

What Maruti-Suzuki can teach India-Japan

C Raj Kumar | Jun 15, 2026



Maruti Suzuki India Limited

Synopsis

The Maruti-Suzuki collaboration brought global manufacturing to India, democratising transportation and boosting the middle class. This partnership provided advanced Japanese technology and developed India's industrial capabilities. It created a world-class auto ecosystem. Maruti-Suzuki's success offers a blueprint for future India-Japan collaborations, like in the semiconductor industry.

Japanese PM Sanae Takaichi will be visiting India this month. The two countries are at a critical juncture of their relationship. But one collaboration that stands out is the Maruti-Suzuki one.

It's been more than four decades since Maruti Suzuki was created. A remarkable aspect of the partnership was that it brought global manufacturing practices to India and, in the process, enabled development of an automobile ecosystem that transformed consumer expectations surrounding it. It also resulted in democratisation of transportation across India, especially for the Indian middle classes.

The collab combined 3 objectives:

1. Affordable transportation and mobility for Indian families
2. Access to developed and advanced Japanese tech
3. Development of India's industrial and manufacturing capabilities

Instead of importing vehicles, the goal was to build an Indian manufacturing ecosystem capable of producing world-class automobiles. These early decisions enabled the creation of an auto manufacturing ecosystem. Even after 40 years, Maruti-Suzuki has over 40% of India's auto market. It demonstrated that transformative international partnerships require not only technology, investment, and institutions, but also visionary leaders and local champions who can build trust, bridge cultures, and ensure long-term continuity.

Maruti 800 was launched in 1983, and became much more than a vehicle. It became a symbol of aspiration. It represented safety, dignity, comfort, reliability, and, most importantly, upward mobility.

It also brought in Japanese manufacturing practices, including discipline, trained and built capacity for generations of Indian engineers and managers, and helped formulate and implement quality standards that impacted and influenced industries across India.

India's auto component sector today generates more than \$70 bn in annual revenues, and includes over 700 organized manufacturers. This partnership between India and Japan proved that technology transfer matters, and is much more than capital alone. Manufacturing factories can be financed. But industrial capacity-building is possible only through knowledge, skills, and institutional learning.

This has also led to introduction of innovative management practices like Kaizen-a Japanese philosophy and business methodology centered on continuous, incremental improvements to daily processes, efficiency, and quality-- and just-in-time production. Quality and quantity resulted in production capacity of 30 mn cars leading to employment generation, and industrial growth.

The Maruti-Suzuki experience offers a blueprint for building a road map for the future. The semiconductor industry is a good example. Japan has built its expertise in manufacturing equipment, machinery, materials and technologies. India can provide qualified engineering talent, accessible markets, and policy support.

The success of India-Japan relations should not be measured on basis of the quantity of agreements signed, MoUs exchanged, or quantum of investments announced. It should be based on the establishment of transformative partnerships that would impact lives.

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