



India's automobile industry is poised at the start of an exciting phase, not all of which may derive from manufacturing conventional fuel-based vehicles. Various possibilities ranging from developing vehicles based on alternate fuels to collaborating with some-time rivals, have the potential to open fresh avenues for growth.

Current low car penetration, rising prosperity and the increasing affordability of private vehicles offer a healthy prognosis for the currently gloomy Indian automotive industry. The companies benefiting most from this evolving landscape will be those who prepare for the growing importance of green technologies, and who remain flexible enough to respond to the changing needs of customers.

Companies need to focus on unconventional ways to regain market share and profitability, such as:-

1. **Green Vehicles:** The market for greener vehicles opens up a whole new world of possibilities for Indian companies to make a global foray. Manufacturers should form a greater consensus than what exists at present on the most appropriate focus for emerging green technologies. The industry is slightly fragmented currently, with numerous options being explored ranging from battery power to hybrid fuels, from biodiesel to LPG.
2. **Focus on Optimization:** Concentrations of resources and technical ingenuities may be vital to generate workable economies of scale. There may be merit in greater specializations, such as that witnessed in the IT industry, to simplify processes and reduce investment need
3. **Target Niche Segments:** Across all vehicle types, under-served demographics such as young people, women and rural customers could be targeted by making greater overtures to these markets and by improving distribution networks... [more](#)