

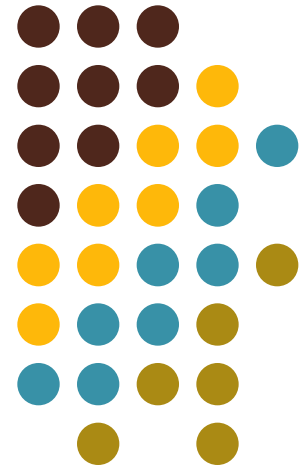
International Conference (ICRIER-SPF)  
The Changing Paradigm of India-Japan Relations

December 17-18, 2012  
India Habitat Center, New Delhi, India



# Japanese Investors' Perception towards India

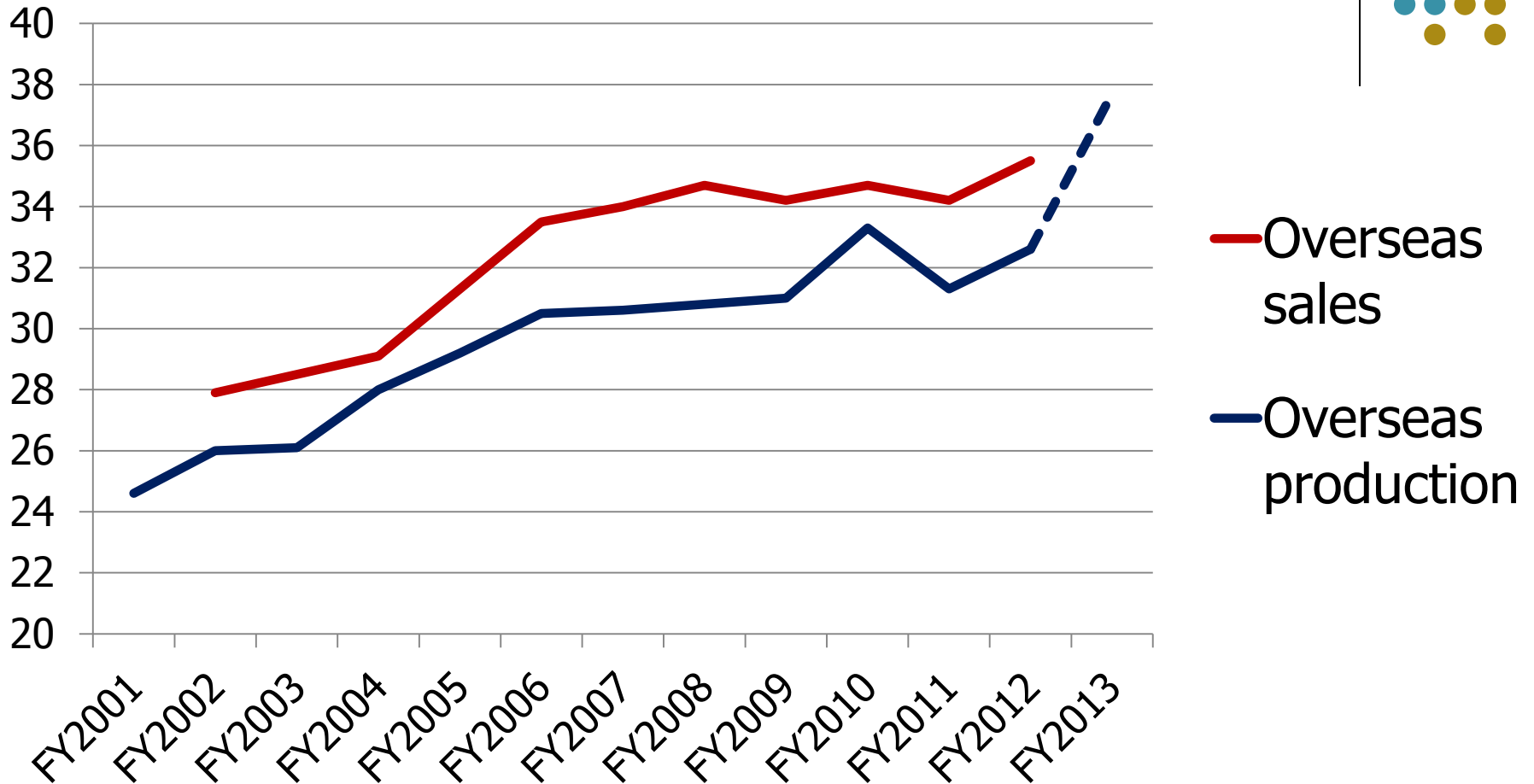
Toshiro Nishizawa  
Director General, Country Credit Department  
Japan Bank for International Cooperation (JBIC)



# Japanese Manufacturing Sector



% of total



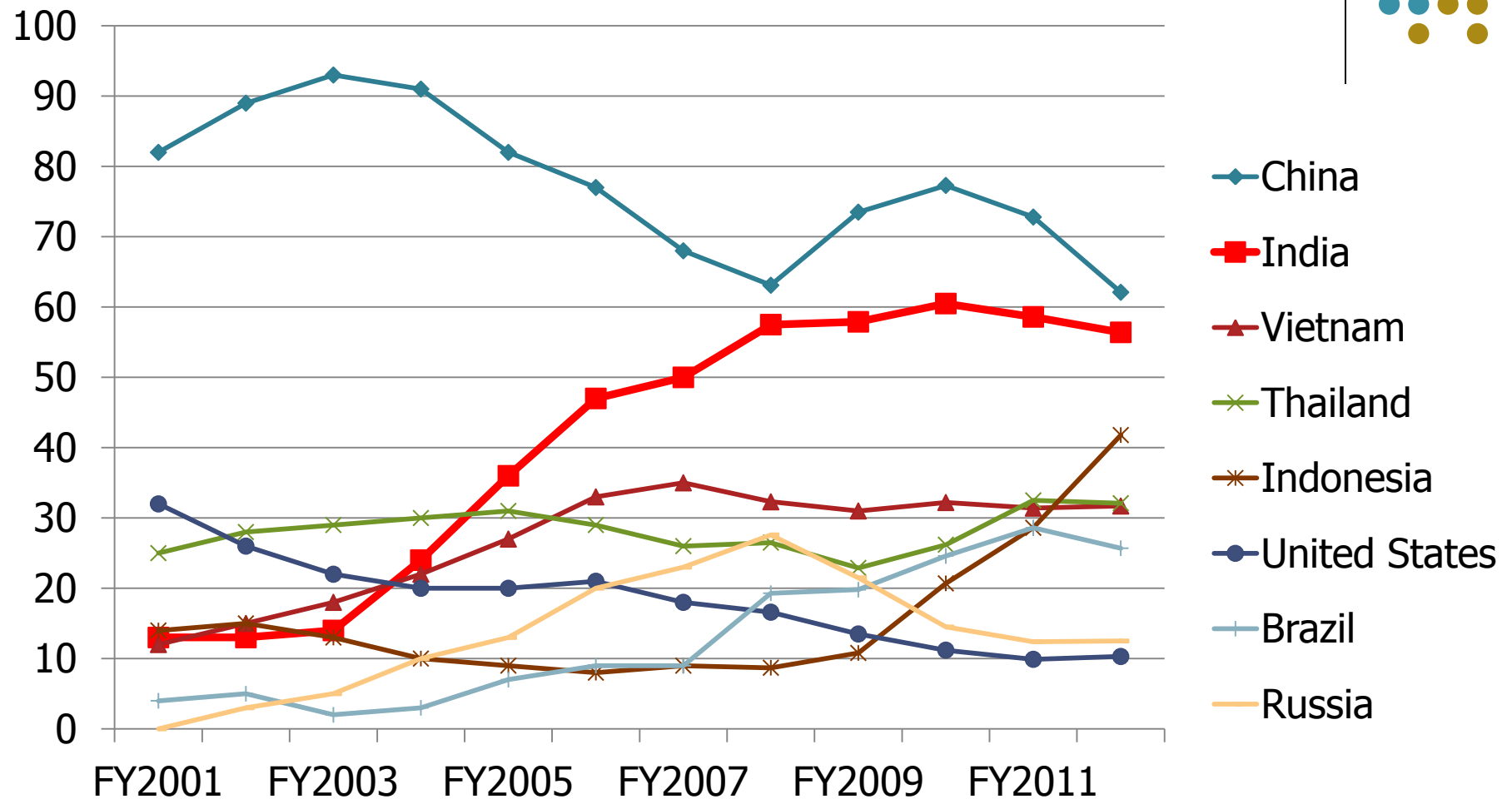
Source: JBIC's Survey Report on Overseas Business Operations by Japanese Manufacturing Companies, December 2012 \*613 (out of 1,011) companies returned responses.

December 18, 2012

# Japanese Investors' Perception



% of total Promising Countries for Overseas Business (**Next 3 Years**)



Source: JBIC's Survey Report, December 2012

# Japanese Investors' Perception

Promising Countries for Overseas Business (**Next 3 Years**)



## REASONS (out of 279 companies)

- Future growth potential of local market (237, 84.9%)
- Inexpensive source of labor (106, 38.0%)
- Current size of local market (74, 26.5%)
- Supply base for assemblers (69, 24.7%)
- Qualified human resources (44, 15.8%)

Source: JBIC's Survey Report, December 2012

# Japanese Investors' Perception

Promising Countries for Overseas Business (**Next 3 Years**)



## CHALLENGES (out of 255 companies)

- Underdeveloped infrastructure (122, 47.8%)
- Intense competition with other companies (86, 33.7%)
- Unclear Execution of legal system (frequent changes) (84, 32.9%)
- Labor problems (80, 31.4%)
- Complicated tax system (56, 22.0%)
- Rising labor costs (56, 22.0%)

Source: JBIC's Survey Report, December 2012

# Japanese Investors' Perception

Promising Countries for Overseas Business (**Next 10 Years**)



		<b>Out of 387</b>	<b>% of total</b>
1	India	251	64.9
2	China	218	56.3
3	Indonesia	149	38.5
4	Brazil	140	36.2
5	Vietnam	110	28.4
6	Thailand	103	26.6
7	Russia	78	20.2
8	Myanmar	65	16.8
9	Mexico	46	11.9
10	United States	34	8.8

Source: JBIC's Survey Report, December 2012

# Japanese Investors' Perception



## Promising States in India (**Next 3 Years**)

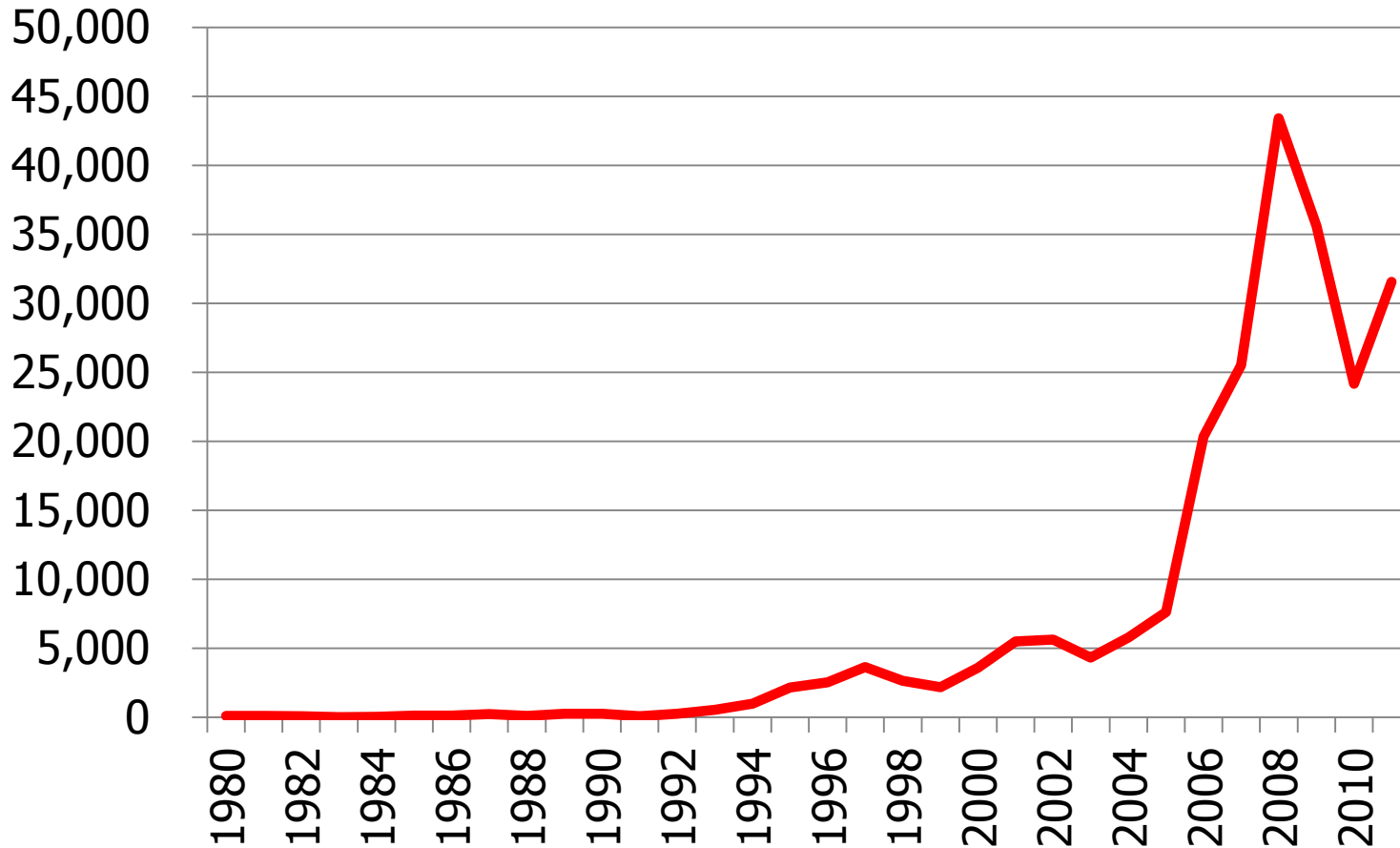
1	Tamil Nadu	84
2	Maharashtra	78
3	Karnataka	63
4	Haryana	56
5	National Capital Territory of Delhi	53
6	Gujarat	24
7	Andhra Pradesh	16
8	Uttar Pradesh	15
8	Rajasthan	15
9	West Bengal	11
10	Madhya Pradesh	1
Others		5
Total voting		187

Source: JBIC's Survey Report, December 2012

# World FDI Inflows into India



In millions of U.S. dollars

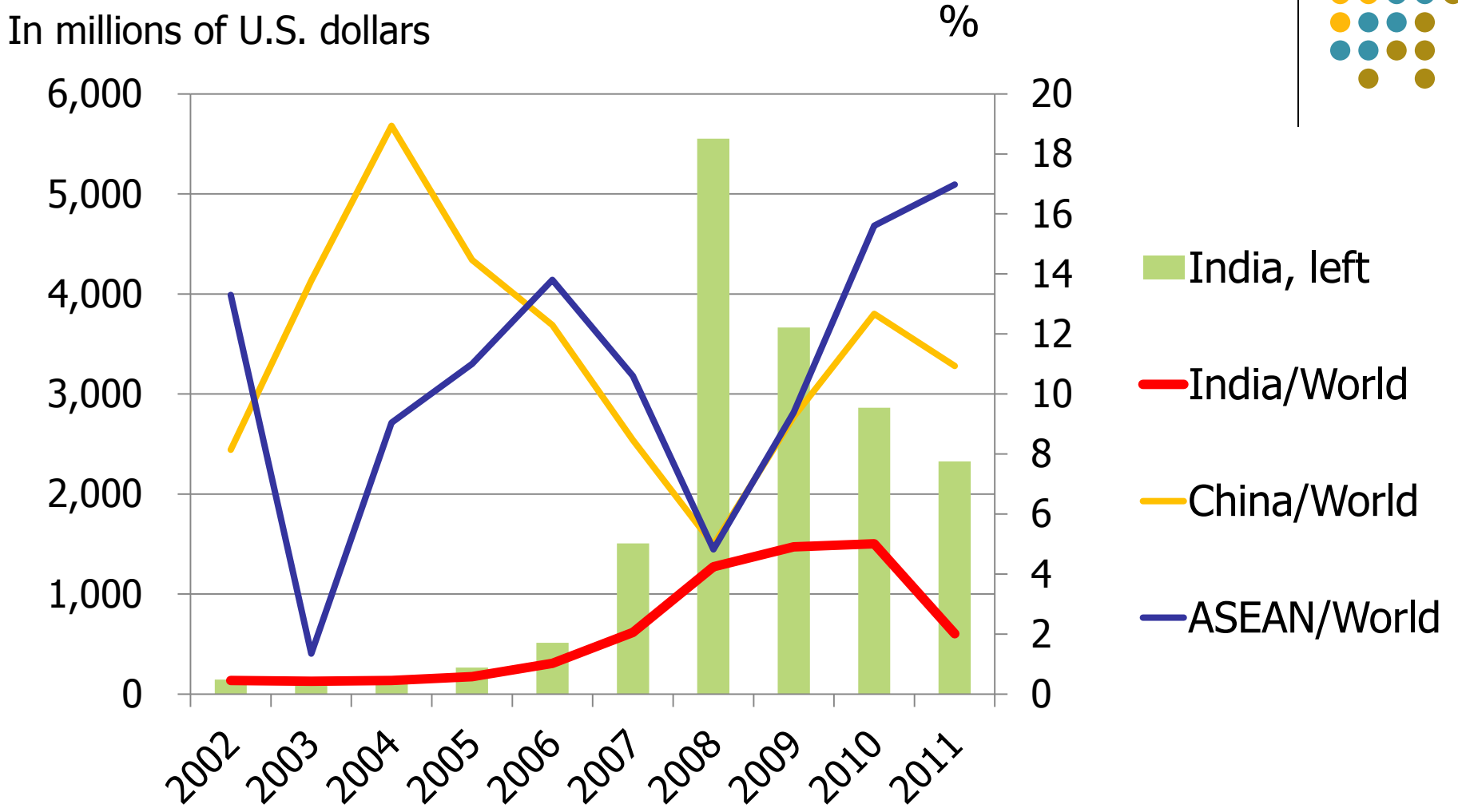


Source: UNCTAD database

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# Japanese FDI Inflows into India



Source: JETRO

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**Japanese Investors' Perception  
towards India**

**Thanks you.**

Toshiro Nishizawa  
Director General, Country Credit Department  
Japan Bank for International Cooperation (JBIC)