

## Firodia sells stake in MAN venture for ₹1,050 crore

The Abhay Firodia-controlled Force Motors will be divesting a part of its equity share in MAN Force Trucks Pvt Ltd (MFTPL) to MAN of Germany for Euro 150 million (Approx ₹1,050.74 crore). This was announced by the company on November 21, 2011. According to an announcement made

in-principle agreement to reorganise their shareholding in the equity share capital of MFTPL and to re-arrange their relationship in respect of MFTPL.

It was in 2003 that Force Motors had conceived a project for a new generation heavy commercial vehicle. For this purpose, Force Motors had sourced

heavy vehicle. According to the announcement, in 2006 on MAN's request, this project was converted to a joint venture with 30pc equity with MAN. MFTPL, the new joint venture company in 2008 saw MAN increasing its equity stake to 50 pc.

Now subject to receipt of necessary approvals, Force

Motors will sell and transfer 55,797,100 equity shares of MFTPL to MAN, for a consideration of Euro 150 million. Both Force Motors and MAN will continue to co-operate with each other, and with MFTPL, based on the new contractual arrangement being agreed, the note said. *MI*



by the company to the Bombay Stock Exchange, the Chairman of Force Motors Abhay Firodia noted Force Motors of Pune and MAN Truck & Bus AG, Munich, Germany have arrived at an

technology from leading German companies like MAN for engines, cabs and axles and from ZF for gearboxes. Based on the licensed technology, Force Motors created a full range



Abhay Firodia