

India and Japan in a Fragmenting World

Growth, Resilience, and Strategic Economic
Partnership

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A World in Flux: Breaking of Post-WWII Economic Order

Great Power Conflict

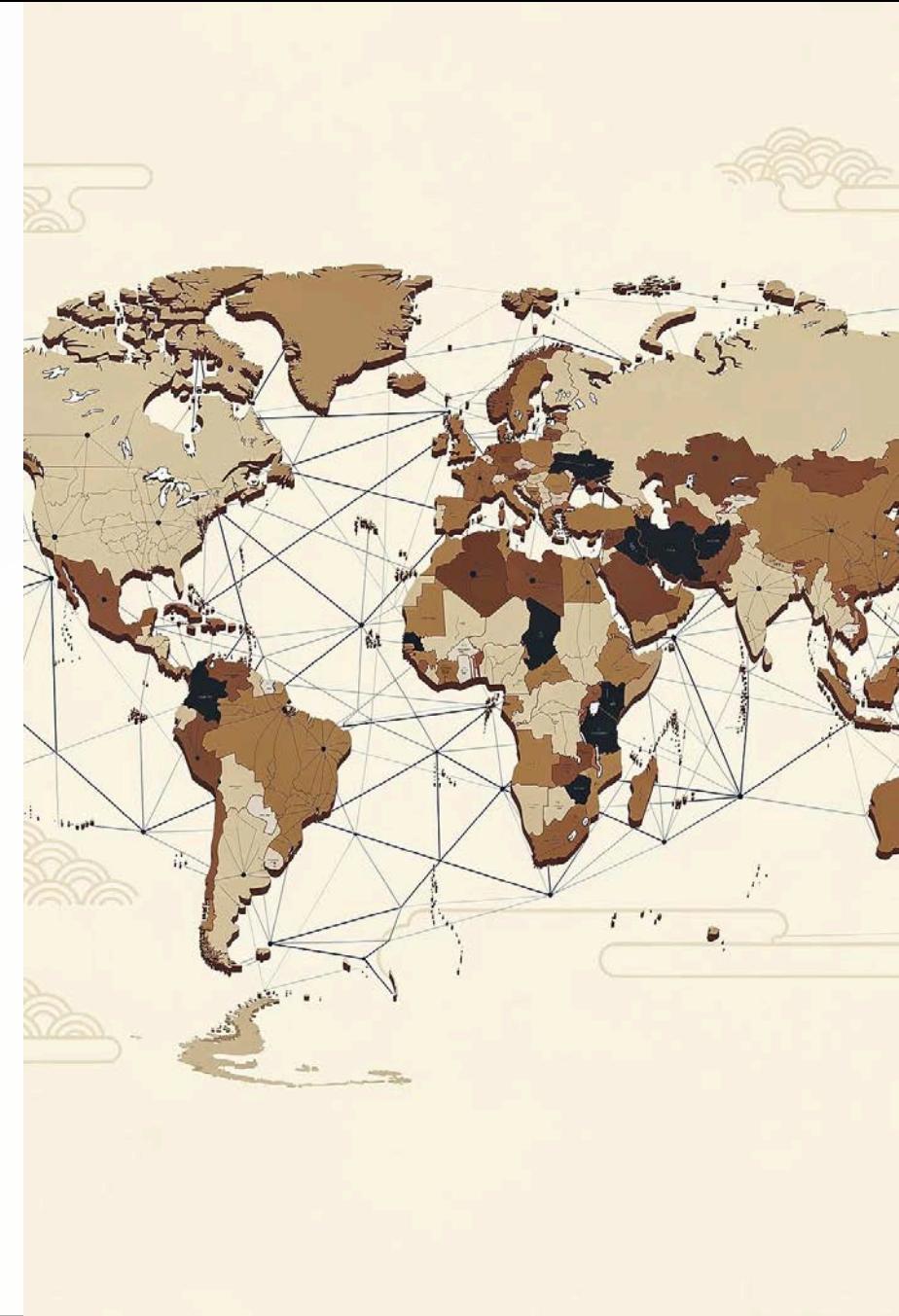
The return of great power rivalry reshapes global dynamics and economic relationships.

Multilateral Breakdown

US withdrawal from key treaties and declining WTO relevance signal a new era.

Technology Wars

Technology has become a central bone of geopolitical contention between nations.



Yet, Upheaval Provides Opportunity

Supply Chain Evolution

Supply chains are shifting from **efficiency → resilience and trust**,

Bilateral Trade Deals

Countries are negotiating trade deals bilaterally, opening doors for strategic cooperation.

Technology

Technology affords the opportunity to leapfrog

In this uncertain environment, **India–Japan cooperation becomes more, not less, relevant.**



CHAPTER 2: INDIA'S RISE

India's Economic Trajectory



Macro Stability

India's macro stability serves as an anchor amid global volatility.

Fastest Growth

India is the fastest-growing large economy in the world.

Unique Proposition

Scale + democracy + digital = unique investment proposition.

Why India Matters Now

India is moving from potential to execution.



Structural Reforms

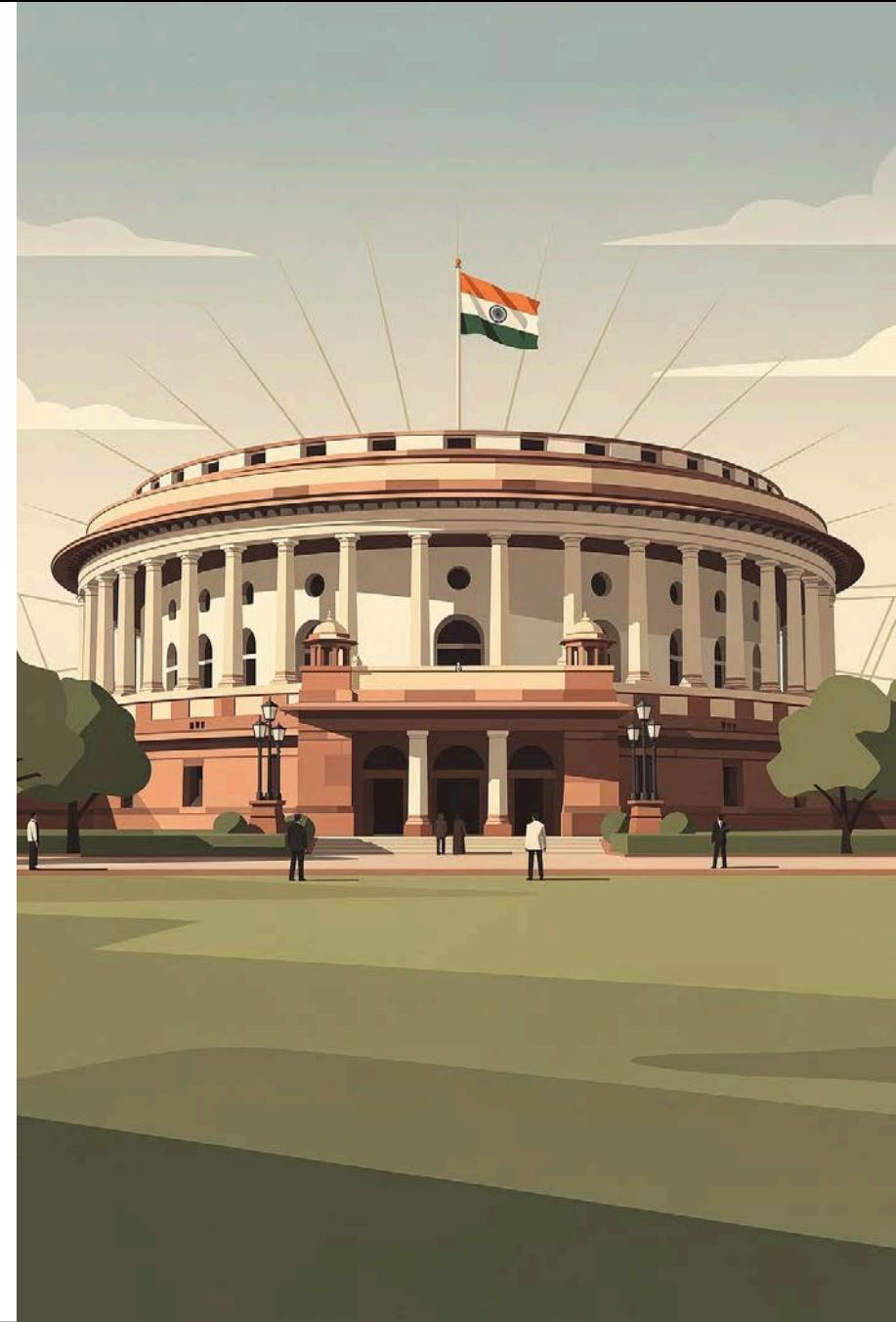
Goods & Services Tax, Insolvency Bankruptcy Code, Corporate Tax, Labour Codes.

Digital Public Infrastructure

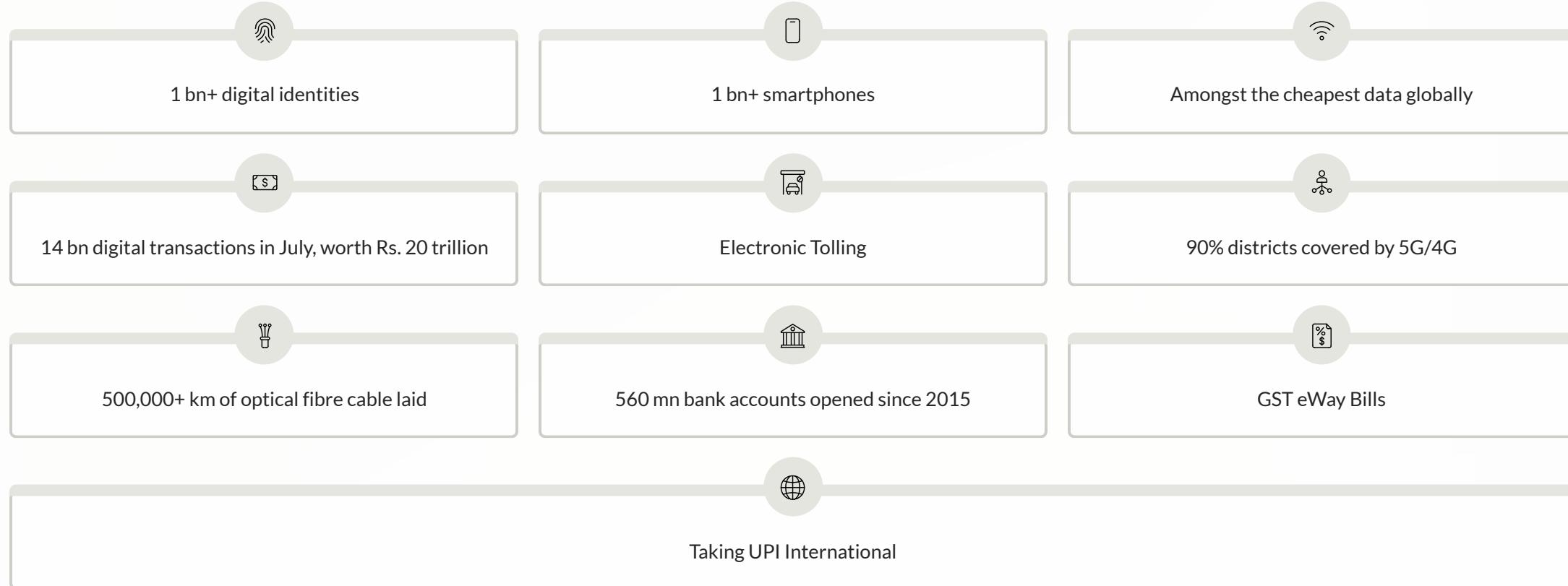
World-leading digital systems transforming governance and commerce.

Public Capex Investment

Public capex-led crowd-in of private investment driving growth.



India's Digitisation Story: Seven Decades Worth of Progress in Less than a Decade



Youngest and Largest Workforce

Demographics

- Average age of 29
- Youngest country in the world
- 1 bn+ working age population by 2030
- Highest proportion of population under 30

29

Average Age

India's median age in years

1B+

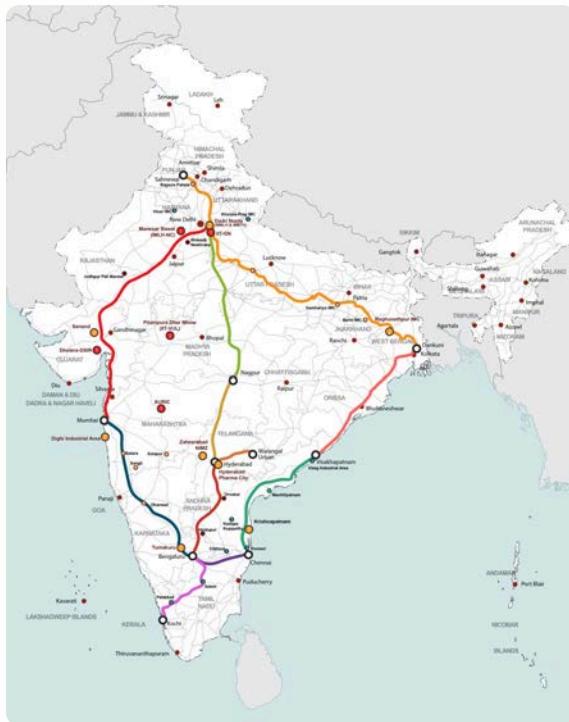
Working Age

Population by 2030

Stands in contrast to rapidly ageing Asian economies

Source: UN

Industrialising India



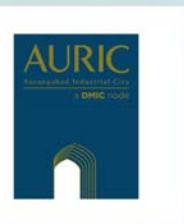
Industrial Corridors

12 New Industrial Cities announced

- Strategic investments
- Smart cities
- Land parcels will be made available

4 Developed Greenfield Industrial Smart Cities

Land parcels available for immediate allotment



India's Infrastructure Story

40M

Houses

Constructed

120M

Toilets

Built

253M

Water Connections

Installed

35 M

Electricity

Connections

91k - 146k

National Highways

Length (KM)

248 - 1,000

Metro Network

Length (KM)

Green Energy Leadership

Achieved NDCs five years ahead of schedule with 50% installed electric power capacity from renewables.

266
Gigawatts

Renewable capacity

5X
Growth

Renewable Capacity in past decade

National Green Hydrogen Mission

Making the world's cheapest green hydrogen.

40X
Growth

Solar Energy Capacity in past decade

360 mn
LED Bulbs

47 mn KW of Energy Saved

110 mn
LPG Connections
Access to Clean Cooking

Looking to the Future

1 National Quantum Computing Mission

3 India Semiconductor Mission

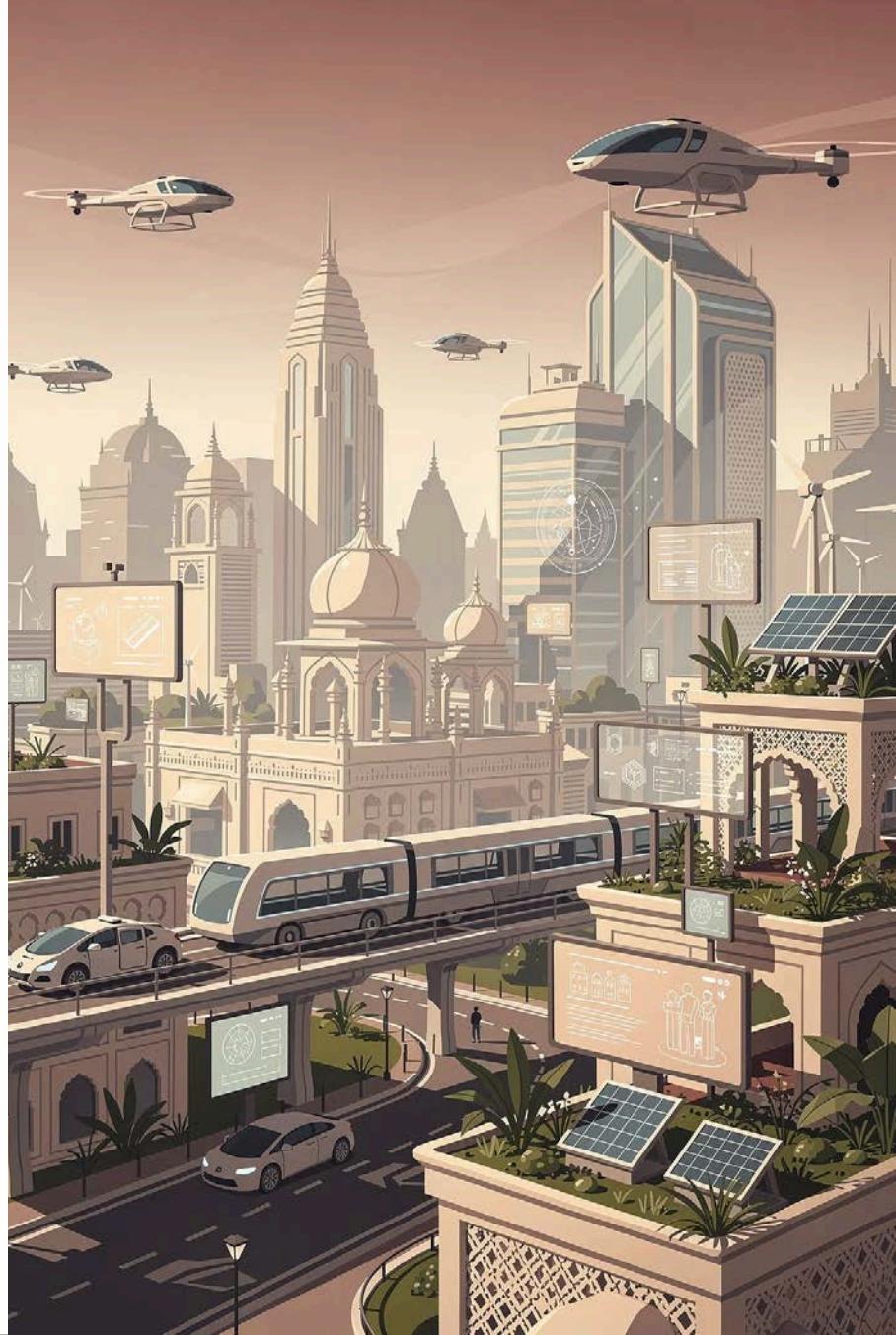
5 Green Hydrogen Mission

7 DeepTech Fund of Funds

2 National AI Mission

4 Rs 1 trillion R&D Fund

6 Electric Mobility



Japan Has Been India's Trusted Long-Term Partner

A technology partner



A quality infrastructure partner



A standards-driven economy



There Is Certainly Room for This Relationship to Grow

- ❑ Being the 4th and 5th largest economies in the world, this level of trade is modest, at best.

Bilateral Trade

Between the two countries equals **USD 20-22 billion**.

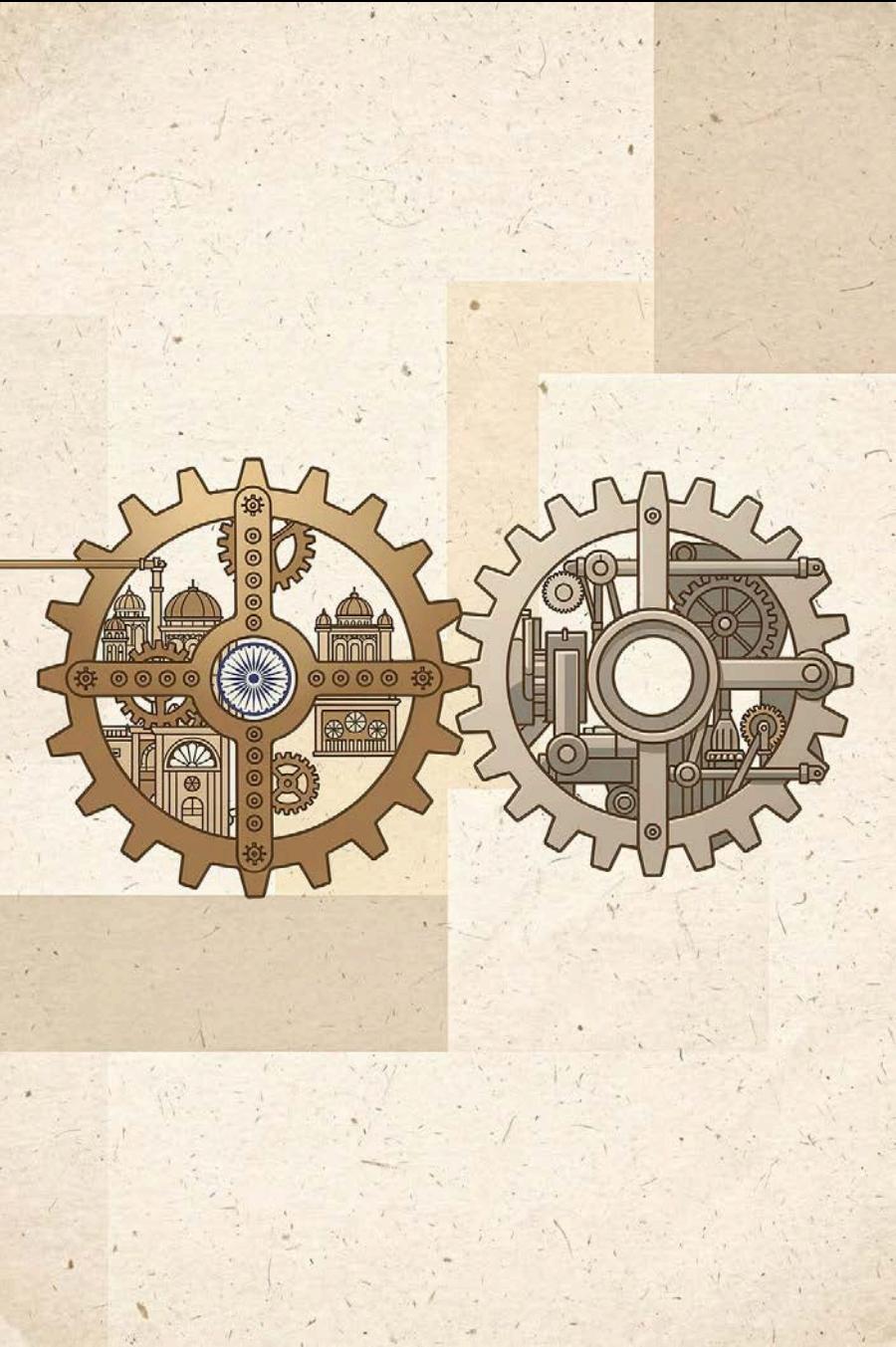
Investment Potential

Inward investment from Japan to India has significant room for expansion.



CHAPTER 4: PRIORITY AREAS

Priority Areas for Cooperation



Strategic Complementarity in Manufacturing

Japan's Strengths:

- Building Industrial Corridors & Clusters
- Quality as a Competitive Advantage

India's Opportunity:

- Growing Domestic Market
- Labour Reforms
- Young Workforce



Infrastructure & Connectivity

Japan's Strengths:

- Building High Quality Resilient Infra
- Project Execution
- Long Term, Affordable Finance

India's Opportunity:

- Massive Infrastructure Build Out
- PPP Opportunities

Clean Energy

Japan's Strengths:

- Technology
- Patient Capital
- Project Management

India's Opportunity:

- Scale
- Mature Renewable Energy Markets
- Private Sector Driven





Financial Markets

Japan's Strengths:

- Long Term Capital
- Robust Risk Management
- Strong Governance

India's Opportunity:

- Large Credit Gap
- Digital Infrastructure in Place

MUFG has acquired a 20% stake in Shriram Finance worth USD 4.4 bn | SMBC Bank has acquired 20% of Yes Bank worth USD 1.5 bn | Mizhuo Financial Group Acquired Avendus Capital for USD 700 mn

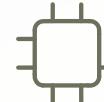


Technology & Innovation



AI & Machine Learning

Collaborative research and development in cutting-edge AI technologies.



Semiconductors

Building resilient semiconductor supply chains and manufacturing capabilities.



Digital Infrastructure

Sharing best practices in digital public infrastructure and innovation.

A Future-Oriented Partnership



From Buyer–Supplier

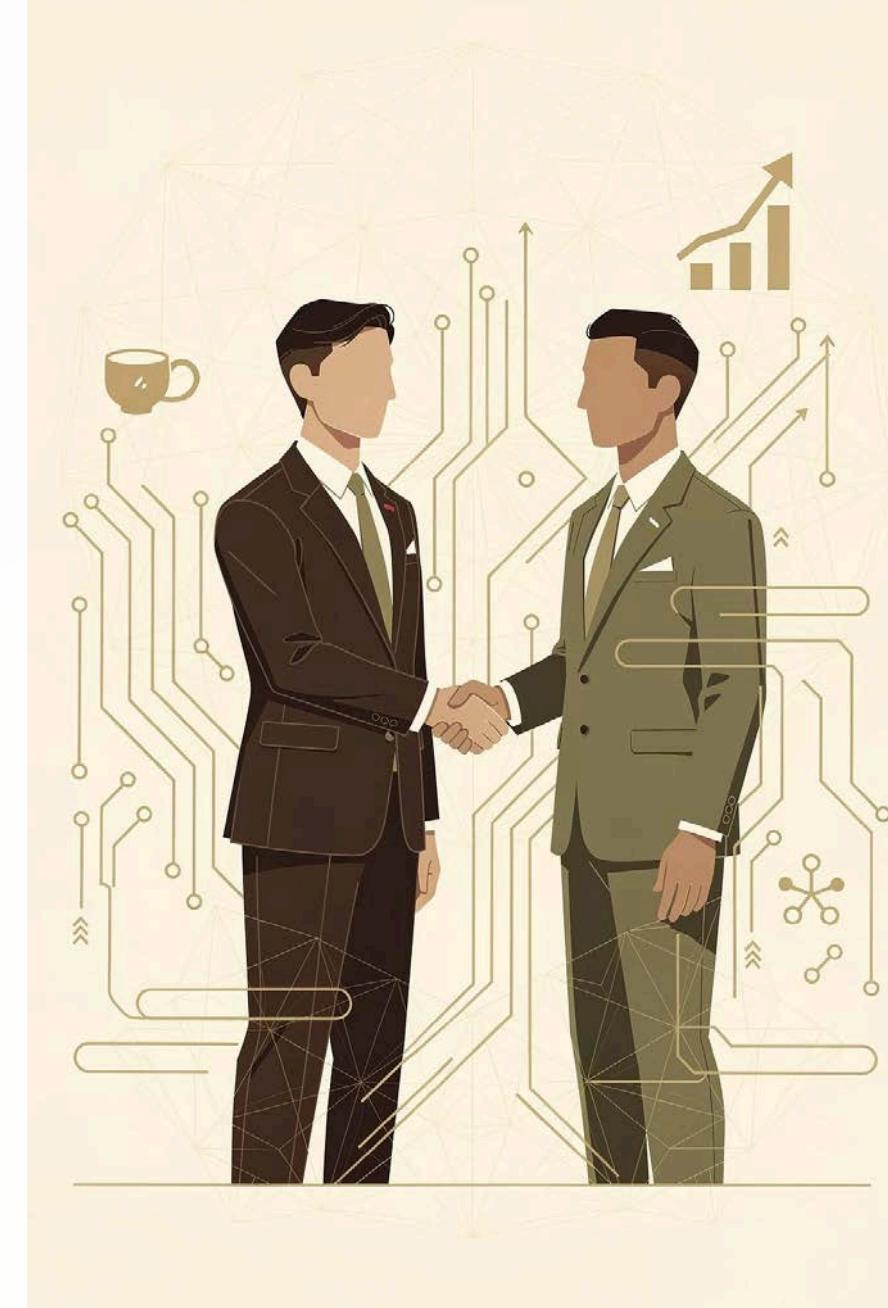
To co-creators

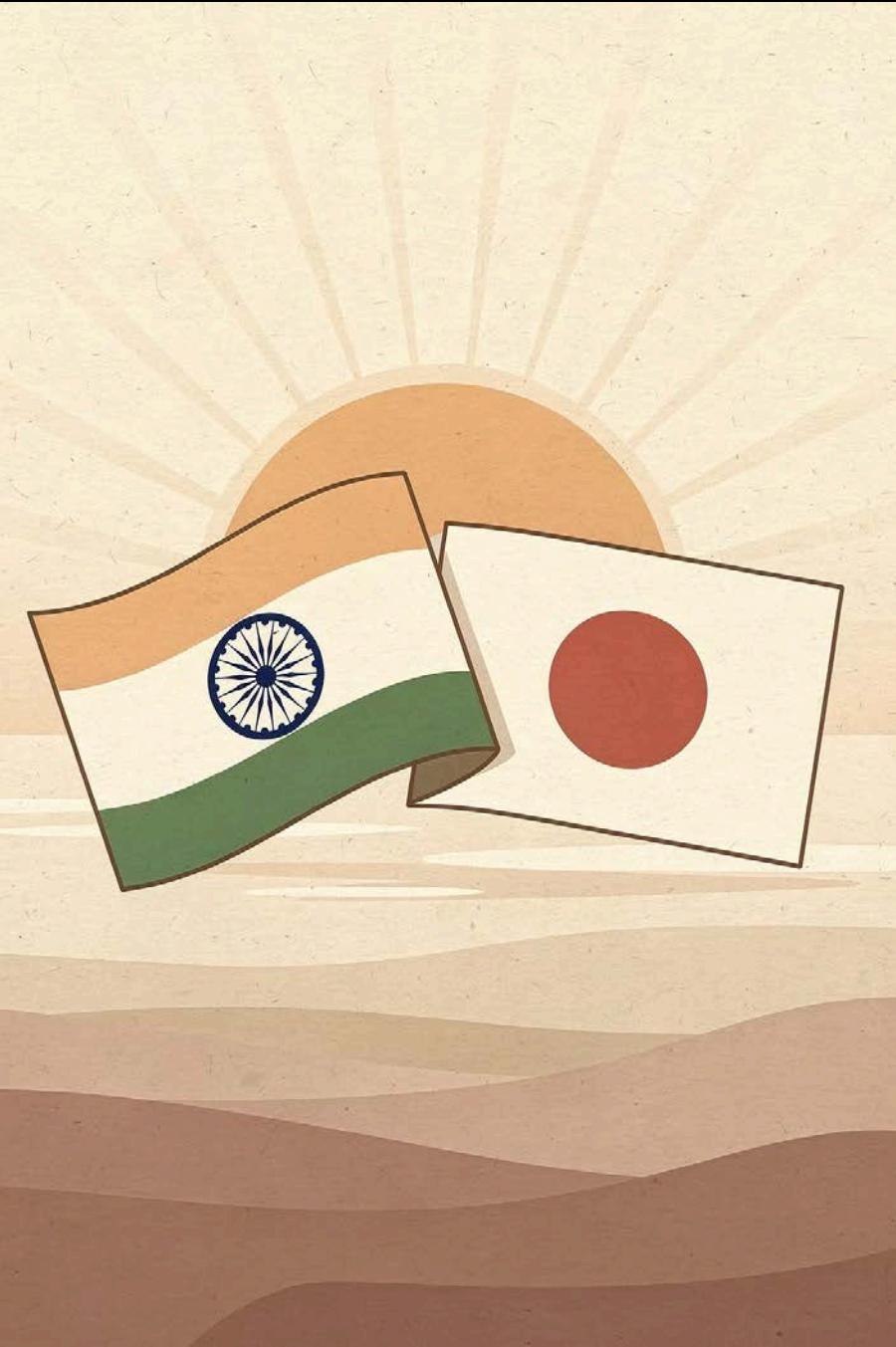
From Projects

To platforms

Focus Areas

- Speed of execution
- Risk-sharing
- Long-term strategic alignment





In a Fragmented World, India-Japan Partnership Is a Stabilising Force

India and Japan can jointly shape:



Resilient Supply Chains

Building trusted, diversified networks



Inclusive Growth

Shared prosperity for all



Indo-Pacific Economic Order

A credible, rules-based framework

Thank You

We welcome further discussion on strengthening the India-Japan partnership.