

# **VE COMMERCIAL VEHICLES**

A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

VE Commercial Vehicles Limited is a 50-50 joint venture between the Volvo Group (Volvo) and Eicher Motors Limited (EML). It is a partnership that brings together Global leadership in technology, quality, safety & environmental care along with the deep knowledge & understanding of the Indian CV market.

VECV has its commercial vehicle manufacturing unit in Pithampur industrial area, Madhya Pradesh. The first Eicher branded truck was rolled out from its state of the art manufacturing plant in 1986 and over the past 26 years, the products have got endorsement from happy customers of over 300,000 vehicles. The company today has transformed itself into a complete CV manufacturer with a wide product range from 5t to 40t GVW trucks and 21 to 69 seater buses. It is also the first company in India to have fully built and indigenously developed heavy commercial vehicles (HCV). The organization has achieved strong market shares in L/MD segment and is gaining steady growth in the HD segment.

VECV is also responsible for the sales and distribution of Volvo Trucks in India. Volvo trucks are synonymous with the mining and the construction industries. They have been tried and tested for operations in extreme conditions, reliable and robust performance and maximum productivity. Over the years Volvo Trucks has built up an elite customer base having over 100 vehicles in their fleet operating at various mining sites across India. Being the customer's best business partner, Volvo Trucks extend support to customers' right through the life-cycle of the products with a wide network of service and parts centres and on site assistance.

As a testimony of the strong alignment and synergy that the Volvo-Eicher JV brings , in 2010 in a global first initiative, VECV announced an investment of 2,880MINR (million Indian rupees) in its Pithampur plant for the production and final assembly of the Volvo group's new global medium duty engine platform. This investment by VECV in its Pithampur plant gives Volvo group a complete facility in India to manufacture and assemble new medium duty engine which will be introduced in the Volvo group's trucks and buses worldwide. These engines will also be used for Eicher's range of heavy duty commercial vehicles. This is possibly the largest such project in India and certainly the most technologically advanced which will catapult VECV into one of the largest commercial vehicle engine manufacturers in India. It will give VECV capability well beyond any of its competitors. The engine plant building was inaugurated in Feb 2012 by the VECV Board.

The other business areas of VECV include Eicher Engineering components and Eicher Engineering solutions. Eicher Engineering Components (EEC) is the automotive component division of VECV. EEC came into existence in 1992 and over the years has

grown from strength to strength to become an established player in its segment. The company has achieved excellence in manufacturing Power-train components (Differential Gears, Transmission Gears & Shafts) and Gear Boxes for a worldwide clientele both in the OEM segment and in the spare parts segment. EEC also caters to the 100% requirement of Eicher Trucks and Buses. EEC has three manufacturing plants, one at Thane in Maharashtra and two others at Dewas and SEZ, Pithampur in Madhya Pradesh. Eicher Engineering Solutions (EES), is engaged in providing design and engineering services to its customers worldwide. Growing rapidly over the years, EES team strength is presently over 150 spread over four locations across the globe (1 in India @ Gurgaon, 1 in US @ Detroit and 2 in China @ Beijing & Shanghai).

As part of its Corporate social responsibility, VECV is a pioneering CV Manufacturer in India to have taken the lead meeting the skilled requirements of the automotive sector. The organization is establishing training centres across India on an Industry-Institute collaborative model. With the setting up of these centres the company would be implementing a critical action point of the automotive Mission plan 2006-2016. VECV is also the only CV Manufacturer in India to have extensively conducted fuel conservation training Programme along with the Petroleum Conservation Research association. This Programme known as EFFECT-Eicher Fuel Efficiency Enhancement Training educates the learner on steps to conserve fuel and reduce atmospheric pollution.

In the near course, VECV will strengthen each of its product brands as leaders in their respective segments through innovative 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. The turnover of the organization ending Dec 31, 2011 was close to a Billion dollars and has an employee strength of around 3000+ people

Mr. Vinod Aggarwal is the CEO of VE Commercial Vehicles Limited.