

The Engine of Growth

- Alliance between SIAM and JAMA -

Fumihiko IKE, Chairman

Japan Automobile Manufacturers Association

SIAM Annual Convention, New Delhi, September 12, 2014

JAMA

JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION, INC.

JAMA: Japanese Automobile Manufacturers Association

- A non-profit industry association, established in 1967
- **Membership:** Japan's 14 manufacturers of passenger vehicles, trucks, buses and motorcycles
- **Objectives:** To promote the sound, sustainable development of the automobile industry, domestically and globally, and contribute to social and economic welfare

Passenger Vehicles



DAIHATSU



SUBARU



TOYOTA



MITSUBISHI MOTORS



MAZDA

NISSAN MOTOR CORPORATION



Motorcycles



HONDA



SUZUKI



YAMAHA



Kawasaki

Trucks & Buses



FUSO



ISUZU

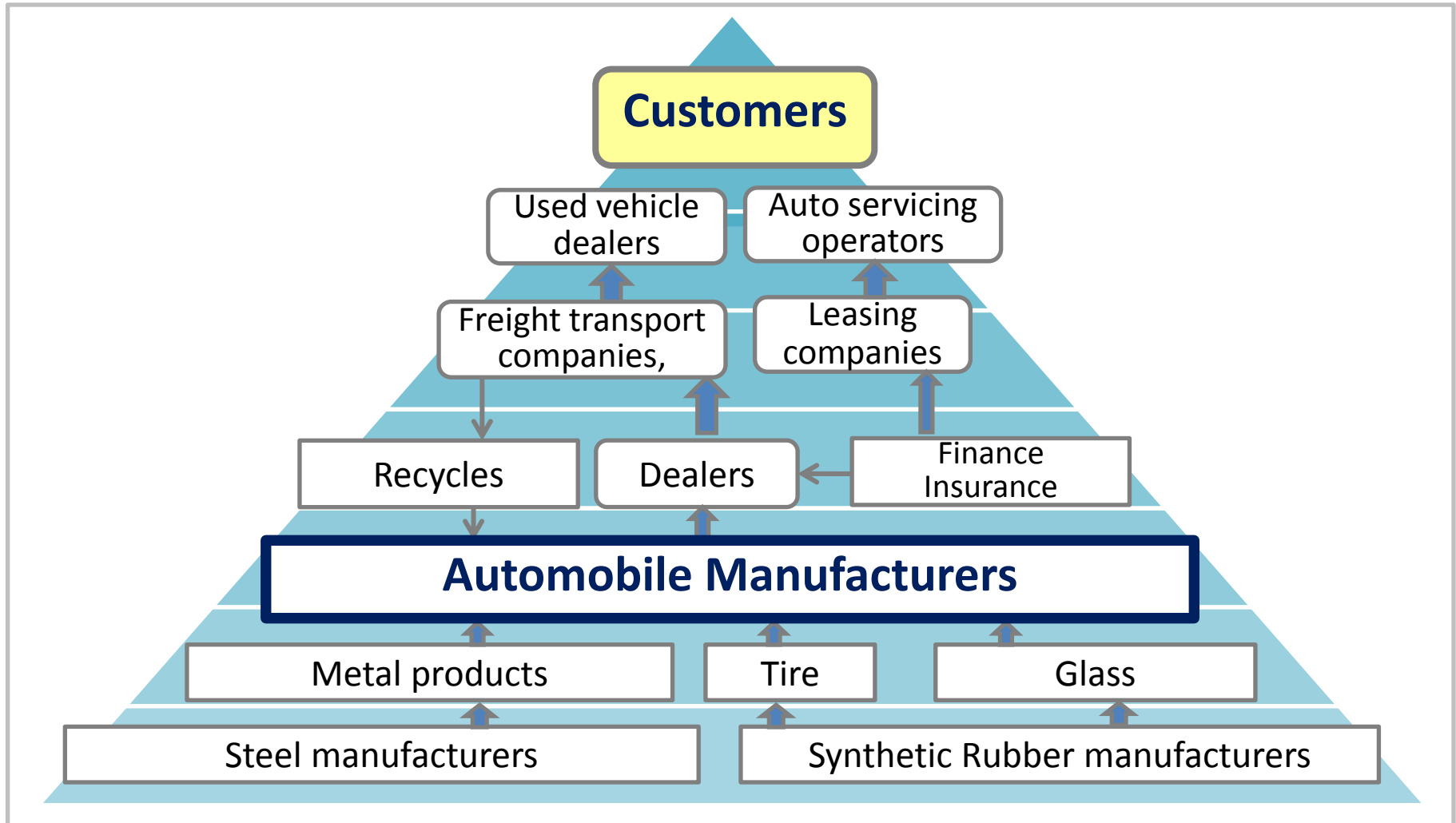


HINO



UD TRUCKS

Auto Industry's Core Role in the Nation's Economy Growth

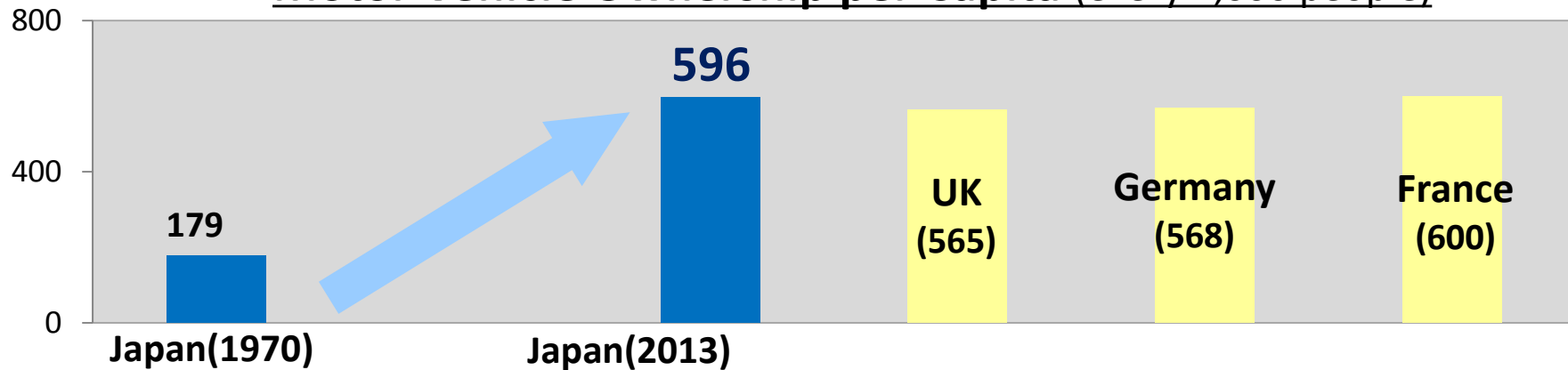


- **Workforce in auto industries: 9% of total domestic workforce**
(5.47 million people)
- **Automotive shipments: 18% of total manufacturing industries**
(¥ 50.3 trillion)

Auto Industry in Japanese Society



Motor Vehicle Ownership per Capita (every 1,000 people)



Japanese Automakers' Business in India



Maruti Suzuki



Maruti Suzuki



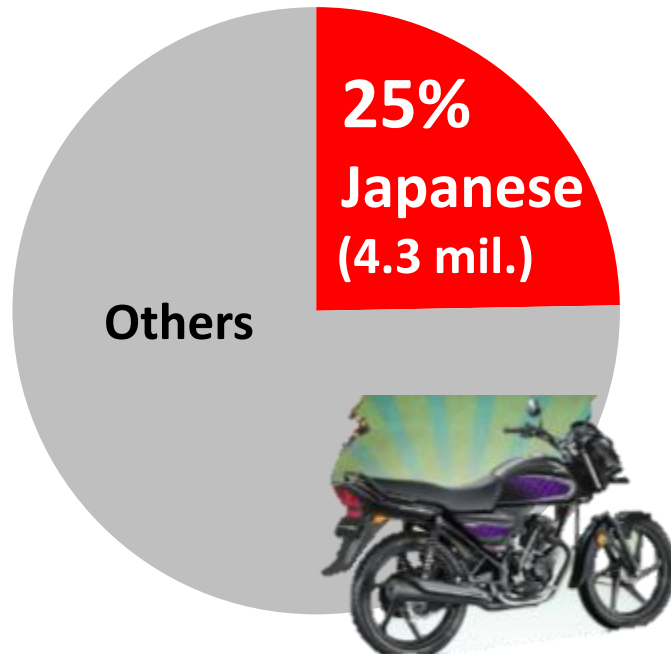
Pearl Yamaha

- **Two-wheeler production began in 1963**
- **Four-wheeler production began in 1983**

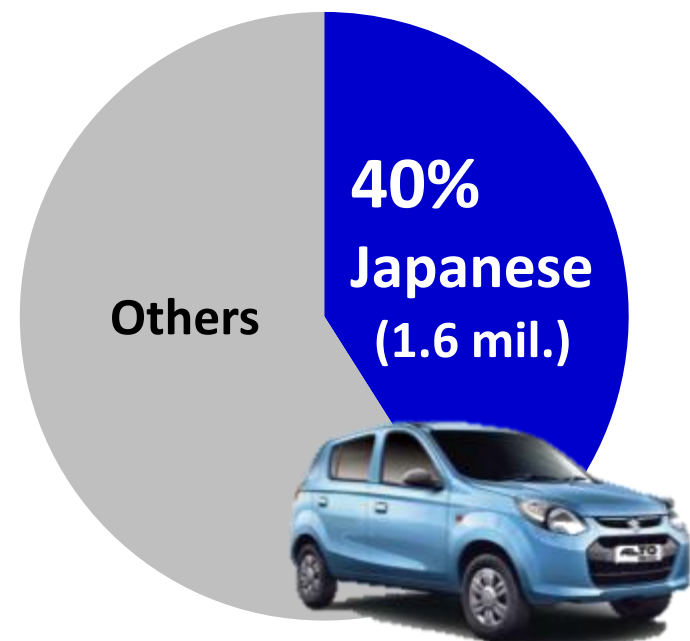
Japanese Automakers' Business in India

<Japanese Makers' Production Ratio in 2013>

Two-wheeler (16.4 mil.)



Four-wheeler (3.9 mil.)



Japanese Automakers' Production and R&D Sites

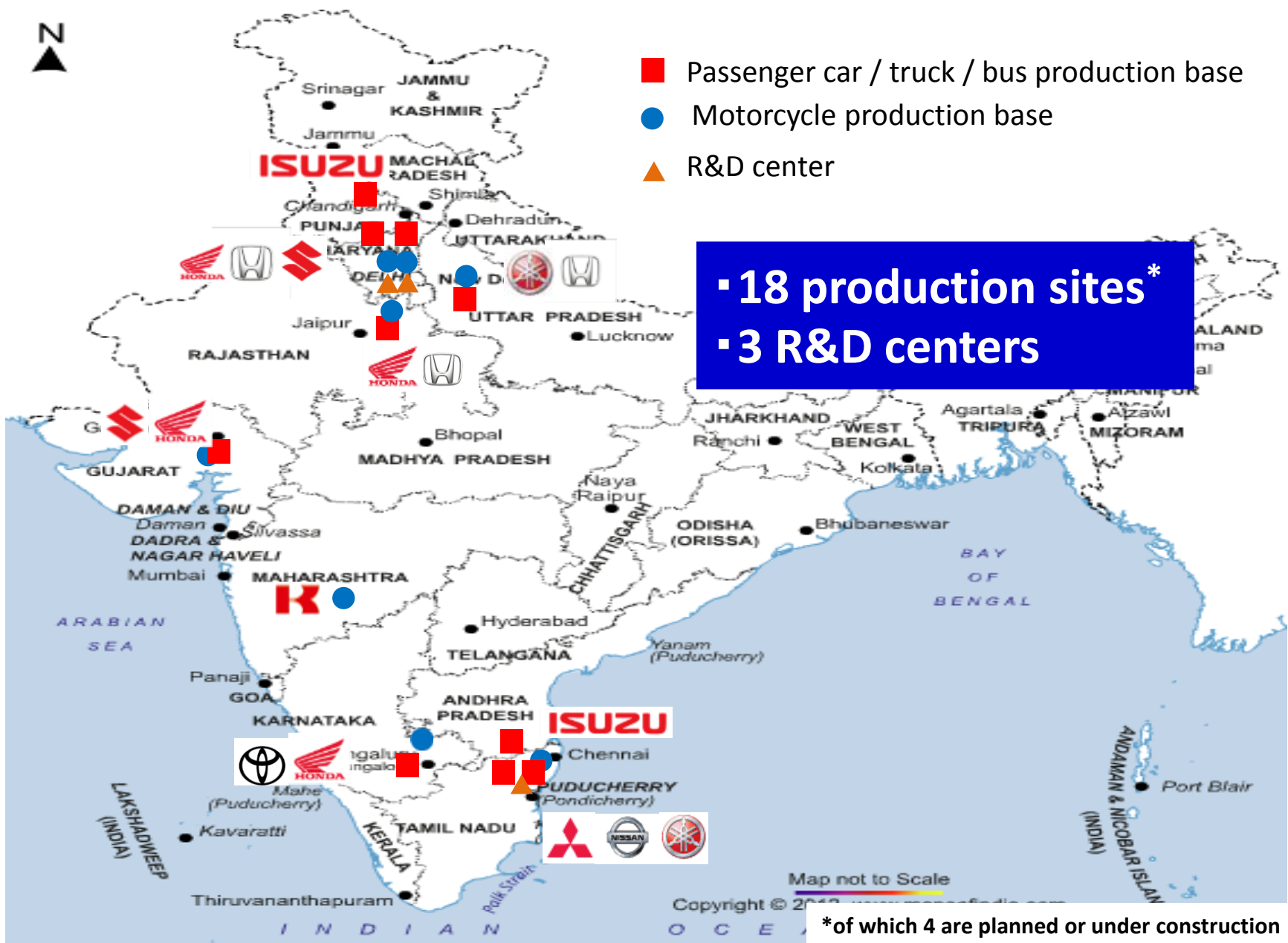






Photo: Suzuki



Photo: Honda



Photo: Honda

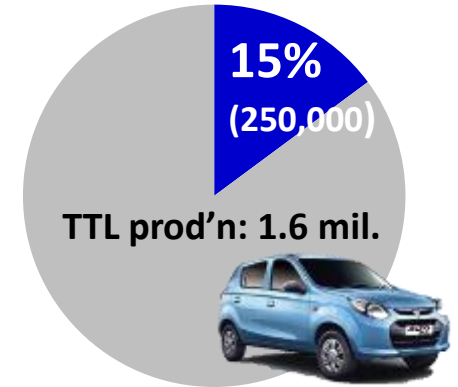


Expansion of Export Function in India



Japanese makes' export ratio to its production ('13)

Automobile



Two-wheeler



India will become an greater hub for production and export.

Challenges Confronting Automakers

- Produce, sell, and service safe and environmentally responsible vehicles that meet the needs of the customer.
- Adopt the internationally harmonized technical standards, in line with conditions in Indian market



Photo: the Hindu



Photo: Prashanth Vishwanathar(Bloomberg)



Photo: perfect riders

Challenges Confronting Automakers

- Automotive Mission Plan 2006-2016
- National Electric Mobility Mission Plan 2020
- Environmental issues (CO₂ and fuel efficiency standards etc...)
- Vehicle safety (NCAP, frontal impact test, ESC)

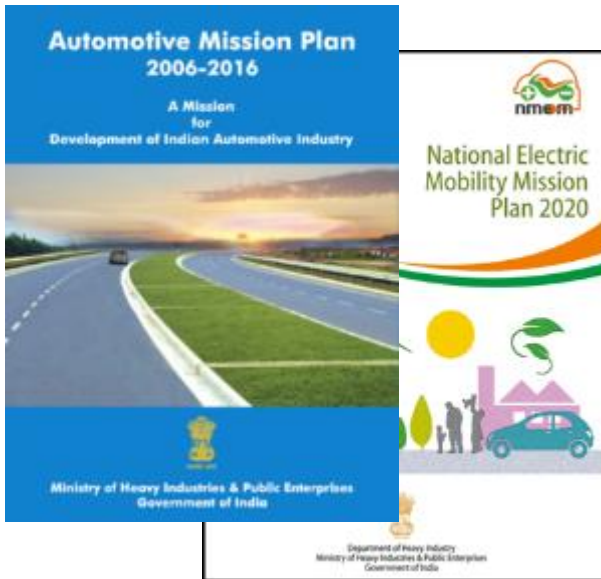


Photo: Bharathautos.com

Expect continued collaboration between government and industry

Challenges Confronting Automakers

Improving Infrastructure



Expect the earliest possible start of DMIC/CBIC.

Improving Investment Environment

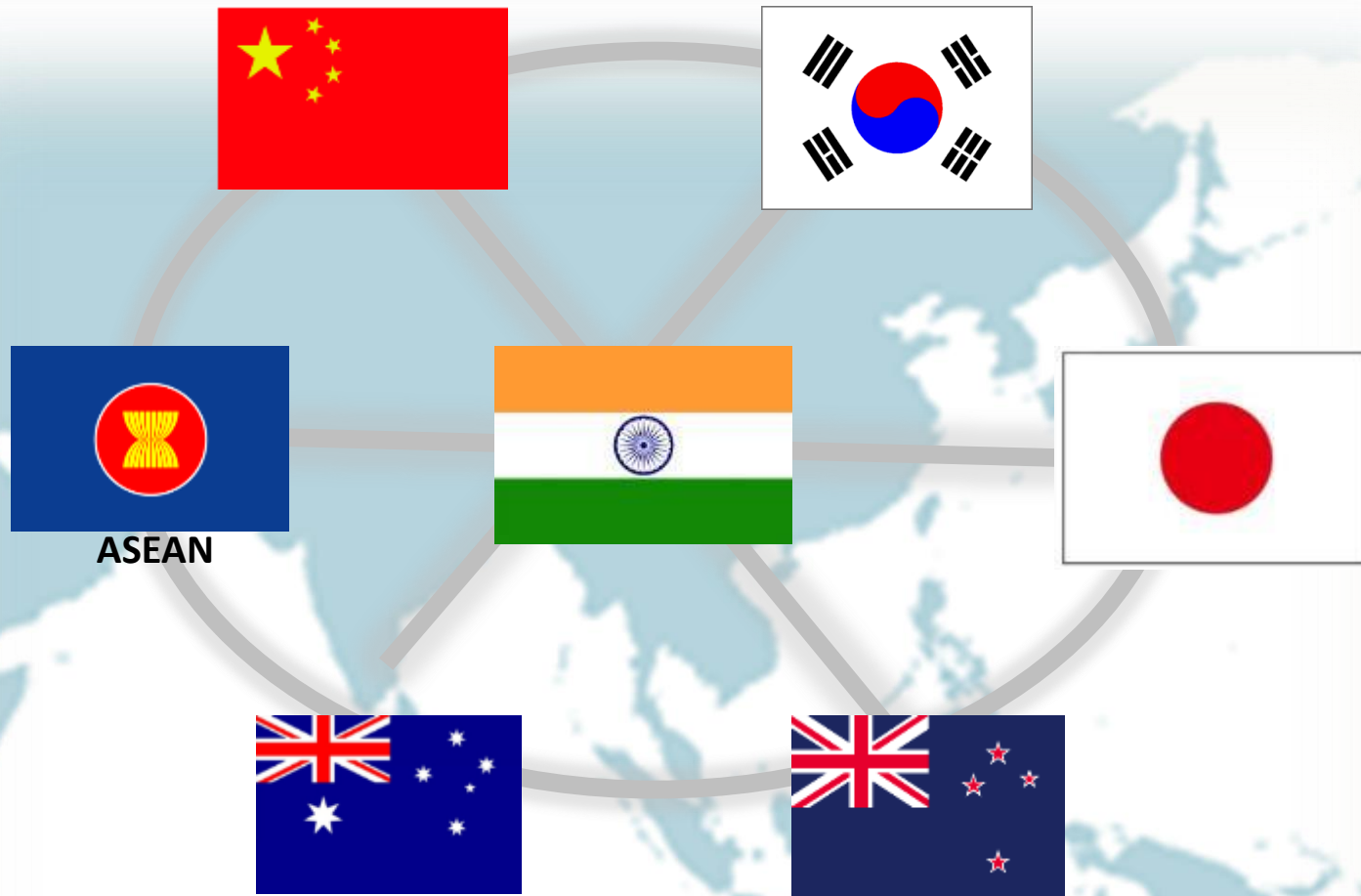
1. Hinder Business Plan

- Problems in obtaining business permits
- Problems in doing lots of paperwork

2. Impede Investment

- Complicated and burdensome tax system
 - => Earliest introduction of a single, uniform GST
 - => Reform the Permanent Establishment tax

India's Important Role in RCEP



- With RCEP, India to become an automobile production hub and a major exporter.
- Automotive industry will serve as the **“engine of growth”** for economic development in India.

Expectation to “Modi Cabinet”

“Make in India”

“The era of red tape has been replaced by red carpet to make it easier to do business India”



Alliance between India and Japan

<Framework of Cooperation between MLIT and MoRTH>

and India in December 2011 relating to the cooperation in the field of expressways and infrastructure development. Inter-alia;


The Ministry of Land, Infrastructure, Transport, and Tourism of Japan and the Ministry of Road Transport and Highways, Government of India (hereafter referred to as 'the Sides'), recognizing that the increased cooperation, exchange, and collaboration will make important contributions to promoting, encouraging and advancing safe, economical, efficient, and environmentally-sound road transport hereby decide to establish the Japan-India Joint Working Group on the roads and road transportation (hereinafter referred to as the Working Group) between the two Sides.

The Working Group will be at the senior official level (Joint Secretary of the Ministry of Road Transport and Highways and in equivalent rank of Ministry of Land, Infrastructure, Transport and Tourism) and will focus on framing and implementation of the work plan for a period of five years that will include:


- Joint organization of symposia, seminars, training and capacity building activities;
- Cooperation in the areas mutually identified by the Sides relating to construction, operation, maintenance of highways including expressways, highway/expressway management, infrastructure financing, road transportation technology management, road transport management system, safety in road transportation, transportation focused on the mobility of disabled and safety of road users, intelligent transportation systems including Electronic Tolling, vehicle safety, the latest vehicle technology and other areas of mutual interest like innovative ways of financing the infrastructure development, operation and maintenance in this sector;
- Any other matter as necessary and with the decision of the Sides.

Signed on this 1st day of September in the year 2014.

For the Ministry of Land, Infrastructure,
Transport, and Tourism of Japan


Hideo TOKUYAMA
Vice-Minister for Engineering Affairs
Ministry of Land, Infrastructure,

For the Ministry of Road Transport and
Highways of the Government of India


Deepa Gopalan WADHWA
Ambassador
Embassy of India in Japan



- Framework of Cooperation was signed by India's MoRTH and Japan's counterpart, MLIT.
- Promising step towards improving roads and road systems in India.

Strong Collaboration between SIAM and JAMA

MOU between SIAM and JAMA

- Recognize support for each other in attaining common goals, “promoting a sustainable, safe, clean, affordable and efficient automobile industry”.
- Reinforce close and affable relationship between SIAM and JAMA by maintaining high-level dialogue.



JAMA

JAPAN AUTOMOBILE MANUFACTURERS ASSOCIATION, INC.