



Canopy and cowl version of the Eicher 35.31, 8x2 hauler.

Quick clip, how soon can you ramp up production at Pithampur?

VA: Going at the current rate, and if the industry continues to grow, we should see the year with sales of 45,000-50,000 units. If we achieve this, then we need to ramp up our capacity to take care of growth next year. Therefore we are planning to increase our capacity to 60,000 units per month by Dec 2011 and we should be ready with a capacity of 60,000 units in 2012.

What is the status of the upcoming engine production facility?

VA: The engine plant is coming up as per schedule. The equipment has been ordered. The production shall commence in 2013. We shall produce 5 and 8 litre engines in the 180-320hp bracket. The production of Euro VI compliant engines shall also be in line with Volvo's European requirements as well as the Euro III and IV compliant versions. The production of Euro VI compliant engines shall commence simultaneously. Our existing engines of 3.3 and 4.9 litre capacity are also

being upgraded to take care of various requirements in the LMCV/HD as well as non-automotive applications.

The new engines shall of course go into ETB's HCVs. What kind of ambition do you have for the M&HCV space?


VA: Currently we are selling on an average 650 HCVs a month, the aim is to do 1,000

units a month in the near future. Our long term target at the aspirational level is to reach a market share of 15 percent of the HCV market by 2015. To this end, we have already introduced the 25 tonne 6x4 tipper that has good potential to grow.

VECV has also been expending a great deal of effort on training. Where are you going on this front?

VA: The training initiative is progressing well. The industry needs service personnel in large numbers. We now have three tie ups with educational institutions. And, we are happy to report that first batch of 60-62 people to come out of ITI Kubernagar, Ahmedabad, have already been absorbed either by us or by our dealers.

What is your outlook for the CV industry?

VA: Continuing Interest hikes, inflation, and fuel rate hikes are not good for the industry. Until now, the industry has been able to absorb these hikes. But these factors will start impacting sales if economic growth is impacted as it may not be possible to pass on the impact to end customers by charging higher freight rates. So there may be short term blips or breaks in growth. That said, the fundamentals of the Indian economy and CV market are good. Therefore, in the medium to long run, the industry should continue to grow at a CAGR of 10 -12 percent per annum. 



VECV expects to be ready with a capacity of 60,000 units by 2012.