



सत्यमेव जयते

## **BUSINESS NEWSLETTER – NOVEMBER 2017**

### **Consulate General of India Frankfurt, Germany**

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#### **Significant Economic Trends between India & the four German States under the jurisdiction of Consulate General of India Frankfurt**

The growth trend for the overall trade between India and Germany for the month of September 2017 remained positively stable in comparison to the last month. The Bilateral Trade between India and the four States falling under the jurisdiction of this Post witnessed an overall rise by 7.74% in the period of Jan-September 2017 (€ 5155.25) as compared to Jan-July 2016 (€ 4784.50).

The total bilateral trade between North Rhine-Westphalia and India in Jan-September 2017 witnessed an increase by 23.90% in comparison to the same period in 2016 and was € 3419.30 million; total bilateral trade between Hesse and India increased by 6.49% and was € 928.50 million; the total bilateral trade between Rhineland-Palatinate and India increased by 4.76% and was € 681.23 million; & the total bilateral trade between Saarland and India, increased by 0.88 % and was € 126.23 million. The State of North Rhine Westphalia accounted for 23.9% of the total trade between India and Germany.

The total volume of trade between the two countries stood at € 14,308,376 m in Jan-September 2017 as compared to € 13,053.509 m in Jan-September 2016. The overall trade increased by 9.61% during this period. Indian exports to Germany during this time increased by 11.17% whilst Indian imports from Germany also experienced an increase by 8.36%. The four states falling under the jurisdiction of CGI accounted for 36.03% of the total trade between India and Germany in Jan-September 2017.

#### **Major Collaborations and Investments: India and Northrhine Westphalia, Hesse, Rhineland Palatinate & Saarland**

- North Rhine Westphalia (NRW):

- **The Veka Group** has entered into a joint venture with the Indian company NCL. With this, the Sendenhorster company from Northrhine Westphalia wants to further diversify its product and service portfolio and gear it even more towards Indian market requirements. The Veka Group has acquired a controlling interest in NCL Wintech Ltd, a subsidiary of India-based NCL Group. "With the acquisition of the shares, the Veka Group, which has been represented in the Indian market since 2003 with its subsidiary VekaIndia, is further expanding its established market position," the company announces. Veka and NCL want to shape the joint venture's future strategy together and operate as an operationally independent entity
- With the agriculture sector using technology in a big way, German agriculture machinery and equipment manufacturer **CLAAS Agricultural Machinery** sees great potential in the farm equipment sector in India. The company, part of German Agriculture Alliance, recently signed pacts with Telangana and Andhra Pradesh governments to distribute forage harvesters to farmers in the two states. Forage harvesters are used in cutting maize crop and preparing fodder for cattle. Using these farm equipment can boost dairy output to a great extent, according to Mrityunjaya Singh, Managing Director of CLAAS Agricultural Machinery.
- Hesse
- Germany's **Leica Camera** opens its first store in India. Leica is also known for being the maker of the world's most expensive camera—in May 2012, a Leica O-series camera made in 1923 sold for €2.1 million, or about Rs16 crore at today's exchange rate. In India, professional Leicas will cost up to Rs40 lakh while its 'fun cameras' will be available for Rs 25,000. The cost of a customized or a la carte Leica could go up to any extent. Leica, primarily known for its lenses, is among cameras preferred by professional photographers as well as dedicated amateurs.
- Rhineland Palatinate
- **BASF SE** (Ludwigshafen) intends to expand its capacity for the microcellular specialty polyurethane "Cellasto" in order to meet the growing demand, especially from the automotive industry in Southeast Asia. For this purpose, a new production line will be set up at the Indian site in Dahej (Gujarat). At the same time, the previous TPU production in Dahej is to be discontinued.

### Trade Fairs in the month of October in the jurisdiction of CGI Frankfurt

#### 1. **Medica 2017 International Trade Fair with Congress / World Forum for Medicine & Compamed 2017 International Trade Fair High Tech Solutions for Medical Technology, Düsseldorf**

- Major participants:
  - India Trade Promotion Organisation (ITPO)

**Outcome:**

MEDICA is the world's largest medical trade fair for medical technology, electromedical equipment, laboratory equipment, diagnostics and pharmaceuticals which is held annually in mid-November. MEDICA was established in 1968 as a local fair for medical supplies and equipment. In the following years the fair evolved into the world's largest medical trade fair. Since 1992, the fair is held parallel to the COMPAMED Fair on the Düsseldorf Fair grounds, however in different halls.

MEDICA 2017 served as a presentation platform for more than 5,100 exhibitors from 70 countries in 17 halls. COMPAMED - a leading event for the supplier market in medical technology manufacturing - was held parallel to MEDICA for the 26<sup>th</sup> time. In two halls, 800 exhibitors from 35 countries presented everything from components and materials to comprehensive service provision for the medical technology industry. MEDICA and COMPAMED attracted a total of 123,500 visitors out of which more than 60 % were international visitors, particularly from China, India, Nepal and Colombia along with visitor groups from the most important markets for medical technology in Europe who have attended for many years.

The Indian Trade Promotion Organization (ITPO) coordinated the Indian participation in MEDICA 2017 again. India's participation in the trade fair is growing year by year. **In 2017, 42 Indian companies** participated in the event under ITPO's banner in the following sections of the fair: Electromedical Equipment/Medical Technology, Commodities and Consumer Goods, Laboratory Equipment/Diagnostics, Physiotherapy / Orthopaedics Technology. In total 118 Indian companies participated in the Medica/Compamed Trade Fair 2017.

## **2. Food Ingredients Europe Frankfurt 2017: International Exhibition & Conference on Food Ingredients, Product Development & Quality Control, Frankfurt**

Major participants:

- Spices Board

### **Outcome:**

Launched in Utrecht (Netherlands) in 1986, the International Trade Fair and Conference on Food Ingredients, Product Development and Quality Control is taking place biennially at rotating locations within Europe (France, U.K., Germany). The fair is held concurrently with the Natural Ingredients Europe (Ni) fair. The trade fair showcases every conceivable food and beverage ingredient sourced from all over the world, including a vast range of functional and organic raw ingredients and will present state-of-the-art innovations as well as current food and beverage trends and developments to the visitors.

**In total 51 Indian exhibitors participated in the Fi Europe 2017 fair.** The Spices Board repeated its participation in the Fi Europe Fair. 12 exhibitors participated under the banner of the Spices Board. The Board uses each edition of the fair to give some new small-scale companies the opportunity to participate in an international trade fair, so that they can explore the international market. The Board also supports their member companies by providing assistance in obtaining quality assurance labels which are a prerequisite for international trade.

## Trade Enquiries

CGI Frankfurt received enquiries of Indian companies requesting us for export promotion for the following products in the month of November 2017:

- Agro Products such as Spices, Onion & Garlic Products, Rice, Raisin, Oilseeds, Mushrooms
- Footwear
- Fasteners
- Electro Medical Devices
- Hair (human)

We have sent relevant lists of German importers to the Indian companies.

## Growth of German Economy in the month of November 2017:

The German economy shifted into a higher gear in the third quarter, surpassing market analysts' expectations, according to preliminary data released by the Federal Statistics Office (Destatis) on 14 November. In the third quarter, GDP rose a seasonally-, calendar- and price-adjusted 0.8% over the prior quarter. The print is up from the 0.6% expansion clocked in Q2. Data showed that the German economy powered ahead on the back of solid trade and investment, which did the heavy lifting in the third quarter. Fixed investment in machinery and equipment performed especially well; fixed investment is likely to continue performing robustly through year-end.

Additionally, German business confidence increased from 116.7 points in October to 117.5 points in November, beating market expectations and setting a record in the history of the survey. The result came on the back of significantly more optimistic views on business expectations. It should be noted, however, that most respondents were polled before the so-called Jamaica coalition talks failed on 19 November.

The German government expects economic activity to increase 1.90% in 2018.

(Source: [www.focus-economics.com](http://www.focus-economics.com))

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