India-Japan Investment Partnership Gains Momentum; Commerce and Industry Minister Shri Piyush Goyal Invites Greater Japanese Institutional Capital

Shri Goyal highlights India's strong growth fundamentals and opportunities in semiconductors, AI, clean energy and digital infrastructure

Japanese financial institutions underline long-term confidence in India; seek greater ease of capital flows and profit repatriation

Posted On: 25 AUG 2026 10:44AM by PIB Delhi

Union Minister of Commerce and Industry, Shri Piyush Goyal, today held discussions in Tokyo with senior leaders of leading Japanese financial and investment institutions on strengthening long-term capital flows, deepening investment partnerships and expanding Japanese participation in India's growth story.

The meeting brought together senior representatives of MUFG, Development Bank of Japan (DBJ), Mizuho, Morgan Stanley, Nomura and Nippon Life. The discussions focused on India's economic outlook, emerging investment opportunities and measures to further facilitate Japanese institutional investment in India.

Shri Goyal highlighted the strength and resilience of the Indian economy, noting that India recorded 7.7 per cent growth last year despite global uncertainties and is working towards becoming a USD 30 trillion economy by 2047. He underlined the strength of India's banking sector, robust capital adequacy, low levels of non-performing assets, expanding middle class and rising disposable incomes as key drivers of sustained economic growth.

The Minister highlighted significant opportunities for Japanese investors in semiconductors, artificial intelligence, data centres, renewable energy, green hydrogen, advanced manufacturing and digital infrastructure. He noted that India's expanding renewable energy capacity and national power grid provide a strong foundation for the growth of energy-intensive digital industries, while the India Semiconductor Mission is creating new opportunities across manufacturing and technology.

Highlighting the strategic and comprehensive nature of India-Japan relations, Shri Goyal said India regards Japan as a trusted partner in its journey towards becoming a global manufacturing, technology and investment hub. He emphasised India's commitment to intellectual property protection, availability of high-quality talent, policy reforms and creating an increasingly conducive business environment.

The Japanese financial institutions shared their growing engagement with India and expressed strong confidence in the country's long-term growth prospects. MUFG highlighted its investment of around USD 4 billion in Shriram Finance and its expanding interests in areas including renewable energy and hydrogen. DBJ outlined its dedicated India strategy and growing interest in property development, venture capital and other long-term investment opportunities.

Mizuho highlighted the improving profitability of Japanese companies operating in India and the expansion of its India operations, including its Global Capability Centre in Pune. Morgan Stanley described India as one of its most important global locations, with more than 19,000 employees, and highlighted the evolution of its India operations towards higher-value capital markets and financial services activities.

Nomura highlighted its long-standing presence in India and its role in connecting Japanese companies and global industries with Indian opportunities, including through technology capabilities in areas such as artificial intelligence and cybersecurity. Nippon Life emphasised the importance of long-term "patient capital" and noted the strong returns generated by its Indian operations.

The discussions also covered measures to further facilitate the flow of Japanese institutional capital into India. Participants highlighted the importance of simplifying processes for profit repatriation, improving access to Indian capital markets and ensuring greater regulatory predictability for long-term investors.

The Japanese institutions reiterated that their long-term strategic outlook on India remains strongly positive, while noting that currency movements and certain regulatory and policy considerations can influence short-term investment decisions. Shri Goyal welcomed the feedback and reiterated the Government's commitment to continuously improving the ease of doing business and creating a more seamless investment environment.

The meeting also explored the potential of GIFT City as a gateway for international capital into India and as a platform for facilitating greater cross-border investment flows between Japan and India.

Shri Goyal emphasised that India is seeking not merely capital but long-term partnerships that bring technology, innovation, manufacturing capabilities, employment and integration with global value chains. He highlighted opportunities in both new and emerging sectors and established businesses requiring modernisation and technological upgrading.

The discussions assume significance in the context of the India-Japan objective of mobilising 10 trillion yen of Japanese private investment into India over the next decade. The interaction reaffirmed the strong confidence of leading Japanese financial institutions in India's long-term growth prospects and highlighted the considerable potential for expanding bilateral investment, technology and business linkages.

The meeting marked another important step towards deepening the India-Japan economic partnership and unlocking greater flows of long-term Japanese institutional capital into India's next phase of growth.

***

Abhishek Dayal/ Shabbir Azad/ Ishita Biswas