



**SCANIA**

*PRESS info*

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## Scania invests in India

**Scania is planning to invest about SEK 200 million in an industrial facility in Bangalore during the coming year. The Scania Regional Product Centre, India will also be the centre of the company's commercial operations in the country. Scania's ambition is to sell about 2,000 trucks, 1,000 buses and 1,500 engines per year in the Indian market within the next five years.**

The facility is being constructed in an industrial area 40 km east of Bangalore, the capital of Karnataka state in southern India. Production is expected to start in early 2013. It is estimated that almost 800 people will be employed at the facility in the longer term.

The industrial operations will consist of final assembly of truck and bus chassis and bodywork and fitting out of complete vehicles. The head office of Scania's Indian company, complete with a service workshop and a central parts warehouse, is also being built at the same site.

"The manufacturing of complete trucks locally in the country means that we can cut lead times further and broaden our product offering. Our service to customers will also be improved by having a parts depot in the country," says Henrik Fagrenius, Managing Director of Scania Commercial Vehicles India.

The facility in Bangalore is Scania's seventh Regional Product Centre. The others are in Russia, Dubai, South Africa, Malaysia, Thailand and Taiwan.

Scania has been represented in the Indian market since 2007, when a partnership was initiated with Larsen & Toubro (L&T). L&T has successfully established Scania's trucks and services and has developed a close partnership with customers in the mining industry. L&T currently operates about 10 Scania service workshops at various mining sites in the country.

In 2011, Scania established the company Scania Commercial Vehicles India in order to boost its presence through sales to additional segments of the Indian commercial vehicle market.

"There is increasing demand for vehicles and engines of the quality and performance delivered by Scania, together with services that guarantee customers high uptime and low operating cost. We will concentrate on broadening our existing offering of trucks to the mining industry but also in other areas of the construction segment, as well as trucks for heavy special-purpose road transport. In the bus segment we see potential for sales of buses and coaches, both for city traffic and long-distance intercity services," says Fagrenius.

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*Scania is one of the world's leading manufacturers of trucks and buses for heavy transport applications, and of industrial and marine engines. Service-related products account for a growing proportion of the company's operations, assuring Scania customers of cost-effective transport solutions and maximum uptime. Scania also offers financial services. Employing some 35,500 people, the company operates in about 100 countries. Research and development activities are concentrated in Sweden, while production takes place in Europe and South America, with facilities for global interchange of both components and complete vehicles. In 2010, net sales totalled SEK 78 billion and net income amounted to SEK 9.1 billion.*

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