

PRESS RELEASE

Rueil-Malmaison and Hosur, 22 November 2018

Groupe PSA & the CK Birla Group inaugurate their first Powertrain JV plant in India

- **Start of industrial set up of the greenfield plant in Hosur, Tamil Nadu**
- **Initial capacity of about 300,000 units per year for the transmissions in Phase 1 and 200,000 units for the BS-VI¹ compliant engines in Phase 2**

Groupe PSA and AVTEC Ltd (a CK Birla Group Co.) today hosted the inauguration ceremony of their greenfield plant in Hosur, Tamil Nadu. This marks the formal start of industrial set up of this site, which will manufacture and supply technologically advanced and eco-friendly powertrain for the Global and Domestic Automotive market, in-line with the future industry norms and customer expectations. The historic ceremony has been graced by Mr. Carlos Tavares, Chairman of the Managing Board, Groupe PSA and Mr. CK Birla, Chairman, the CK Birla Group.

The initial manufacturing capacity of this state-of-the-art plant will be about 300,000 units per year for the transmissions and 200,000 units for the BS-VI compliant engines. The manufacturing set up has been completed in a record time of less than 2 years. The plant will manufacture gearboxes in Phase I to support both the India project as well as supplying Groupe PSA needs. The peak investment in this manufacturing set up would go up to Rs. 600 Crore (circa 73 M€) and will generate a direct employment of around 800 people. Additionally, the performance of the industrial set-up will be supported by a significant level of localization to reach the necessary cost competitiveness.

Mr. Carlos Tavares, Chairman of the Managing Board Groupe PSA said, “We want to be Indian in India. With this inauguration, we have taken another critical step towards the execution of our [Push to Pass](#) strategic plan and commitment towards the Indian customers. The quality of the relation with our partner, the CK Birla Group, is paramount to the success of our common project, with the creation of a complete eco-system in India.”

Commenting on the development, Mr. CK Birla, Chairman, the CK Birla Group said, “We have always striven to evolve with the ever-changing needs of our customers and partners. This partnership that brings together latest technology from Groupe PSA and the manufacturing excellence of the CK Birla Group is a step in the same direction. We are confident that this new plant will create long-term value and fulfil future market needs better.”

The plant is owned by PSA AVTEC Powertrain Pvt. Ltd., a 50:50 [joint-venture created in 2017](#) between Groupe PSA, France and AVTEC. It benefits from Groupe PSA latest technology and the CK Birla Group’s engineering and manufacturing excellence.

¹ BS-VI : Bharat Stage 6 norm, from April 2020



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About Groupe PSA

[Groupe PSA](#) designs unique automotive experiences and delivers mobility solutions to meet all customer expectations. The Group has five car brands, Peugeot, Citroën, DS, Opel and Vauxhall and provides a wide array of mobility and smart services under the Free2Move brand. Its 'Push to Pass' strategic plan represents a first step towards the achievement of the Group's vision to be "a global carmaker with cutting-edge efficiency and a leading mobility provider sustaining lifetime customer relationships". An early innovator in the field of [autonomous and connected cars](#), Groupe PSA is also involved in financing activities through Banque PSA Finance and in automotive equipment via Faurecia.-

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About The CK BIRLA Group

The CK Birla Group is a growing US\$1.8 billion conglomerate that has a history of enduring relationships with renowned global companies. With over 20,000 employees, 41 manufacturing facilities and a customer base that includes some of the world's best-known companies, the CK Birla Group's businesses are present across five continents. The Group's companies operate in the sectors of Technology, Automotive, Home and Building, Infrastructure, Healthcare and Education. The companies are strengthened by shared guiding principles that include a focus on long-term value, trust-based relationships and philanthropy. For more information visit us at www.ckbirlagroup.com

[For more information on PSA AVTEC Powertrain Pvt. Ltd., pl visit www.psa-avtec.com](http://www.psa-avtec.com)