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October 8, 2018

Online intimation/submission

To,
The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001
Security Code: 505200

To,
The Secretary
National Stock Exchange of India Ltd
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai-400 051
Symbol: EICHERMOT

Dear Sir/Madam,

Ref: **Regulation 30 of SEBI (LODR) Regulations, 2015**

Subject: **Setting up of a new production facility at Bhopal by VE Commercial Vehicles Limited, an unlisted subsidiary of Eicher Motors Limited with investment of Rs. 400 Crores**

This is to inform you that VE Commercial Vehicles Limited (VECV), an unlisted subsidiary of Eicher Motors Limited has today, i.e October 8, 2018 decided to set up a new manufacturing facility at Bhopal. Please find attached copy of press release being issued today by VECV.

The necessary details pursuant to regulation 30 of SEBI (LODR) Regulations, 2015 relating to capacity addition of VECV are as under:

a) Existing capacity	90,000 vehicles
b) Existing capacity utilization	100% in last quarter
c) Proposed capacity addition	40,000 vehicles
d) Period within which the proposed capacity is to be added	18-24 months
e) Investment required	Rs. 400 Crores (including Pre-operative expenses)
f) Mode of financing	Internal Accrual

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g) Rationale	To meet the growing demand the existing capacity of 90,000 vehicles at Pithampur, near Indore, is to be enhanced by setting up a new greenfield plant at Bhopal. .

Thanking you,
For Eicher Motors Limited



Manhar Kapoor
General Counsel & Company Secretary

Encl: a.a.

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VE Commercial Vehicles (VECV) celebrates a decade of successful partnership between Eicher Motors and Volvo Group

Announces setting up of a new production facility at Bhopal with investment of Rs. 400 Crores

October 8, 2018, New Delhi: Commemorating the completion of 10 successful years of partnership between the Volvo Group and Eicher Motors, VECV today announced plans to set up a new greenfield truck manufacturing plant at Bhopal. The Madhya Pradesh Government has allotted land for the new plant and work to set up this plant is expected to start soon.

The target is to go on stream with this plant in the next 18 months at an investment of around Rs. 400 crores and an initial capacity of 40,000 trucks; in addition to the capacity of 90,000 trucks at Pithampur, near Indore.

With a strong foundation built on mutual trust, respect and win-win approach, the joint venture has grown from strength to strength over the years to put VECV in a very good position with a yearly average growth of over 18% in last ten years with turnover of INR 10200 Crs in 2017-18.

The entire Board of Directors of AB Volvo is present on the occasion to celebrate the highly successful joint venture in India.

Speaking on the occasion, Martin Lundstedt, President and CEO, Volvo Group, said, *"It is a proud moment for us as we celebrate an extremely successful partnership with Eicher Motors. Together we have created many industry-leading benchmarks to drive modernization in the last 10 years. India is a home base for Volvo Group, with a presence of over 2 decades across our various business lines and we reiterate our strong commitment to the future of the country and VE Commercial Vehicles."*

Also commenting on the occasion, Siddhartha Lal, MD & CEO, Eicher Motors Ltd. said, *"The partnership with Volvo has been extremely fruitful for VECV that is reflected in its strong performance in the last decade. VECV is today a full range player in 4 to 55 Ton GVW market. Not only VECV has benefited from this partnership, at the same time, we have been able to contribute to the cost-reduction opportunities for the Volvo Group through supply of cost-effective engines from India. As we move into the next decade, we reiterate our strong commitment to this partnership."*

Håkan Karlsson, President Volvo Group Trucks Asia & JVs and Chairman, VECV added, *"With the announcement of setting up of a new plant at an investment of INR 400 Crs, we have full confidence in the growth potential in the Indian market and with technologically superior products, VECV is in an advantageous position to fully leverage the opportunities in the market. The visit by the Board of Directors of AB Volvo reflects the strong commitment of Volvo Group to this partnership and we are looking forward to further develop the partnership to lead the rapid transformation in the industry."*

VECV is today an exclusive manufacturing hub for the medium-duty Euro VI engines for the Volvo Group and is a fine example of the "Make in India" initiative of the Government of India. These engines, manufactured at the state-of-the-art manufacturing facility in Pithampur, are being exported to Europe and Asia to take care of the needs of the Volvo Group.

The JV between Volvo Group and Eicher has been successfully driving modernization in commercial transportation in India and the developing world. In line with this vision, VECV successfully developed

and launched technologically advanced Eicher Pro series of trucks & buses by incorporating a lot of Volvo Group Technology. Based on this, VECV is all set to participate in huge growth opportunities in the Indian economy as well as the commercial vehicle industry in both trucks and buses.

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 (engines), Eicher Engineering Components, along with the sales and distribution 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.

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