FDI Model in Emerging Economies: Case of Suzuki Motor Corporation in India

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ABSTRACT

Despite a long history and experience of investment by several hundred foreign companies in India only a few companies have had consistency in their growth and profitability in India. Given the typical conditions of an industrially developing host for foreign direct investment like India, not many foreign companies have invested in India in a manner that will yield consistent growth and profitability. The direct investment pattern of Suzuki Motor Corporation is rare model that has benefited the host and helped the company to grow in size, profitability and global presence through its operation in India. This paper, after a systematic sampling of foreign companies in India during 1920s-1990s, selected the case of Suzuki Motors and studies the investment pattern of Suzuki Motor Corporation in India. It looks into the automobile industry scenario prior to Suzuki's entry to India and analyses the nature, timing, and scope of investment adopted by Suzuki Motors. Based on the observations of the study, the paper suggests a suitable model of Foreign Direct Investment in emerging economies like India.

RESEARCH METHODOLOGY

The above study has been based on the case analysis of Suzuki Motors's FDI pattern in India during 1982-2003. The data on direct investment of the company were triangulated from the company reports, government reports and other secondary sources. The author interviewed nearly ten key executives of Suzuki Motors and the Government of India who were actively involved in the investment of Suzuki Motors in India during 1982-2003. The case of Suzuki was, however, not selected randomly but through a scientific method from among about eighty foreign companies including all the foreign automobile companies that have invested in India during the last hundred years. The sampling process was designed on two key principles. First, the sample cases must be reliable, unbiased and representative of the population of foreign companies in India. A representative sample of cases should cut across time of operation (encompassing the colonial period, the development period, and the corporate-dom period), origin, industry, size and performance of foreign companies in India. Second, the sample cases must be representative of the significant issues of FDI in India. The sample cases should also represent the significant issues of past, present and future of FDI in India. The significant issues considered for sampling purpose were (a) FDI involve different types of ownership and control, (from 100% equity to reducing equity, from low (no) equity to increasing equity, and from 100% equity to a steady equity). (b) FDI evolves new business structures and competition. (c) FDI creates Export Base. (d) FDI is used to strategically shift environmentally costly production bases. And, (e) FDI leads to business process outsourcing and transfer-pricing.

The sampling method consisted of five major steps to sampling cases from the population of foreign companies in India in order to meet the first principles of sampling. Once the cases were selected, we checked if the sample of cases selected through the five-step process actually represented the characteristics of the population as given in the second principle. (1) Study of historical trends of foreign direct investment in India, 1900s – 2000, (2) Select the sector that is representative of the population of foreign companies, (3) Spot the individual companies in the selected sector, (4) Sort the individual companies on a three-dimensional (time, origin, & industry) matrix, and (5) Select the companies from the above matrix that satisfy three key parameters, (entry of company to India prior to 1991, size of company, and consistency in financial performance).

LITERATURE REVIEW

During the long history of foreign investments in India, there has been a lot of debate on the various issues related to FDI in India. The great significance of FDI to India and to the world has drawn many scholars and academicians including business historians, economists, management experts and others to write on the subject. Most of these writings have been rather normative in their analyses, especially, with respect to India. Obviously, there have been two schools of thought from this approach viz., first, FDI has been / will be good for India, and second, FDI has not been good for India. Yet, the third set of scholars has dealt with the dynamics of FDI in some specific time periods of history or in some specific industry.

Scholars in the first school of thought have argued on the theoretical principle that free trade and competition is good for the whole world in the long run and therefore FDI is also good for India. The proponents of GATT/WTO base their argument on these lines. Foreign companies, foreign Governments and international bodies have bashed at the closed-door policies of the Government of India towards international trade and investment. Research works based on specific cases of success have also towed this line of argument. The studies of L.M. Johri (1983), Sanjeev Kumar (1996) are some examples.

Scholars in the second school of thought have based their argument on the impact that liberalization and opening up of the Indian economy had on India. Michael Kidron (1965), Mathew Kurien (1966), Arthreye & Kapur (1999), Amar KJR Nayak (2000, 2002, 2003), Krishna Kumar (2003) have studied the overall impact of FDI on India. Joseph Stiglitz (2002) argues that Globalization has not met its promises to the developing countries. Sanjaya Lall (1999), Kishore Sharma (2000) and Amar KJR Nayak (2003) have undertaken studies on exports and imports of India.

The third set of scholars has dealt with the process dynamics of FDI in some specific time periods. A.K. Bagchi (1972) argues that the strong political patronage helped the British companies to flourish and grow in India during the early decades of the 20th century. B.R. Tomlinson (1989) states that the short-term structures created by British expatriates and multinationals to generate immediate success limited their options for future evolution. And, Dennis Encarnation (1989) discusses the interplay of forces among local government, local companies and the foreign companies from a politico-economic point of view.

None of the previous studies have looked into probable models of FDI that has worked well or that may work well in the emerging economies like India. Although, there have been some analysis of the case of Suzuki Motors in India Bhaskar Chaterjee (1990) and Raja Venkataramani (1990), these studies have not dealt with in details and there has been so scientific process of the case selection. With a scientific sampling process, the case of Suzuki Motors was chosen from nearly eighty foreign companies for study in this paper. The paper analyses the case in greater detail by triangulating data from various sources and through interviews with the key executives who were involved in FDI of Suzuki Motors during the last about twenty five years. Using the observations of the case, the paper proposes a model of FDI for emerging economies like India.

INDIAN AUTOMOBILE INDUSTRY PRIOR TO SUZUKI MOTORS' ENTRY IN INDIA

The first motorcar was brought to India in 1898. Although, imports of fully assembled cars began to grow slowly, there was no local assembly of cars in India until 1928. General Motors established an assembly plant in Bombay in 1928 to assemble cars and trucks using completed knocked down (c.k.d) kits imported from USA. Following this, Ford Motor Company established assembly plants in Madras in 1930 and then another assembly plant in Calcutta in 1931. In 1942, the Birla Group established Hindustan Motors Limited in Calcutta and then in 1944, the Walchand Group set up Premier Automobile Limited in Bombay. Subsequently, the Standard Motor Products Limited established to manufacture automobiles in Madras in the year 1948.

In 1947, as the end of British rule in India seemed eminent, the Government of British India appointed a 'Panel on Automobiles and Tractors' to examine the feasibility of establishing manufacturing facilities in the country. The Panel's report strongly recommended the promotion of a transport vehicle industry in India for faster economic development in the country. However, the Government of India considered passenger cars a luxury and did not regard the development of his industry as a matter of high priority at this time. At the same time the government did encourage the private investment in the local manufacturing of passenger cars. In 1953, the Government of India passed a regulation that if assemblers did not have a phased plan to manufacture cars locally, then should wind up their operations in India with in three years. With the introduction of the above regulation, the big automobile assemblers like General Motors and Ford Motor ceased their operation in India.

With the decision of General Motors and Ford Motors to wind up their operations in India, the passenger cars industry in India was left to Hindustan Motors (HM: Ambassador) and Premier Automobile (PAL: Fiat). These companies produced cars that were large, expensive and these cars had poor mileage. As a result not many people could afford to buy cars for personal transport. Passenger cars were mainly used by the government officials and by a few rich people during these years. The low volume of cars sold in the country provided little incentives for the other entrepreneurs in the automobile industry for the next thirty years. The passenger car industry in India grew only at a snail's pace during those years.

Not until early sixties did the government feel the need to produce small passenger cars. In 1969, the government approved Maruti Limited, a company started by Sanjay Gandhi to produce small passenger cars in Gurgaon, Delhi. About 120 hectares of land was acquired and 80,000 square meters of covered factory area was built. Although, the company started with great fanfare, it did not succeed to manufacture cars as planned. Finally, the company was liquidated in 1977. The Government of India by an Act of the Parliament acquired Maruti Limited in October 1980 and renamed the company as Maruti Udyog Limited (MUL). After acquiring the loss making Maruti Limited, the Government of India established Maruti Udyog Limited (MUL) as a public sector company in February 1981 through the act of parliament. The then prime minister of India, Indira Gandhi had a personal interest to make this project a success in order to fulfill the dreams of her son, Sanjay Gandhi, who had struggled with such a project for a few years before he passed away in an accident.

The government set a very large production target for MUL. It had a goal to produce 100,000 small passenger economy cars in a period of five years from the start of its operation. With this huge task, Indira Gandhi had to look for some of the best managers who could achieve such a fast growth. The best managers/administrators from the successful public limited companies and Private Limited companies were appointed to the top management of MUL. Mr. Suman Moolgaonkar, the then chairman of Tata Engineering & Locomotive Works was made the chairman of MUL. Mr. V. Krishnamurthy, former chairman of Bharat Heavy Electricals Limited (BHEL) was appointed as vice-chairman & managing director and Mr. Mr. R.C Bhargawa, the director, commercial of BHEL was assigned the post of director (marketing & sales) in MUL. It has also been noted that Indira Gandhi changed the minister in charge of industry when she found that he was slow in taking decisions related to implementation of MUL.

The management of MUL soon started its search for a foreign collaborator who could provide low cost fuel-efficient car engine of below 1000cc. Early in 1981, the Government of India invited nearly 11 large established automobile companies from UK, France, West Germany, Italy and Japan. There were several rounds of negotiations. Most of the foreign partners were highly pessimistic with the joint venture. Before the final round of negotiations, Mitsubishi Motors of Japan seemed to be the likely winner for being the partner. However, Suzuki Motors' attractive offer and its high speed of working turned itself to be the most favorable bidder finally and it won to be the partner of MUL. The agreement was ultimately finalized on October 2, 1982.

BACKGROUND TO SUZUKI MOTORS' INVESTMENT IN INDIA

Osamu Suzuki's leadership was crucial to the success of Suzuki Motors bid to enter India. His quick decision making style gave Suzuki Motors an edge over Mitsubishi Motors in the final rounds of negotiations with MUL. The managers from MUL found it better to discuss issues with Osamu Suzuki because of his quickness in making decisions. Mitsubishi Motors that had almost won the bid before Suzuki Motors entered the race was slow because of bureaucracy in its working. Osamu Suzuki bid to offer the best package amongst all the bidders to MUL based on his intuition of large demand for cars in India. For most other investors, the Indian automobile market did not have much potential as the total demand during 1960-1980 had remained at lower than 50,000 cars per year. The two local manufacturers met this demand with Hindustan Motors (HM: Ambassador) manufacturing 30,000 cars and Premier Automobile (PAL: Fiat) manufacturing the balance of 20,000 cars.

Contrary, to the logic of most foreign automobile manufacturers, Suzuki Motor predicted Indian market potential to rise to 200,000 cars per annum by the year 2000. In 1983, MUL set a target to manufacture 100,000 passenger cars (800 cc) per year. At this time, Suzuki Motors domestic production of passenger cars of 800 cc or greater than 800 cc cars in Japan was lesser than the production target set by MUL in India. Suzuki Motors also accepted the terms of the government in terms of its lower equity participation. Many other bidders to the joint venture declined to this policy of the Government of India. It may be worth to note here that General Motors and Ford Motors ceased their automobile operations in India when the government passed a law in 1953 requiring foreign car businesses to produce locally and to include local equity participation. Suzuki Motors Company agreed to 26% shareholding in MUL in 1982. Only after about six years did it invest additional amounts to raise its equity to 40% in 1989 and then to 50% in 1992.

SUZUKI MOTORS' INVESTMENT PATTERN IN THE INDIAN AUTOMOBILE INDUSTRY

Suzuki Motors not only invested more than a quarter of the capital in the joint venture with MUL, it also invested in many other automobile related businesses soon after its investment in MUL. As we note in the background of Indian automobile industry in India prior to Suzuki Motors's entry to India, the Indian automobile industry had a poor infrastructure to manufacture high quality small cars when Suzuki Motors entered India. Suzuki Motors could have imported the car components to maintain the quality of the car it manufactured in India. However, it faced two great problems at this time. First, it had to produce cars that could be afforded by the people in the middle-income segment. Importing components from Japan would have driven-up the cost of the cars it manufactured. Second, it was bound by the Indian Government's policy to include local components in its production. Although, the Maruti-Suzuki joint venture faced little bureaucratic hassles of the Government bodies and agencies, it faced the greatest hurdle to manufacture high quality small car at low price in an industry that had extremely poor component manufacturing infrastructure. Suzuki Motor invested extensively in the Indian component manufacturers to improve the quality of the components and to reduce the cost of its component procurement. The extent of Suzuki Motors's investment in the Indian automobile component industry is shown in the Table 1 below.

Table 1: Suzuki Motors' investment in the value chain of Indian automobile Industry

Indian Partner	Year of Investment	Products Manufactured
Maruti Udyog Limited	1983	Small Passenger Car (800cc)
Subros Limited	1985	Car Air-Conditioner, Electric Components
Baharat Seat Limited	1986	Car Seats
Machino Plastics Limited	1987	Bumpers, Front Grill
Asahi Indo India	1988	Glass for cars

It is also observed that Suzuki Motors has heavily invested in component manufacturers of the Indian automobile industry since it started its operation in India in 1983. It has steadily increased its investment with all its partners over the years. Table 2 below provides a glimpse of its intensity of investment during 1983-90. The timing of investment in different components also shows its strategic choices of investment along the complementary market functions of its business.

Table 2: Total Capital Stock of Suzuki Motors in Indian automobile industry, 1983-90 (Amount in million rupees)

Indian Partner	1983	1984	1985	1986	1987	1988	1989	1990
Maruti Udyog Ltd.	104.25	218.75	n.a.	n.a.	670	760	894	894
Subros Ltd.	-	-	15	15	15	n.a.	37.5	37.5
Baharat Seat Ltd.	-	-	-	30	n.a.	n.a.	300	300
Machino Plastics Ltd.	-	-	-	-	270	270	270	270
Asahi Indo India	-	-	-	-	-	18.5	18.5	18.5

Note: Figures for 1983 and 1984 drawn from this are converted from yen to rupees at an exchange rate of 100 yen=25 rupees.

The intensity and commitment of its investments across the Indian automobile industry is rather amazing. Suzuki Motors has not only invested capital in the Indian automobile industry, it has also depute its own manpower in many of its joint ventures, both for manufacturing cars and for manufacturing components. It deputed nearly seven Japanese employees per year since 1987 to 1990 to work in factory of Maruti Udyog Limited in India. Interestingly, Suzuki Motors has also deputed its employees in the factories of component manufacturers in India. The number of employees deputed from Suzuki Motors from 1987 to 1990 to work in the manufacturing units of its Indian Partners is shown in Table 3.

Table 3: Number of employees from Suzuki Motors deputed to work in the manufacturing units of the Indian Partners.

Indian Partner	1987	1988	1989	1990	Total
Maruti Udyog Limited	7	6	7	7	27
Asahi India Safety Glass Co.	-	3	3	3	9
Subros Limited	-	-	2	4	6
Total	7	9	12	14	42

Not only employees from Suzuki Motors from Japan were deputed in the companies of Indian partners but many Indian employees from Maruti Udyog Limited were sent to Japan every year for learning Suzuki Motors' method of production, quality assurance and other Japanese management methods. After being trained on the

Japanese management techniques, these Indian employees would carry back their learning to Maruti Udyog Limited in India. This process of training employees was an effective means of transfer of skills and techniques. About 40 Indian employees were sent to Japan for training in Japan every year during the period 1983-1989.

In addition to making heavy investments on its own in the Indian automobile industry, Suzuki Motors seems to have indirectly influenced a large number of Japanese automobile component manufacturers to invest in India (Interview with Mr. Keiji Nakajima, General Manager-Sumitomo, India). Questionnaire that was used for the above interview is given in Appendix 9. The high profits that Suzuki Motors enjoyed from the beginning of its operation in India also attracted many other Japanese automobile companies to invest in India. The increased number of Japanese automobile manufacturers in India could have created the economies of scales for many Japanese component manufacturers to invest directly in India.

Besides the Japanese automobile majors, component manufacturers like Nihon Gear, Nippon Denso, Sumitomo Denso, and others entered India following the investment by Suzuki Motors in 1983. In fact, investment from Japan in India increased significantly during this period. Table 4 shows the list of Japanese companies that invested in the Indian automobile industry after 1983. The immediate success of Suzuki Motors in India drew the attention of not only the Japanese automobile manufacturers but also that of the automobile majors from U.K, Germany, France, and Switzerland. The high potential of Indian automobile market became visible to many companies following the success of Suzuki Motors. Investment from many of the automobile majors round the world flowed into India after 1983.

Table 4: Investment by Japanese Companies in Indian automobile industry during 1983-90

Year 1983-90	Japanese company	Parent Equity %	Indian company	Amount million INR
1983	Suzuki Motors	26	Maruti Udyog Ltd	894
	Mazda	15.6	Swaraj Mazda	105
1984	Suzuki Motors	25.97	TVS Suzuki	231
	Toyota Motors	26	DCM Toyota Ltd	150
1985	Nihon Gear	14	Limotorque India Ltd	5.5
	Nippon Denso	26	SRF Nippondenso Ltd	61.3
	Nippon Denso	13	Subros Ltd	37.5
	Honda Motors	26	Hero Honda Motors Ltd	157
	Honda Motors	26	Sriram Honda Power	75
	Honda Motors	33.33	Kinetic Honda Motors Ltd	99.9
	Mitsubishi Motors	10	Eicher Motors Ltd	100
	Yamaha	26	Birla Yamaha Ltd	80
1986	Kansai Painting	26	Goodlass Nerolac Paint Ltd	
	Sanwa	22.6	Rajasthan Exero Sanwa Midland	44.29
	Suzuki Motors	13.3	Bharat Seat Ltd	30
	Nissan Motors	15	Mahindra Nissan Allwyn Ltd	167
1987	Asahi Glass	12	Asahi India Safety Glass Co. Ltd	18.5
	Kokusan Electric	18.9	India Nippon Electricals Ltd	13.2
	Suzuki Motors	15.5	Machino Plastics Ltd	270
	Sumitomo Denso	24	Motherson Sumi Systems Pte	15
	Sumitomo Denso	10	Accelerated Freeze Drying Co.	11.3
	Nihon Denchi	6.7	Willard India Ltd	50
	Honda Motors	10	TELCO	542
	Honda Motors	15	AMCO Batteries Ltd	33
	Honda Motors	40	Yokogawa Keonics Ltd	9.4
1988	Yamaha	13	Mi-Fujiyama Ltd	4
	Aibara Mfg.	40	Kirloskar Ever	10
1990	Mikuni Kogyo	26	Ulcal Fuel Systems Ltd	75

Dealer & Service Center Network in India

Maruti-Suzuki has developed the most extensive dealer and service center network in India. It is present in as many as 115 towns and cities spread across the country. Many of the cities/towns have more than one dealer. The number of service centers in each place either equals the number of dealers or exceeds the number of dealers. Some of the larger cities have multiple numbers of dealers. Delhi has as many as 15 dealers and 19 car service centers. Bombay has as many as 9 dealers and 13 service centers. A few of the major cities and the number of dealers in these cities are shown in the Table 5.

Indeed, the extensive network of dealers and service centers has been crucial for the increased popularity of the Maruti-Suzuki's car. Except for the major cities, many towns in India do not have car dealers and most importantly the service centers for passenger cars. There were nearly 700 authorized service centers by 1995. The non-availability of parts and service centers had restricted the use of passenger cars in many of the smaller towns in India before Maruti-Suzuki set up the crucial network of dealers and service centers. The development of this infrastructure has greatly added to the improvement of automobile industry in India.

Table5: Dealer & Service Centers in some major cities in India

Major Indian Cities	Number of dealers	Number of Service Centers
Delhi	15	19
Bombay	9	13
Madras	4	10
Calcutta	4	4
Ahmedabad	4	6
Bangalore	3	7
Chandigarh	3	3
Total	42	62

TRANSFER OF JAPANESE STYLE FACTORY MANAGEMENT TO INDIAN PARTNER

The case of Maruti – Suzuki is best known in Indian industry for the successful transfer of Japanese style management practices. In fact, the case of Maruti – Suzuki is often discussed in the Indian business schools as far as the Japanese Management is concerned. Most of the features of Japanese management system such as Quality Circles, employee participation in the production decision making, production incentives, company union, and in-house training have been successfully transferred to the work culture of Maruti – Suzuki. Suzuki Motors perceived that the hierarchy system in the Indian society greatly influenced the work culture in most Indian factories and it also faced similar problem in setting up a flat organization structure that would most benefit from the introduction of its own management system that it practiced in Japan. It employed two methods to overcome this problem.

First, it recruited fresh graduates from the technical/engineering colleges to fill up most of the middle and lower level management positions. In fact, except for a few in the top management, who were transferred from large public and private companies, most of the middle and lower level positions were filled by fresh graduates. As the fresh graduates were not biased by any previous management styles, they could easily be trained with the management style that Suzuki Motors introduced in the joint venture. The top management from the Indian side also supported the introduction of Japanese style of management in the factory (Interview with Mr. Keiji Nakajima, General Manager – Sumitomo, India).

Second, it undertook an extensive training program for the fresh recruits. Suzuki Motors deputed several Japanese workers and executives in the Indian factory at Gurgoan, near New Delhi. As many as six to seven employees of Suzuki Motors were deputed to work in the Indian factory (please refer to Table 30). In addition, several Indian employees from MUL were deputed to SMC's factory in Japan. This exchange process of employees helped the smooth transfer of Japanese management systems to Maruti-Suzuki in India and has increased the overall factory productivity. Most of the management systems of Suzuki Motors were adapted in Maruti Udyog Limited. There were no private rooms to differentiate employees of different levels of management. Everyone in the company wore common company uniform. Lunch was served for everyone in the same room. Morning Japanese exercise was introduced as part of the daily routine. To work as teams formed the basis of working through out the factory. All these measures increased the overall productivity of the factory. Further, the Japanese style Company Union in Maruti-Suzuki provided greater benefits to the workers and created one of the most stable work environments in the factory. Suzuki Motors' strategy to intensively participate in the Indian automobile industry has earned itself a family brand name among the people of India. It enjoyed the largest market share of passenger cars since its inception. Until 1993, it enjoyed a virtual monopoly. It continues to be the leader among the passenger car manufacturers in India. It has increased its overall production of cars by manifolds. By the time Maruti-Suzuki produced 100,000 cars per years, it surpassed the production of Suzuki Motors' production of cars in Japan. Its total production in 1999 was almost 400,000 cars, a figure almost twice of what Suzuki Motors predicted about Indian market when it entered India in 1983. Maruti-Suzuki has maintained high profits all through its operation in India The high quality and low priced car generated a huge demand for cars in the Indian market. Customers paid the money for the car on an advance basis in order to book their orders. Suzuki Motors made a straight profit of 7% on the interest earned on the money deposited by its customers. In addition, to the profits made on the sale of the car, this additional profit through interest boosted its profit margins substantially (Interview with Mr. Keiji Nakamura, General Manager-Sumitomo, India). Maruti-Suzuki now exports cars to more than 70 countries worldwide spanning from Europe, South and Central America, Africa, Oceania and Asia. Suzuki Motors performed exceedingly well in the Indian market. Demand for passenger cars grew at a rapid pace in India. Suzuki Motors made large profits in the process. The profit after tax (PAT) figures for a period of ten years, 1989-90 to 1998-2000 is shown in Table 6. Despite the globalization of Indian automobile market in India, Suzuki Motors maintains a dominant market share in India as shown in Table 7.

Table 6: Profit after Tax of Suzuki Motors' passenger car business in India, 1989 – 1999 (in million INR)

Year	89-90	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-2000
PAT	419.9	483.3	290.7	378	861.2	2476	4276.5	5100.7	6519.1	5229.7	3301

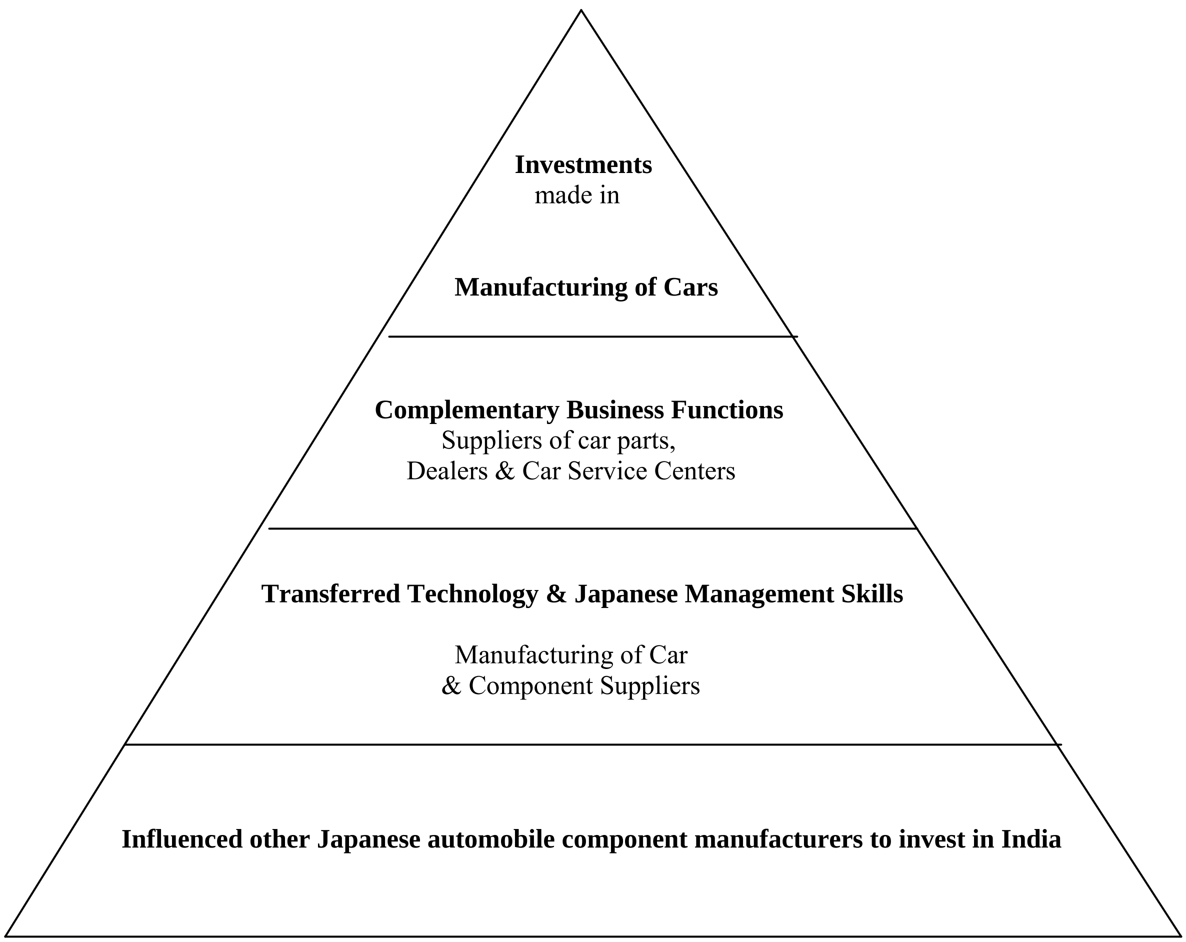
Table 7: Market Share of Suzuki Motors in India, 1997 – 2002

Automaker	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03
Maruti	83.1%	78.8%	61.5%	57.6%	58.6%	54.6%
Hyundai	0.0%	4.6%	12.3%	14.1%	15.2%	17.3%
Telco	0.0%	0.0%	8.9%	7.7%	11.1%	13.2%
Others	16.9%	16.6%	17.3%	20.6%	15.1%	14.9%

SUMMARY & CONCLUSION

Despite its shorter presence in India, Suzuki Motors has grown in size, in strength and in its global presence through its timely & holistic investment pattern in the Indian automobile industry, a strategy that most of the foreign auto majors failed to adopt in India. Suzuki Motors not only invested heavily in Maruti Udyog Limited, its Indian partner for manufacturing passenger cars but also invested large amounts in many complementary business functions like those of suppliers, dealers, car service centers. It has transferred its technology and management skills to MUL and many component suppliers in India. Further, it has either directly or indirectly influenced many of the Japanese automobile component manufacturers to invest in India. It has also indirectly attracted many global passenger car manufacturers to invest in the Indian automobile industry. The holistic model of FDI by Suzuki Motor Corporation in India during 1982-2003 is shown in figure 1.

FDI Model of Suzuki Motors in India



*** Timely & holistic investments in several market functions along the vertical strata of Indian automobile industry ***

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