



Gateway

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President's Message



Dear Friends,

The world is witnessing a challenging time and much of this has to do with the war in the Ukraine that has entered the third month and showing little signs of winding down. At the recent Spring Meetings of the

IMF and the World Bank, the top financial institutions have lowered global growth rates.

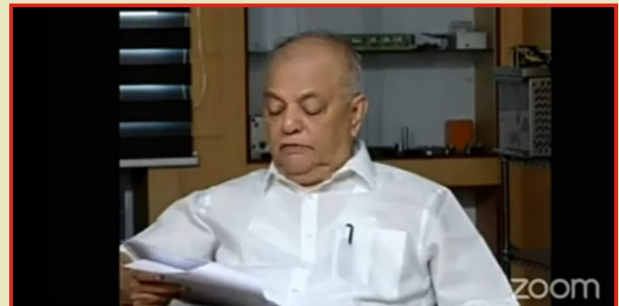
In spite of all the challenges that the leaderships in Tokyo and New Delhi are faced with, the two countries have not skipped a beat in meeting their bilateral and international obligations. On April 28 both India and Japan observed seventy years of diplomatic relations, a friendship that has sailed through without any hiccups which by itself is a monumental testimony to the resilience of the two democracies that face different geo-political environments in the Cold War and the post-Cold War eras.

At the Indo Japan Chamber of Commerce and Industry we have started off the year on a confident note and one of which was the 70th Anniversary celebrations of bilateral relations that involved the Embassy of India in Tokyo and the Consulate General of Japan in Chennai with the famed Dr. Gopala Krishna Gandhi, an ace diplomat and former Governor of West Bengal for the event. On May 7th & 8th IJCCI with the support of the Consulate General of Japan, Chennai will be hosting an International Symposium on 'India & Japan in Free and Open Indo-Pacific' featuring top speakers from the two countries and Mr. M.K. Narayanan, former National Security Advisor as the Chief Guest at the inaugural event.

And we continue to offer our services to businesses of the two nations aspiring for opportunities as well as to the student community wanting to further their skills and opportunities through Japanese language, culture and Japanese Management techniques for self-improvement. I am confident that our well-wishers will be behind every one of our endeavors in 2022 and beyond.

Regards,
T.P. Imbichammad

Reminiscing 70 years of India-Japan Diplomatic Relations and Looking Beyond Virtual Meeting on 28th April 2022 by Indo-Japan Chamber of Commerce and Industry & the Embassy of India, Tokyo



Kyoto, Agon Shu festival for good wishes and hopes in difficult times



World's first lung transplant on patients with different blood types

Kyoto University Hospital has successfully conducted the world's first live lung transplant involving two different blood types in mid-April this year. A young girl received a section of the lungs of her father with a blood type different from her own. She developed obstructive bronchitis following bone marrow transplants for treating leukemia in her early childhood. The latest operation came after she became dependent on an artificial respirator last September. As her physical size required two donors, parts of the lungs of her father and mother were transplanted in February this year. Medication to prevent her body from rejecting the transplant was administered. The girl and her mother have the same blood type 'O', while her father's blood type is 'B'. Due to steroid therapy, the girl recovered from a rejection that followed the surgery. She no longer needs a respirator and she can walk by herself, according to the hospital. With liver and kidney transplants, it's common for living donors to have different blood types than that of the recipient. But lung transplants tend to cause rejection reactions more frequently. As a result, patients typically need to wait for lungs from a brain-dead donor with the same blood type. "This treatment may save the lives of patients who can't find two donors with a compatible blood type," said Professor Hiroshi Date, who conducted the operation. *(The Japan Times)*

Indian Private Sector Capex Investment soars in 2021-22

Capital expenditure (capex) investments announced by the private sector witnessed a 145 to 150 per cent increase in 2021-22, compared to the corresponding fiscal as manufacturing was the key driving factor for both capex and orders during the year. According to industrial data released by investment banking firm Goldman Sachs, manufacturing sector saw a huge jump of 210 per cent to 460 per cent in 2021-22, compared to 2020-21. Though this increase was mainly aided by big project announcements (especially in the steel sector), the number of projects announced also increased by 80 per cent to 140 per cent in 2021-22 compared to corresponding fiscal. Sectors like petrochemicals, steel, cement and automobiles as well as new-age sectors like electronics, e-vehicles and data centres, also seemed to have contributed to the growth of manufacturing sector. Engineering goods exports remained strong in February 2022 at \$9.4 billion, up 33 per cent year-on-year. Contract awarding saw an overall increase of 55 per cent year-on-year in 2021-22 and the manufacturing sector witnessed an increase of 135 per cent year-on-year. It is believed that higher activity in the roads sector primarily drove growth in the infrastructure sector. The month of March 2022 witnessed broad-based improvement in indicators (including diesel, petrol, electricity demand, container volumes and railway freight) compared to February and also on year-on-year basis. *(NDTV Profit)*

India's Passenger Vehicles Exports Rose 43% in 2021-22

Passenger vehicle exports from India increased 43 per cent in 2021-22, with Maruti Suzuki India leading the segment with dispatches of over 2.3 lakh units, as per the latest data by industry body Society of Indian Automobile Manufacturers (SIAM). The total passenger vehicle (PV) exports stood at 5,77,875 units in 2021-22 fiscal, as compared to 4,04,397 units in 2020-21. Passenger car shipments saw 42 per cent growth at 3,74,986 units, while utility vehicle exports rose 46 per cent at 2,01,036 units during the last fiscal, the SIAM data indicated. Exports of vans rose to 1,853 units in 2021-22 fiscal, from 1,648 units in the 2020-21 fiscal year. Maruti Suzuki India led the vertical last fiscal, followed by Hyundai Motor India and Kia India at second and third positions, respectively. Maruti Suzuki, exported 2,35,670 PVs last fiscal, an over two-fold increase, as compared to 94,938 units in the 2020-21 fiscal year. Top PV export markets include Latin America, ASEAN, Africa, the Middle East and neighbouring regions, while its top five export models comprise Baleno, Dzire, Swift, S-Presso and Brezza. Maruti Suzuki India Managing Director and CEO Hisashi Takeuchi noted that the company's exports increased on the back of robust demand as well as better availability of semiconductors for export oriented units. Hyundai Motor India's foreign dispatches stood at 1,29,260 units during the last fiscal, up 24 per cent from 1,04,342 from 2020-21. Similarly, Kia India exported 50,864 units across global markets in the period under review, as compared to 40,458 units in 2020-21. Volkswagen India exported 43,033 units in 2021-22, as compared to 31,089 units in 2020-21. Renault India shipped 24,117 units last fiscal, while Honda Cars chipped in with 19,323 units. *(NDTV Profit)*

Rs 20,000 crore electric locomotive plant in Gujarat

Prime Minister Mr. Narendra Modi on 20th April 2022 announced that an electric locomotive manufacturing plant with an investment of Rs 20,000 crore would be set up in the tribal-dominated Dahod district of Gujarat. The area, thus, will become a major centre of the 'Make in India' initiative. "Indian-made electric locomotives are in demand in foreign countries too, and India is one of the very few countries which has manufactured the 9,000-horsepower locomotives which are very powerful", the Prime Minister said. It is believed that Dahod will play a major role in fulfilling the demand for electric locomotives. The Prime Minister performed the ground-breaking ceremony for projects worth over Rs 22,000 crore for Dahod and adjoining Panchmahal district.

India plans to produce 5 mln tonnes of green hydrogen by 2030

'India plans to manufacture five million tonnes of green hydrogen per annum by 2030', said the Power Ministry, aiming to meet its climate targets and become a production and export hub for the fuel. Green hydrogen, produced using renewable energy, has some of the best environmental credentials among cleaner-burning fuels. The zero-carbon fuel is made using renewable power from wind or solar sources to split water into hydrogen and oxygen.

'India will set up separate manufacturing zones, waive inter-state power transmission charges for 25 years and provide priority connectivity to electric grids to green hydrogen and ammonia producers in a bid to incentivise production', the federal power ministry said. The five million tonnes production target is half of that of the European Union, which plans to produce 10 million tonnes of hydrogen from renewable energy by 2030.

While green hydrogen is not currently made in India on a commercial scale, the country's richest men Mukesh Ambani and Gautam Adani have announced plans to produce it. India, with a population more than three times larger than the EU, has a much lower per capita energy consumption, but among the fastest rates of energy demand growth in the world. Currently, manufacturing green hydrogen is a costly proposition and in cognizance of this, the government has waived off inter-state transmission charges. India also plans to provide federal financial support to set up electrolyzers, as it wants to make the use of green hydrogen mandatory for refineries and fertiliser plants.

Tamilnadu signs 130 MoUs with companies, a cumulative investment of over Rs. 68,375 crore

In fiscal 2021-22, the State government signed 130 MoUs with companies, with a cumulative investment of over Rs. 68,375 crore with employment opportunities for over 2.05 lakh people. The investments include sectors such as electronics, auto components, industrial parks, Free Trade Warehouse Zones, IT / ITes, general manufacturing, food processing, footwear, pharmaceuticals, and textiles. It also included new areas such as furniture manufacturing and electric vehicle charging infrastructure. The investments are in various districts of Tamil Nadu, which shall ensure balanced regional development, according to a policy note. Guidance Bureau, the investment promotion organisation of the State government, is working on new policies such as Life Sciences Promotion Policy, R&D Policy, Leather & Footwear Policy, and updates to the EV Policy to accelerate the growth of these sectors in the State. These policies are in advanced stages of drafting, deliberation and consultation.

India's high growth rate - positive news for world: IMF Managing Director

A high growth rate for India, as projected in the latest World Economic Outlook, is not only healthy for the country but also positive news for the world, says Managing Director of the International Monetary Fund Ms. Kristalina Georgieva. The IMF, in mid-April projected a "fairly robust" growth of 8.2 per cent for India in 2022, making it the fastest-growing major economy in the world, almost twice faster than China's 4.4 per cent. The global growth has been projected at 3.6 per cent in 2022, down from 6.1 per cent in 2021. "India is one of the economies that are growing at a high rate. Even with the small downgrade, growth is projected for this year to be 8.2 percent. She said India already plays a very important international role. "By exporting vaccines during the pandemic, it has delivered a global public good. India is also committed to lead in renewable energy with the International Solar Alliance, another area where the world needs more determination, more progress and, it is a country that is on the frontline of digital currencies, especially central bank digital currency and how it handles a reduction of risk from crypto assets for the Indian people and businesses," Georgieva said. Noting that next year India is going to be the Chair of the G20, Georgieva said she very much looks forward to working with the country on many key global cooperation issues, including the 16th General Review of Quotas that should be finalised by the end of next year.

(Money Control)



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IJCCI & CEPAXIL joint meeting on Manufacturing and Other Operations under Warehousing Scheme (MOOWR) on 30th March 2022.



Mr. R.R. Padmanabhan, Exim Consultant and senior member of IJCCI explained the features of the scheme. He highlighted how **MOOWR** is considered to be a better option than the existing duty exemption schemes like Advance licence, EPCG licence, 100% EOU and SEZ. Mr. AMSEG Ashokan, President CAPEXIL & Chairman Arasan Group of Industries addressed the audience on the scheme and interacted with the participants. Mr. T.P. Imbichammad, President IJCCI & Chairman Avalon Group appreciated the initiatives of the Government of India.

14th India-Japan Annual Summit

Prime Minister of Japan H.E. Mr. Kishida Fumio made an official visit to India, his first bilateral visit, on 19 - 20 March 2022 for the 14th India-Japan Annual Summit with H.E. Mr. Narendra Modi, Prime Minister of India.

Prime Minister Kishida stated that he would like to continue working closely with Prime Minister Modi toward deepening “Japan-India Special Strategic and Global Partnership” and realizing a “Free and Open Indo-Pacific.” The two leaders affirmed to continue their cooperation through enhancing initiatives such as Industrial Competitiveness Partnership and Japan-India Institute for Manufacturing (JIMs). Prime Minister Kishida stated that India is an important partner in “new form of capitalism” which he advocates, and the two leaders concurred to setting a target of 5 trillion yen of public and private investment and financing from Japan to India. Prime Minister Kishida also asked Prime Minister Modi to support for further improvement of the business environment for smooth operation of Japanese companies in India. In the field of economic cooperation, Prime Minister Kishida referred to Seven Yen Loan Projects amounting to over 310 billion yen which were signed upon the same day, and stated that the Government of Japan would like to continue to support sustainable growth of India through cooperation in building quality infrastructures in India. In response, Prime Minister Modi expressed his appreciation to Japan’s support. The two leaders welcomed the launch of the “India-Japan Sustainable Development Initiative for the North Eastern Region of India” and confirmed to steadily implement cooperation in development of the northeastern part of India to enhance regional connectivity. The two leaders also welcomed the extension of the bilateral currency swap arrangement totalling USD 75 billion. Both leaders reaffirmed to work together towards global carbon neutrality, diverse and realistic energy transitions through frameworks such as the newly announced “Japan-India Clean Energy Partnership”, which would also contribute to energy security.



‘The Rising Sun Gold & Silver Star’ Award to Mr. N. Kumar

Chairman IJCCI & Vice Chairman Sanmar Group Mr. N. Kumar has been conferred with the Government of Japan Award of ‘*The Rising Sun Gold & Silver Star*’ for his significant contribution in strengthening India-Japan economic relations. Receiving the Award in this historic year of 70th Anniversary of Japan-India Diplomatic Relations, IJCCI thanks the Government of Japan.

‘Congratulations Mr. Kumar’