



Gateway

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President's Message



Dear Friends,

I was extremely sad to know the severe damages caused by the recent *Hagibis* Typhoon in Nagano, Niigata, Miyagi, Fukushima, Ibaraki, Kanagawa and Saitama

Prefectures, claiming several precious lives. I offer my sincere prayers to the victims and their families.

Friends, the year 2019 poses a great challenge to countries globally. One major factor is the slow down of economic growth and the other being global warming. The year 2019 is viewed to be the hottest in the last ten years globally.

As far as India is concerned, the Government of India is taking various economic initiatives to accelerate the domestic market and usher-in-foreign investments. Also, the switch over to electric vehicles, though good for the environment, causes a big concern to auto industry, small and big, and its ancillary units. This switch over is mandatory and our generations will gratefully acknowledge our contribution. Like how we have survived tough situations earlier, we will go through the current period and come out of red soon, successfully.

Chennai is becoming more and more important of late. The launch of a direct flight service between Chennai and Tokyo is a boon for us. The neighbouring Southern States of India will also stand to gain by this initiative and I take this opportunity to congratulate ANA for it.

The Festival of Lights - 'Deepawali' was well celebrated on 27th October by Indians all over the world. It is of utmost importance that we stand united, especially during tough times and help each other. I sincerely wish and greet every one of you for the season.

With best regards,
T.P. Imbichammad

Seminar on Automotive Industry : Potentials & Prospects of Japan-India Cooperation - 14th September



Chief Guest : Mr. Srivats Ram, M.D., Wheels India Ltd.



(From L to R) Mr. R. Natarajan, Publisher, Motor India; Mr. Anil K. Unni, Regional Secretary, ACMA(SR); Ms. Suguna Ramamoorthy, Secretary-General, IJCCI; Mr. N. Haribabu, Advisor, Rane Holdings; Mr. T.P. Imbichammad, President, IJCCI; Dr. Hiroshi Osada, Professor Emeritus, Tokyo Institute of Technology; Mr. Harish Lakshman, Vice-Chairman, Rane Group; Mr. Srivats Ram, Managing Director, Wheels India; Mr. Rajesh Rahavan, President Rane NSK Steering Systems and Mr. N. Balakrishnan, President, Sundram Fasteners.



A section of Seminar Participants

Mr. Venu Srinivasan conferred with the Deming Distinguished Service Award in Tokyo



Mr. Venu Srinivasan, Chairman of TVS Motor Company and Sundaram Clayton, was conferred with the Deming ‘Distinguished Service Award for Dissemination and Promotion Overseas’, at a ceremony held in Tokyo on November 06, 2019. Mr. Venu Srinivasan becomes the first Indian industrialist to be bestowed with this prestigious award for his contributions in the field of Total Quality Management (TQM). This award is given to individuals who have made outstanding contributions in the dissemination and promotion of Total Quality Management (TQM) and is sponsored by Japanese Union of Scientists and Engineers (JUSE). Candidates require recommendations from the members of the Deming Prize Committee, and their primary activities must also be outside Japan. Mr. Venu Srinivasan was President of IJCCI for the period 1995-99, made significant contributions in bringing Japan and India closer. IJCCI congratulates Mr. Venu Srinivasan for this achievement and wishes him many more laurels.

Japanese Goodwill Industrial Team



A 9-member Japanese Goodwill Industrial Team from Kyosan, a leading Japanese company providing controls and equipments to Indian Railways called on Mr. T.P. Imbichammad, Chairman Avalon (Eighth from left).

Japanese Film Screening



Japanese Film Screening (Subtitled in English) “Nobody to Watch Over Me” (Daremo Mamotte Kurenai) supported by The Japan Foundation, was organised by IJCCI & the Consulate General of Japan, Chennai on 5th October.

From noodles to sushi, Japanese cuisine makes inroads in India

Japanese food favourites such as *udon* noodles and *sushi* are gaining their presence in India. With the growing economy and population, Japanese restaurateurs are planning to woo Indian diners with Japanese-style curry.

Makoto Morikawa, runs three *udon* shops in and around New Delhi, and plans to have 30 branches within the next few years. “In the beginning, most of my customers were Japanese, but now around 50% are Indians,” says Morikawa, who opened the first ‘Makoto Udon’ outlet in Gurugram in Dec. 2017. ‘Sushi Junction’, aimed at higher income brackets makes home deliveries of Sushi and other special Japanese dishes in New Delhi since 2015. Also Yoshinoya chain famed for its *gyudon* beef bowl dishes opened its first shop in India in Gurugram last year. The famous Japanese curry shop ‘Ichibanya Co.’ plans to open its first branch in India early next year, a joint venture with Mitsui & Co.

IKIGAI



Okinawa, the southernmost prefecture of Japan had a devastating history, losing over 2000 lives during the end of World War II. But Okinawans do not cultivate the feeling of animosity towards outsiders, they live by principle *ichariba chode* meaning “though we meet once, even by chance, we are friends for life”.

Among the many places that adorn Okinawa, one special place catches the attention is a small village on the northern end of the island called Ogimi, nicknamed as “the village of longevity”. It boasts of the highest life expectancy in the world. This village having a population of over 3000 has incredibly friendly residents who live amidst lush green hills embedded with crystalline waters. There are around nine centenarians with the eldest being 107 years old, and the people are very humble. A close knitted community of happy citizens grace the village and welcome any visitors with an open heart. The secret seems to be in the mysterious *Ikigai*.

Ikigai roughly translates to “A reason for being”. In other words, the happiness of always being busy. According to the Japanese, everyone has their *Ikigai*. Some have found them, whereas others are still looking. Over the past decade, researchers have clearly noticed that the lifestyle of individuals play a vital role in the longevity and contemptuous life.

Rain bow diet:

As a rural village, Ogimi’s people depend on local produce and seasonal crops for their everyday consumption. A typical November lunch would contain fennel, tofu, fish and sweet potato. There are at least 5 servings of fruits and vegetables every day or “eating the rainbow” as they call it. More than 30 percent of their calories come from vegetables. They rarely consume sugar and if they do, they consume cane sugar. They also have a salt intake of 7 grams per day whereas the average Japanese consumes 12 grams. The concept of *hara hachibu* seems to be prominent among existing centenarians. This concept insists on eating only till we are 80 percent full. An easy way to follow that is to skip dessert or to reduce the quantity of consumption.

Stress:

A major killer of longevity is stress. Most of the world is filled with it. Stress is said to be the biggest contributor for premature ageing, high blood glucose levels and elevated blood pressure. In Ogimi people are on constant move, keep themselves active and occupied and this keeps them physically fit there by adding years to their life. Finding one’s *Ikigai* plays a major role in keeping the mind young and not caving in when faced with difficulties.

Resilience:

“Nana Korobi ya oki” (fall seven times, rise eight) is a Japanese proverb that reinforces cultivation of antifragility. Zen Buddhism promotes building emotional resilience by the art of meditation. In meditation, one becomes aware of his/her desires and emotions and thereby freeing themselves from them.

Community:

Celebrations are an essential part in Ogimi. All of them belong to some form of neighborhood association where they feel cared for like a family. The residents conduct competitions and there is no age limit for participation. Birthdays and other special occasions of residents are celebrated in the local community centre. People of Ogimi believe that this human connection keeps their outlook towards life positive and healthy.

A framed statement of the public declaration of Ogimi is hung on the wall of a roadside cafe and it reads:

“80 Years old, I am still a child. When I come to see you at 90, send me away to wait till I’m 100 ; Let us keep going strong as we get older, and not depend too much on our children in old age ; Come to our village in your old age, and we will provide the blessings of nature and teach you the secrets of longevity ; We, the senior citizens of Ogimi proudly declare this the longest lived village in Japan”.

(Anussha Hariprasad)

Changes in the Income Tax Act Rates through Ordinance

In order to give a great thrust to the economy, the Government of India, on 20th September 2019, promulgated an ordinance – called The Taxation Laws (Amendment) Ordinance -2019. This ordinance which is applicable for the current financial year FY2019-20 (AY 2020-21) has given certain NEW WAYS to reduce the effective corporate tax for companies paying more than 25.17% by allowing them to exercise option at the time of filing the Return for the year ended 31-3-2020

Some Salient Features of this Ordinance are :

For companies paying effective tax more than 25.17% :

(1) OPTION UNDER SEC 115BAA

If these companies, ready to forego certain allowances like additional depreciation or contribution to Scientific research Institutions (deduction under section 35(1)(ii) etc) or certain deductions falling under part C of Chapter VIA (excepting deduction under section 80JJAA) or deductions under Sec 32AD, 10AA, sec 35CCC, or sec 35CCD or any losses attributable to these sections, they can opt for lower tax at 22% (plus fixed surcharge of 10% plus 4% cess) aggregating to 25.17% from the present rate;

Some important conditions are :

- Option once exercised cannot be withdrawn;
 - MAT will not be applicable
 - MAT credit will not be available for future set off; (Government has stated that the companies can exhaust MAT credit first and then can switch over)
 - MAT rate reduced from 18.5% to 15% for all assesseees. The advantages are :
 - Companies can pay lower advance tax for the current Financial year even though the option has to be exercised on the due date of filing the Return in sep/November 2020.
 - There are ways to reduce even the new rate below 25.17%
 - Even GAAR will not be applicable here
- (2) NEW MANUFACTURING UNITS : OPTION UNDER SEC 115BAB Tax rate for manufacturing companies @ 15% plus surcharge plus cess @ 17.16% Newly started companies set up and registered after 1-10-2019 engaged solely in the manufacturing or production of article and research in relation to or distribution of such manufactured articles – is eligible to opt for tax rate @ 15%, subject fulfilment of certain conditions; Even MAT will not be applicable to these companies. Even these companies cannot claim those allowances like additional depreciation etc as mentioned in the sec 115BAA. Both these new sections have galvanised the approach of big corporates on their future expansion plans, and also started the process of achieving zero debt company status. Even Companies having SEZ and enjoying tax holiday benefits are contemplating big corporate restructuring exercise like amalgamation / demerger etc so that in the next few years they will move into lower effective tax rate. For achieving all this, one should have a clear vision about the future expansion plans of the business before exercising the option under these sections.

S. Ramanujam, AK Mylsamy & Associates LLP

Kudos to ANA, Chennai gets direct flight to Tokyo

The long awaited wish of the Indian and the Japanese business community has now been fulfilled. Japan's All Nippon Airways (ANA) has launched a new route connecting Chennai and Tokyo from October 27. ANA is the only airline providing direct flights from Japan to South India, and this will be ANA's third route offering service to India, along with flights from Narita to Mumbai and Delhi. The Boeing 787-8 aircraft, with 169 seats, is said to offer 46 business class seats, 21 premium economy class seats and 102 economy class seats, operating thrice a week in the route. With the increase in business interest in the Southern India, the flight service assumes significant importance.

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