

List of items that Japanese companies in India Import form China

July 14, 2020
JETRO New Delhi



Outline of Survey

- Survey conducted by: JETRO New Delhi
- Methodology: Online questionnaire
- Period: June 30- July 6, 2020
- Number of surveys sent: 1023 Japanese manufactures in India
- Number of respondents: 106 companies
- Contents: List of items that they import from China for manufacturing in India



Survey Results (HS Code 4Digit)

- Japanese manufacturers imports electronics, semiconductors, metal parts which needs precision machining etc.
- These goods are raw materials or intermediate materials which is essential for “make in India” and exporting from India in a globally competitive manner.

HS-Code (4 Digit)	No. of Companies	Examples of goods
8504	20	Inductor/battery/LED
8501	17	Motor
4016	14	Rubber parts/ O-ring/sealing material
8483	14	Gearbox/ Sprocket/ Shaft/ Engine Gear
8708	13	Sunroof parts/ wheel disk/ exhaust pipe
7318	12	Bolt & Nut/ Pin
8533	12	Resistor/ Chip Resistor
8482	11	Bearing/ Bearing Ball
8544	11	Power Cable/ Power Code/ Magnet Wire
8421	10	Pipe Filter/ Filter Disc
8532	10	Condenser/ Capacitor
8536	10	Fuse/ Switch/ Connector/Relay

HS-Code (4 Digit)	No. of Companies	Examples of goods
8542	10	IC (Integrated circuit)
3926	9	Plastic window parts/ washer friction
8481	8	Valve
8534	8	PCB
8541	8	Diode
3907	6	Resin/ ABS resin
4009	6	Rubber hose
8414	6	Air Conditioner Compressor
8505	6	Magnet
8511	6	Spark plug/ Magnet
9031	6	Sensor (Temp. Pressure etc)
Others		184 lines in 4 Digits



Survey Results (HS Code 2Digit)

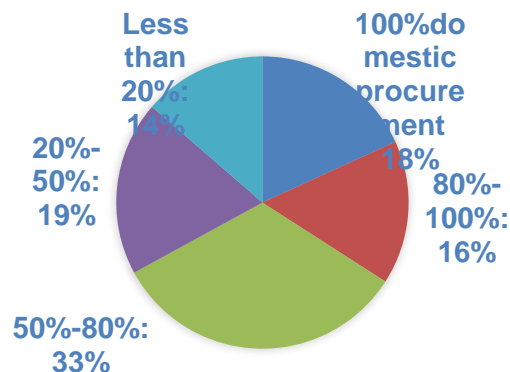
HS-Code (2 Digit)	No.of Companies	Examples of goods
84	42	Gearbox/ Sprocket/ Shaft/ Engine Gear/Bearing/ Bearing Ball/Pipe Filter/ Filter Disc/Valve/Air Conditioner Compressor
85	39	PCB/Inductor/battery/LED/Motor/Resistor/ Chip Resistor/Power Cable/ Power Code/ Magnet Wire/Condenser/ Capacitor/Fuse/ Switch/ Connector/Relay/IC (Integrated circuit)/Diode/Magnet
73	27	Bolt & Nut/ Pin
39	26	Plastic window parts/ washer friction/Resin/ ABS resin
40	18	Rubber parts/ O-ring/sealing material/Rubber hose
87	14	Sunroof parts/ wheel disk/ exhaust pipe
90	12	Sensor (Temp. Pressure etc)
38	10	Chemicals/rare-earth element
76	10	Aluminium Fin/Tube Material
28	7	Alumina/Alumina oxide flakes/Silicon
29	6	Adenine/ Penicillin G potassium/ Triphenylphosphine
32	6	Chemicals/ Epoxy primer/ Pringint Ink
Others		30 lines in 2 Digits



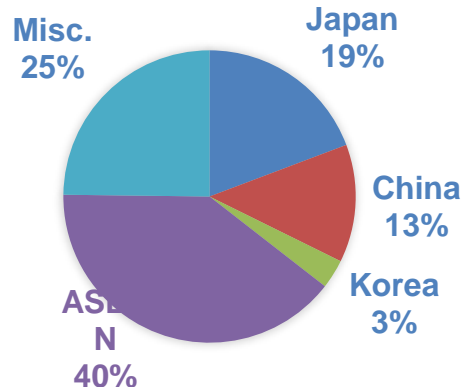
(Reference) Features of Procurement/Imports by Japanese Companies in India

- Around 20% Japanese companies have achieved 100% domestic procurement; remaining 80% import some procurement.
- Around 70% manage to procure 50% through domestic procurement, suggesting a high level of domestic procurement
- Of total imports (approx. \$3.7 bn), ASEAN accounts for 40%, followed by Japan (20%) and China (15%)
- Around 70% companies import from Japan (ASEAN: 50%, China: 40%). **Contrary to export destination, procurement depends intensely to Asian regional supply-chain routes.**
- **While India imports mainly from Asian region, export destination is globally diversified. So, it is necessary to read the trade balance in a global manner not limited to bilateral balance nor regional balance.**

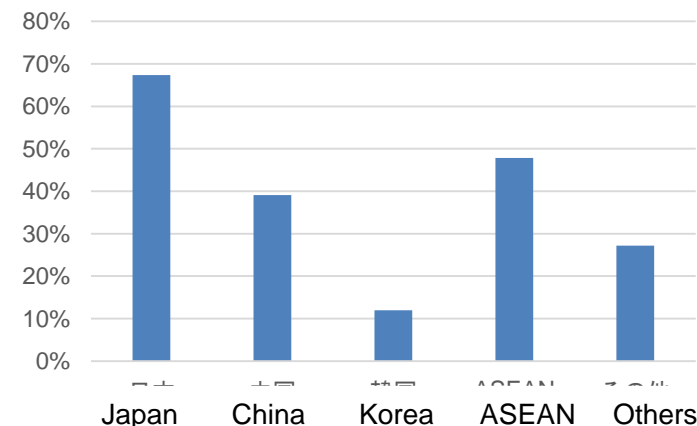
Percentage of domestic procurement



Major countries/regions for imports



Percentage of companies importing from various regions





Request from Japan to Government of India

<Request from Japanese companies to Government of India>

- As Mr. Tanaka told to Dr. Mohapatra, we would like to seek your consideration to exempt these goods in the list from discouraging imports to India. These goods are essential for “make in India” and exporting from India in a globally competitive manner.

<Insights from the Survey Results>

- Almost all Japanese companies are trying to maximize local procurement. However, as most companies noted, there is a scarce of local vendors who satisfy required quality/cost/delivery levels. Imports of materials and parts are source of competitiveness to export to Europe, US, and Africa.
- This means that these raw materials or intermediate goods have to be imported in the short run. Companies cannot find alternative sources in a short period. Focusing on cutting imports could potentially impair quality/cost competitiveness and will result in adverse impacts on global exports for India.

JETRO will make our utmost efforts to invite more investments to India

- JETRO really appreciates DPIIT's strong initiative and a positive suggestion of the **"Japan Road Show"**, namely the one on one meeting between Japanese companies who has investment plans and Dr. Mohapatra. We already sent invitations to 47 companies who have investment plans under difficult situations due to the COVID19 outbreak. We received 6 requests as of now, who wish to have a meeting with the secretary.
- In addition, JETRO is preparing for the online **"reverse trade fair"** to articulate the needs of Japanese automotive companies on auto parts they wish to buy or produce in India. This event may contribute increasing the predictability of expected sales of auto parts manufacturers, thereby boosting investment in the auto parts industry.