

Shaping the future of the Indian Bus Industry “Volvo Buses India integrates with VECV”

- Offering the widest range of public transport solutions under Volvo and Eicher brands
- Strengthening Volvo and Eicher Bus position in India through synergies in product development, purchasing and manufacturing
- Addressing future megatrends - urbanization, e-mobility, connectivity and sustainability
- Definitive agreements signed for transfer of Volvo Bus India to VE Commercial Vehicles; transaction expected to be closed within the next two months
- Includes bus manufacturing facility at Hosakote, Bengaluru and all employees

13 August, 2020, New Delhi: Definitive Agreements have been signed for the integration of Volvo Buses India business into VECV. They will cover the manufacture, assembly, distribution, and sale of the Volvo Buses in India, and other rights forming part of the business. Consequently, the bus manufacturing facility at Hosakote, Bengaluru, and all employees of Volvo Bus India (VBI) will be transferred to VECV. Volvo Bus India is currently a division of Volvo Group India Private Limited (VGIPL).

Speaking on the announcement, Siddhartha Lal, Chairman, VECV said, *“This is a momentous occasion and testimony to a very strong relationship between Eicher Motors and Volvo Group. Over a period of time, the Volvo brand for buses in India has become synonymous with safety and comfort in both inter-city and intra-city public transportation, and we are extremely proud to have this iconic brand in our joint venture. With the integration of Volvo Buses India into VECV, we aim to shape the future of the Indian bus industry by offering the widest range of transport solutions to our customers.*

Post the completion of the transaction, VECV and VBI will consolidate their bus businesses into a newly formed bus division within VECV. This division will offer Volvo and Eicher branded buses, and will maximize synergies to capitalize on market opportunities. This strategy will be extended to exports, wherein the new bus division will offer products and services that are complementary with Volvo Buses’ core product portfolio in select international markets.

“We are pleased with this development of Volvo Buses in India and see it as an opportunity to further build upon the successful JV company – VECV. By consolidating the operations of Volvo Buses India into VECV, we aim to further develop our bus business and strengthen our position in the Indian bus market. The new bus division will offer a full range of modern buses covering customer needs for heavy, medium and light duty buses”, says **Håkan Agnevall, President of Volvo Bus Corporation.**

On the occasion, **Vinod Aggarwal, Managing Director and CEO, VECV** said *“VECV’s strong presence in the Indian bus market with Eicher branded buses will be complemented by Volvo Buses’ prominent position in the premium bus segment. With this integration, VECV will be able to leverage synergies in the areas of product development, purchasing and manufacturing with access to Volvo Group’s world class technology in buses.”.*

“The Volvo Bus is a flag bearer of the Volvo Brand in India and we expect going forward this will be re-inforced even further by our JV partner – VE Commercial Vehicles.” added **Kamal Bali, President & MD, VGIPL**

“Going forward, customers and partners can expect the same high level of customer care and world-class products from both Volvo and Eicher brands. The new division will also engage further in the dynamic Indian market driven by megatrends such as urbanization, e-mobility and connectivity,” says **Akash Passey, Senior Vice President, Volvo Bus Corporation.** Akash Passey will join as President of the newly formed VECV Bus Division. He will repatriate to India for this role and report to Vinod Aggarwal, MD & CEO VECV

The transaction will be completed once the conditions under the agreements are fulfilled and the final business transfer is expected to be closed within the next two months.

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About VE Commercial Vehicles Limited (VECV):

VE Commercial Vehicles Limited (VECV) is a joint venture between the Volvo Group and Eicher Motors Limited. In operation since July 2008, the company includes the complete range of Eicher branded trucks and buses, VE Powertrain, Eicher's components businesses as well as the sales and distribution business of Volvo trucks within India. VECV's vision is to be recognized as the industry leader driving modernization in commercial transportation in India and the developing world.

About Volvo Buses India:

Volvo Buses established its presence in India in 2001 and has since built leading experience when it comes to high-performing bus applications. Volvo Buses has been driving change in the industry, introducing various firsts in India – including the true bus chassis concept, the low floor city bus concept, multi-axle coaches and India's first commercialised hybrid bus, among a host of other technologies and concepts.

Over 7,000 Volvo buses operate on Indian roads, providing the best travel experience in terms of safety, luxury and comfort to people. As a ticket brand, Volvo coaches today connect more than 130 major cities across India. Nearly 1,800 Volvo city buses currently operate in 35 cities in the region and play a key role in driving quality of life for millions of people. In all, nearly a million people commute on a Volvo Bus every day – with the bus population having covered more than 3 billion kilometres over the last 15 years.

About Volvo Bus Corporation:

Volvo Bus Corporation is one of the world's leading bus manufacturers, with a strong focus on vehicles and systems for long-term sustainable public transport. The product range includes complete transport solutions, city buses, intercity buses and tourist coaches, as well as services in financing, vehicle servicing, vehicle diagnostics and traffic information. Volvo Buses is part of Volvo Group, one of the world's leading manufacturers of trucks, buses and construction machines as well as drive systems for marine and industrial applications. Volvo Group also provides complete financing solutions. For more information visit <http://www.volvobuses.com>