

# VECV sees M&HCV market hitting a new peak in 2016



PRIVANK CHHAPWALE

**L-R: S S Gill, senior VP (sales, marketing & aftermarket - Heavy Duty Trucks), and A K Birla, EVP (sales, marketing & aftermarket), VECV, at the rollout of the Pro 6000 series in Mumbai.**

## By Sumantra B Barooah

The Indian medium and heavy commercial vehicle (M&HCV) market saw a turnaround in 2014-15 with sales of 195,000 units. But this is still around 20 percent less than the peak of 240,000 units that the industry touched in 2011.

But now with most of the parameters that affect the commercial vehicle industry becoming stable, VE Commercial Vehicles (VECV), the joint venture between the Volvo Group and Eicher Motors, expects the market to touch a new high in 2016. "This year, even if it grows and reaches 190,000 units, it is still going to be less than the peak. But our outlook is that by next year, it will certainly surpass the peak," A K Birla, executive VP - sales, marketing & aftermarket, VE Commercial Vehicles, told *Autocar Professional*.

As the market improves, fleet operators, many of whom replace their

vehicles every 4-5 years, are returning to purchase new ones. The key drivers in the M&HCV market's turnaround are tractor-trailers and multi-axle haulage trucks. In the past six months the sub-segments have grown by 100 percent and 50-60 percent respectively, over the previous year. Tippers are yet to see growth.

VECV expects this to change within the next 6 months. "I definitely see an opportunity for tippers now to grow because a lot of action is happening in the mining sector. There will be a good opportunity as far as coal blocks are concerned. By the time they get operational, it will take some time. So, give it a quarter or two. The same thing is likely to happen for iron ore as well. That will really be fuelling the tipper market," says Birla.

For VECV, the turnaround in the heavy truck segment bodes

well for its new Pro 6000 series, which is seeing a phase-wise launch in the country. After launching the product range in Delhi and Bangalore, the company formally launched it on April 22 in the Western region in Mumbai. The Western region contributes to over a fifth of the company's sales volume.

The new range of Pro 6031 (31T GVW 8X2), Pro 6025 (25T GVW 6x2) haulage trucks and Pro 6025T (25T GVW 6X4) tippers marks the entry of the Eicher brand into a new phase of growth and consolidation in the heavy-duty commercial vehicle market.

VECV has a 3.6 percent market share in the heavy truck segment in India. With the Pro 6000 and the Pro 8000 (to be formally launched in two months) series, VECV wants to garner a 15 percent share in this highly competitive segment.