

**Progress Report of  
the Japan Industrial Townships (JITs) in India  
<Japanese Side>**

February 2024

Ministry of Economy, Trade and Industry (METI)  
Government of Japan

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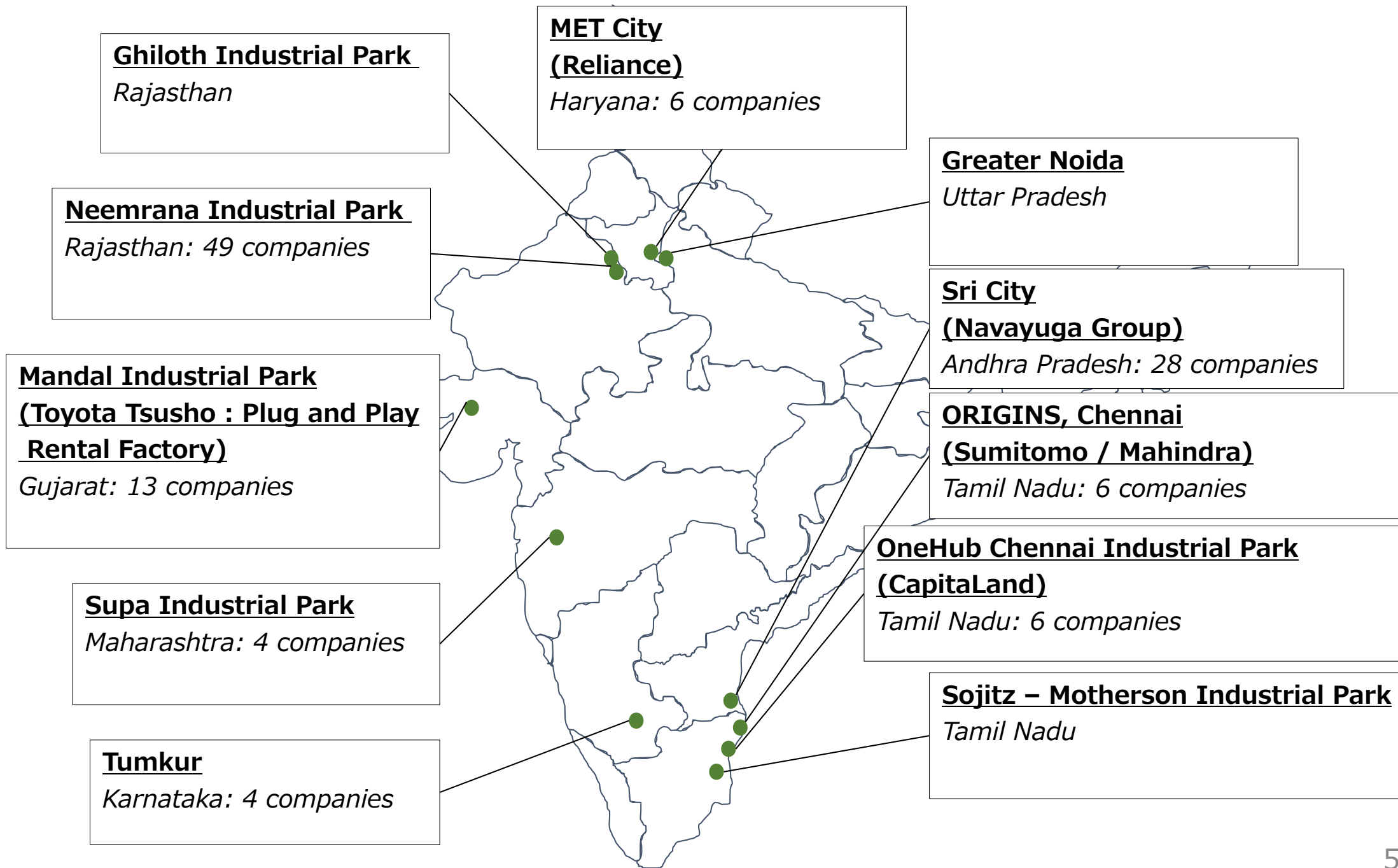
# Abbreviations

AOTS : The Association for Overseas Technical Cooperation and Sustainable Partnerships	ICD : Inland Container Depot
APEDB : Andhra Pradesh Economic Development Board	IIT : Indian Institutes of Technology
BCIC : Bangalore Chamber of Commerce and Industries	IJICP: India-Japan Industrial Competitiveness Partnership JCCIC : Japan Chamber of Commerce and Industry, Chennai
BSC : Business Support Center	JCCII: Japan Chamber of Commerce and Industry in India
CAQM : Commission for Air Quality Management	JEC : Japanese Endowed Course
CBIC : Chennai- Bengaluru Industrial Corridor	JETRO : Japan External Trade Organization
CDG: Chief Director General	JICA : Japan International Cooperation Agency
CFS : Container Freight Station	JIM : Japan-India Institute for Manufacturing
CM : Chief Minister	JITs : Japan Industrial Townships
DG(P19): Director General	LDB : Logistics Data Bank
DG(P26,30): Diesel Generator	METI : Ministry of Economy, Trade and Industry
DMIC : Delhi–Mumbai Industrial Corridor Project	MIDC : Maharashtra Industrial Development Corporation
DMICDC : Delhi Mumbai Industrial Corridor Development Corporation Limited	MoC : Memorandum of cooperation
DPIIT : Department for Promotion of Industry and Internal Trade	MoCI: Ministry of Commerce and Industry
GIDC : Gujarat Industrial Development Corporation	MoU : Memorandum of understanding
GIPP : Gujarat Investment Promotion Program	MPCB : Maharashtra Pollution Control Board
GoGJ : Government of Gujarat	NEDO : New Energy and Industrial Technology Development Organization
Gol : Government of India	NICDC : National Industrial Corridor Development Corporation Ltd.
GoRJ : Government of Rajasthan	ODA : Official Development Assistance
GoTN : Government of Tamil Nadu	OJT : On the Job Training
GRAP : Graded Response Action Plan	PV : Photovoltaic
GST : Goods and Services Tax	RFID : radio frequency identifier
IALA : Industrial Area Local Authority	RIICO : Rajasthan State Industrial Development and Investment Corporation
	SIPCOT : State Industries Promotion Corporation of Tamil Nadu Ltd
	VAT : Value Added Tax

- (1) “Japan Industrial Townships (JITs)” were agreed to be developed as one of the initiatives in “the Japan-India Investment Promotion Partnership” announced by Prime Minister Shinzo Abe and Prime Minister Narendra Modi in September 2014.
- (2) In April 2015, Minister of METI Yoichi Miyazawa and Minister of MoCI Nirmala Sitharaman signed “India-Japan Investment and Trade Promotion and Asia-Pacific Economic Integration” and agreed to take steps to develop 11 potential sites as JITs in India. Later, Pithanpur Industrial Area, Madhya Pradesh was also designated as a JIT (Total number of JITs is 12).
  - JITs are designed as integrated industrial parks so that Japanese companies can smoothly establish production sites and operate their business, thereby facilitating their investment in India and contributing to policies of India such as “Make in India/Make for World”.
- (3) In March 2022, Prime Minister Fumio Kishida and Prime Minister Narendra Modi expressed their intention to realize JPY 5 trillion of public and private investment and financing from Japan to India in the next five years following the successfully achieved investment target of JPY 3.5 trillion announced in 2014.
  - In this context, India-Japan Industrial Competitiveness Partnership (IJICP) Roadmap was formulated between METI and DPIIT, including setting up of JITs Working Group (WG).

- (4) 1<sup>st</sup> JIWs WG was held between METI and DPIIT on 20<sup>th</sup> February 2023, in order to monitor the progress and serve to enhance communication between relevant stakeholders of Japan and India for addressing issues faced by Japanese companies.
- Promotion and effective utilization of JIWs are further important to implement the above target of JPY 5 trillion financing and investment and to materialize the initiative under IJICP.
- (5) This report summarizes the efforts and achievements by Japan for 11 JIWs in 8 states in India. (“□” in the following pages represents efforts and achievements which had taken place since 2023, while “●” represents those before then)
- (6) India has also prepared its own progress report with regard to its efforts to improve business environment of JIWs.

# Locations of JITs in Progress Report



# Overall Progress of JITs

## Status of JITs investment by Japanese Companies

- ❑ 116 Japanese companies are active in 8 JITs\*. \*Japanese recognition including Operation and Construction
- ❑ Net increase of 6 companies compared to that in February 2023.
- ❑ The year 2023 was the year that India strongly drew the attention of the world as becoming the most populous in the world, hosting G20 as the chair country, successfully landing “Chandrayaan-3,” the world’s first unmanned lunar probe and so on. Along with this, interest of Japanese companies is tending to increase to invest in India thereby JITs.
- ❑ Acceleration of physical interaction such as mission visits and events in the post-pandemic economy.

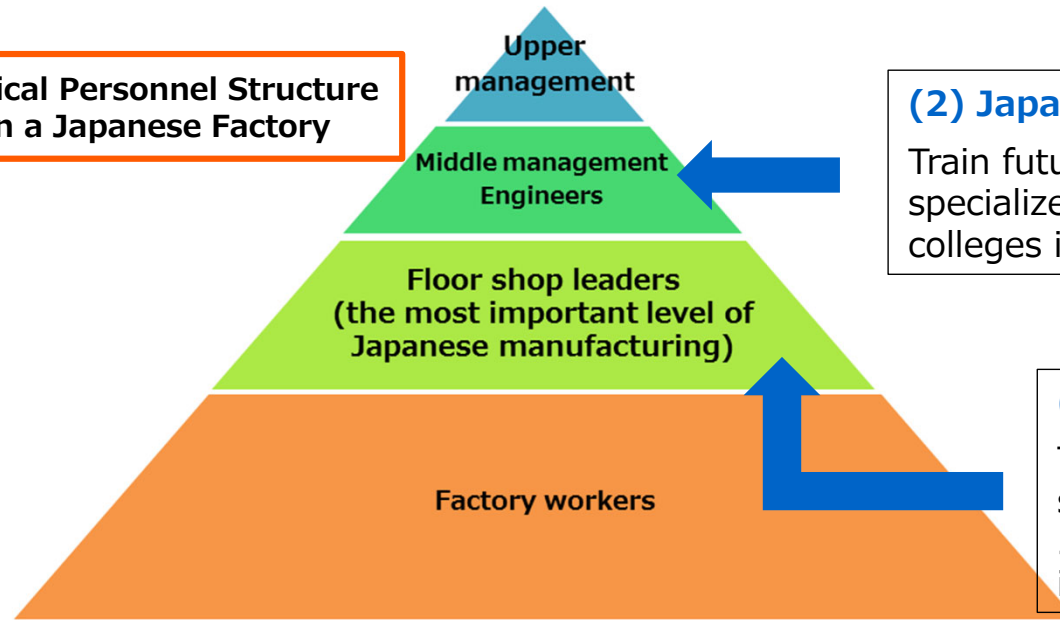
## Promotion by METI for overall JITs

- ❑ **JIM·JEC**
  - ◆ 37 JIMs and 11 JECs have been launched in total as of January 2024.
  - ◆ 4 JIMs were additionally established in 2023 across India.
- ❑ **MSME WG Under IJICP**
  - Co-chair: Director, METI and Joint Secretary, DPIIT
    - 3 meetings were held in 2023. Offered “ Japanese-style manufacturing education program” at the Technology Center in Bhiwadi & Pondichery with a budget from METI.
- ❑ **2nd and 3rd Fast-Track Mechanism (India) (June 2023, February 2024)**
  - JCCII raised 81 issues (new 40, Continued 41) including JITs-related issues for enhancement of business environment in India, followed by the clarification or instruction for further follow-up by Indian side.

# Human Resource Development in the Manufacturing Sector in India

## Japan-India Institute for Manufacturing (JIM) & Japanese Endowed Course (JEC) by Japanese Companies in India

Typical Personnel Structure  
in a Japanese Factory



### (2) Japanese Endowed Courses (JEC)

Train future middle management engineer candidates by providing specialized, practical manufacturing education to engineering colleges in India

### (1) Japan-India Institute for Manufacturing (JIM)

Train future shop floor leaders in India to the Japanese standard level in key Japanese concepts such as KAIZEN, 5S and Japanese work principles and rules at a new institute operated by Japanese companies.

- Japan and India are cooperating in human resources / skill development in the manufacturing sector in India through collaboration between the public and private sectors of both countries in order to contribute to the “Make in India/Make for World” and “Skill India”.
- The Ministry of Economy, Trade and Industry, Japan and the Ministry of Skill Development and Entrepreneurship, India signed the MoC in November 2016 to facilitate the projects as follows:  
Train 30 thousand floor shop leaders and engineers in the next 10 years.
  - (1) Japan-India Institute for Manufacturing (JIM)
  - (2) Japanese Endowed Courses (JEC)



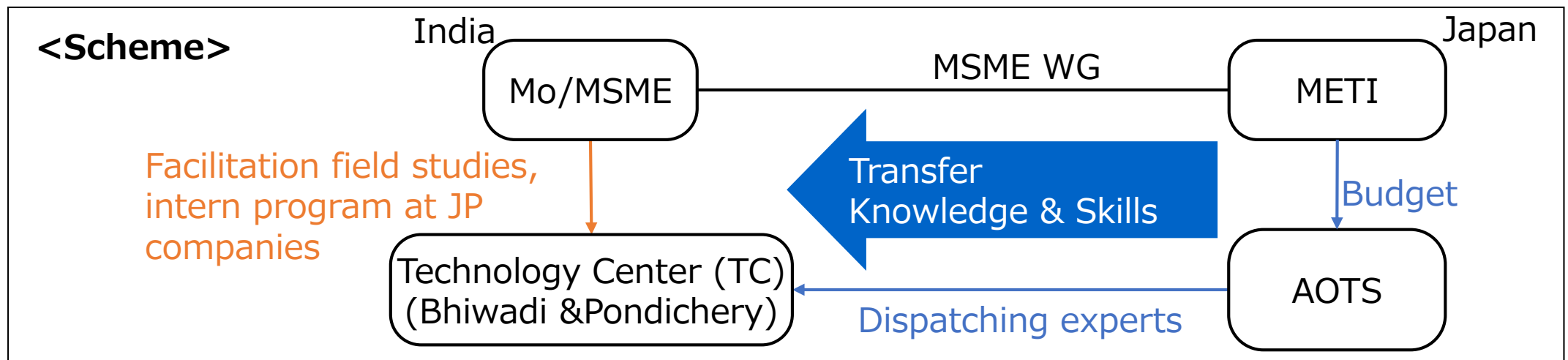
# “Japanese-style manufacturing education program” at the technology center (2023FY)

## Targeted Outcome

- ✓ Learn, necessary skillsets required by JP companies
- ✓ Development, human resource and high-quality suppliers in IN
- ✓ Contribution, increase of investment and enhancement of manufacturing supply chain of JP companies
- ✓ Upgradation, competitiveness of IN's manufacturing sector

## Specific Activities done by Japan

- ✓ Dispatching an expert from AOTS to two Technology Center (Bhiwadi & Pondichery) in September and January & February.
- ✓ Teaching Kaizen & 5S program for TC trainers for developing “Japanese-style manufacturing education program”.
- ✓ Applying to the budget of 2024FY for this program.

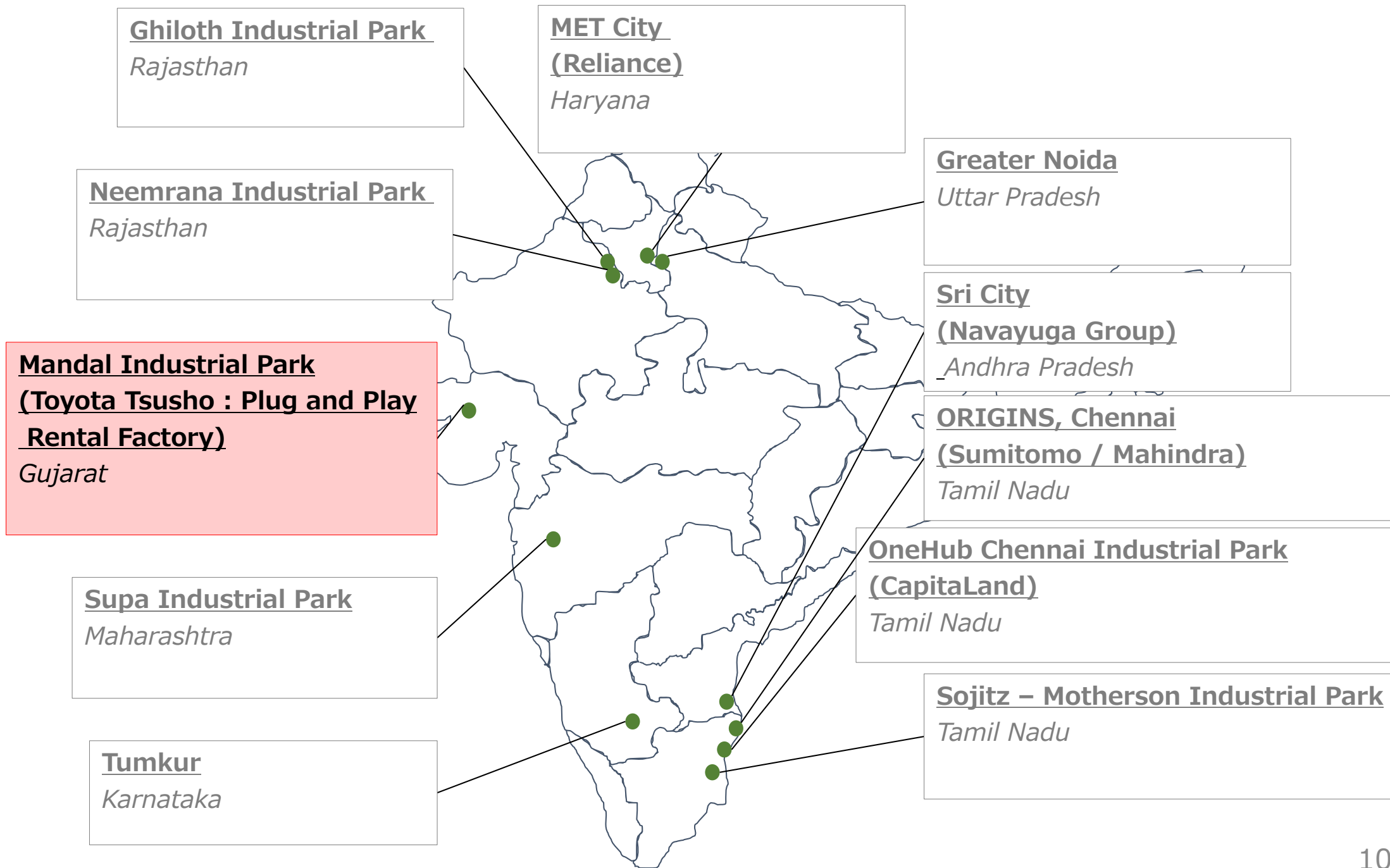


# 1. Gujarat

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➤ *Mandal Industrial Park*

# Locations of JITs in Progress Report



# 1. Gujarat

## Status of JITs investment by Japanese Companies

- ❑ 13 Japanese companies are active in Mandal Industrial Park.

## Industrial Infrastructure

- ❑ NICDC LDB Project  
[Coverage] Port (4): Mundra, Hazira, Kandla, Pipavav, Toll Plaza(11), CFS(24) , Empty Yard (55), Parking Plaza (3), SEZ (13), ICD (7)
- Concessional ODA loan of approx. ¥16.8B under JICA's "Gujarat Investment Promotion Program (GIPP)" (2017 - 2019) was utilized for infrastructure development: Loan agreement in Sept. 2017, 1st Disbursement JPY6,731 million in March 2018, 2nd Disbursement JPY5,047 million in February 2019, the final Disbursement JYP 5,030 million in February 2020. Ex-post Evaluation of this project is completed.

## Promotion by METI (Human Resource Development)

- 6 JIMs have been launched as of January 2024.
- JIM (Japan-India Institute for Manufacturing) by Toyota Tsusho India Pvt. Ltd. in Mandal opened in September 2018 to train the young people in Gujarat with practical skills and disciplines required at the manufacturing sites.

## JIM by Toyota Tsusho (in Mandal)



- Toyota Tsusho operates JIM in the Mandal Industrial Zone in Gujarat

\* Photos by Toyota Tsusho

# 1. Gujarat

## Promotion by JETRO (Business Support Centre)

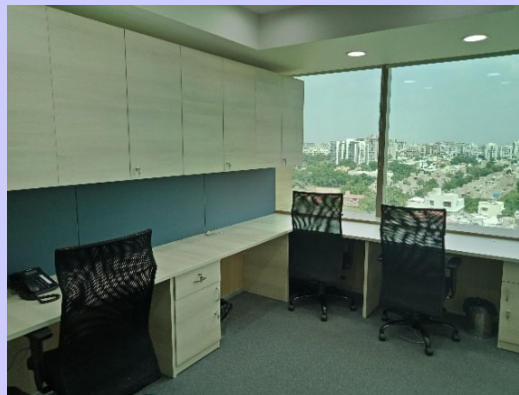
- JETRO opened Ahmedabad Office in November 2017 to accelerate the Japanese investments to Gujarat and JIT. This office is 5<sup>th</sup> JETRO office in India.
- JETRO established BSC in July 2018 at its Ahmedabad Office to support Japanese investors (short-term rental office/specialized advices) inaugurated by Hon'ble CM Shri Vijay Rupani.
- JETRO Team supports existing companies in JITs and potential investors.

## Concept of Business Support Center (BSC)

- Designed as a total support center for Japanese companies planning to invest into India.
- Leases short-term office and offers consulting services to Japanese companies.
- Helps Japanese companies gather information efficiently, conduct Feasibility Studies for a long term business plan for Gujarat unit, and solve problems in establishing a local unit.



Inaugurated by Hon'ble CM Shri Vijay Rupani



2 Rooms are available at BSCA



Consultation by JETRO adviser

\*Photos by JETRO



# 1. Gujarat

## Promotion by JETRO (Support for Interaction)

- ❑ JETRO supported the VG Roadshow of CM Mr. Patel to Japan and arranged 1to1 meetings with 18 leading Japanese companies in Japan and dispatched a mission with over 200 members of Japanese companies facilitated by JETRO for VG2024.
- 25 MoUs between Japanese companies and the GoGJ was signed in 2017 and 2018 with the amount of 38.4 billion rupees investment and 6,290 jobs creation in Gujarat.
- JETRO supported the GoGJ for a business delegation to Japan in 2017 and 2018.
- Organized Gujarat Business Mission by Japanese companies in 2017 and 2019.
- Brought Japanese delegations to Vibrant Gujarat(VG) since 2013. Facilitated Japanese business delegations, organized Japan Pavilions and Seminars during VG.
- Keidanren and JCCI (Japan Chamber of Commerce and Industry) dispatched a mission with about 130 members of Japanese companies by JETRO for VG2019.
- JETRO hosted promotion events for Japanese Industrial Townships in Asia including Mandal, in 2016 (Osaka), 2017 (Tokyo), 2018 (Kobe and Tokyo) and 2019(Tokyo).

15 MoUs during India Japan Annual Summit in September 2017



10 MoUs during JETRO Ahmedabad BSC Opening Ceremony in July 2018



Japan Pavilion at "Vibrant Gujarat 2019"



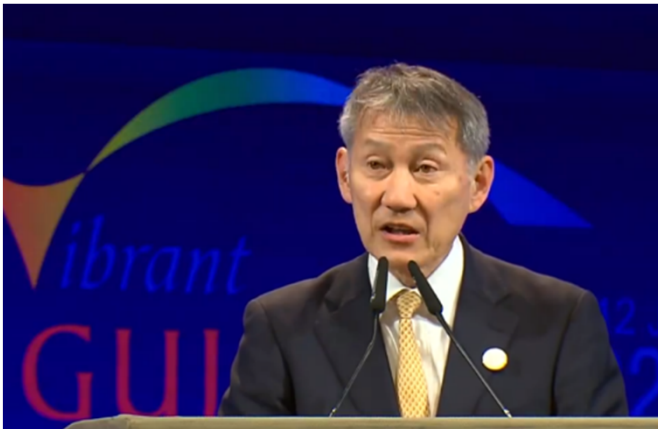
\*photos  
by JETRO

# 1. Gujarat

## Promotion by METI (Policy Cooperation for JITs)

- ❑ Vice-Minister for International Affairs of METI participated in Vibrant Gujarat and delivered the speech that referred to the support for JITs in order to contribute to “Make in India” policy.
- ❑ Vice-Minister for International Affairs of METI met with the CM of Gujarat, Bhupendra Patel, with 3 Japanese companies, referring to continuous promotion of JITs and requesting further improvement of business environment in JITs.
- Deputy Director-General of METI and Chief Secretary of GoGJ held 5th Policy Dialogue in July 2019. GoGJ committed to complete widening of State Highway 7 by June 2020, establish the second entrance at Mandal, consideration for establishment of a fire station and further improvement of security in Mandal, qualify Plug & Play Industrial Park (or its tenant manufacturing companies) for Gujarat State's incentive schemes.

Speech by VM of METI at  
“Vibrant Gujarat 2024”



Meeting with Hon'ble CM at  
“Vibrant Gujarat 2024”



Policy Dialogue with  
Chief Secretary



# 1. Gujarat

## Challenges to improve the business environment of JITs

- ❑ Frequent power outage
  - Japanese companies operating in Mandal Japanese industrial park reported frequent power outages in the industrial park. JETRO offered to resolve the issue with GIDC.
- ❑ Requested to appear in court, despite GIDC issue
  - Four Japanese companies operating in the industrial park received requests to appear in court. It was that the descendants of the landowner demanded the return of their land. Since GIDC, not the company, has ownership of the land, so GIDC is taking the lead in dealing with the issue.
- ❑ Improvement of environment of Japanese residents
  - A Japanese village is being formed in the Mandal-Becharaji region as the eco-system, led by Suzuki, Honda, and their supplier companies, continues to grow. Once the introduction of the EV line by Suzuki and the construction of its 5th plant are realized soon, the ecosystem will become even more sophisticated and the number of Japanese residents in this area is expected to increase. In order to improve the quality of life of Japanese residents in this area, we would like to see the opening of a liquor store in a hotel in the area approved as soon as possible.

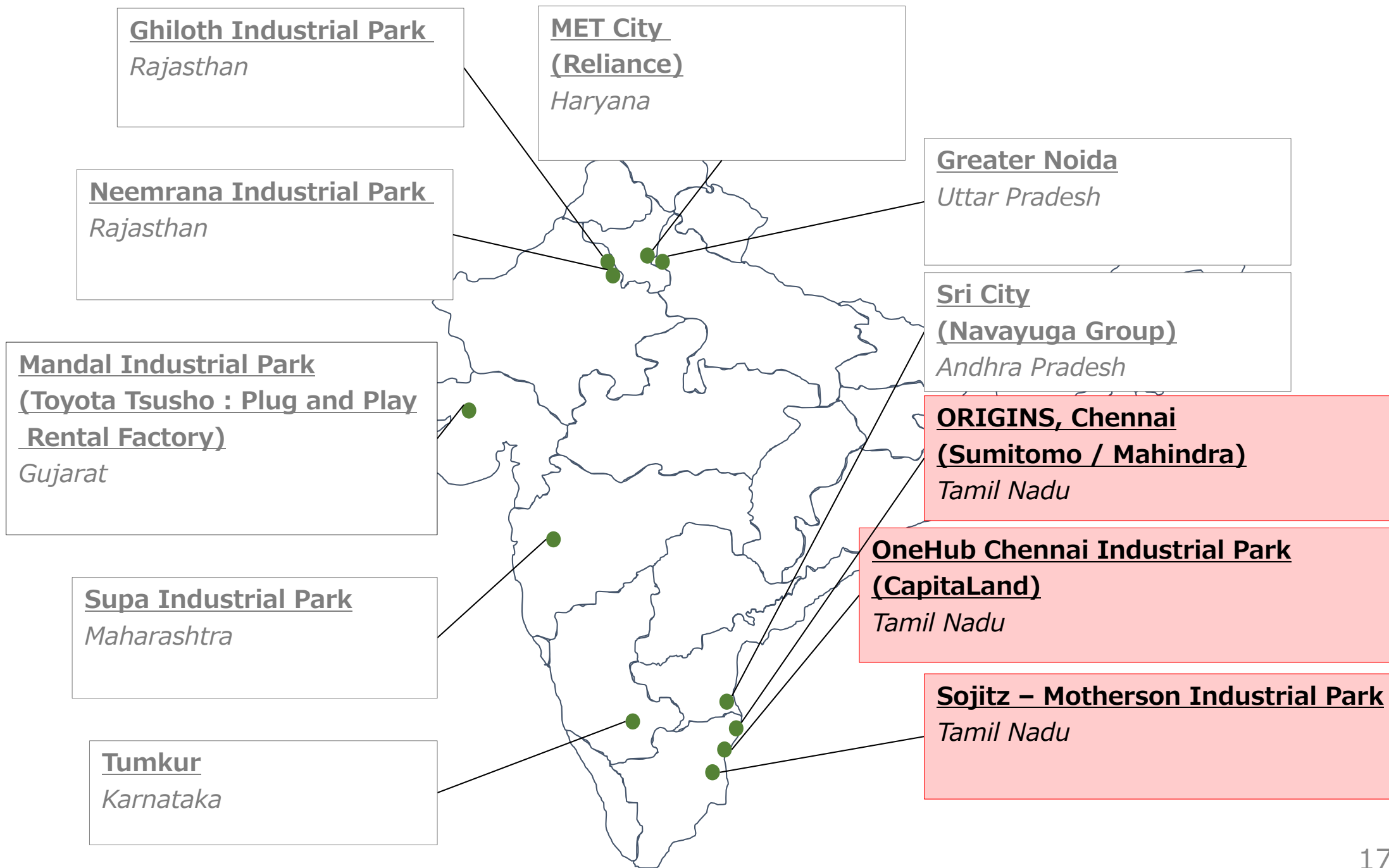


## 2. Tamil Nadu

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- *ORIGINS, Chennai*
- *OneHub Chennai Industrial Park*
- *Sojitz – Motherson Industrial Park*

# Locations of JITs in Progress Report



## 2. Tamil Nadu

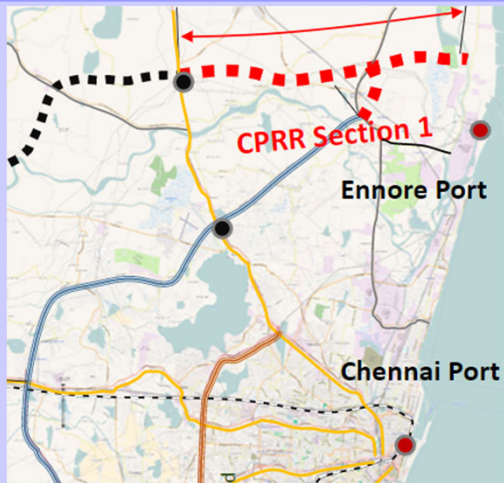
### Status of JIITs investment by Japanese Companies

- 12 Japanese companies are active in ORIGINS Chennai and OneHub Chennai Industrial.

### Industrial Infrastructure

- Concessional ODA loan of approx. ¥22B under “Tamil Nadu Investment Promotion Program Phase2 (TNIPP2)” (2016 - 2019) was in part utilized for infrastructure development. The Ex-post Evaluation was published in 2023.
- JICA has been supporting “Project for the Construction of Chennai Peripheral Ring Road (Phase 1)” (ODA Loan, 2019-2026) for addressing fast-growing road transportation demand and contributing to economic growth in the Chennai metropolitan area. The Loan Agreement of subsequent phase “Project for the Construction of Chennai Peripheral Ring Road (Phase 2)” (ODA Loan, 2024-2033) ” is scheduled to be signed within February 2024 (P).
- NICDC LDB Project  
[Coverage] Port (4): Chennai, Ennore, Tuticorin, Kattupalli, Toll Plaza(29), CFS(47), ICD(6) , Empty Yard(49), Parking Plaza (2), SEZ(34)

### Project for the Construction of Chennai Peripheral Ring Road (Phase 1) (CPRR, Section 1) (2019-2026)



Existing Road to intersect with CPRR

**The ODA Loan amount : ¥40B**

**The Project Object :** to construct section 1 of CPRR and to introduce ITS equipment, thereby addressing fast-growing road transportation demand and contributing to economic growth in the Chennai Metropolitan area.

## 2. Tamil Nadu

### Promotion by JETRO (Contribution to TNGIM2024)

- ❑ JETRO coordinated GoTN Delegations to Japan, headed by Chief Minister in May 2023, and arranged investment promotion seminars in Osaka and Tokyo.
- ❑ JETRO organized Japan Pavilion at TNGIM2024, in which 8 Japanese companies exhibited their products, and ORIGINS, Chennai(Sumitomo corp.) and Sojitz – Motherson Ind. Park promoted their sites at the Japan Pavilion.

### Japan Pavilion at TNGIM2024



### Promotion by JETRO (Support for Interaction)

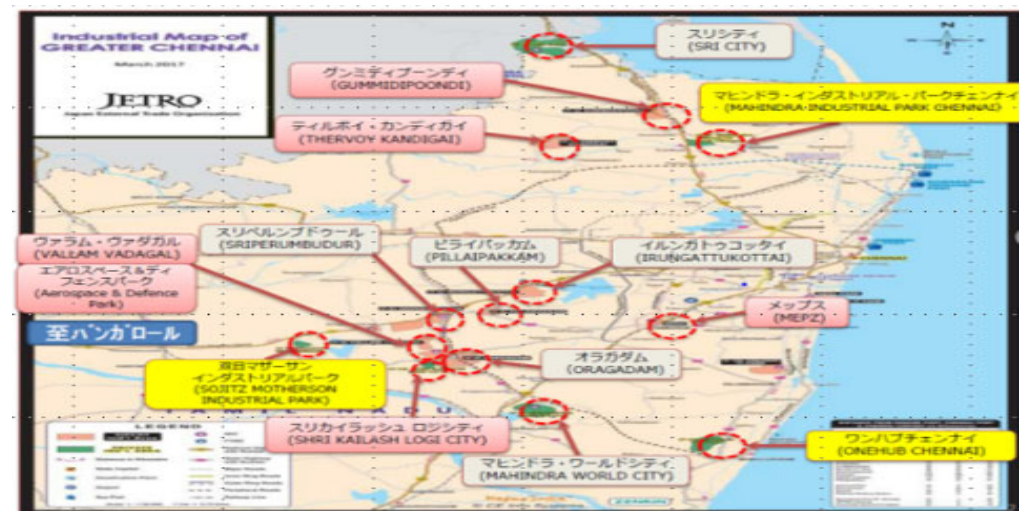
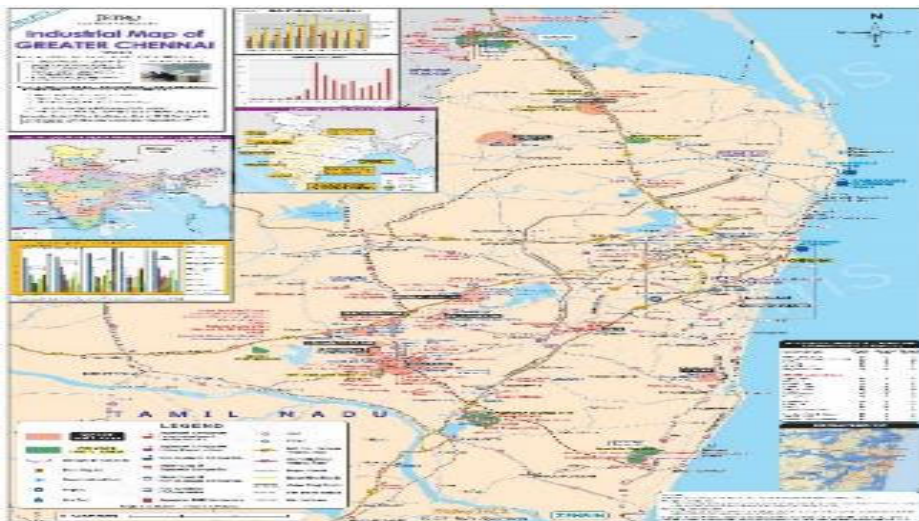
- ❑ JETRO accompanied with GoTN Delegation(May 2023), and made presentation, introduced JETRO's support program, business environment of TN at the seminars.
- ❑ JETRO organized invest promotion seminars explained business environments including introduction of JIITs sites.
- JETRO introduced Japanese companies (potential investors) to Guidance Tamil Nadu.
- JETRO Chennai's DG is in the position of Secretary General of JCCIC, and organized and managed JCCIC's events.
- JETRO organized meetings between the GoTN and JCCIC, in which proposals based on Japanese companies' requests were submitted from JCCIC to GoTN.
- JETRO organized meetings with JCCIC Industrial Park Committee, Guidance Tamil Nadu and SIPCOT to exchange views.

## 2. Tamil Nadu

### Promotion by JETRO (Support for Interaction before 2023)

- JETRO coordinated GoTN Delegations to Japan, headed by Minister of Industries in February-March 2018, October 2018, November 2019 and September 2022.
- JETRO organized online investment promotion seminar with Guidance Tamil Nadu in May 2021.
- JETRO hosted promotion events for Japanese Industrial Townships including Origins, One Hub Chennai, and Sojitz-Motherson in 2016 (Osaka), 2017 (Tokyo), 2018 (Kobe and Tokyo), 2019 (Tokyo and Osaka), 2022(Tokyo).
- JETRO published and distributed Industrial Map of Greater Chennai (“Industrial Park and Industrial Road Distribution Map”) and the summary report for Japanese companies (“Information on Industrial Parks near Chennai in Tamil Nadu”).

### Industrial Map of Greater Chennai (“Industrial Park and Industrial Road Distribution Map”)





## 2. Tamil Nadu

### Promotion by METI (Policy cooperation for JITs)

- ❑ Director General of METI participated in “Global Investors Meet” in Tamil Nadu and delivered the speech that referred to the support for 3 JITs in order to contribute to the vision for the TN State to achieve a \$1 Trillion economy by 2030.
- ❑ Director General of METI and industries secretary of TN state have a discussion on 8<sup>th</sup> January in 2024. A wide range of economic activities by Japan including 3 JITs and JIM/JEC was discussed at the meeting and METI appreciated to the support of TN state government.



## 2. Tamil Nadu

### Promotion by METI (Human Resource Development)

- ❑ 4 JIMs and 3 JECs have been launched as of January 2024.
- ❑ 1 JIM was additionally established in Tamil Nadu in 2023.
- ❑ JIM (Japan-India Institute for Manufacturing) by Fujitec elevator India private limited in Tamil Nadu opened in 2023 to train the young people with practical skills of installation and maintenance of elevators and manufacturing facilities.
- AOTS(The Association for Overseas Technical Cooperation and Sustainable Partnerships) and GoTN(Guidance) signed a MoU for cooperation in public relations for JIM and JEC in October 2022.
- GoTN(Guidance) expressed their expectations for the development of JIM and JEC and the resulting promotion of manufacturing and economic growth.

### MoU signing ceremony in Chennai



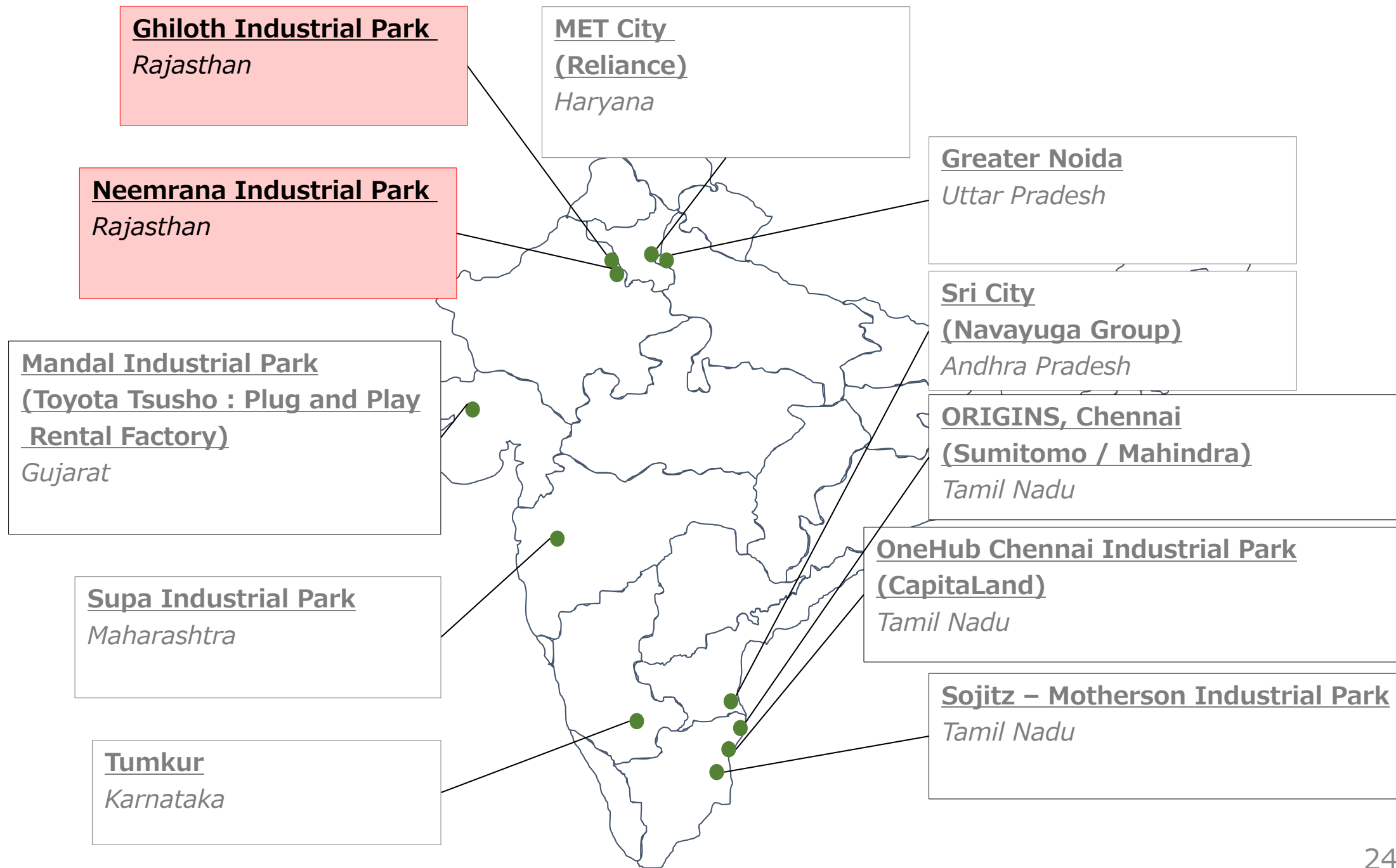
# 3. Rajasthan

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- *Neemrana Industrial Park*
- *Ghilot Industrial Park*



# Locations of JITs in Progress Report



# 3. Rajasthan

## Progress of investment

- ❑ 49 Japanese companies are active in Neemrana Industrial Park.
- ❑ Nos. of Japanese companies remain unchanged in Neemrana Industrial Park (One exit and one new entry).
- ❑ 1 company celebrated Groundbreaking and 1 company celebrated new factory opening in Neemrana Industrial Park.
- ❑ 1 company is building a new factory building for expansion in Neemrana Industrial Park.
- ❑ 1 company contemplates acquisition of Japanese zone in Ghiloth Industrial Park.

## Industrial Infrastructure

- NICDC LDB Project  
[Coverage] Toll Plaza(8), ICD(4), SEZ(1)

## Promotion by JETRO - Overview

- ❑ JETRO has held a Quarterly meeting with RIICO to address and resolve issues Japanese companies face and JVVNL to ensure stable power supply to Neemrana recommending action plans for RIICO to maintain advantages over other states to attract Japanese companies.
- ❑ JETRO introduced and guided Japanese companies to Neemrana and Ghiloth for the investments.

### 3. Rajasthan

#### Promotion by JETRO in 2023 (Support for interaction)

- ❑ JETRO presents important topics in Neemrana Presidents Meeting every month.
- ❑ February: JETRO met with RIICO MD to resolve the issues Japanese companies have faced.
- ❑ April: JETRO met with Power Utilities (RUVNL and JVVNL) executives to discuss the improvement of stable power supply.
- ❑ May: JETRO met with Torrent Gas executives to discuss of the improvement of gas infrastructure.
- ❑ May: JETRO met with RPCB executives to clarify DG set usage regulations.
- ❑ May: JETRO supported Vice ministers of Embassy of Japan in India's visit to Neemrana Japanese companies to understand their business challenges.
- ❑ July: JETRO took member of parliament and business leaders to Neemrana Japanese companies to discuss business opportunities.
- ❑ August: JETRO met with Additional Chief Secretary of Rajasthan Government and RIICO MD to attract Japanese companies.

#### M.P and business leaders visit to Neemrana Industrial Park



### 3. Rajasthan

#### Promotion by JETRO (Support for interaction before 2022)

<2022>

- May: JETRO CDG met with Principal Secretary and Additional Chief Secretary of Rajasthan to attract more Japanese companies.
- July: 11 companies signed MoUs amounting to Rs.13.4B with creation of 2,272 employment. JETRO organized a meeting with Rajasthan CM Gehlot and Ambassador of Japan Mr. Suzuki.
- October: JETRO CDG met with Principal Secretary and Additional Chief Secretary during Invest Rajasthan 2022 Summit to draw their attention to improve infrastructure of 2 JITs. JETRO Sr. Investment Advisor met with RIICO representative to make Neemrana Fire Station operational immediately.
- November: JETRO Sr. Investment Advisor met with Torrent Gas to urge completion of PNG infrastructure in JIT Neemrana. JICA representative and JETRO Sr. Investment Advisor met with Japanese companies in Neemrana to share the plan of power supply improvement scheme.

# 3. Rajasthan

## Promotion by METI (Human Resource Development)

- ❑ Site Visit to Technology Centre Bhiwadi for Japanese companies in February 2024 arranged by AOTS.
- ❑ 16 participants from 6 companies.
- ❑ Promotion the collaboration between Japanese companies and Technology Centre Bhiwadi, such as JEC at Technology Centre and requiring of apprentice.

## MSME Technology Centre Bhiwadi

- Technology Centre System Program(TCSP) was launched by M/o MSME to set up 15 new Technology Centres(TCs) and upgrade existing Technology Centres with World Bank assistance.
- Technology Centre Bhiwadi was established by the government of India in its endeavor to provide right stimulus for the growth of industry in the country – particularly with a objective of helping MSME's.
- Modern Tool Room Facilities are indispensable for the industrial development of the Country & properly trained manpower is an asset to the nation.



# 3. Rajasthan

## Promotion by METI (Human Resource Development)

- ❑ 4 JIMs have been launched as of January 2024.
- ❑ 1 JIM was additionally established in the state of Rajasthan in 2023.
- JIM (Japan-India Institute for Manufacturing) by Daikin Air-conditioning India in Neemrana opened in 2017 to train the young people in Rajasthan with practical skills and disciplines required at the manufacturing sites, thereby nurturing the future floor leaders.

## Daikin Japanese Institute of Manufacturing Excellence (Neemrana, Rajasthan)

- Students learn air conditioner assembly and basic knowledge of air conditioning in the course including on-the-job training at Daikin plant.
- Aimed at promoting gender diversity in manufacturing industries, the first class is composed of only female students.
- Daikin trains their sales representative's engineers in East African countries to have knowledge of installation and maintenance of air- conditioner in their JIM.



Photos by Daikin Airconditioning India Pvt. Ltd.



### 3. Rajasthan

#### Challenges to improve the business environment of JITs

##### <Neemrana Industrial Park>

- ❑ Improve stable power supply shall be crucial under GRAP regulations, which literally prohibits the use of DG sets.
  - Well advance notice for planned shutdown for maintenance
  - Improve maintenance to reduce unscheduled power failure
  - Enhance communication with Japanese companies
- ❑ Improve industrial water supply shall be crucial to attract Japanese companies.
  - Short supply of water has affected operations of some Japanese companies
- ❑ Improve gas infrastructure shall be crucial to comply with CAQM GRAP regulations.
  - Insufficient gas infrastructure deployment hinders the usage of gas generators during power failure

##### <Ghiloth Industrial Park>

- ❑ Improve industrial water supply shall be crucial to attract Japanese companies.
  - Short supply of water affects investment decisions by Japanese companies

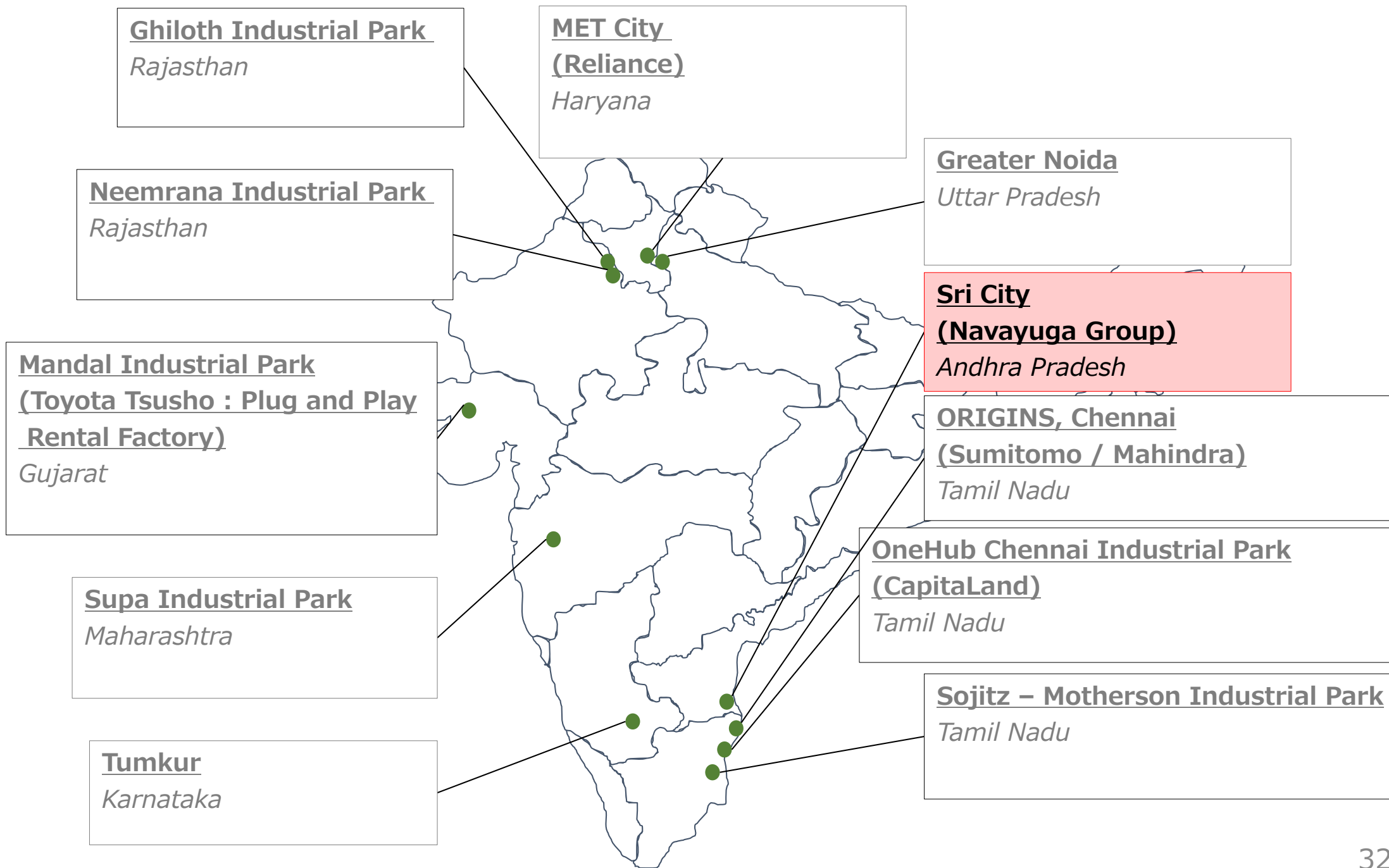
# 4. Andhra Pradesh

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➤ *Sri City*



# Locations of JITs in Progress Report



## 4. Andhra Pradesh

### Progress of investment

- ❑ 28 Japanese companies are active in Sri City.
- ❑ Net increase of 5 companies compared to that in 2022.
- ❑ 1 company announced new factory construction plan in Sri City in 2024.

### Industrial Infrastructure

- ❑ NICDC LDB Project  
[Coverage] Port (2): Krishnapatnam, Vizag, Toll Plaza(13), CFS(11), Empty Yard(8),SEZ(4)

### Promotion by JETRO (Support for interaction)

- JETRO supported JCCIC activities to have conversations with APEDB regarding Sri City business environment.
- JETRO attended information exchange meeting with Additional Secretary (DPIIT), Sri City Private Limited and Sri City Japanese Company Group in Sept. 2022.
- JETRO supported “Andhra Pradesh- Japan Policy Recommendations & EoDB Improvement Summit” in February 2021. Invest India, AP Government, APEDB, APIIC, Sri City Ltd, Japanese Companies and JETRO attended.
- JETRO supported “Japan-AP Business Summit (Online)” in November 2021. APEDB, Sri City Ltd, Japanese Companies and JETRO attended.
- JETRO supported Andhra Pradesh - Japan Public - Private Joint Conference in July 2017.
- JETRO had Investment Promotion seminar in June 2018. CEO of APEDB attended it.
- JETRO hosted promotion events for Japanese Industrial Townships in Asia including Sri City, in 2019(Tokyo). At the event, Navayuga Group gave a presentation to the participants from Japanese companies.

## Promotion by METI (Human Resource Development)

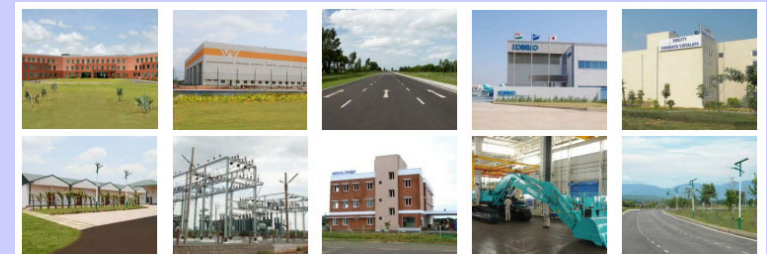
- ❑ 1 JIM (joint-JIM by 6 Japanese companies) and 2 JECs have been launched as of January 2024.
- JIM by Sri City opened in April 2019 to train the young people in Andhra Pradesh with practical skills and disciplines required at the manufacturing sites, thereby nurturing the future shop floor leaders.

## Sricity Japanese Companies JIM (Sricity, Andhra Pradesh)

- The school is operated in cooperation with 7 Japanese companies in Sri City industrial area.
- Students aim to acquire basic knowledge about production control, quality control and manufacturing technique in OJT in the factory
- Classroom lectures are provided by Indian people who have learned the concepts and skills of Japanese manufacturing at AOTS.

### Representative companies

- Aisan Auto Parts India Pvt. Ltd.
- India Metal One Steel Plate Processing Pvt. Ltd.
- Isuzu Motors India Pvt. Ltd.
- Kikuwa Inida Pvt. Ltd.
- Kobelco Construction Equipment India Pvt. Ltd.
- NS Instruments India Pvt. Ltd.
- MCNS POLYURETHANES INDIA Pvt.Ltd



## 4. Andhra Pradesh

### Major requests from Japanese companies in Sri City at Andhra Pradesh

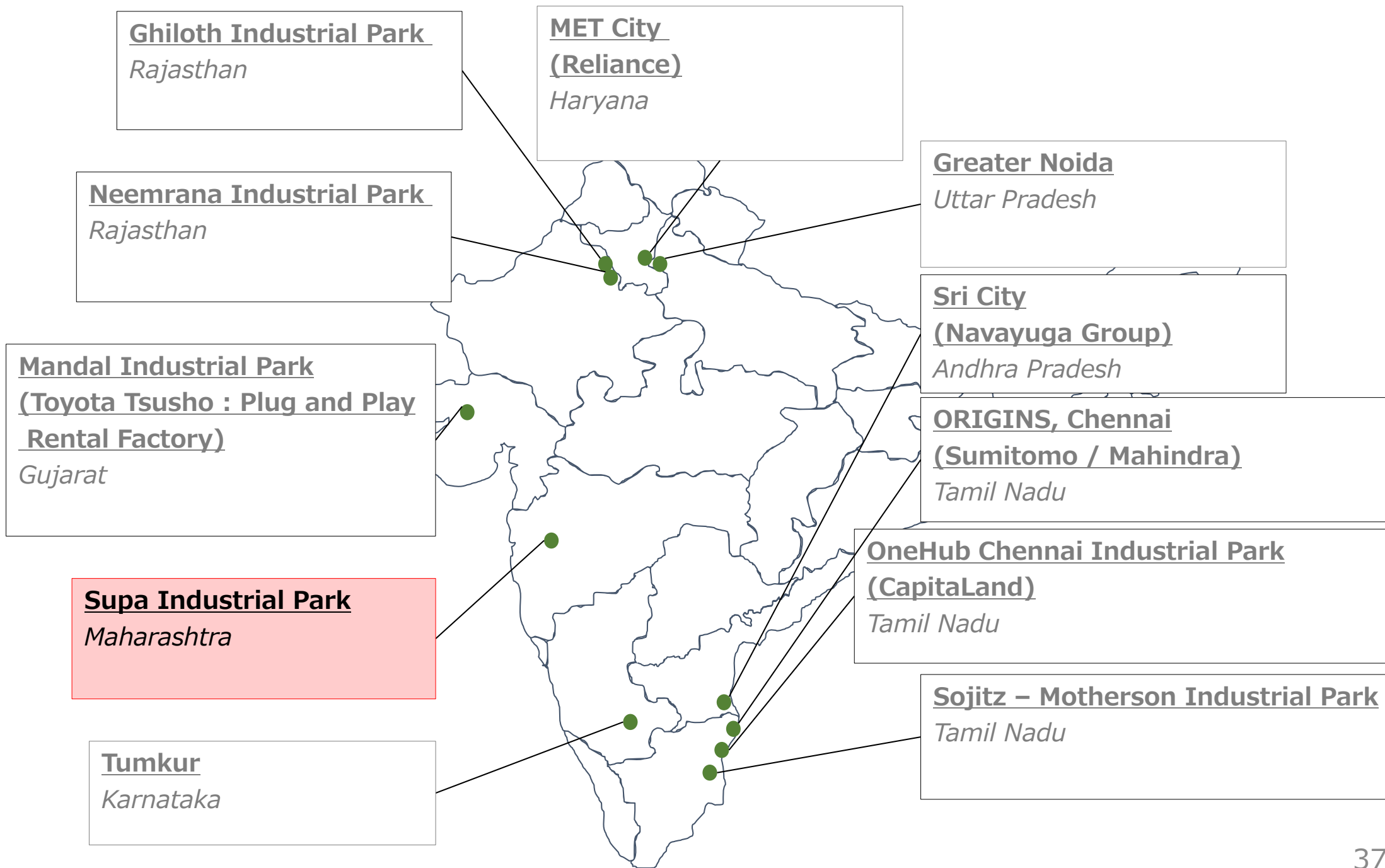
- ❑ Refund of incentives (VAT/GST refund) are pending
  - Some Japanese companies are yet to receive the refund of VAT, GST and the incentives committed by the Government of Andhra Pradesh. This is affecting their cashflow and making the smooth operations difficult. Hence kindly assure the refund, at least, partial amount in this regard to be paid before March 2024 so that it could alleviate some of their financial burdens.
- ❑ Reconsideration on current annual increase of 5% in IALA Property Tax
  - Japanese companies would like to request the government to waive the annual 5% increment of property tax for companies in Sri City. Currently this incentive is applicable only to those companies situated in urban areas.
- ❑ Improvement of electricity supply environment.
  - Japanese companies would like to seek support in exempting Sri City from "power holiday" and also in rectifying power dips experienced 9 to 10 times a month. Power outages, short or long, disrupt business operations affecting their productivity.

# 5. Maharashtra

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➤ *Supa Industrial Park*

# Locations of JITs in Progress Report



# 5. Maharashtra

## Progress of investment

- ❑ 4 Japanese companies are active in Supa.
- ❑ Net/Flow increase of 1 company compared to that in November 2021.
- ❑ More than 10 companies with JETRO Mumbai has visited Supa to assess the business environment.

## Industrial Infrastructure

- ❑ NICDC LDB Project  
[Coverage] Port(2): JNPA, Mumbai, Toll Plaza(21), ICD(6), CFS(33), Empty Yard(45), Parking Plaza (1), SEZ(3)
  - Gas supply infrastructure will be facilitated by a major gas company very soon :  
Bharat Gas Resources Ltd (a wholly owned gas subsidiary company of Bharat Petroleum Corporation Ltd.)

## Promotion by METI (Human Resource Development)

- ❑ 2 JIMs and 1 JEC have been launched as of January 2024.
- ASBI JIM was established in Ambarnath, Maharashtra in December 2019. Students aim to acquire basic knowledge about Plastic process, molding, maintenance and machine operation, in OJT in the factory.





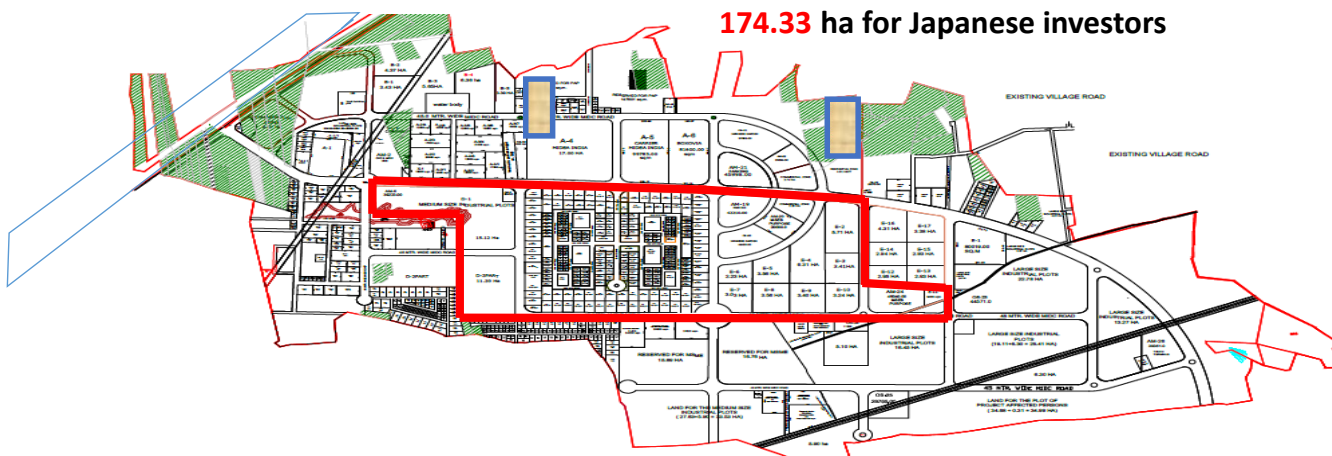
# 5. Maharashtra

## Promotion by JETRO (Support for interaction)

- ❑ JETRO update the promotion website of Additional Supa Parner Japanese Industrial Zone.
- JETRO Mumbai Office provides “Hands on Assistance” to Japanese companies.
- JETRO serves as FAST TRACK Consultation and Application / Approval Route and will also provide assistances in the incentive negotiations with the Government of Maharashtra, MIDC, MPCB.
- Investment advisors in Mumbai support existing companies in JITs and potential investors.

## Promotion by METI (Human Resource Development)

- JETRO conducted a study on the Potential of Human Resource around Supa Industrial Park.
- JETRO organized Study Group for Japanese Manufacturers in Pune and surrounding regions. (e.g. developing manpower and QCD (Quality, Cost and Delivery) know-how)
- JETRO introduced IIT Bombay recruitment event to Japanese companies in Maharashtra through Japanese societies.



Site visit by Japanese delegation



## 5. Maharashtra

### Challenges to improve the business environment of JITs

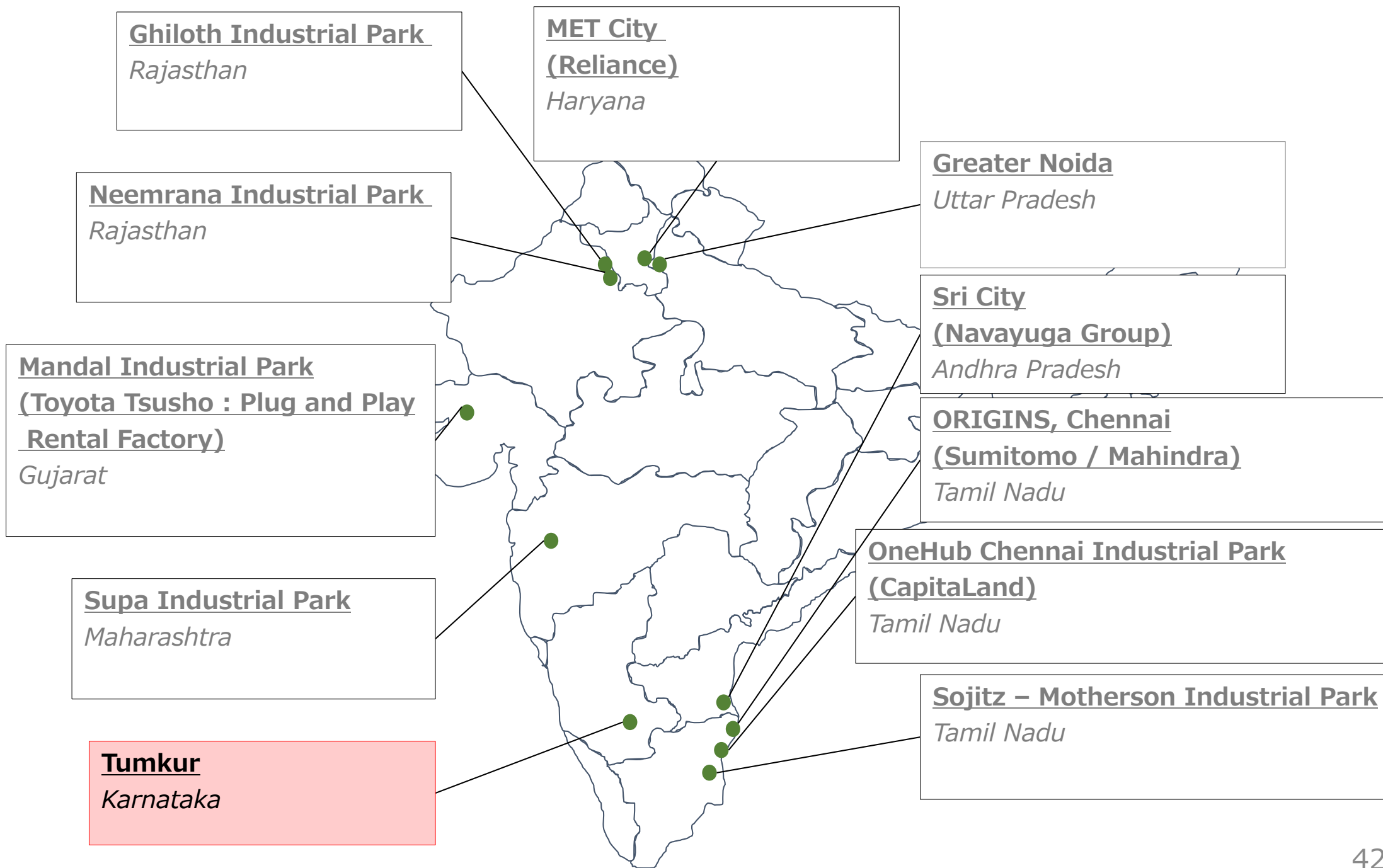
- ❑ Candidate of JITs should set better incentive more than others industrial park, but there is no rules and small incentives.
- ❑ MIDC should set site office function in SUPA.
- ❑ It should be upgrade the road condition to Pune side (wider, smoother) .
- ❑ It should be invited 4-5 stars hotel, Asian and Japanese Restaurant near SUPA.

# 6. Karnataka

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➤ *Tumkur*

# Locations of JITs in Progress Report



## 6. Karnataka

### Progress of investment

- ❑ 4 Japanese companies are active in Tumkur.
- ❑ Net/Flow increase of 2 company compared to that in 2022.

### Industrial Infrastructure

- ❑ NICDC LDB Project  
[Coverage] Port (1): Murmugao, New Mangalore, Toll Plaza(5), Empty Yard (3),CFS(1),SEZ(1)

### Promotion by JETRO (Support for interaction)

- JETRO has held Project Facilitation Committee since 2014 and dealt with various problem issues from Japanese companies.
- JETRO has held Dialogue-Monitoring Committee chaired by Chief Secretary of Karnataka State since 2009 to discuss policy initiatives such as infrastructure development and new power plant establishment.
- JETRO has been Individually arranging site visits to Tumkur as well as other industrial zones for Japanese companies since 2016.
- Government of Karnataka held GIM 2022(Global Investors Meet) to attract overseas companies who intend to establish manufacturing bases in Karnataka. JETRO held Japan Session and conveyed the attractiveness of Karnataka to the future investors.

## 6. Karnataka

### Promotion by METI (Human Resource Development)

- ❑ 2 JIMs have been launched as of January 2024.
- Tata Hitachi opened JIM in Dharwad, Karnataka in December 2017, focusing on the holistic development of knowledge, skill and attitude related to construction machinery sector. The school is operated in cooperation with the MPTA Skill Training Foundation, a vocational training institution in India.
- Toyota Technical Training Institute in Bengaluru, Karnataka was certificated as a JIM in August 2017. The school focuses on the holistic development of knowledge, skill, body and attitude related to automobile sector.

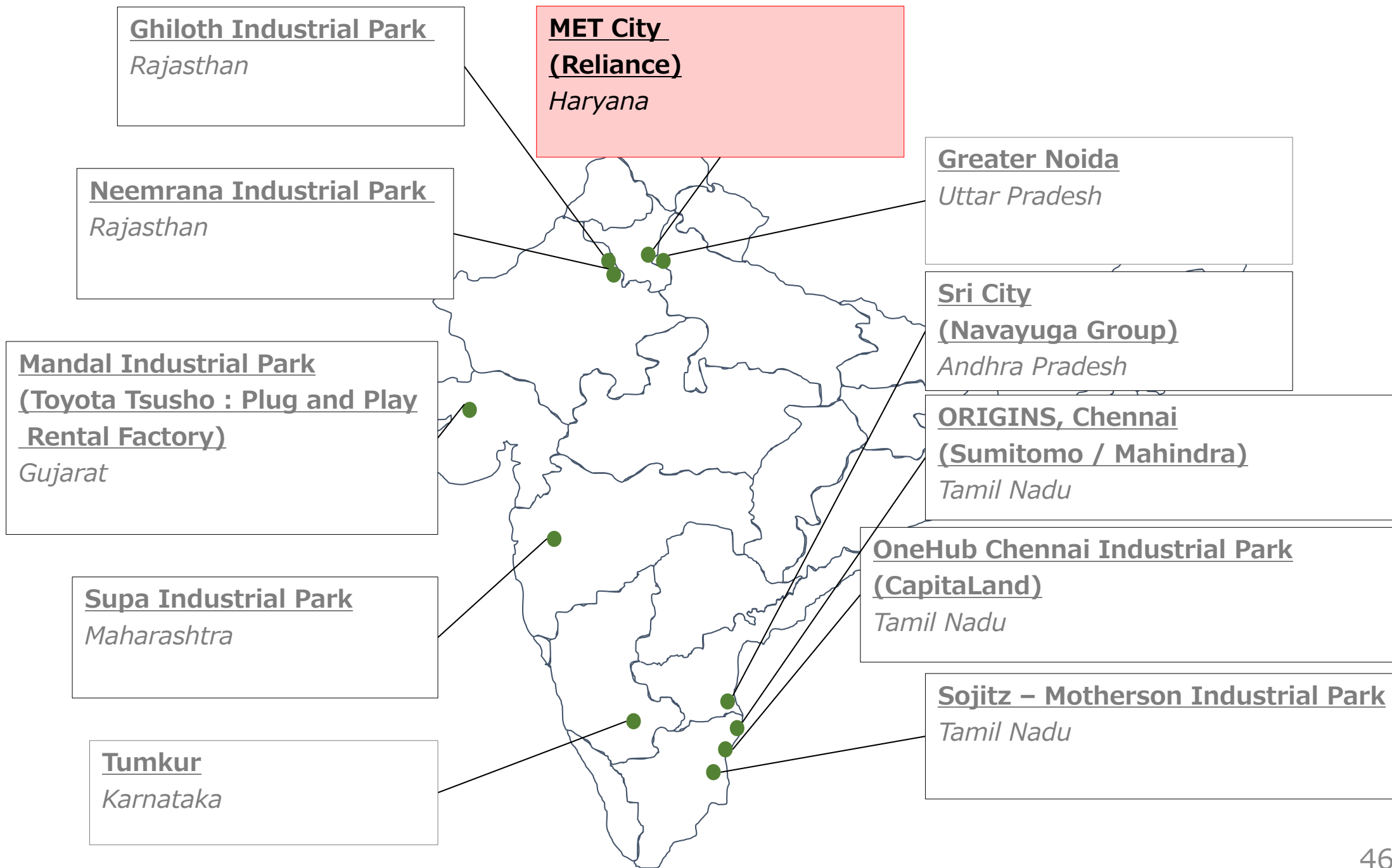


# 7. Haryana

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➤ *MET City*

# Locations of JITs in Progress Report





## 7. Haryana

### Progress of investment

- ❑ 6 Japanese companies are active and 2 Japanese companies acquired the plots in MET City.
- ❑ Net/Flow increase of 2 companies compared to 2023 in MET City.
- ❑ One company celebrated Grand Opening of factory in June 2023.
- ❑ One company celebrated Grand Opening of factory in Manesar in July 2023.

### Industrial Infrastructure

- NICDC LDB Project  
[Coverage] Toll Plaza(2), ICD(9)

### Promotion by METI (Human Resource Development)

- ❑ 15 JIMs and 1 JEC have been launched as of January 2024.
- ❑ 1 JIM was additionally launched in Haryana in 2023.
- Mitsui Kinzoku JIM was established in Bawal, Haryana in January 2021. During a 1-year curriculum period, fundamental knowledge concerning research and development of catalysts, basic catalyst manufacturing and related manners/rules will be learnt. The institute aims to train future production engineers
- NICHIRIN JIM was established in Faridabad, Haryana in May 2021. During a 1-year training program, know-hows of 5S, quality/production management, etc. and fundamental knowledge concerning manufacturing of automotive hoses will be learnt.
- JTEKT JIM was established in Dharuhera, Haryana in October 2021. During a 1-year training program, students learn basic skills such as machining, assembly, quality, and maintenance through classroom and OJT. The institute aims to train future line-leaders of the company.
- Mitsuba North India JIM was established in Grugaon, Haryana in October 2023. During a 1-year curriculum period, fundamental knowledge concerning process of sales and manufacturing, research and development and process engineering will be learnt.

## 7. Haryana

### Promotion by JETRO

<2024>

- ❑ January: Met with Chief Minister of Govt. of Haryana to exchange of opinions for attracting more Japanese companies

<2023>

- ❑ February: Met with MET City executives to attract more Japanese companies
- ❑ March: Met with HSIIDC IMT Kharkhauda executives to attract Japanese companies
- ❑ May: Met with IGL executives to improve gas infrastructure for Bawal Japanese companies
- ❑ August: Met with power utility (DHBVN) MD to improve stable power supply to Bawal Japanese companies

<Before 2023>

- December 2022: JETRO met with senior management team of developer of JIT Jhajjar, Model Economic Township Limited(a wholly owned subsidiary of Reliance Industries Limited) to discuss strategies to attract more Japanese companies to JIT Jhajjar.
- JETRO hosted promotion events for Japanese Industrial Townships in Asia including Jhajjar, in 2016 (Osaka), 2017 (Tokyo), 2018 (Kobe and Tokyo) and 2019(Tokyo). At these events, Marubeni Corporation gave a presentation for Jhajjar to the participants from Japanese companies.

## 7. Haryana

### Challenges to improve the business environment of JITs

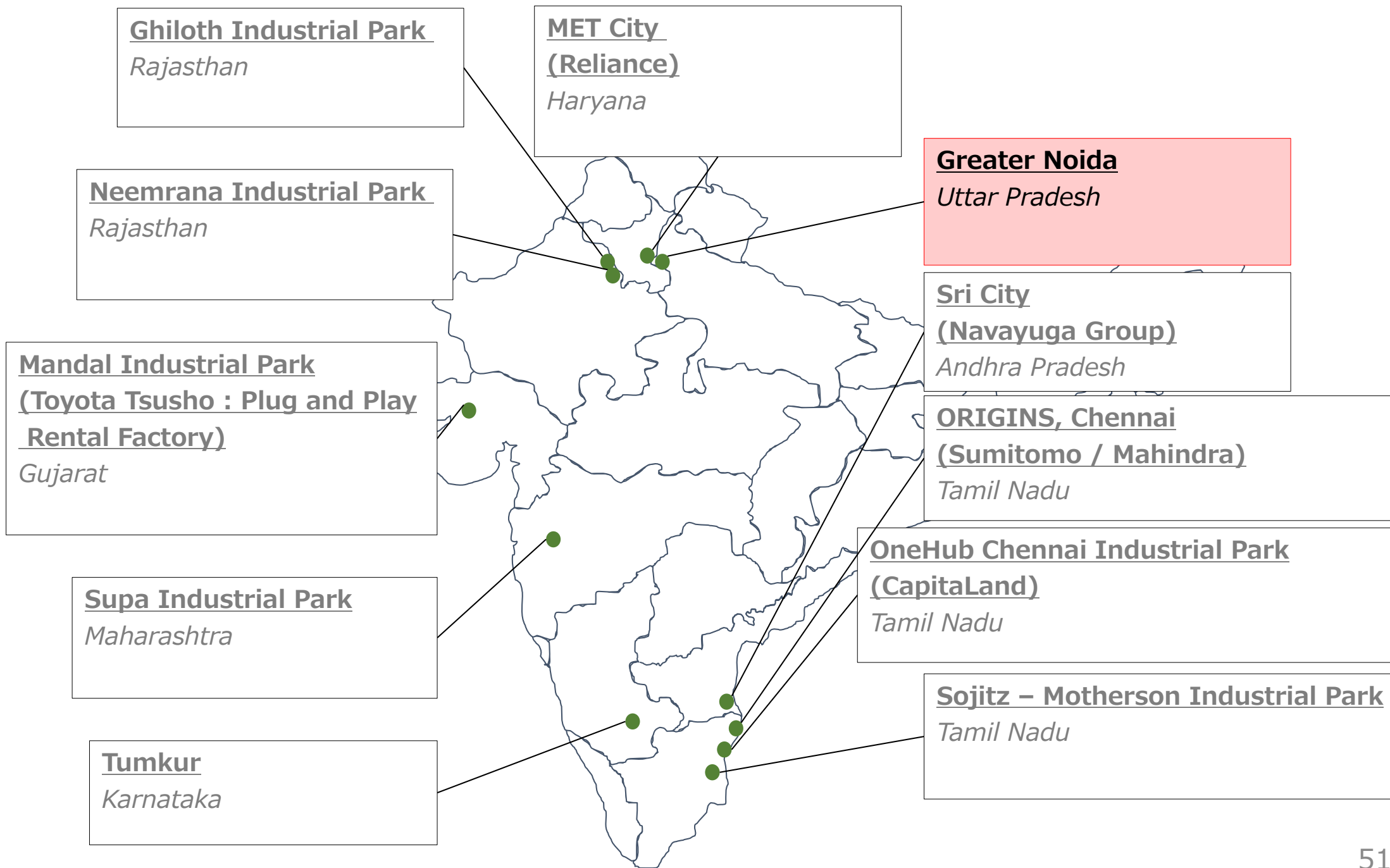
- ❑ To attract electronics industries, the following actions shall be required.
  - ✓ Enhance stable power supply
  - ✓ Ensure the supply of sufficient industrial water supply

# 8. Uttar Pradesh

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➤ *Greater Noida*

# Locations of JITs in Progress Report



## 8. Uttar Pradesh

### Industrial Infrastructure

- NICDC LDB Project  
[Coverage] ICD (8), Empty Yard (1), SEZ(2)

### Promotion Activities

- 1<sup>st</sup> JIM was established in 2022.
- JBIC and JICA hosted “the Seminar on Development of DFC along with Industrial Corridor and related projects” with NICDC in Gurugram in October 2019 and the latest status of Integrated Industrial Township Greater Noida (IITGN) was reported to Japanese companies.
- November 2022: JETRO Sr. Investment Advisor met with Additional CEO of Greater Noida Industrial Development Authority (GNIDA) to explain key criteria of Japanese companies for their selection of investment location.
- December 2022: JETRO organized GNIDA visit by a large Japanese electronics manufacturer for their potential investment.
- ❑ February 2023: Japan participated in Uttar Pradesh Global Investors Summit 2023 as a Partner Country and JETRO will hold a Japan Partner Country Session and set up a Japan Pavilion.
- ❑ February 2023: JETRO met with executives of Greater Noida Industrial Development Authority (GNIDA) to attract Japanese companies

# Cross-cutting Issues

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# JPY 5 trillion Intention and IJICP Framework

## JPY 5 trillion Intention for Investment/Financing

- Prime Minister Fumio Kishida and Prime Minister Narendra Modi expressed their satisfaction in March 2022 at the occasion of annual summit in Delhi that the investment target of JPY 3.5 trillion announced by Prime Minister Abe and Modi in 2014 has been achieved.
- Subsequently, they expressed their shared intention to realize JPY 5 trillion of public and private investment and financing from Japan to India in the next five years.
- In this context, various initiatives have been taken by both Japan and India to strengthen their economic cooperation including IJICP.

## India-Japan Industrial Competitiveness Partnership (IJICP)

- METI Minister Hiroshi Kajiyama and MoCI Minister Piyush Goyal launched the India-Japan IJICP in December 2019 to jointly explore the possibilities of enhancing India's industrial competitiveness through cooperation between Japan and India.
- The MoC was signed between Vice Minister for International Affairs, METI and Secretary, DPIIT in November 2021 to formalize the IJICP Mechanism.
- The roadmap under the IJICP was formulated between Vice Minister for International Affairs, METI and Secretary, DPIIT in March 2022 at the occasion of the Japan-India summit to further promote industrial cooperation between the two countries including in the areas of manufacturing and supply chains, which have also mentioned the possible formulation of sector-wise WGs including JITs.





# Initiative for Japan-India Industry Co-Creation

## ~Towards Next Step of Japan-India Economic Relations~



- India has been rapidly transforming in the field of manufacturing including the high-tech sector, digital economy, and clean energy with new technologies under the “Self-reliant India Policy”.
- METI envisions upgrading Japan-India industrial cooperation to promote enhancement of conventional industries, creation of future industries with innovation, and expansion into new markets, by both industries. To this end, METI will enhance implementation capacity for the cooperation.

### Enhancement of conventional industries

- Steel (economic growth and decarbonization)
- Textiles (quality control)
- MSME (capacity building)

### Creation of future industries

- Semiconductor supply chain
- Startups
- Digital
- Hydrogen and ammonia
- Clean energy technologies

### Expansion into new markets (Africa etc.)

- Promotion of
- JP export industries in IN
- Export competitiveness of IN
- Export by JP companies from IN to new markets

# Progress on the initiative for Japan-India Industry Co-Creation

## Semiconductor

- In July, the "**Japan-India Semiconductor Supply Chain Partnership**" was signed to strengthen the semiconductor supply chain between Japan and India.
- **JETRO and JBIC** co-hosted **the Dorella inspection** tour, which was attended by **60 people**.
- **Japan-India Semiconductor Supply Chain Policy Dialogue** was launched to discuss initiatives to strengthen the semiconductor SC based on mutual strengths in manufacturing, design, equipment, specialty chemicals, gases, and materials.
- **The first policy dialogue was held in November**, with **130 participants** from the public and private sectors.



## Steel

- India and Japan, the world's second and third largest steel producers, have agreed to cooperate in efforts toward **CN in steel production**.
- **The second steel dialogue was held in November**.

## MSME

- Dispatched an **expert to two Technology Center** for developing **"Japanese-style manufacturing education program"** in September (Bhiwadi and Pondichery).

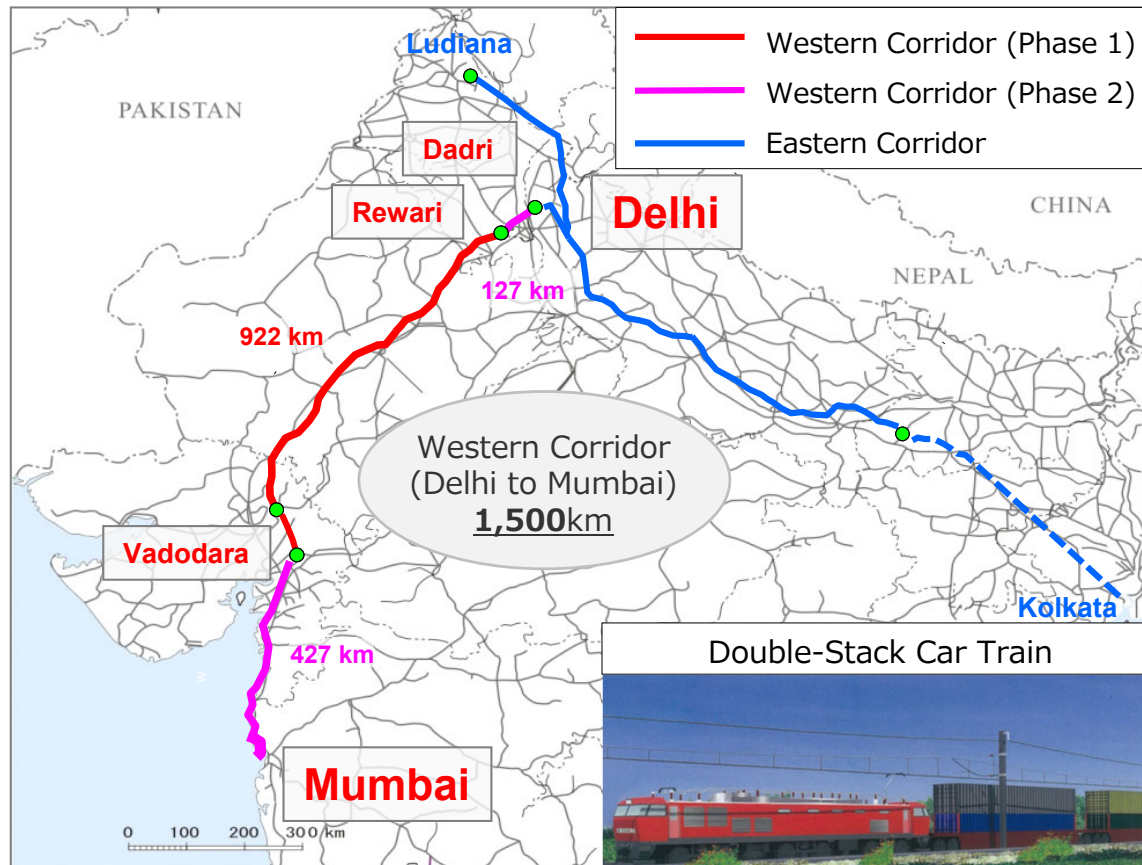
## Textile

- Contribute to improve the export competitiveness of Indian textile products.
- **"Japanese style quality evaluation centre"** is under establishment with two textile committees (Kolkata and Mumbai).

# Dedicated Freight Corridor Project

## Dedicated Freight Corridor Project (DFC)

- The project has focused on constructing track of the Western DFC between Delhi and Mumbai, connecting major cities in the states of Maharashtra, Gujarat, Rajasthan and Haryana, as well as introducing electric locomotives capable of high-speed, high-capacity transportation.
- This is the first Japanese ODA Loan which “Special Terms for Economic Partnership (STEP)” is applied to in India.
- The project is an important part of “Delhi-Mumbai Industrial Corridor (DMIC) initiative”.



## Loan Agreement Date (Amount)

Phase1	Phase2
(I)Oct 2009 (2.6 billion yen)	(I)Jul 2010 (1.6 billion yen)
(II)Mar 2010 (90.3 billion yen)	(II)Mar 2013 (136.1 billion yen)
(III)Mar 2016 (103.7 billion yen)	(III)Mar 2022 (108.6 billion yen)
(IV)Mar 2020 (13.0 billion yen)	

## Partial Opening / Expected Schedule

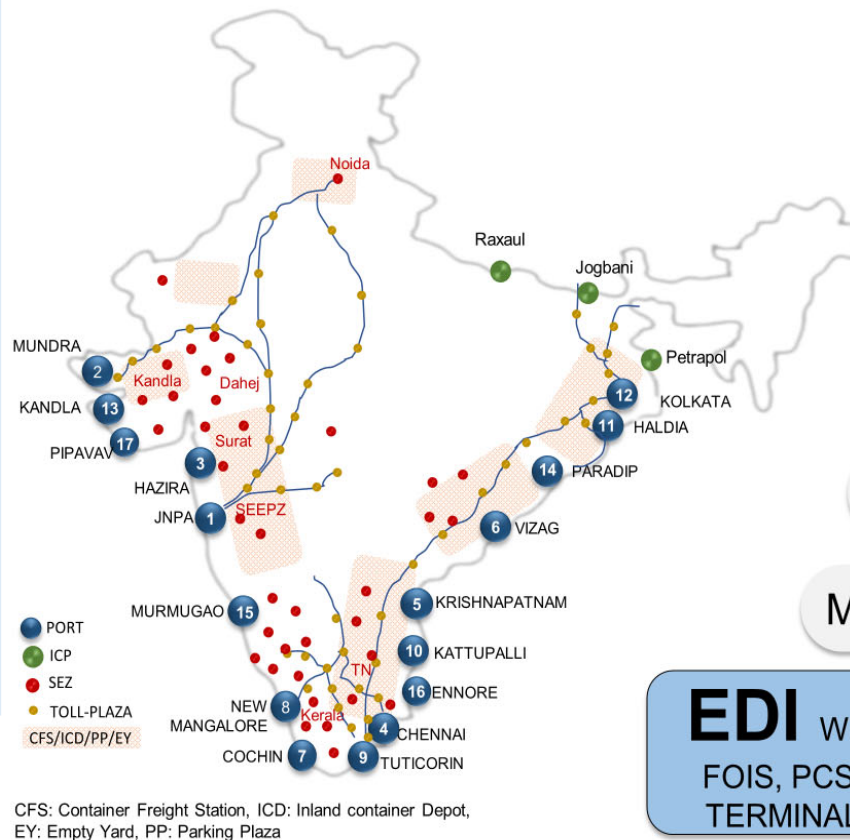
January 2021	Partial opening: Rewari-Madar (Phase1) 306km
October 2021	Partial opening: Madar-Palanpur (Phase1) 340km
October 2022	Partial opening: Palanpur-Sanand North (Phase1) 137km
January 2024	Partial opening: New Dadri-New Rewari (Phase2) 127km
Within 2025	Expected Completion of Civil&Track works
Within 2027	Expected Completion of all off the works including procurement for Electric Locomotives



## Industrial Infrastructure

- On November 2020, deployment of LDB system to all Indian ports was completed.
- NICDC LDB Project, which is supported by NEC, contributes to efficient logistics /supply chain by visualization of international marine container transportation using RFID tag at related port/inland facility.

## LDB's Coverage



**17** PORTS (28 TERMINALS)

**105** TOLL PLAZAS

**466** CFS/ICD/EY/PP

**66** SPECIAL ECONOMIC ZONES

**3** INTEGRATED CHECK POSTS

MAJOR CARGO RAIL ROUTES & DFCs

**EDI** WITH  
FOIS, PCS &  
TERMINALS

**3000+**  
RFID READERS

**67M+**  
CONTAINERS  
HANDLED

## Promotion by JETRO

- JETRO and Invest India signed MoC to strengthen their investment promotional activities to encourage further Japanese investments into India in May 2018.