

Groundbreaking ceremony kick starts the construction of Groupe PSA-AVTEC Powertrain JV plant

- **The 50:50 JV to be called PSA-AVTEC Powertrain Pvt. Ltd.**
- **Plant operation expected to commence by early 2019**

10th November, 2017: Groupe PSA and AVTEC Ltd. today hosted a ground-breaking ceremony for their plant in Hosur, Tamil Nadu that will focus on manufacturing and supply of powertrains. The ceremony officially marked the inception of PSA-AVTEC Powertrain Pvt. Ltd., a 50:50 joint-venture between Groupe PSA and AVTEC. The ceremony was attended by the new entity's board of directors.

With initial manufacturing capacity at about 200,000 units per year, the plant will further receive incremental investment to support a progressive ramp-up of the long term project. The plant will be engaged in the manufacturing of next generation gearboxes and engines. The manufacturing capacity for powertrains will cater to the domestic market needs and global OEMs. The performance of the industrial set-up will be supported by a significant level of localization, in order to reach the necessary cost competitiveness.

Mr. Emmanuel Delay, Executive Vice President India & Pacific, Groupe PSA, said: "The ground-breaking ceremony is a key milestone in the deployment of our strategic plan Push to Pass and it reiterates the commitment of Groupe PSA to India. With the support of our Indian JV partner AVTEC, we are confident of meeting the requirements of our customers by providing them best-in-class products driven by latest technology and manufacturing practices."

Commenting on the development, **Mr. Prabhakar Kadapa, CEO & MD, AVTEC Ltd.,** said: "The JV with Groupe PSA will play a critical role in deepening the Group's capabilities in the automotive market in India. We are committed to delivering an array of advanced products and setting global benchmarks in reliability and efficiency through this partnership that will help us tap into the huge potential of the Indian automotive industry."

This joint venture that brought Groupe PSA state-of-the-art technology and the CK Birla Group's engineering and manufacturing excellence was announced in January this year.

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About PSA Group

.The Groupe PSA designs unique automotive experiences and delivers mobility solutions to meet all client expectations. The Group has five car brands, Peugeot, Citroën, DS, Opel and Vauxhall, as well as a wide array of mobility and smart services under its Free2Move brand, aiming to become a great carmaker and the preferred mobility provider. It is an early innovator in the field of autonomous and connected cars. It is also involved in financing activities through Banque PSA Finance and in automotive equipment via Faurecia. Find out more at groupe-psa.com/en

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About AVTEC Ltd

AVTEC is one of the largest independent manufacturers of powertrain and precision-engineered products in India. It is a part of CK Birla Group – a leading global business house, with over 20,000 employees and a combined turnover of USD 1.6 billion. With years of experience in manufacturing, AVTEC delivers competency across the entire value chain of design & manufacture of engines; transmissions and high precision components like cylinder heads, cylinder blocks, crank shafts, cam shafts, cam rods and transmission gears for automotive, off-highway, Agriculture, Railway & Defence industry, in areas of both propriety products and contract manufacturing. For more please visit <http://www.avtec.in/index.php>