



VE Commercial Vehicles Limited (VECV) starts production at the technologically most advanced engine manufacturing plant in India

- **VECV to be the global manufacturing hub and industrial base for Euro 3, Euro 4, Euro 5 and Euro 6 medium duty base engine requirements of the Volvo Group**
 - **Volvo Group and Eicher Motors complete 5 years of partnership in India**

July 31, 2013: Commemorating successful completion of five years of partnership between Volvo Group and Eicher Motors, VE Commercial Vehicles Limited announced start of commercial production at the technologically most advanced engine manufacturing plant in India today. The plant has been set up at Pithampur, Madhya Pradesh, India with an initial capacity of 25,000 units per annum in Phase 1 at an investment of Rs 375 crores. The capacity will increase step by step to 100,000 units per annum as per the market requirements with an additional investment of around Rs 125 crores.

In his address **Mr. Siddhartha Lal, MD and CEO, Eicher Motors** said, “This is a moment of great pride for all of us. It puts us in an extremely advantageous position vis-a vis competition on engine technology. VECV will be manufacturing Euro VI compliant base engines for meeting automotive requirements of medium duty engines of Volvo Group globally”.

The journey in the first five years of our partnership with Volvo Group has been extremely exciting and we have been able to realize various synergies together and this project has been one such perfect example of a successful partnership with Volvo Group, added Mr. Lal.

The engine facility will be a global hub for meeting the medium-duty automotive engine requirements of Volvo Group globally for five- and eight-litre engines. The Euro 6-compliant diesel base engines will be supplied to Volvo Group plant in Venissieux, France where these engines will be assembled for the Volvo Group Euro 6 requirements. The same platform will be adapted to Euro 3 and 4 engine (BS3/BS4) technologies to meet the VECV requirements and other Volvo Group requirements for this type of engines in Asia.

Mr. Bertil Thoren, representing Volvo Group on VECV Board of Directors and who was present on the occasion said “The global manufacturing hub at VECV is truly a win-win situation for both Volvo group and VECV. While on one hand it will help Volvo Group reduce costs by sourcing engines from this plant, on the other hand, it will help VECV to source best in class Euro III and Euro IV engines based on latest Euro VI Volvo Group technology.

The manufacturing plant is based on Volvo Group global manufacturing systems and processes and is one of the most modern plants. The setup has passed the most stringent

global quality norms of Volvo Group and is now equipped to produce highest quality engines meeting Volvo Group global standards for Euro 6 engines. There is a high level of relevant automation with in process verification on all the critical work stations. Additionally this is the first plant which has most flexible final engine assembly line using automatic guided vehicles and smart cell technology.

Since the same engines are being adopted for Euro III and Euro IV for Indian Customers, it will benefit the Indian customers in terms of the most advanced technology engines with best in class performance.

Speaking on the occasion, **Mr. Vinod Aggarwal, CEO, VE Commercial Vehicles** said, “These engine platforms have a power range of 180 to 350 HP which will provide highest power to weight ratio in the Indian commercial vehicle space”.

“The engines based on Volvo Group technology are extremely durable and reliable and will create tremendous competitive edge for VECV. Above all, this will be another large step towards our vision of becoming a leading CV player in India and other emerging markets by driving modernisation in commercial transportation”, added Mr. Aggarwal.

About VE Commercial Vehicles Ltd (VECV):

VE Commercial Vehicles Limited (VECV) is a 50-50 joint venture between the Volvo Group and Eicher Motors Limited. In operation since July 2008, the company includes the complete range of Eicher branded trucks and buses, VE Powertrain, Eicher’s components and engineering design services businesses as well as the sales and distribution business of Volvo trucks within India. The vision of VECV is to be recognised as the industry leader driving modernisation in commercial transportation in India and the developing world. www.vecv.in

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