no matter how big or small. India is a major sourcing destination for German

companies for products such as biodegradable pots based on coir, jute and coco pellets. Many of these companies sell their products through well known retailers in Germany and also participate in major recreational activity trade fairs such as GAFA in Cologne. A team from Germany visited India in January, 2012. IGEP organized meetings with suppliers in Coimbatore and Kolkata which are major centers for products made of coco peat, coir and jute.

C Otto Gehrckens GmbH

C Otto Gehrckens is a manufacturer of 'O' rings. An O ring is an important component that is used in many products and components of machines which gives the German engineering products the reputation of high reliability. C Otto Gehrckens or COG has a tradition dating back to 1867. In the beginning the company was dealing in leather products and in 1956 the changeover took place from leather to rubber. Today COG is a leading supplier of precision O rings. With a view to expand COG's presence in India, IGEP has been assisting this company from Schleswig-Holstein in India through the WTSH Business Centre in Gurgaon. IGEP facilitated the company to identify a distributor in India and helped to organize its visit and training for the engineers of the distributor and IGEP in January, 2012. The team consisting of Mr. Henning Wrage, Marketing Manager and Mr. Michael Krüger, Application Technology Manager, visited India from 21st to 27th January 2012 and organized the training in Thane in Mumbai. The team also visited various potential customers in Mumbai and Delhi.

Aerodyn Energiesysteme GmbH

Everyone today acknowledges that Germany is a world leader in renewable energy technology. Thanks to some highly innovative policies and initiatives of the German government, today nearly 17 % of the electricity consumed in Germany is covered by non-conventional or renewable energy. Schleswig Holstein happens to be in the forefront when it comes to wind energy. Almost 30 % of the electricity generated in this northernmost federal state of Germany comes from on shore and off shore wind turbines. Aerodyn Energiesysteme GmbH, based in Rendsburg, Schleswig Holstein, is a wind energy design company which is a leader in wind rotor design and has done the designs for many important

wind energy companies in the world. Aerodyn is a specialist in the MW class rotor blade design, wind energy turbines and complete systems. Aerodyn, a member of the Schleswig Holstein Business Centre in Gurgaon, is negotiating with several Indian companies for design consultancy for wind energy blade and turbine manufacturing. India is the 5th largest wind energy producer in the world and is currently upgrading its installations from KW to MW class turbines. Aerodyn is expected to play a major role in this process. Mr. Markus Rees, of Aerodyn visited India from 16th to 20th January, 2012 and IGEP helped in facilitating and organizing meetings with companies in Delhi, Vadodara, Mumbai, Hyderabad and Chennai.

LERIG 2012, Chennai

The 46th Leather Research-Industry Get-Together (LERIG) was held in Chennai from 27th to 29th January, 2012. It is a platform for research bodies and companies associated with the leather industry in India. For many years now, they come together and discuss the pertinent issues facing the industry and to evolve strategies to face these challenges. LERIG is the beginning of the now well renowned Leather Fair in Chennai (31st January to 4th February every year). LERIG 2012 focused on the 12th Five Year Plan Period (2012-17) and tried to identify the challenges facing the industry during this plan period.

The BM Das Memorial Lecture is held during LERIG every year. This lecture is held in honor of the first Director of CLRI, Rai Bahudur Prof. Biraj Mohan Das.

It has been a special honour for the IGEP Foundation that this year, its Chairman, Dr. Dietrich Kebschull was invited to give the memorial lecture.

Dr. Kebschull delivered the lecture on Friday, 27 January at the Triple Helix Auditorium, CLRI. He congratulated the Indian leather industry for having maintained its growth momentum despite the volatile international situation. Working with the leather industry in India for 25 years, he recalled how he has been witness to the transformation of the Indian leather industry from being merely exporting leather and footwear uppers to now exporting high value added products such as branded footwear, leather garments and goods. He felt that the Indian leather industry needed to exploit fully its acknowledged potential. He dwelt on the challenges facing the industry especially in regard to its main market, the EU. He stressed the need for product

innovation, market diversification, the adoption of environmental friendly technologies and to ensure social compliance in the leather industry. Without these measures he said, it will be very difficult for India to maintain its market share keeping in view the strong international competition in this sector.

The full transcript of Dr. Kebschull's lecture can be seen in the website of IGEP (www.igep.org)

Hamburg INDIA Week



India Week in Hamburg

To underline the important role of India as a friend and partner of Germany, the Government of Hamburg together with many other institutions is regularly organizing the Hamburg India Week. It takes place in Oct/Nov now every second year. Together with the Hamburg Ministry of Economics, Transport and Innovation (BWVI, formerly BWA), IGEP was among the promoters of this event from the earliest beginning. Also the German India Round Table (GIRT), with which IGEP has firm relations, played a big role in this context.

The inaugural event focused on business with India and on cultural events.

It began with an assessment of the potentials of the Indo-German cooperation as seen by the Lord Mayor of Hamburg, Olaf Scholz. The Indian Ambassador from Berlin and the German Ambassador in Delhi also spoke on the occasion.

One of the highlights was the visit of the Indian environmental activist and winner of the Alternative Nobel Prize, Dr. Vandana Shiva, who gave a speech. Mr. Olaf Scholz also emphasized, in his opening speech that there is great potential for cooperation between Hamburg and India: "In our cooperation with India, I see good prospects especially in renewable energy and the maritime industry. We can expand it in the future."

The India Week witnessed lively presentations, discussions with entrepreneurs as well as opportunities for interaction with economic and environmental experts. Indian art projects, concerts, film series, lectures

and exhibitions were also part of the event.

The presentations and panel discussions on economic and social development of India gave participants an opportunity to discover an entirely new India. The audience response, especially to the wide-ranging cultural programs was overwhelmingly positive and enthusiastic.

On October 18th HWWI and IGEP supported by the Ministry (BWVI) organized a seminar on Food Industry and Food Processing. Dr. Kebschull gave a presentation on "Food Processing Industry: Market Opportunities for India" He highlighted the investment opportunities for German companies in the food processing industry in India and also gave an insight into various policies and initiatives of the Government of India in this context.

Mr. Rajeev Arora, Managing Director of HSIIDC (Haryana State Industrial & Infrastructure Development Corporation) was the Chief Guest during this presentation. He highlighted how HSIIDC, as the nodal agency of Haryana Government is developing support infrastructure such as food parks and cold chains for the food processing industry in the state. He also highlighted several investor friendly policies adopted by the Haryana Government to attract investment in the state. Mr. Arora was later introduced to several organizations in Hamburg and Schleswig Holstein such as BWVI, HWWI, Hamburg Trade Fair and WTSH to pursue cooperation possibilities between Haryana and Hamburg/Schleswig-Holstein. He also visited some companies.

Dr. Kebschull, during the presentation also highlighted possible areas of co-operation between India and Germany in sectors like fruit & vegetables, dairy, meat products, spices, tea, cocoa and coffee, etc. IGEP's role in facilitating Indo-German trade cooperation during the past 25 years was also mentioned in the presentation. The members of HWWI, representatives of various German SMEs and government officials attended the presentation as well as several representatives from the food and food processing sector from Germany. Details of the presentation can be seen on the website of IGEP ().

Another important speaker from India was Mr. Deepak Puri, Co-Chairman, CII National Committee on Renewable Energy and Chairman, Moser Baer India Ltd. He participated as a Keynote Speaker in the India Hamburg Week. He addressed the official opening of the conference on the topic "Current Trends Concerning Business with India" on 17 October, 2011. Mr. Puri also

interacted with the members of the conference and spoke about "Renewable Energy Sector in Hamburg and India", held on 19th October, 2011.

The India Week, this year was dedicated to the "European Green Capital 2011": an award that was recently conferred on Hamburg. More than 12,000 visitors attended over 40 events during the India Week and so underlined the strong relationship between Hamburg and India.

Dr. Kebschull's Participation in Talk Show with NDR Info at the Körberforum during Hamburg India Week

An interesting highlight of the Hamburg India Week was a talk show by the popular Radio and TV Channel NDR Info on the theme – "New East – New Powers: The rise of Asia as an Opportunity" on Oct 18th. The show was organized by NDR in collaboration with Körber Stiftung. Christoph Heinzle of NDR Info was the moderator and spoke with Dr. Kebschull of IGEP Foundation and Dr.





Satyam and IGEP, during the Körper Forum Talk Show with NDR Info during Hamburg India Week

Klaus Gronwald, Country Head Germany, Mahindra Satyam. The talk show proved to be very popular and was a sellout. More than 300 people participated in the meeting. It was heartening to see such enthusiasm among the public for a show focusing on India. Dr. Keschull and Dr. Gronwald, during the interaction with

the enthusiastic audience, fielded a diverse range of questions related to the Indian economy, politics and culture as well as the chances for Germany in the growing Indian economy. Describing India as an enormous opportunity, both highlighted the strategy to be adopted to mitigate risks by German companies in India.

India as Partner Country at Hamburg's Port Birthday

Millions of visitors are expected again. The Hamburg Port, "The Gateway to the World", has its 823rd birthday. This gives reason for a lot of events and shows from 11 – 13 May, 2012 during the biggest port festival in the world. Since its 800th anniversary, the port birthday has become the highlight in the German calendar of festivals. Representatives from many countries will be present for the unique parade of traditional sailing ships and many other events. They will also attend the conferences and other by-programmes.

In 2012 India will be the partner country in this event. A high ranking delegation is under preparation as well as the visit of Indian ships.

For the first time in history, the traditional Hamburg fish market will not take place on Sunday morning. The fish market place will be reserved for a special India show. The partnership underlines the strong ties between Hamburg and India. It will be one more step to further strengthen cooperation, especially in the port and transport sector.

RUGMARK FOUNDATION

Teacher's Day Celebration: 5th September is the birthday of a great teacher Dr. Sarvapalli Radhakrishnan, who was a strong believer in the value of education. He was also a well-known diplomat, scholar and also President of India. On 5th September 2011 Teacher's Day was celebrated at all 6 Rugmark schools and also at Balashrya. Children brought flowers and garlanded their teachers. At first, all the children and teachers offered flowers to Dr. Radhakrishnan's photo. They also gave gifts to their respected teachers. All 6 Rugmark schools and the Balashrya celebrated this day by organizing cultural programmes. Children of



A good teacher is like a candle - it consumes itself to light the way for others.

primary and junior sections performed various programmes with many songs and dances in a festive mood.

Children's Day Celebration: Children's day was celebrated on 14th November at all Rugmark schools and at Balashrya. The date marks the birth anniversary of the legendary freedom fighter and independent India's first Prime Minister – Pandit Jawaharlal Nehru. As a tribute to Nehru and his love for children, Children's Day is celebrated on this day every year.

This day is a reminder to the commitment to the welfare of children and for teaching them to live by their Chacha Nehru's vision and dream. Children's Day is a day for children to engage in fun and frolic. The Rugmark schools held nice cultural programmes for the day. The teachers and children paid a floral tribute and performed songs and dances.. At the Rugmark Cherapur School, children performed Bhojpuri folk dance on song "Hariyali aayi Sawan mein...." and also a dance on the Punjabi song "yahoo-yahoo...." At Balashrya, Devnathpur and Jagapur schools, students performed various competitions like sports and fancy dress competitions.

Scholarship Distribution: Since some years all Rugmark schools are recognized by the Indian Government's Basic Education Department, Children are entitled to get scholarships from the Government's Social Welfare Department. All Rugmark schools therefore send their list of eligible students to the Government department every year. Scholarships are distributed to children under the supervision of village

pradhan. In the process of the distribution, Scheduled Tribes (ST), Scheduled Castes (SC), Other Backward Castes (OBC) and minority category students get priority. Primary section (Class I to V) students get Rs. 300 per year and junior section students (Class VI to VIII) get Rs. 480 per year.

Deprived Students Admitted in Rehabilitation Centre (Balashrya): Thanks to the cooperative spirit of nearly all manufacturers and buyers and because of ongoing controls, child labour in the carpet industry may be soon a story of the past. However, poverty is still there, especially since orders from western countries are going down because of their difficult economic situation. So the children's home Balashrya still gets time and again new students.

In the month of September 2011, eleven deprived children were admitted to the Balashrya Centre on the request of their guardians, who are very poor carpet weavers from Bihar and cannot afford to bring up the children. Without Rugmark they would be in a terrible situation.

Mr. Norbert Goss in India

The head of the foreign Investment department of WTSH (Business Development & Technology Transfer Corporation of Schleswig Holstein), Kiel, Germany, visited India in the first week of November 2011.



Mr. Norbert Goss, head of foreign investment, with IGEP's Mrs. Sharda Subramaniam in Moradabad

WTSH, based in Kiel, is the regional development agency for the federal state of Schleswig-Holstein. The northernmost state of Germany is a center for services and technology, with an excellent infrastructure and with the port city of Hamburg in its vicinity. Its unique location makes it the gateway to North, East and West Europe.

The purpose of his visit was to inform Indian companies about the opportunity to set up a company, an office or a warehouse in Schleswig Holstein. This is especially beneficial for Indian SMEs because of the good location and rates which are very economical for their budgets. IGEP organized various meetings with a number of companies in Moradabad, Delhi and Panipat and assisted in further discussions and negotiations.



Mr. Jakob Arretz (right) and Mr. Sanjeev Mishra (left) with an exporter at the IGEP Information Booth.

India Carpet Expo—Varanasi 2011

The India Carpet Expo - Varanasi - 2011 was organized by the Carpet Council under the aegis of Ministry of Commerce, Govt. of India from 15th to 18th October, 2011. Smt. Panabaaka Lakshmi, Minister of State for Textiles, Ministry of Textiles, Government of India inaugurated the four days fair.

She said that the India Carpet Expo has established itself as sourcing platform for buyers from all over the world and generates new business opportunities for



From Left to Right: Mrs. Haub, Tengelmann Group, Mrs. Sharda Subramaniam (Director) and Mr. Jakob Arretz at the IGEP Information Booth.



Smt. Panabaaka Lakshmi, Minister of State for Textiles, Ministry of Textiles, Government of India at the Carpet Expo in Varanasi.

the participating manufacturer-exporters on a large scale.

The Carpet sector is experiencing a change now. Carpet exporters have set up units for bulk production and quality control for their overseas markets. Hand-knotted carpets are more and more giving way to high fashion decorative items. IGEP provides all possible assistance in this context also through its Rugmark Initiative to inform about the possibilities for cooperation and sustainable business. It therefore had an information booth at the fair which was always well attended by Indians as well as by foreigners.

IGEP Foundation & Caritas India Sign MoU on Training & Development

The IGEP Foundation, on behalf of Interessengemeinschaft Natursteine e.V.-IGN (An association for the import of natural stones from Latin America, Asia and Africa but especially from South India) signed a Memorandum of Understanding with Caritas India, an organization involved in humanitarian and development work. It is an agreement about cooperation in the field of training and education of young Indians from rural areas around the stone quarries. Major emphasis is given to vocational training courses in trades with promising prospects. The target group consists of children and adolescents from the weaker sections of society in the natural stone regions of South India. The courses are run in Krishnagiri (Tamil Nadu) for computer work, book keeping, car driving and repair of electrical appliances. More courses also in other trades are to follow.

Round Table on Social Compliance in India

The Business Social Compliance Initiative (BSCI), in collaboration with the Southern India Chamber of Commerce and Industry (SICCI), had organized a round table with representatives of the industry, NGOs and trade unions on 22nd December 2011 at the premises of the SICCI in Chennai. The topic was "US Dollar and Euro Crisis! – Can Social Compliance and BSCI Audits Rescue India's Export Business"?

Dr. Dietrich Kobschull, who represents with IGEP the BSCI in India, was the organizer and moderator. Mr. M. Rafeeqe Ahmed, Chairman, Council for Leather Exports and Chairman of Farida Group of Companies was the Chief Guest. Mr. Veeramani, Head of GEM Group and Past President of SICCI was the Guest of Honour. A. Sahasranaman, IAS (Rtd), Member, UNIDO Leather Panel, commenced and conducted the discussion.

In his welcome address, Dr. Kobschull gave a

background of the BSCI and the purpose of the Round Table. BSCI is part of the Foreign Trade Association based in Brussels. The basic objective of BSCI is to ensure that the EU importers deal with such exporters worldwide who conform to essential minimum social and environmental standards.

Dwelling on the topic of the Round Table, Dr. Kobschull drew the attention of the participants to the twin developments of crisis faced by the Euro and the US Dollar and some tendencies towards protectionism through technical and non-tariff barriers exhibited by the US and the EU with the ostensible purpose of protecting their jobs.

He felt that though the developed countries always talked about barrier-free global trade, when their personal interests demanded, they did not hesitate to resort to restrictions. In any case, keeping in view the economic situation in the developed countries of the west, 2012 is definitely going to be a tough year, with demand for various export products from developing countries contracting.

IGEP has been helping the consistent growth of Indo-German trade and improving the image of the Indian exporters not only in Germany but all over Europe. Initiatives like introduction of Rugmark for carpets certifying non use of child labour have helped the industry in this regard. Now, BSCI seeks to be a service organization, available always for exporters of the country to help them conform to essential minimum standards and protecting their image against unjust adverse publicity. He mentioned that BSCI was open to new ideas and suggestions.

Inaugurating the event, Mr. A. Sahasranaman referred to the uncertain global trade environment due to the crisis faced by the US and the EU economies. On the one hand depreciation of the rupee against the Dollar and the Euro may be deemed advantageous by the exporters because each dollar earned by them fetched more rupees. However, with the import bill ballooning, the inevitable impact on inflation cannot be overlooked. It could lead to an overall high cost economy. Cost pull inflation is a possibility. On top of the various global pressures, he referred to the leather industry of Tamil Nadu which has been subject to the

stringent environment regulations requiring heavy capital and operational costs. He said that whatever help BSCI can give to the export sector must be taken advantage of.

Mr. Rafeeqe Ahmed, Chief Guest, in his address, referred to the tremendous progress made by the export sector in the country. He felt that in terms of compliance with social and environmental conditions, most industries have become compliant. He however felt that in the current global situation there is a serious danger of supply outstripping demand for various products.

Mr. R. Veeramani, Chairman, Gem Granites, said that as long as India was an exporter of raw materials no one bothered about the social conditions etc, but the moment the country started exporting value added products, all such demands have cropped up. He hoped that one day India will become so strong that it could export products with its own Indian social and environmental standards and logo.

An intensive discussion took place hereafter. A major point discussed was how can BSCI help the leather industry, especially the tanning sector, which still has an unorganized sector, to become compliant? Other points regarding problems with customs department regarding norms for export of leather and the cost of BSCI audit and its validity period were also discussed. Also the mutual acceptability of the BSCI certification in practice was questioned. And much time was spent on the alleged "bonded labour" in the spinning sector as well as on the closing down of dying units in the textile regions of Tamil Nadu because of their negative environmental impact.

Responding to the various points made and queries raised, it was pointed out that the BSCI norms were compliant with the national laws. Exporters have to comply with the social conditions imposed by the buyers if they wish to remain in export business. For all other questions a follow up will be done by IGEP and SICCI to run exports smoothly and without permanent accusations from outside.

The Round Table provided an excellent opportunity for the industry to interact with BSCI and obtain

clarifications for many procedural matters. SICCI offered to work with IGEP and BSCI in propagating the BSCI concept amongst exporters in South India.

Annual BSCI Conference in Brussels

Dr. Dietrich Kebschull attended the Foreign Trade Association (FTA) General Assembly and BSCI Annual Conference in Brussels from 5th-7th of October 2011. This Conference gathered over 200 BSCI participants and stakeholders from across the world under the theme "Unite, Share, Progress"

This year has been a time of progress for BSCI, having restructured itself under the Foreign Trade Association (FTA). The conference followed the FTA General Assembly on 5 October which discussed FTA activities including the 2012 Action Plan and the financial outlook.

Ms. Sally Uren, Deputy Chief Executive of Forum for the Future gave participants a glimpse of how our world could look in 2020 and how businesses could influence these scenarios. Her presentation put our daily lives and business operations into the bigger picture, showing that the way we currently live is not sustainable and there is a great need for a new business model. Through collaborating we are able to create synergies in order to achieve sustainable progress. BSCI unites its participants towards a common goal; to improve working conditions in supply chains, and through this platform we can be part of the driver towards change.

The breakout sessions brought a strong dynamic to the BSCI conference, giving participants an opportunity to join specific discussions such as eliminating child labour, reducing excessive overtime, building synergies, implementing BSCI and communicating social commitments. Expert speakers, including BSCI participants and external professionals shared their opinions and gave the floor to the audience to hear their views.

The Little Keb Schools at Jharkhand and Delhi



Note Book Distribution in Rugmark School



Teachers Day Celebration in Rugmark School



Notice Board of The Little Keb School



Antakshari Competition in Jharkhand



Speech Competition in The Little Keb School



Villagers' Participation in School Events

Students Performing Different Cultural Activities in front of Guest



Children's Day Celebration in Little Keb School



with Dances and Joy



and with guests



also the Little Ones



are not shy



all are involved in playing