

Mr. Amitabh Kant Secretary, DIPP, Ministry of Commerce and Industry, Government of India 10th June, 2014

Dear Sir,

Suggestions for the Government of India by JCCII 2014

The 'Strategic and Global Partnership' between Japan and India have attained ever greater heights during the last year in every aspect be it economic or cultural or social issues. We are indeed pleased with the progress achieved in liberalisation and globalization, which are essential for the congruent growth of our two nations, and for the world as a whole.

Historically, Japan and India have shared common societal values, ethics, professionalism and ethos. The standards set by both of us need to be sustained to deepen our collaboration and rapport.

There is no question that reinvigorating the economy is the first and foremost agenda of the new government. The entire world is eagerly waiting the revival of the Indian economy. It is in this context that we, JCCII, are anticipating at the earliest a strong and clear commitment to, and implementation of, reforms and economic revitalization measures.

It is indeed a positive indication that Foreign Direct Investment (FDI) in India has increased significantly. Consequently, the number of Japanese companies operating in India stands at 1072, as of October 2013, which is an increase of 146 from the previous year. Furthermore, all Japanese corporate entities, including branch offices, have grown manifold to 2542, which is quite remarkable.

We from JCCII, therefore, gratefully applaud the efforts of the Government of India, for the noteworthy steps taken to enhance the business environment in India. We appreciate that last year, initiatives have been taken by the Government of India in certain cases.

Despite the aforesaid optimistic features, there are certain issues we wish to highlight for your kind consideration to facilitate our operations in India, which are detailed below. The concerns primarily include the tax system, the banking sector, logistics and distribution segment, visa and the pivotal infrastructure sector.

Hence we seek your urgent intervention to resolve the issues, which are important factors for Japanese corporate entities. The mitigation of these issues will positively remove the roadblocks of investment and business expansion in India.

We are indeed privileged to have the opportunity to interact with top level Indian government officials, including your good self and the topmost level of the PMO and DEA, among others.

We request you to kindly examine our suggestions and work together with us to enhance the existing business environment, which would among other things, increase local employment opportunities and advance our bilateral relationship.

n/j

Sincerely yours,

Japan Chamber of Commerce and Industry in India

Japan Chamber of Commerce and Industry in India (JCCII)

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