

VE Commercial Vehicles Limited's technologically most advanced engine manufacturing plant inaugurated at Pithampur

# 'Automobile sector may overcome recession soon'

dna correspondent

Managing director and CEO, Eicher Motors Siddhartha Lal on Wednesday hoped that the automobile industry could see revival from recession within next three to six months. Lal was addressing the launch of VE Commercial Vehicles (VECV) Limited's technologically most advanced engine manufacturing plant at Pithampur.

The plant has been set up at Pithampur with an initial capacity of 25,000 units per annum in Phase I at an investment of Rs 375 crore. The capacity will increase gradually to 100,000 units per annum, as per the market requirements with an additional investment of around Rs 125 crore. "It's expected that the minus growth rate of the automobile sector could fatten and the sector might see



**Eicher Motors and Volvo officials at the inauguration of engine manufacturing plant at Pithampur on Wednesday**

revival in 3 to 6 months," Lal said.

The MD said the plant has been established the most modern technology including smart cell tech-

nique, which assembles 166 auto components in just 120 seconds. Bertil Thoren, representing Volvo Group, said that the Pithampur facil-

## **EURO 6 ENGINE TO BE MANUFACTURED**

The plant would manufacture Euro-VI compliant base engines to meet the global automotive requirements. These base engines would also be adapted for Euro III, Euro IV and Euro V fully built up engines. The plant carries significance as it provides for export of 30,000 units for Volvo Group's global needs of Euro VI base engines. The Euro 6-compliant 'zero defect' diesel base engines will be supplied to Volvo Group plant in Venissieux, France

ity could bring in cost advantage up to 25% to the group.

Vinod Aggarwal, CEO, VECV said, "These engine platforms have a pow-

er range of 180 to 350 HP which will provide highest power to weight ratio in the Indian commercial vehicle space".

Aggrawal said Rs 1,300 crore was pumped in the joint venture (VECV) in the last fiscal and the company would see fresh capital intake of Rs 1,200 crore by this financial year end.

"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," Aggrawal said.

The CEO said the bus body manufacturing unit at Dhar is expected to be commissioned within couple of months. CM Shivraj Singh Chouhan, who was scheduled to inaugurate the plant, eventually cancelled the visit due to bad weather.