

Volvo-Eicher Eyeing ₹600cr Expansion

Plans to sell 60,000 trucks by December 2011

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Volvo-Eicher, a 50-50 joint venture, is all set to pump in ₹600 crore for expansion across the country, to capture a leading share in the commercial vehicles segment. As the company jacks up its capacities, it plans to sell 60,000 trucks by December 2011. Last year, the JV sold 40,000 trucks across the country.

"By year end, we will have capacity to sell 5,000 trucks per month," Volvo-Eicher Commercial Vehicle (VECV), CEO Vinod Aggarwal said. The company is pumping in more than ₹400 crore at its engine manufacturing unit at Pritampur, that is expected to roll out 80,000 engines per annum. The plant will be commissioned by 2013.

The JV at the same time is putting emphasis on the skill development. VECV has opened three centres of excellence, at Gujarat, Mysore and Chandigarh, each costing close to ₹1 crore. Fourth one is expected to at come at West bengal.

"The joint venture aims to bring together global leadership in technology along with deep knowledge and experience of the Indian commercial vehicles market. As a company, VECV includes the complete range of Eicher's commercial vehicles, components and engineering design businesses as well as the sales and distribution of Volvo trucks," said Mr Aggarwal.

He was in the city to inaugurate a Regional Competency Development Centre of VECV for training Eicher dealership personnel of North Region at Rayat-Bahra VECV Automotive technology centre.

VECV's portfolio of commercial vehicles includes two product brands with different market positions yet complementing segment synergies. Eicher Trucks and Buses have a wide offering in the mass market of 5T-40T range, while Volvo Trucks command a strong presence in the premium, high performance, heavy duty segments.

Mr Aggarwal said, "VECV is going all out to gear itself in becoming a proactive solution and service provider, thus meeting all customer needs. It will do so by strengthening each of its product brands as leader in their respective segments. In the near course, VECV will offer an even more in-

novative lineup of technologically advanced and ergonomically aesthetic products. Volvo's widespread distribution network will facilitate the export of these products world over and will help VECV bolster its presence in more than 26 countries where it currently exports. With an improved thrust on retail network development and after sales service, VECV will soon come to be recognized as a lean organization capable of setting new benchmarks in response times."

VE Commercial Vehicles has over 4,000 employees with a sales & support network that spreads across more than 200 points across the country. The company's industrial base includes an integrated commercial vehicle factory in Pithampur producing Eicher trucks and buses along with factories in Thane and Dewas dedicated to manufacturing gear boxes and gear box assemblies. In the near course, VECV will strengthen each of its product brands as leaders in their respective segments through products and expansion of its existing network spanning the geographical expanse of the country. VECV is jointly managed by Volvo and EML with shared management and equal representation rights on the board of directors.