

**CONSULATE GENERAL OF INDIA
SAN FRANCISCO**

MONTHLY COMMERCIAL REPORT— JUNE 2011

I. Major Commercial and Trade-Related Events

Molson Coors Brewing Company of Denver, Colorado, USA and Cobra India announced on 23rd June, 2011 the formation of a joint venture that will brew and market Cobra beer in South Asia. Under the terms of the agreement, Molson Coors will purchase a controlling stake of Cobra India from two existing investors and will have operational control over the new Molson Coors Cobra India. Molson Coors will also be investing additional capital in Molson Coors Cobra India to meet the working capital requirements and the future expansion plans of the brewery operations. The total investment by Molson Coors is approximately \$35 million. The Indian beer market is growing at 12% CAGR and is estimated to grow to 50 million hl by 2020, putting it in the top 10 beer markets globally. The deal with Cobra India includes land, a 175,000 hl brewery in Bihar state, with potential to expand to 500,000 hl, and a beer portfolio consisting of Cobra Premium, King Cobra Superior and Iceberg 9000. The joint venture will be headquartered in Mumbai, India¹.

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<http://www.molsoncoors.com/en/News/International/Corporate/2011/June/23/molson%20coors%20and%20cobra%20india%20announce%20indian%20joint%20venture%20to%20brew%20and%20market%20cobra%20beer%20in%20south.aspx>

Los Angeles, California based AECOM² Technology Corporation, a leading provider of professional technical and management support services for government and commercial clients around the world, announced on 13th June 2011 that it had acquired Spectral Services Consultants Pte. Ltd (Spectral), a building services consultancy based in Noida, India. Spectral is an Indian market leader in the provision of mechanical, electrical and specialist consultancy services for national and global clients who are looking to minimize their environmental footprint. The company was founded in 1980 on the value proposition of embracing green buildings in India and was the first non-US firm to have its projects achieve the internationally recognized LEED Platinum standard. The acquisition will help AECOM to expand its growth opportunities and strengthen its ability to win complex and demanding projects in the key region of India.

Jacobs Engineering Group Inc of Pasadena, California, USA announced on 31st May, 2011 that it had acquired a majority ownership of Consulting Engineering Services (India) Private Limited (CES) of Delhi, India. Founded in 1969, CES is a leading power, infrastructure, and civil engineering company in India and provides a range of solutions in infrastructure development, planning, engineering, and construction management. The combination of Jacob's and CES nearly doubles Jacob's existing resources and

² <http://www.aecom.com/>

capabilities in India to more than 4,500 employees and expands its presence in other regions in Asia and the Middle East³.

IP Infusion Inc of Sunnyvale, California, USA, a leading provider of intelligent network software for enhanced IP services announced on 23rd May, 2011 that it had opened an Engineering Development Center of Excellence in Bangalore, India. The new facility complements IP Infusions development center in Sunnyvale and aligns with IP Infusion's plans to make India the hub for the design, development and innovation of next-generation networking technologies. In addition to R&D, the India Engineering Development Center of Excellence will provide technical support and business development to help IP Infusion expand its solutions to support the explosive growth in private, public, and hybrid cloud services⁴.

Bangalore, India based Sourcebits announced on 11th May, 2011 that it had received \$10 million investment from Sequoia Capital of Menlo Park, California, USA and IDG. This marks Sourcebit's first ever large-scale investment from outside firms which will enable it to expand their sales and development presence in the US, further strengthening their teams in India and growing their profile in Europe⁵.

Davidson's Tea of Sparks, Nevada, USA announced on 15th June, 2011 the introduction of Indian Tulsi Tea to the US market. The new Davidson's Tulsi Tea, a unique, ancient herbal tea possessing powerful healing properties is traceable all

the way back to its source, the company's own organic tea farms in India. Every ingredient in Davidson's teas is Certified Organic and the entire line of teas is Fair Trade Certified⁶.

II. Details Of Visits Of Delegations From India

Mr Anand Kumar, Joint Secretary, Ministry of Tourism, visited Los Angeles to participate in the Incredible India Road Show and the Gems and Jewelry Show in Las Vegas from 29th May to 2nd June, 2011. The department of Tourism hosted Incredible India Show at the Westin Hotel on 31st May which was attended by members of the US Tourism and Travel Trade industry. Mr Kumar said that new areas were being added to promote tourism like medical, adventure and rural. He also said that the Government was working on relaxing the regulations for film shooting.

III. Details Of Visits Of Delegations To India

None.

IV. Investments In The Jurisdiction Of The Consulate

No details available.

V. Details Of Local Developments/Policy Changes Affecting Bilateral Trade

None

VI. TRADE ENQUIRIES RECEIVED AND ATTENDED TO

³ <http://www.jacobs.com/News.aspx?id=6654>

⁴ <http://www.ipinfusion.com/news/ipinfusion-opens-development-center-india.html>

⁵ <http://www.sourcebits.com/news>

⁶ <http://www.prnewswire.com/news-releases/nations-oldest-organic-tea-company-introduces-tulsi-tea-to-us-market-123912274.html>

| Query From | Details |
|--|--|
| Ajmera International Associates LLC Tel:425-868-2442 Email:najmera@aol.com | Interested in opening a Microbrewery –Brew Pub in India and questions relating thereto about ownership by US citizens and eligibility of PIO/OCI card holders and FDI classification for prior government approval. |
| BioWaves LLC Tel:425-895-0050 Email:dkunkel@biowaves.com | Customs problem in India for US importer having trouble returning tuning forks to Radical Instruments of Ambala Cantt, India to be re-calibrated/re-tuned. Tuning fork numbers did not tally with original purchase order. |

VII. Number Of Trade Disputes Pending/Resolved

Resolved – 1 - Manish Jhalani of M/s Precious Trading Corporation, Jaipur India complained of non-payment of balance outstanding by Superb Jewelstar of San Francisco, California, USA. Superb Jewelstar produced paperwork which showed that the amount in question was paid and copies of which were forwarded to Manish Jhalani.

Resolved- 2 - M/s Precious Trading Corporation, Jaipur India also complained of non-payment by Manak Jewels of San Francisco, California, USA. This too was resolved.

Pending – Nil.

VIII. Number Of Business Visas Issued

Business Visas issued in June - 1333

IX. Details Of Tenders Procured On Behalf Of Indian Companies/Organizations

None

X. Potential Areas For Trade And Investment

Nevada State: The thirty-seventh largest state exporter to India from the USA in 2010 was Nevada. Exports have increased from \$27 million in 2009 to \$47 million in 2010, a 73.86% increase over 2009. Miscellaneous Manufactured Commodities were the largest export from Nevada to India in 2010 at \$17.848 million which made up 37.76% of total exports from the state to India (2009 \$6.908 million). Computers and Electronics products were the second largest export from Nevada to India in 2010 at \$14.187 million which made up 30.01% of total exports from the state to India (2009 \$13.168 million). Machinery, except electrical was the third largest export item to India from the state at \$4.437 million in 2010 (9.39% of total exports from the state) compared to \$2.282 million in 2009. In the first quarter to March 2011 Chemicals exports to India was the largest export item at \$4.057 million compared to to march 2010 quarter of \$319,424. Imports from India into USA via Nevada were \$36 million in 2010 compared to \$34 million in 2009, a 5.88% increase.

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For any queries, please contact:

Mehrnoosh Khorshidchehr,
Commercial Assistant
Consulate General of India
San Francisco
com@cgisf.org

Total U.S. Imports via NEVADA

Top 25 6-digit HS Commodities Based on 2010 Dollar Value

U.S. Imports by State of Final Destination ([State Import Series](#)). Values in millions of dollars. Percent Change is from 2009 - 2010.

| Rank | HS Code | Description | 2008 Value | 2009 Value | 2010 Value | 2008 % Share | 2009 % Share | 2010 % Share | % Change, 2009 - 2010 |
|------|---------|---|--------------|--------------|--------------|--------------|--------------|--------------|-----------------------|
| --- | --- | Total NEVADA Imports and % Share of U.S. Total | 6,106 | 5,280 | 6,052 | 0.3 | 0.3 | 0.3 | 14.6 |
| --- | --- | Total, Top 25 Commodities and % Share of State Total | 2,944 | 2,764 | 3,310 | 48.2 | 52.3 | 54.7 | 19.8 |
| 1 | 854239 | ELECTRONIC INTEGRATED CIRCUITS, NESOI | 341 | 756 | 1,284 | 5.6 | 14.3 | 21.2 | 69.8 |
| 2 | 950430 | COIN/TOKN OPER GAMES EX BVLNG ALLY EQ; PTS & ACCES | 191 | 140 | 218 | 3.1 | 2.7 | 3.6 | 55.0 |
| 3 | 854370 | ELEC MACH AND APP, HAVING INDIV FUNCTIONS, NESOI | 6 | 7 | 161 | 0.1 | 0.1 | 2.7 | (Z) |
| 4 | 090111 | COFFEE, NOT ROASTED, NOT DECAFFEINATED | 147 | 141 | 144 | 2.4 | 2.7 | 2.4 | 1.6 |
| 5 | 851712 | PHONES FOR CELLULAR NTWKS OR FOR OTH WIRELESS NTWK | 20 | 18 | 135 | 0.3 | 0.3 | 2.2 | (Z) |
| 6 | 847330 | PARTS & ACCESSORIES FOR ADP MACHINES & UNITS | 31 | 49 | 132 | 0.5 | 0.9 | 2.2 | 171.4 |
| 7 | 851770 | PTS OF PHONE SETS & OTH APP FOR THE TRANS/RECP ETC | 43 | 23 | 121 | 0.7 | 0.4 | 2.0 | 423.3 |
| 8 | 854231 | PROCESSORS AND CONTROLLERS, ELECTRONIC INTEG CIRCT | 21 | 75 | 112 | 0.3 | 1.4 | 1.8 | 49.6 |
| 9 | 854140 | PHOTOSNSITVE SEMICNDCTR DVICE INC PHTVLTC CELL ETC | 10 | 26 | 108 | 0.2 | 0.5 | 1.8 | 319.1 |
| 10 | 220890 | CORDIALS, LIQUEURS, KIRSCHWASSER, RATAFIA, ETC. | 96 | 84 | 94 | 1.6 | 1.6 | 1.6 | 11.5 |

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|----|--------|--|-------|-----|----|------|------|-----|-------|
| 11 | 854232 | MEMORIES, ELECTRONIC INTEGRATED CIRCUITS | 13 | 42 | 94 | 0.2 | 0.8 | 1.5 | 121.4 |
| 12 | 710239 | DIAMONDS, NONINDUSTRIAL, WORKED | 122 | 115 | 89 | 2.0 | 2.2 | 1.5 | -22.8 |
| 13 | 847130 | PORT DIGTL AUTOMATIC DATA PROCESS MACH NOT > 10 KG | 1,571 | 871 | 82 | 25.7 | 16.5 | 1.4 | -90.5 |
| 14 | 850440 | STATIC CONVERTERS; ADP POWER SUPPLIES | 30 | 44 | 70 | 0.5 | 0.8 | 1.2 | 61.6 |
| 15 | 480261 | PAPER & PAPERBOARD, UNCOATED, >10% MECH.FIB.,ROLLS | 101 | 78 | 65 | 1.7 | 1.5 | 1.1 | -16.8 |
| 16 | 852859 | MONITORS, NOT INCORP TELEVISION RECEP APP, NESOI | 12 | 18 | 50 | 0.2 | 0.3 | 0.8 | 184.9 |
| 17 | 840490 | PARTS FOR AUX PLT FOR BLRS,COND FOR STM,VPR PR UNT | 55 | 57 | 44 | 0.9 | 1.1 | 0.7 | -22.9 |
| 18 | 852560 | TRANSMISSION APP INCORP RECEPTION, FOR RADIO OR TV | 9 | 19 | 44 | 0.1 | 0.4 | 0.7 | 126.3 |
| 19 | 847141 | DIGITAL ADP MACH,WITH CP UNIT,INPUT,OUTPUT, NESOI | 1 | 25 | 42 | 0.0 | 0.5 | 0.7 | 65.5 |
| 20 | 851762 | MACH FOR RECP/CONVR/TRANS/REGN OF VOICE/IMAGE/DATA | 15 | 79 | 42 | 0.2 | 1.5 | 0.7 | -47.2 |
| 21 | 390190 | POLYMERS OF ETHYLENE NESOI, IN PRIMARY FORMS | 35 | 20 | 42 | 0.6 | 0.4 | 0.7 | 103.7 |
| 22 | 854233 | AMPLIFIERS, ELECTRONIC INTEGRATED CIRCUITS | 20 | 17 | 41 | 0.3 | 0.3 | 0.7 | 146.0 |
| 23 | 220860 | VODKA | 32 | 26 | 33 | 0.5 | 0.5 | 0.5 | 23.4 |
| 24 | 853710 | CONTROLS ETC W ELECT APPR F ELECT CONT NOV 1000 V | 10 | 24 | 32 | 0.2 | 0.5 | 0.5 | 34.0 |
| 25 | 847490 | PARTS OF MACH FOR SORTING ETC EARTH STONE ORES ETC | 11 | 8 | 32 | 0.2 | 0.1 | 0.5 | 301.1 |

'(Z)' indicates a percent change greater than 500. Revised June 9, 2011.