

**CONSULATE GENERAL OF INDIA
SAN FRANCISCO**

MONTHLY COMMERCIAL REPORT—JANUARY 2011

I. Major Commercial and Trade-Related Events

US Integrated technology and operations company iGate¹ Corporation of Fremont, California, announced on 10 January 2011 in Mumbai, India and California, USA a definitive agreement to acquire a majority stake in Patni² Computer Systems Ltd. of Mumbai, India. The transaction is valued at approximately \$1.22 billion, including the mandatory open offer to the public shareholders of Patni. The acquisition will bring together two highly recognized information technology outsourcing companies with complementary industry verticals, and facilitate sustained long-term growth for the combined entity. The combination will create a compelling go-to-market strategy with iGate's differentiated iTOPS and outcomes-based business model augmented by Patni's delivery expertise and focus on micro-verticals. The companies believe that the combination will help customers get better service, access to more service lines and deeper pools of expertise.

US based (Headquartered in Bellevue, Washington) travel portal Expedia.com is planning to spend Rs 25 crore in 2011 on a 360 degree branding campaign to promote its Indian arm Expedia.co.in according to a senior

official of the company on 25th January 2011. The company was looking at the Indian travel industry as the next big market to tap. It has invested heavily in understanding the Indian consumer and is looking to cater to them with innovative solutions³.

San Francisco, USA based Salesforce.com, the enterprise computing company announced on 6 January, 2011 that it had completed the acquisition of Dimdim based in Hyderabad, India and Lowell, Massachusetts, USA, for the sum of \$31 million. Dimdim CEO DD Ganguly said "Salesforce.com gives us the opportunity to apply our expertise and align our vision of real-time, social enterprise software in the cloud, at a scale that wouldn't have been otherwise possible⁴."

Tata Coffee roped in iconic coffee chain Starbucks of Seattle, Washington, USA to jointly source and roast coffee beans from Tata's plantation in Karnataka. This is a non-binding, strategic agreement between the two companies for regional cooperation and does not involve a joint venture. The MoU was signed by the Tata Group chairman Ratan Tata and Starbucks officials on 13 January 2011⁵.

³ <http://www.alootechie.com/?q=content/expedia-india-plans-spend-rs-25-crore-branding-campaign-2011>

⁴ <http://salesforce.com/company/news-press/press-releases/2011/01/110106.jsp>

⁵ <http://news.oneindia.in/2011/01/14/tatacoffee-ropes-instarbucks-aid0126.html>

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http://www.igate.com/uploads/newsroom/press_releases/163iGATE_to_Acquire_Majority_Stake_in_Patni_Computer_Systems.pdf

² <http://www.patni.com/>

Affinity Wind LLC, a St Louis, Montana based wind energy development company, announced on 14th January, 2011 that it had formally closed its joint venture agreement with Suzlon Wind Energy Corporation, a subsidiary of Suzlon Energy Limited of Pune, India. Through the joint venture entity, which is called Surity Wind LLC, they will co-develop its 150 MW project located in Illinois, as well as similar future joint development projects. Suzlon, ranked as the world's third leading wind turbine supplier in terms of market share in 2009, will also be responsible for turbine supply to this first project, and potential future projects. This project will create the following economic benefits:

- Over \$44 million of local spending would occur during construction, plus another \$3 million annually once operational.
- Annual property taxes of over \$1 million would be generated, along with several hundred thousand dollars in yearly lease payments to landowners.
- Direct spending and property tax assessment for the typical 30+ year life of plant alone account for over \$175 million.
- During construction, there would be approximately 600 total jobs created⁶.

II. Details Of Visits Of Delegations From India

- Winter Fancy Food Show- Tea Board of India participated in the 36th Winter Fancy Food Show during 16-18 January 2011 in San Francisco. Consul General of India visited the Indian stalls on 17th January 2011. 4 Indian

⁶ <http://affinitywind-cdn-remembers.s3.amazonaws.com/3485655f4193dbc141b2b3f46e8d86dc.pdf>

companies organized during the show which was also attended by Mr Kaushik Halder, Secretary, Tea Board and Shri S.c. Biswas, Director, Ministry of Commerce.

- India based SKP Group Director Saumil Shah visited the Consulate General of India, San Francisco on 27th January, 2011 to discuss ways to enhance their service offered to clients from the US who want to do business in India and set up branches, subsidiaries and also with mergers and acquisitions in India. SKP CEO Sapan Parekh was also in San Francisco in meetings with various US companies to discuss business dealings.

III. Details Of Visits Of Delegations To India

None

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

The Cyber Security Committee convened its first meeting of 2011. Now in its second year, led by Visa's Ellen Richey, it is mounting an advocacy trip to Washington DC in the first quarter of 2011. A top priority for the Committee is collaborating with region's universities to create a workforce development plan and curriculum for training a new generation of cyber security professionals in the Bay Area.

V. Investments In The Jurisdiction Of The Consulate

India's Tata Communications, a leading provider of a new world of communications, announced on 11th January 2011, that it had reached a definitive agreement to acquire

100% of BitGravity, a Burlingame, California based company. Bitgravity's network and products accelerate the delivery of media assets to end-users and enable scalable, real-time video communications over the internet. This acquisition will help Tata Communications in realizing the full potential that exists around the globe and accelerate the delivery of new features and services for their customers⁷.

VI. TRADE ENQUIRIES RECEIVED AND ATTENDED TO

Query From	Details
Kwality Ball Company Tel: +91 902 4445533 Email: kwalityballs@hotmail.com	Interested in Exporting from India of Stainless Steel, Ferrous & Non Ferrous Balls into USA
Global Network (GN) Tel: +91 79 40324827/4828 Email: jagdish@globalnetworkindia.com	Interested in acquiring details of Chambers of Commerce, trade Associations, etc in USA
Redballs Rock & Roll Pizza Restaurant Tel: 1-818-348 1524 Email: david@redballs.com	Interested in obtaining information in opening Pizza restaurants in India
Tradelink International Tel: +91 20 24349729 Email:	Interested in Exporting from India of Fresh Fruit & Vegetables, Mango Pulp, Food & Food

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<http://www.bitgravity.com/page.php?s=about&p=press/011111>

business@tradelink international.in	Products, Tea & Coffee, Herbal Medicines Cream, Powder, Massage Oil, Lotions, Supplements and Cosmetics into the USA
Query From	Details
Rajesh Paul Tel: +91 422 2323726 Email: rajeshagencies@vsnl.net	Interested in exporting from India of Coco-Coir and Coir for Bedding and Furniture into USA

VI. Number Of Trade Disputes Pending/Resolved

Resolved – 1 – Katherine Heurman, a pet cremation company in Phoenix, Arizona, USA VS Jafri Metal Industries of Moradabad, UP, India. US based company has complained about non-delivery of goods from the Indian side. The Indian side has communicated they are willing to settle the matter. The Consulate has brought the two sides together and the matter is now resolved.

Pending – Chris Kirchberg of MDC Aircraft Service, a US based company has complained of non-payment of part of outstanding debt due from the Indian company, details of which were not given. We have asked him to forward full details of the dispute together with full details of the Indian company to enable to help resolve the matter amicably.

VII. Number Of Business Visas Issued

Business Visas issued in January-2085

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

None

IX. Potential Areas For Trade And Investment

Washington State: India is currently Washington's 12th largest export destination. In 2009, Washington exports to India brought in almost \$1.84 billion. Transportation Equipment is the largest item by far being exported to India from Washington comprising \$1.64 billion in 2009 (over 89% of total). In 2009 Washington was the largest exporter to India, but has dropped to 5th place in the 9 months to 30th September 2010. In 2010, exports to India exceeded \$1.2 billion by the end of the third quarter⁸. List of top 25 commodities imported via Washington state alongwith 6 digit HS code are enclosed.

February 02, 2011

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<http://tse.export.gov/TSE/HTMLOnlyTableDisplay.aspx?COL=4&DESC=true>

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Total U.S. Imports via Washington
 Top 25 6-digit HS Commodities Based on 2009 Dollar Value

Rank	HS Code	Description	2009 Value	2008 % Share	2009 % Share	% Change, 2008 - 2009
---	---	Total WASHINGTON Imports and % Share of U.S. Total	37,647	2.3	2.4	-22.1
---	---	Total, Top 25 Commodities and % Share of State Total	23,567	60.4	62.6	-19.2
1	270900	CRUDE OIL FROM PETROLEUM AND BITUMINOUS MINERALS	4,510	16	12	-41.8
2	271121	NATURAL GAS, GASEOUS	3,621	14.1	9.6	-46.8
3	950410	VIDEO GAMES USED W TV RCEIVR & PTS AND ACCESSORIES	3,123	7.3	8.3	-11.3
4	880330	PARTS OF AIRPLANES OR HELICOPTERS, NESOI	2,960	5.1	7.9	19.4
5	950490	GAME MACH EX COIN; BD GAME; MAH-JONG; DMNOES; DICE	2,055	3.4	5.5	25
6	852871	RECEPTION APP FOR TV NT DESIGNED TO INC VIDEO DISP	1,061	2.3	2.8	-2.8
7	870323	PASS VEH SPK-IG INT COM RCPR P ENG >1500 NOV 3M CC	919	1.3	2.4	47.6
8	284420	URANIUM ENRICHED IN U235 ETC. PLUTONIUM ETC.	628	2.1	1.7	-37.3
9	300490	MEDICAMENTS NESOI, MEASURED DOSES, RETAIL PK NESOI	586	0.1	1.6	(Z)
10	841112	TURBOJETS OF A THRUST EXCEEDING 25 KN	432	1.2	1.1	-23.3
11	850231	GENERATING SETS, ELECTRIC, WIND-POWERED	382	0.3	1	211.2
12	10290	BOVINE ANIMALS, LIVE, NESOI	347	0.7	0.9	-3.5
13	851762	MACH FOR RECP/CONVR/TRANS/REGN OF VOICE/IMAGE/DATA	343	1	0.9	-29.7
14	880320	UNDCARRGE & PTS GLIDERS & A/C, NON-POWERED/POWERED	333	0.7	0.9	-1.5
15	852550	TRANSMISSION APP FOR RADIO-BROADCAST OR TELEVISION	295	0.6	0.8	-4
16	871000	TANK & OT ARMORED FIGHT VEH, MOTORIZED; AND PARTS	251	0.3	0.7	56.3
17	950300	TRICYCLE, SCOOTR, PEDAL CAR & SIM WHEELED TYS; ETC	241	0.6	0.6	-16.3
18	640299	FOOTWEAR, OUTER SOLE & UPPER RUBBER OR PLAST NESOI	211	0.5	0.6	-8.6
19	30429	FISH FILLETS, FROZEN, NESOI	209	0.5	0.6	-10.7
20	30614	CRABS, INCLUDING IN SHELL, FROZEN	206	0.4	0.5	19.9
21	870324	PASS VEH SPK-IG INT COM RCPR P ENG > 3000 CC	202	0.3	0.5	44.3
22	640399	FOOTWEAR, OUTER SOLE RUB ETC & LEATHER UPPER NESOI	200	0.5	0.5	-24.7
23	940110	SEATS OF A KIND USED FOR AIRCRAFT	158	0.4	0.4	-22.2
24	440710	CONIFEROUS WOOD SAWN, SLICED ETC, OVER 6 MM THICK	150	0.5	0.4	-42.4
25	271011	LIGHT OILS& PREP (NOT CRUDE) FROM PETROL & BITUM	144	0.2	0.4	73.2