

26th July 2016

Shri Ramesh Abishek
Secretary,
DIPP, Ministry of Commerce and Industry,
Government of India

Suggestions for the Government of India by JCCII 2016

Dear Sir,

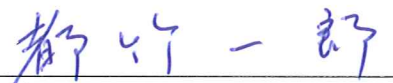
At the outset, on behalf of the members of JCCII and myself, I would like to convey our warm greetings, and express our thanks for the support extended to us in the past year. We are indeed honored to have been accorded a unique and privileged position in the development process, which India is pursuing with much enthusiasm and vigor.

The clarion call of "Make in India" by the Prime Minister, H.E. Shri Narendra Modi, has been responded to favorably by Japanese Companies, and JCCII has taken this up as a challenge, to facilitate and educate investors from Japan to the fast unfolding reform landscape in India. This effort, we are happy to inform, is creating a growing investor confidence, and in the past year we have hosted numerous visits by high level business delegations to India. As of October 2015, the number of Japanese Companies has risen to 1,229 - an increase of 73 over the previous year, and that of all Japanese Corporate offices has risen to 4,417 - an increase of 536 over the previous year. We would also like to place on record our appreciation and admiration for the impressive economic achievements by India recording a GDP growth of 7.9% in the last quarter ending March 2016, increase in net FDI by 15.5% in the 2015-16 fiscal, which along with the improvement in the index of ease doing business, augurs well for the coming times.

We do understand that fast paced reforms will also have its own set of challenges. Our concerns rose in our previous interactions in 2015 and the past few years refer. While we await the pending legislature clearance of the all-important GST bill, our concerns on the Tax system, banking sector, logistics and distribution, steel products, intellectual property rights, procedures and infrastructure remain. Our additional concerns on exemptions on Service Tax, exemptions for Foreign Airlines, relaxations on currency hedging, and counter guarantees, are explained in the appended list enclosed.

We are indeed indebted to the DIPP, senior officials of the PMO, DEA, and concerned ministries, and to you in particular, for the guidance and advice in furthering this co-operation. We urge you to favor us with a positive resolution on the concerns raised, and will be grateful for your kind understanding. The strong ties forged between our two countries by the Prime Ministers, is beginning to take root, and we believe that we are at the threshold of new stage in our engagement process. The assistance received has been most invaluable, and we continue to look forward to receiving your support.

Yours Sincerely,



Ichiro Tsuzuku
President

Japan Chamber of Commerce and Industry in India

Japan Chamber of Commerce and Industry in India (JCCII)

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