QUARTERLY NEWSLETTER · Q3 2026

At a Changing Global Crossroads

Indian stone, global trade, sustainability and certification: what changed this quarter, and what it means for buyers and exporters.

Q3 2026
July – September 2026 · India

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At a Changing Global Crossroads

Over the past twelve months, the variables that most directly determine whether an Indian stone consignment reaches an international buyer profitably have had very little to do with geology.

Editor's Note

For most of its modern history, the Indian stone industry has been described in geological terms. The granite belts of Karnataka, Tamil Nadu, Andhra Pradesh and Telangana; the marble districts of Rajasthan; the sandstone of the north and west. Resource endowment was the story, and processing capability was the competitive edge built on top of it.

That description is no longer sufficient. Over the past twelve months, the variables that most directly determine whether an Indian stone consignment reaches an international buyer profitably have had very little to do with geology. A safeguard tariff signed in Washington on 31 July 2026. A carbon border mechanism that entered its definitive phase in Brussels on 1 January 2026. A joint ministerial statement adopted in New Delhi on 18 August 2026. Freight and quota timing. Audit evidence a buyer can place in front of its own compliance department.

This edition examines that shift across five sections: the market, the trade environment, the sustainability and certification architecture now attached to market access, a reflection on leadership drawn from public administration, and the social work carried out under the Rugmark Foundation

The intent throughout is to be accurate rather than promotional, and to be useful to readers who have to make commercial decisions on the basis of what follows. Tariffs affect pricing and market choices; sustainability requirements influence documentation and due diligence; certification provides evidence that can support buyer confidence; and changes in international trade policy can reshape established commercial relationships.

IN THIS EDITION

Five Sections

The market
Domestic growth, export contraction

The trade environment
Tariffs, quotas and WTO consultations

Sustainability and certification
CBAM, ISES 2020 and due diligence

Leadership
Reflections from public administration

Social work
The Rugmark Foundation and its impact

Indian Stone: Between Opportunity and Uncertainty

The domestic market for stone is expanding while the export market has contracted for three consecutive years. Understanding why those two lines diverged is the most useful thing an exporter can do this quarter.

India's position in natural stone rests on an unusually broad resource base. Indian Bureau of Mines assessments place Rajasthan and Karnataka at roughly twenty per cent each of the country's assessed granite resources, with Jharkhand and Gujarat also holding substantial reserves. Marble is concentrated in Rajasthan, where Kishangarh in Ajmer functions as the sourcing and processing backbone of the trade. Sandstone remains a northern and western specialty. Taken together with China, India accounts for a significant share of world natural stone production, and the two countries have supplied the global market at scale since the 1970s.

The more interesting development is that the domestic and export markets have recently moved in opposite directions. Industry estimates put the Indian natural stone market at approximately USD 5.2 billion in 2025, with forecasts of growth in the region of 6.5 per cent annually through 2032, supported by premium housing, renovation, hospitality and public infrastructure demand. Exports followed a different trajectory: natural stone exports peaked at roughly USD 2.38 billion in 2021–22 and then declined across three successive fiscal years.

The value-addition advantage is real — and measurable

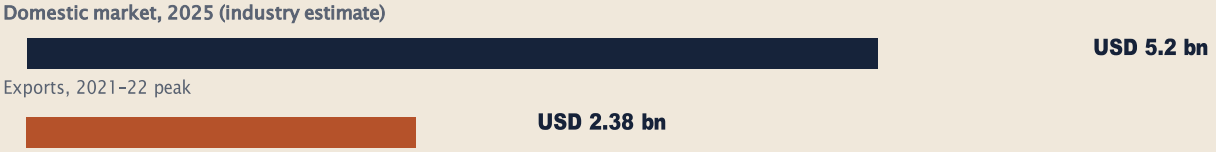
The divergence matters because it points to where the industry's resilience actually sits. India does not principally export rock; it exports processed surfaces. In granite, polished product accounts for the overwhelming majority of export value, while raw and crude blocks account for only a small fraction. That ratio is the single most important structural fact about the sector. It means Indian suppliers capture the cutting, calibrating and finishing margin rather than surrendering it to processors in the destination market.

Why a shipment is not simply a product

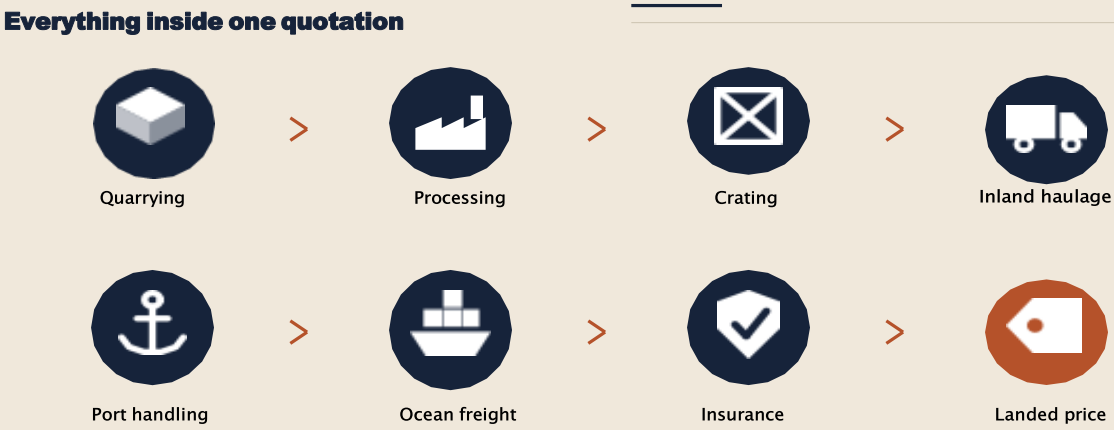
For an exporter, the economics of a consignment are decided long after the quarry. Quarrying cost, processing yield, breakage, crating, inland haulage, port handling, ocean freight, insurance, currency movement and the final landed price in the destination market all sit inside a single quotation. Because margins on commodity-grade material are thin, a movement in any one of those inputs can convert a viable order into an unviable one. Exporters who price on a delivered basis without modelling freight and duty sensitivity are effectively underwriting risks they have not measured.

CHART

Two markets, two directions



Domestic demand is forecast to grow about 6.5 % a year through 2032, while exports have fallen for three consecutive fiscal years since their peak. The two figures cover different years and are not like-for-like.



Currency movement also sits inside the price. A shift in any one step can turn a viable order into an unviable one.

The buyer has changed the question

Technical qualification has become more demanding and more explicit. North American specifications increasingly cite ASTM C615 for granite, C568 for limestone and C503 for marble; European projects require CE marking supported by EN 12372, EN 1936 and EN 13755 testing. Beyond the laboratory, buyers, particularly European ones now ask for traceability from quarry to finished slab, and premium projects may request chain-of-custody documentation addressing child labour and mining legality. These are procurement conditions, not courtesies.

A warning shot worth reading carefully

The United States safeguard measure on quartz surface products, effective 15 August 2026, is often cited as evidence of risk to the stone sector. The comparison should be made precisely. Engineered quartz is a manufactured product and is not natural stone, so the measure does not apply to granite or marble. But it demonstrates something that does apply: market access can be altered by an administrative process in a capital city, on a timeline the exporter does not control, after the investment in plant and buyer relationships has already been made.

The strategic response is not complicated to state, though it is demanding to execute. Diversify destination markets so that no single jurisdiction can determine the viability of the business. Continue moving up the value chain, because finished and installation-ready products are harder to substitute than blocks. And invest in the documentary systems, testing, traceability, social and environmental audit, that increasingly decide which suppliers survive a buyer's shortlist. India's combination of geological diversity, processing capability, skilled workforce, and technical expertise gives it a strong foundation for global markets.

For manufacturers, this creates an opportunity to use domestic demand and exports as complementary rather than competing channels. Product lines can be adapted to different market requirements, while investments in cutting, finishing, testing and quality control can serve both. The companies best positioned for the next phase may therefore be those that are able to operate across markets without treating either one as a substitute for the other.

The broader lesson is that the Indian stone industry is moving from a resource-led model towards a market-and-compliance-led model. The stone itself remains the foundation, but increasingly it is the ability to process, certify, document and deliver that determines how much commercial value can be extracted from it.

For exporters, this makes the current divergence worth watching closely. Domestic growth provides evidence of continuing underlying demand for natural stone, while the export contraction highlights the pressures that arise once Indian products enter a more competitive and regulated international environment. Understanding the difference between those two markets is essential to understanding where the industry's next opportunities may lie.

> *India does not principally export rock; it exports processed surfaces.*

Sources Indian Bureau of Mines resource assessments; Ken Research, India Natural Stone Market (2026); Indian trade statistics; ASTM and EN product standards.

Global Trade Barriers: When Market Access Becomes a Moving Target

The border is no longer a line on a map. It is a regulatory system and the quartz safeguard shows how quickly that system can move.

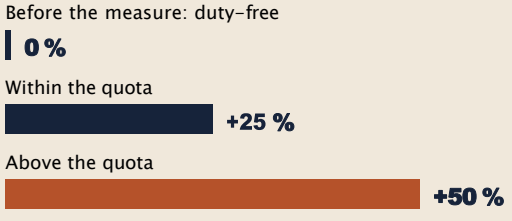
On 31 July 2026, the President of the United States signed a proclamation imposing a tariff-rate quota on imports of quartz surface products. The measure took effect on 15 August 2026 and is scheduled to run for four years, until 14 August 2030. It followed a US International Trade Commission determination in April 2026 that rising imports had caused serious injury to domestic producers, an investigation notified to the WTO the preceding December.

The mechanics matter more than the headline rate

The measure is a tariff-rate quota rather than a flat tariff, and the distinction has operational consequences. In the first year the United States applies a global quota of approximately 13.006 million square meters, divided into four quarterly allocations. Imports entering within the quota attract an additional 25 per cent duty; shipments above it face 50 per cent. Quartz countertop slabs that previously entered duty-free therefore now face 25 to 50 per cent. Covered glass products, already subject to a 5 per cent tariff, face a combined 30 to 55 per cent. Anti-dumping and countervailing duties may be applied on top. Rates are scheduled to decline by roughly one percentage point a year across the four-year term.

CHART

Additional US duty on quartz slabs, year one



Rates decline by about one percentage point a year, and anti-dumping or countervailing duties may apply on top. Granite and marble are not covered.

India has not been granted a country-specific allocation and must compete with other covered suppliers for quota access. Canada, Mexico, Australia, South Korea, Singapore and several smaller developing-country suppliers are exempt. Because the quota is allocated quarterly and consumed on a first-arrival basis, the timing of a shipment can determine whether it clears at 25 per cent or 50 per cent, a scheduling variable that now sits directly on the commercial spreadsheet.

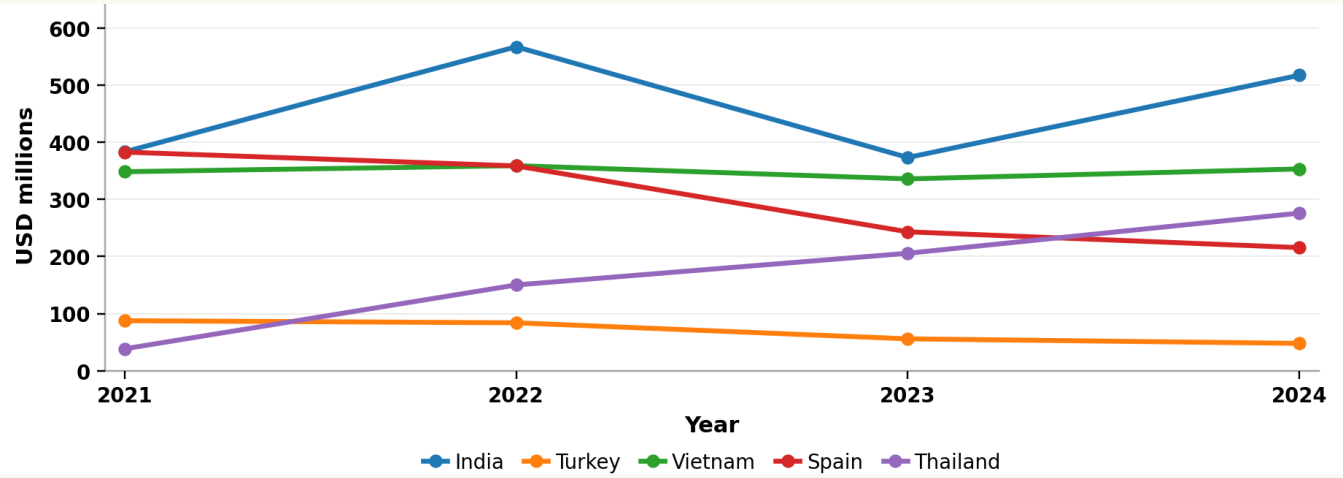
India's response at the WTO

India submitted a request for consultations under the WTO Agreement on Safeguards on 14 August 2026, one day before the measure took effect. Under WTO procedure the United States is required to respond within thirty days; if the matter is unresolved after sixty days, India may request the establishment of a panel. New Delhi's case rests on two arguments: that Washington has not adequately established a causal link between import growth and serious injury, and that Agreement on Safeguards provisions can exempt developing countries whose individual import share remains below three per cent.

Realism is warranted about the likely pace of relief. India has previously sought consultations with the United States over measures affecting steel and aluminum, automobiles and auto components, and copper; in those instances, Washington declined, arguing the measures were not safeguards within the meaning of the Agreement.

The Quartz Safeguard

Dec 2025	Investigation notified to the WTO
Apr 20 26	USITC finds serious injury
31 Jul 2026	Proclamation signed
14 Aug 2026	India requests WTO consultation
15 Aug 2026	Tariff-rate quota takes effect
14 Aug 2030	Scheduled end of the measure



US imports of quartz surface products, 2021-2024

Sources: USITC, Publication 5691, December 2025

The exposure is concentrated, and that is the lesson

Reported figures place Indian quartz surface exports to the United States in the region of USD 380 million annually, against an industry that has been described as substantially dependent on that single market. Where a sector is that concentrated, a single administrative proclamation is capable of altering its economics within a fortnight. The immediate concern is cost. The more consequential concern is predictability: machinery, employment, buyer relationships and supply chains are all committed on the assumption of reasonably stable access, and those commitments do not unwind when the tariff schedule changes.

What preparedness looks like in practice

Exporters cannot forecast the next measure, but they can reduce their vulnerability to it. That means monitoring investigation notices rather than waiting for proclamations, since the USITC process was visible for eight months before the duty was collected. It means maintaining accurate tariff classification, because scope definitions decide who is covered. It means modelling landed cost under multiple duty scenarios before quoting. Exporters cannot predict the next trade measure, but they can reduce their exposure to it. That means monitoring investigations before they become duties, maintaining accurate tariff classification and origin documentation, and modelling landed costs under different duty scenarios before quoting. And it means treating market diversification as an ongoing discipline rather than a crisis response, the time to develop an alternative market is while the primary one is still working.

The more strategic response is to diversify markets while the US market remains accessible. Developing customers in Europe, the Middle East and Asia can reduce dependence on a single destination, while investment in differentiated and higher-value products can reduce exposure to price competition.

For Indian quartz suppliers, the US should therefore be viewed not as a market to abandon, but as one component of a broader export strategy. The companies that combine established US relationships with new markets, efficient production and stronger compliance systems will have greater room to adapt as trade conditions change.

The quartz safeguard therefore deserves attention even from businesses that do not export quartz surfaces. It demonstrates how quickly an established trade route can acquire a new cost structure through a regulatory decision. For the natural stone sector, the implication is clear: market access must now be monitored with the same discipline traditionally applied to production costs, freight and buyer demand.

In a changing trade environment, the exporter is not only selling a product across a border. The exporter is navigating the rules that determine whether that product can cross the border competitively in the first place.

A wider lesson for the stone industry

The quartz case is also a reminder that today's trade barriers are rarely limited to a single tariff number. The quartz safeguard is therefore more than a tariff story. It is a test of how Indian suppliers respond when a major export market becomes more expensive and less predictable. The immediate pressure will be on margins and pricing, but the longer-term opportunity lies in diversification, higher-value products and stronger supply-chain resilience. India has already built a substantial quartz-processing and export base; the next phase will depend on how effectively that base can serve the US while developing a wider set of international markets.

> ***The consultation mechanism is a necessary formal step, not a fast remedy.***

TRADE

India’s Trade in Q3 2026: Export Momentum Meets a More Demanding

Merchandise exports rose sharply year-on-year, but the import bill remained substantially higher. The quarter’s figures underline why market access, cost planning and diversification matter as much as demand.

A stronger export quarter — with a persistent gap

India’s merchandise exports totaled US$132.45 billion in July–September 2026, up from US$107.80 billion in the same quarter of 2025 — growth of approximately 22.9 per cent. Imports also increased, reaching US$221.50 billion against US$195.90 billion a year earlier, a rise of around 13.1 per cent.

The merchandise trade deficit for the quarter was therefore about US$89.05 billion, compared with US$88.10 billion in Q3 2025. These quarterly totals are calculated by adding the Government of India’s monthly figures for July, August and September.

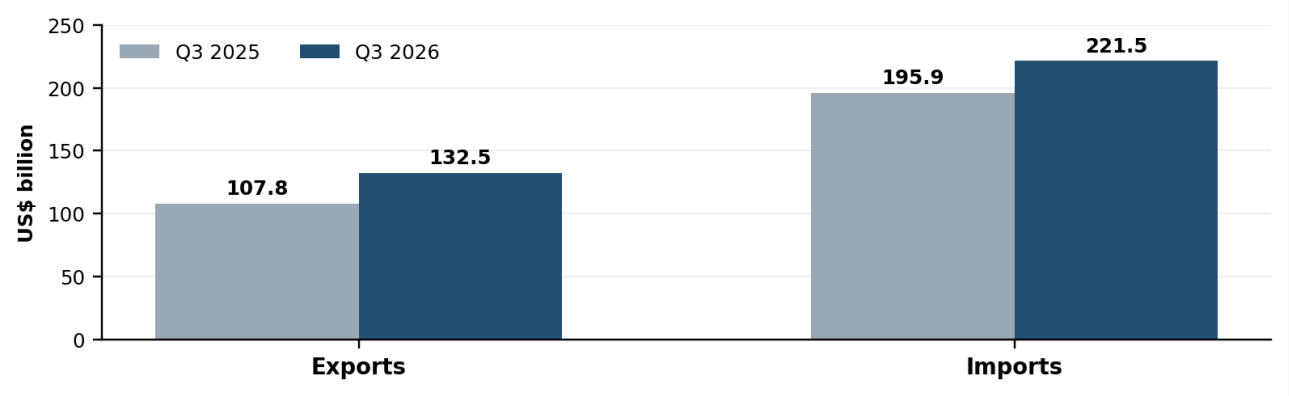


FIGURE 1 | Merchandise trade, July–September (US$ billion). Source: Ministry of Commerce & Industry / Press Information Bureau monthly releases; quarterly totals calculated from monthly data.

What is driving the increase?

September provided a strong finish to the quarter. Merchandise exports reached US$44.40 billion, compared with US$36.08 billion in September 2025. The government’s release identified electronics, petroleum products, organic and inorganic chemicals, engineering goods, and cotton yarn and textile products among the leading contributors to export growth. Electronics exports rose 70.4 per cent year-on-year to US$5.31 billion; engineering goods increased 20.9 per cent to US$12.17 billion; and petroleum products rose 31.9 per cent to US$6.22 billion.

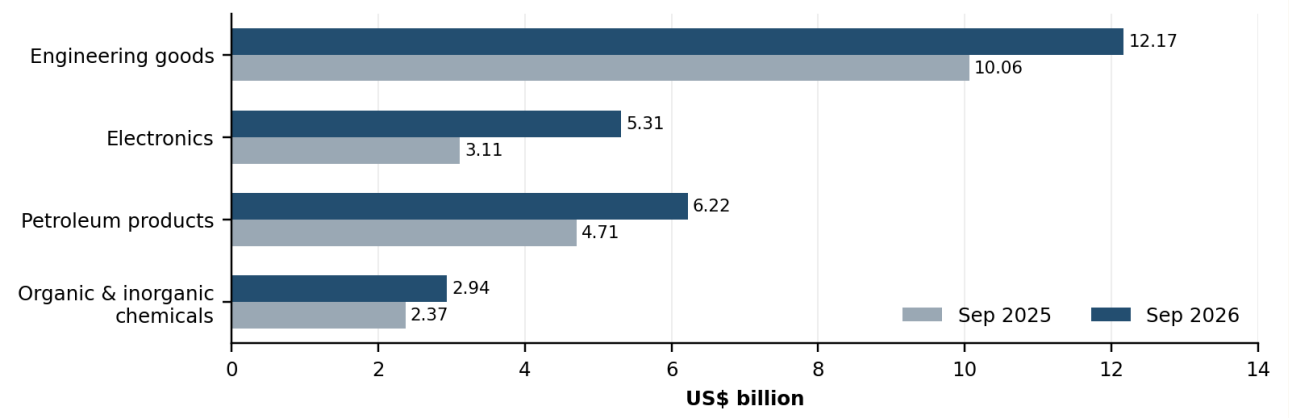


FIGURE 2 | Selected merchandise export sectors in September 2025 and September 2026 (US$ billion). Source: Government of India, Ministry of Commerce & Industry, September 2026 trade release.

The trade balance: why the import side matters

Imports rose to US$74.61 billion in September, from US$69.08 billion a year earlier. The monthly merchandise deficit was US$30.21 billion — narrower than the approximately US$33.00 billion recorded in September 2025, but wider than August 2026's US$26.86 billion. The distinction matters: export performance improved year-on-year, while the month-to-month balance remained sensitive to the scale and timing of imports.

Not every increase in imports signals a weakness. Energy, machinery and intermediate goods can support domestic manufacturing and export production. For businesses, the more useful questions are what is being imported, how its price is moving, and whether the resulting products can compete profitably in overseas markets. A trade deficit is an aggregate indicator; individual firms still need to assess product-level costs, value addition and destination-market demand.

From national figures to business decisions

For exporters, this makes market diversification a continuing commercial discipline rather than a response to a sudden disruption. Dependence on a small number of buyers or destinations can expose a business to policy changes and demand shocks. Maintaining accurate tariff classification and origin documents, monitoring regulatory developments and modelling landed costs under different scenarios can improve decision-making before a contract is signed.

Importers face a corresponding task: evaluating suppliers not only on quoted price, but also on reliability, compliance, lead times and total delivered cost. Where a company is entering a new market or sourcing from a new country, a structured assessment of standards, documentation and logistics can reduce the risk of delays or unexpected costs.

Looking ahead

Q3 2026 shows a strong rise in merchandise exports, led by several manufacturing and industrial categories, alongside a merchandise deficit that remains substantial. The wider lesson for international trade is that growth and resilience are not the same thing. Businesses must convert demand into sustainable orders by understanding the rules and costs that govern market access, building alternatives into their sourcing and sales strategies, and making decisions on the basis of reliable, current data.

For IGEP Consult, the quarter reinforces the value of combining trade-data analysis with practical market knowledge: identifying opportunities is only the first step; assessing their commercial feasibility is what allows businesses to act on them.

Looking ahead, the direction of India's trade will depend not only on sustaining export growth but also on how effectively businesses adapt to shifting international market conditions. Greater attention to emerging demand, changing trade regulations and market-specific requirements will be important in identifying opportunities that are commercially viable over the long term.

The quarter's export growth is encouraging, but headline figures do not guarantee that every sector or exporter has benefited equally. Exchange-rate movements, freight costs, tariffs, product standards and certification requirements can all change the economics of a shipment. A quotation that appears competitive at the factory gate may become unviable once duties, inland transport, insurance, port handling and delivery costs are included.

Sources and methodology

Government of India, Ministry of Commerce & Industry / Press Information Bureau: July 2026 foreign trade release (13 August 2026); August 2026 release (15 September 2026); September 2026 release (15 October 2026). Q3 merchandise totals are calculated by summing the monthly figures reported in the releases. September services data in the official release are estimates; this article focuses on merchandise trade to avoid mixing estimated service figures into the quarterly comparison.

Official releases:
https://www.pib.gov.in/PressReleseDetailm.aspx?PRID=2298878 |
https://www.pib.gov.in/PressReleasePage.aspx?PRID=2310636 |
https://www.pib.gov.in/PressReleseDetailm.aspx?PRID=2323

The EU Carbon Rules: Climate Policy Becomes Trade Policy

Natural stone is not covered by CBAM. Indian exporters should still understand it, because the mechanism establishes a principle that will not stay inside six sectors.

The European Union's Carbon Border Adjustment Mechanism, established by Regulation (EU) 2023/956, completed its transitional reporting phase on 31 December 2025 and entered its definitive regime on 1 January 2026. From that date the mechanism ceased to be a reporting exercise and became a financial one: authorized CBAM declarants must purchase and surrender certificates corresponding to the embedded emissions of covered imports, priced against EU Emissions Trading System allowances, with credit for any carbon price already paid in the country of origin.



Scope, thresholds and the compliance chain

CBAM currently covers six sectors: iron and steel, aluminum, cement, Fertilisers, electricity and hydrogen. Natural stone is not among them, and that distinction should be stated plainly rather than blurred. A simplification amendment introduced a single mass-based **small-volume exemption** threshold of 50 tonnes of covered goods per importer per calendar year, below which obligations do not apply, although electricity and hydrogen remain covered regardless of volume.

BY THE NUMBERS

6	Sectors covered by CBAM. Natural stone is not one of them
50 t	Annual de minimis threshold per importer
1 Jan 2026	CBAM definitive phase begins

The legal obligation sits with the EU importer. In practice it travels upstream. Because embedded emissions must be calculated at installation level and verified by accredited third parties, non-EU producers are the only parties able to supply the underlying data. A European importer cannot comply without its supplier's cooperation, which is precisely how a regulation addressed to one party becomes an operational requirement for another.

What CBAM covers today

- Fe — Iron and steel
- Al — Aluminum
- Cement
- Fertilisers
- Electricity
- H_2 — Hydrogen
- Natural stone: not covered

A 50-tonne annual de minimis threshold applies per importer, except for electricity and hydrogen.

What it means for the Stone Sector

Three practical conclusions follow. First, no CBAM obligation currently attaches to natural stone, and suppliers should not be persuaded otherwise by consultants selling compliance services. Second, the proposed extension to downstream goods demonstrates that scope is designed to widen, so the absence of an obligation today is not a permanent condition. Third, and most immediately, European buyers building emissions data systems for their covered product lines tend to extend the same questionnaires across their whole supplier base. The request for environmental data will arrive through commercial channels well before it arrives through legal ones, and the supplier who can answer it will be at an advantage over the supplier who cannot.

CERTIFICATION

ISES 2020: When Certification Becomes a Statement of Trust

Certification does not make a company responsible. It makes responsibility examinable which, in a supply chain that crosses continents, is a different and increasingly valuable thing.

There was a period in which an international buyer could assess natural stone largely by looking at it: color, grain, polish, finish, consistency across a bundle. Those judgements still matter. But they now sit alongside a second set of questions that begin long before the material reaches a showroom. Who quarried it? Under what conditions? How are workers protected? What happens to the site, the water and the dust? And the question that distinguishes a procurement process from a conversation can any of it be independently verified?

What the standard is, and where it came from

ISES 2020, the International Social and Environmental Standard, was developed by IGEP in 1996 and is separately copyrighted. IGEP originated as

Indo-German Export Promotion, a joint project of the German and Indian governments implemented by GTZ, now GIZ, until 2005; since then it has operated independently. It has been active in India since 1987 and has conducted social audits across textiles and garments, leather, handicrafts, jewellery, engineering, food, marine products, carpets and natural stone. In 2021 ISES 2020 was included as an approved seal on Siegelklarheit, the German government's sustainability label portal, and the required level of ambition for one of its minimum criteria was raised from basic to advance with effect from March 2025.

BY THE NUMBERS

50+

Indian stone exporters working with ISES 2020

The architecture of the standard

The standard's requirements extend beyond child labour, which was its original impetus, to management systems, forced labour, occupational health and safety, freedom of association and the right to collective bargaining, discrimination, disciplinary practices, working hours, compensation, upstream suppliers and environmental protection. That breadth is deliberate, and it reflects a specific position: responsibility is not divisible. A quarry with credible environmental controls and unprotected workers is not a responsible operation, and neither is a well-run factory drawing material from an upstream supplier nobody has inspected.

Why the audit model matters as much as the criteria

A standard is only as strong as its verification. Under the IGEP model a certified company commits in advance to being audited by appointed third party auditors at ant time and without prior notice several times a year across

The full stone manufacturing value chain from quarry through processing. That prior commitment to unannounced inspection is the mechanism that separates monitoring from self-declaration. IGEP reports that more than fifty Indian stone exporters work with the ISES 2020 process to certify their mines

TIMELINE

ISES 2020 milestones

- **1987** IGEP begins work in India
- **1996** IGEP develops the ISES standard
- **2005** GTZ–implemented project ends; IGEP operates independently
- **2021** ISES 2020 approved on Siegelklarheit
- **Mar 2025** Ambition level of one minimum criterion raised to advance

PICTOGRAPH

What the standard examines



and processing units. Certification fees are applied in part to social work, including schools, a health centre and vocational training.

The human content behind a checklist

It is worth resisting the abstraction that audit language invites. A working-hours requirement concerns whether someone has time outside the site. A health and safety requirement in an industry where silica dust exposure is a serious and well-documented occupational hazard concerns whether a worker is still healthy in fifteen years. A compensation clause concerns household income. Environmental controls concern the water table of the surrounding village. The checklist is an instrument; the subject is people.

An honest assessment

Certification should not be oversold. A certificate is a floor, not a ceiling, and no audit regime can guarantee that nothing has gone wrong between visits. Buyers who treat a logo as the end of their own due diligence have misunderstood what they have purchased. What certification does provide is evidence that is structured, externally examined and capable of being challenged a mechanism through which a buyer in Hamburg or Dallas can form a defensible view of a quarry they will never visit.



What certification does provide is evidence: structured, externally examined and capable of being challenged. It creates a documented basis on which a buyer can ask not simply whether a supplier claims to meet certain standards, but whether those claims have been examined against defined requirements.

That distinction becomes particularly important in international supply chains. A buyer in Hamburg, London or Dallas may never visit the quarry from which a shipment originated. Distance makes direct observation difficult; complex supply chains make assumptions increasingly unreliable. Independent verification helps narrow that gap by turning aspects of social and environmental performance into something that can be examined, documented and followed up.

In a market where responsibility is increasingly asserted by everyone, the ability to demonstrate it is what carries weight. This is also where the value of certification extends beyond compliance. For a responsible exporter, the audit process can identify weaknesses before they become larger operational or reputational problems. For a buyer, it can provide greater visibility when assessing suppliers. For workers and surrounding communities, the standards give issues such as safety, working conditions and environmental protection a place within a formal assessment process rather than leaving them entirely to individual discretion.

Trust, in this context, is therefore not created by the certificate alone. It is built through the systems behind it: defined requirements, regular assessment, evidence, corrective action and the willingness of a company to remain open to scrutiny.

That is perhaps the more useful way to understand ISES 2020. It is not a declaration that a company has achieved perfection. It is a mechanism for making responsibility visible, examinable and repeatable.

And in a global stone industry where buyers increasingly need to know not only what a product is, but how and under what conditions it was produced, that ability to demonstrate responsibility may become as important to market access as the quality of the stone itself.

Sources IGEP Consult published materials on ISES 2020; Siegelklarheit assessment of the IGEP natural stone label; ISES 2020 standard-setting operating procedure.

Leadership Beyond the Position: Reflections on Meeting with Nripendra Misra

An administrative career spanning four decades offers industry something more useful than inspiration: a working method for holding complex projects together.

Some professional relationships are shaped not by a single meeting, but by years of working at the intersection of policy, administration, and industry. IGEP's meeting with Shri Nripendra Misra offered an opportunity to reflect on that experience and on the role such institutional relationships have played in supporting India's commercial and industrial development.

A 1967-batch IAS officer, Shri Misra served in several key administrative positions, including Secretary for Fertilizers, Telecom Secretary, Chairman of the Telecom Regulatory Authority of India, and Principal Secretary to Prime Minister Narendra Modi from 2014 to 2019. His experience across administration, commerce, industry, and infrastructure has given him a broad understanding of the relationship between government policy and economic development.

A Longstanding Engagement with Industry and Institutions

IGEP has had the opportunity to work with Shri Misra during its engagement across commerce, industry, and related sectors, contributing to the broader exchange between Indian institutions and international business. Over the years, IGEP has worked with government bodies, Indian enterprises, and German partners to strengthen trade, support businesses, facilitate market access, and build long-term Indo-German cooperation.

This experience has placed IGEP in a position to understand how policy and administration translate into practical requirements for industry. Its work has involved connecting businesses with institutions, supporting international companies entering India, and creating opportunities for cooperation between Indian and German stakeholders. The meeting with Shri Misra was therefore also an opportunity to reflect on the evolution of this work and the importance of maintaining strong institutional relationships.

Looking Ahead: Building on Established Partnerships

The meeting with Shri Misra provided an opportunity to look ahead at how established Indo-German relationships can evolve alongside India's changing economic landscape. As new opportunities emerge across trade, investment, technology, and industry, sustained dialogue between experienced institutions and business stakeholders will become increasingly valuable.

For IGEP, the way forward lies in building on these established connections while identifying new areas where Indian and German interests can converge. Continued engagement, exchange of experience, and a clear understanding of developments in both markets can help create the foundation for stronger and more relevant partnerships in the years ahead.



L-R: Mrs. Sharda Subramaniam, Shri Nripendra Misra, Dr. Dietrich Kebschull, Mr. Sridhar Subramonyan

Rugmark Balashraya: Building Opportunities Beyond the Classroom

Rugmark Balashraya was built for children removed from carpet looms. Three decades on, the question it raises is what happens to an institution once the emergency that created it has passed.

The origin is specific and worth recalling accurately. In the early 1990s, campaigns by Indian and international NGOs led importing countries including Germany, the United States and the United Kingdom to threaten a boycott of Indian carpets over child labour. A boycott would have punished the weavers alongside the practice. The Mirzapur-based Association of Carpet Manufacturers without Child Labour approached IGEP for an alternative, and the Rugmark labelling system was developed by IGEP Trust together with UNICEF and GTZ. Rugmark Foundation (India) was incorporated in September 1994 as a non-profit entity and began functioning in 1995. Each label carries an individual number, allowing a carpet's origin to be traced an early and unusually literal form of chain-of-custody.

TIMELINE

How Rugmark began

Early 1990s	Boycott threats over child labour in Indian carpets
Sep 1994	Rugmark Foundation (India) incorporated
1995	Begins functioning
1996	First primary school opens at Baribisa
Late 2002	Women's weaving training centre opens at Gopiganj
2006	Establishment of school branches in Cherapur and Debnathpur of Uttar Pradesh
2020	Continued five schools, accompanied with vocational training
2026	Unified all learning centres under Balashraya School

What Rugmark Balashraya actually is

Rugmark Balashraya, at Gopiganj in the Varanasi–Bhadohi carpet belt of Uttar Pradesh, is a residential rehabilitation centre for children freed from carpet weaving through the Rugmark inspection system. Children admitted there receive free boarding and lodging, education, vocational training, uniforms, textbooks and notebooks. Local children are enrolled as day scholars alongside them, a deliberate design choice, so that resident children are not segregated into a population defined by rescue, and instead spend their days among children who go home to families.

It sits within a wider network. Rugmark opened its first primary school at Baribisa, Jagapur, in 1996, and schools now operate at Devnathpur-Lakhamanpatti, Jagapur and Cherapur in Bhadohi, Barhi Newada near Varanasi, Handia in Allahabad and Vijaypur in Mirzapur, with more than 2,300 children reported to be using these facilities. A mobile medical van and periodic medical camps serve weaving families in remote areas. In late 2002 a carpet weaving training centre for women was opened at Gopiganj, addressing the fact that in a household industry, women in weaving families had historically been excluded from the skilled and paid part of the work.

Children using Rugmark schools



*Each figure represents 100 children. More than **2,500** are reported to use these facilities.*

The case for maintenance, stated plainly

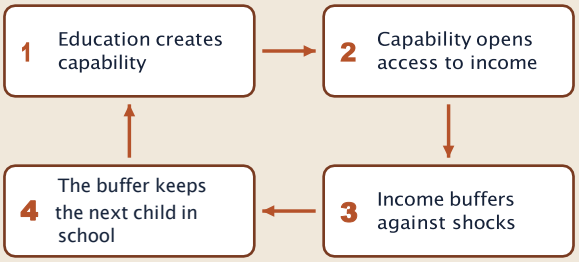
Balashraya has now carried children for roughly three decades, and physical infrastructure of that age requires sustained investment. There is a reason this argument is harder to make than a case for a new programme: functioning buildings are invisible. A sound roof, a working toilet, a safe boundary wall and a usable classroom are noticed almost exclusively when they fail and for a residential facility housing child, failure is not a matter of inconvenience. Sanitation affects attendance, particularly for adolescent girls. A leaking roof in the monsoon closes a classroom.

The distinction worth drawing is between creating a programme and sustaining one. The programme at Balashraya already exists: the staff, the curriculum, the vocational training, the three decades of institutional practice in working with children who arrive from difficult circumstances. Repair does not create any of that. It preserves the physical conditions under which it can continue to operate, and protects a social investment that has already been made.

The longer measure

The program's own documented outcomes make the point better than argument does. Former residents of Balashraya, admitted after inspectors found them at looms in the late 1990s, went on to complete formal education and vocational training and subsequently qualified as instructors in Rugmark's own training programmes. That is the relevant measure of an institution of this kind not how many children pass through its gates, but what becomes structurally possible for them afterwards, and whether any of them come back to run it.

A circle, not a line



Why the three are not independent

The relationship is circular rather than liner when it comes to empowerment. Education creates capability; capability creates access to income; income creates a buffer against the shocks that historically forced families to send children to work; and the buffer makes it more likely that the next child complete school. This is also why impact should not be assessed within the boundary of an institution. A school that retains a child whose households has just lost its income is doing something significantly harder than a school whose intake is stable, and an evaluation that ignores the household will not register the difference.

> *"Not how many children pass through its gates, but what becomes structurally possible for them afterwards.*

Sources: Rugmark Foundation (India) published material, GlobalGiving project reports on the Balashraya centre .



Indo-German Connections

News from our meetings, partners and network in Germany and India.

SCHLESWIG–HOLSTEIN

Strengthening Indo-German Economic Cooperation: IGEP Consult Meets WTSH Managing Director Ulrike Wielatt



Meeting at WTSH: Dr. Kebschull, Ms. Ulrike Wielatt and Mrs. Sharda Subramaniam

IGEP Consult Pvt. Ltd. recently held a meeting with Ms. Ulrike Wielatt, Managing Director of Wirtschaftsförderung und Technology transfer Schleswig-Holstein GmbH (WTSH), as part of its continued efforts to strengthen economic and business cooperation between India and Schleswig-Holstein.

Representing IGEP Consult at the meeting were Mrs. Sharda Subramaniam and Dr. Dietrich Kebschull. The discussion provided an opportunity to exchange perspectives on business development, market opportunities between companies and institutions in India and Schleswig-Holstein.

WTSH is the central economic development and technology transfer organisation of the German federal state of Schleswig-Holstein, supporting companies in areas including business development, innovation, technology transfer and internationalisation. **Ms. Wielatt assumed the leadership of WTSH in April 2026.**

For IGEP Consult, the meeting builds on its longstanding engagement in facilitating Indo-German economic relations. Through its experience in international trade, market development and business cooperation, IGEP has worked with companies seeking to understand and expand their presence in the Indian market. A key part of this engagement has been the **Schleswig-Holstein Business Centre (SHBC)** in Gurugram, which IGEP manages as a local platform for Schleswig-Holstein companies seeking to establish or expand their presence in India.

Through the SHBC and its wider network in India, IGEP has helped companies from Schleswig-Holstein navigate the Indian business environment, connect with relevant stakeholders and explore opportunities for market entry and cooperation. This work will continue, with IGEP providing on-the-ground support to companies from the region as they look to develop their activities in India.

The meeting with Ms. Wielatt comes at a time when both India and Germany continue to explore new opportunities for business partnerships, technology cooperation and market development. Discussions such as these provide a platform for identifying areas of mutual interest and creating institutional and commercial linkages.

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The meeting marks another step towards strengthening the bridge between Schleswig-Holstein and India, with a focus on practical cooperation, new business opportunities and deeper engagement between companies and institutions on both sides.

GERMAN TECHNOLOGY

WENZEL Elektronik GmbH: Advancing Communication Infrastructure with ELISA IV



ELISA IV. Image courtesy of WENZEL Elektronik

Based in Pinneberg, near Hamburg, **WENZEL Elektronik** develops and manufactures communication systems for applications where reliable information transmission is critical. Its portfolio includes **public**-address systems, operational telecommunications, intercom solutions and voice-alarm technology. The company supports projects from system design and engineering through installation, testing and commissioning, allowing solutions to be adapted to specific operational requirements.

As communication infrastructure becomes increasingly important to the safety, efficiency and reliability of modern transport systems, German technology company WENZEL Elektronik GmbH is developing solutions that bring together safety, connectivity and digitalization. With more than 75 years of experience in safety-relevant communication technology, the company has established a strong presence in railway, public transport and building-services applications.

Introducing ELISA IV — a new generation of communication infrastructure

WENZEL Elektronik is now taking its public-address technology into a new phase with ELISA IV, the next generation of its ELISA platform. The new system is being presented as a step towards greater digitalisation of railway and public-address infrastructure.

A central element of ELISA IV is LineRush® technology, which enables 100-volt public-address systems to move towards fully digital operation without requiring kilometers of new cabling. This approach is designed to simplify the transition from existing infrastructure to modern IP-based systems while reducing the complexity associated with large-scale upgrades. WENZEL Elektronik is presenting the technology InnoTrans 2026 in Berlin, where ELISA IV is being introduced to the international rail and transport-technology community.

The system has been developed around a “One-for-All” concept, bringing multiple communication and safety requirements together within a more integrated architecture. According to WENZEL Elektronik, ELISA IV is designed to comply with EN 54-16 for voice-alarm systems and DIN EN 50121-4, while incorporating cybersecurity requirements aligned with IEC 62443-4-2 Security Level 3.

For operators and infrastructure owners, the significance lies not only in the technology itself but also in the potential to simplify deployment and modernization. WENZEL Elektronik highlights reduced system complexity, lower total cost of ownership and an architecture designed for secure digital infrastructure. For installers and technical teams, the system introduces a simplified “just stack” installation approach alongside web-based configuration through WeView2.

Building on proven expertise

ELISA IV builds on WENZEL Elektronik’s established experience with public-address and passenger-information systems. Its existing ELISA III-IP platform is an IP-based, highly integrated public-address system used for information, alarm and evacuation announcements, with scalability and integration into wider communication systems.

The company’s solutions are already used across railways, public transport, station buildings, industry and other environments where dependable communication is essential. WENZEL Elektronik also holds certifications and approvals relevant to these applications, including EN 54-16 certification for its CESAA product family and approvals from the German Federal Railway Authority for several systems.

GERMANY VISIT

Strengthening Ties Across Continents: IGEP's Strategic Visit to Germany



L-R: Mr. Holger Schmitz (Managing Director of Heinrich Schümann), Dr. Dietrich Kebschull and Mrs. Sharda Subramaniam and Mr. Bernd Schlegal of WTSH

During their visit to Germany in October 2026, **Mrs. Sharda Subramaniam and Dr. Kebschull of IGEP Consult** visited the Heinrich Schumann office, along with Mr. Bernd Schlegal of WTSH. They met with **Mr. Holger Schmitz** to discuss the company's growing engagement with the Indian market. Heinrich Schumann is an established supplier to India's **telecommunications and power sectors**, providing advanced robotic machinery and automated solutions that support the requirements of Indian companies and infrastructure projects.

The company's technology is particularly relevant to India's expanding power sector, where modern manufacturing and automation are increasingly important for meeting the demands of a growing energy infrastructure. Through its advanced robotic machinery, Heinrich Schumann supports Indian companies with specialised equipment and technological solutions for their operations.

IGEP has been supporting Heinrich Schumann in developing and strengthening its business connections in India, using its local market knowledge, networks and on-ground presence to help the company identify relevant Indian partners and opportunities. The discussions focused on deepening this collaboration further and exploring how IGEP can continue to support Heinrich Schumann's engagement with Indian industry.

The visit highlighted the value of the long-standing relationship between IGEP Consult and its German partners.

Schleswig-Holstein

Meeting with WTSH's Hauke Brauer



Dr. Kebschull with Mr. Hauke Brauer, Head of International Services, WTSH

When it comes to taking Schleswig-Holstein's businesses into international markets, Mr. Hauke Brauer brings both experience and a strong practical understanding of what it takes to build successful global connections**.** As Head of Internationalisation at **WTSH – Wirtschaftsförderung und Technologietransfer Schleswig-Holstein GmbH**, Brauer draws on extensive private-sector and international business experience to help companies and start-ups from the region identify opportunities, enter new markets and build lasting partnerships.

IGEP's relationship with Schleswig-Holstein is already well established, and its cooperation with Mr. Brauer and WTSH builds further on this foundation. Over the years, IGEP has worked as a trusted partner on the Indian side, helping German companies and institutions understand the Indian market, navigate its complexities and connect with the right counterparts. For companies seeking to establish or extend their business in India, this local knowledge and network can be particularly valuable.

The continued cooperation with Mr. Brauer represents another step in strengthening this relationship. As WTSH supports companies from Schleswig-Holstein in their internationalisation efforts, IGEP remains committed to providing the local networks, market understanding and connections needed to turn these efforts into productive and sustainable business relationships in India.