

Volvo JV aims to up mkt share in heavy truck field

Pithampur (Indore): Volvo Eicher Commercial Vehicles, a joint venture between Sweden's Volvo Group and home-grown Eicher Motors, looks to nearly double market share in the heavy truck segment in India as it readies to launch a new range of products from February next year.

The company, which has around 5% share in the heavy duty segment, expects its market share to grow to double digits in the next 12-18 months, when it completes the launch of 11 new products under 'Pro Series' range in the country.

"Our main growth potential will come from heavy duty trucks where we have just 4-5% market share. It will defi-

nitely go up ... We see it going up in the double digits as we launch products from the new range in the next 12-18 months," Volvo Eicher Commercial Vehicles (VECV) chief executive officer Vinod Aggarwal told reporters here.

Buses and trucks with gross vehicle weight of 16 tonne to 49 tonne come under the heavy duty segment.

In this segment, the company's new Pro Series will offer five basic truck models with variants.

The new heavy duty range of trucks will be powered by a new generation engines adopted from the Volvo group technology with power capacity of 180-280 horse power. In all, the company today

unveiled 11 new products (both trucks and buses) covering 5 tonne to 49 tonne gross vehicle weight range. Prices of the products, however, will be announced later. The JV firm currently has an overall market share of around 13.8% in the country. In operation since July 2008, it includes complete range of Eicher branded trucks and buses, VE Powertrain, Eicher's components and engineering design services businesses, and sales and distribution business of Volvo Trucks.

Asked about company's plans to expand production capacity, Aggarwal said, "We will be able to jack up capacity considerably as and when the market

comes back. Capacity is not a constraint at all. Here in Pithampur we are ready to take the capacity to 1 lakh units per annum. Presently we are at 66,000 units per annum. So, it can be enhanced at a very small incremental value." VECV has already invested about Rs 1,800 crore since 2008 on product development and infrastructure till September 2013, and plans to invest the remaining amount of its committed Rs 2,500 crore by end of next year.

"We have already invested 1,800 crore over the last five years on product development, engines and enhancing the existing manufacturing facilities. Another Rs 700 crore would be invested by 2014 end," Aggarwal said. PTI