

VE Commercial Vehicles starts production in Pithampur

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INDORE: VE Commercial Vehicles - a joint venture between Sweden's Volvo group and Eicher Motors - has started production at its Pithampur plant, one of the technologically most advanced engine manufacturing plants in the world.

The plant has been set up with an initial capacity of 25,000 units per annum in phase I at an investment of Rs 375 crores. The company will increase the capacity gradually to 1 lakh units per annum as per the market requirements with an additional investment of around Rs 125 crores.

"The first five years of our partnership with Volvo Group has been extremely exciting and we have been able to realise various synergies together and this project has been one such perfect example of a successful partnership with Volvo Group," Eicher Motors managing director Siddhartha Lal said. "VECV will be manufacturing Euro VI compliant base engines for meeting automotive requirements of medium duty engines of



■ Eicher Motors managing director Siddhartha Lal, Volvo Group's Bertil Thoren and other officials take part in the inauguration of an engine manufacturing plant in Pithampur on Wednesday.

Volvo Group globally," he added. 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.

Bertil Thoren, representing Volvo Group on VECV board of directors, said the global manufacturing hub at VECV will help Volvo group reduce costs by sourcing

engines from this plant.

The manufacturing plant is based on Volvo Group global manufacturing systems and processes and is one of the most modern plants. These engine platforms have a power range of 180 to 350 HP which will provide highest power to weight ratio in the Indian

VE plans to invest ₹1,000 cr

VE COMMERCIAL Vehicles plans to invest Rs 1,000 crore by the end of next year in India. The company has already invested Rs 1,500 crore in India since it began operations in 2008.

"We plan to invest another Rs 1,000 crore in 2013 and 2014 on various things, including the upcoming bus manufacturing facility and expansion of existing truck manufacturing plant," company CEO Vinod Aggarwal told reporters.

commercial vehicle space.

The company began operations in July 2008 and its business include the complete range of Eicher trucks and buses, VE Powertrain, Eicher's components and engineering design services as well as sales and distribution of Volvo trucks with In India.