

PRESS RELEASE

A High level delegation from PSA Peugeot Citroen called on the Hon'ble Chief Minister of Tamil Nadu Selvi J Jayalalithaa today (29th June 2011) at the Secretariat regarding its proposal to establish an integrated automobile project with an investment of Rs.4000 crores in Tamil Nadu. The PSA delegation included 1. Mr Gregoire Olivier, CEO of Asian Operations for PSA Peugeot Citroen, China 2. Mr Frederic Fabre, Managing Director of PSA Peugeot Citroen India project, 3. Mr.Jitesh Gadhia, Senior Managing Director, Blackstone 4. Mr. Sanju Saha, Vice President, HR and Mr.Shashikant Vaidyanathan, PSA. During this meeting, Hon'ble Minister for Industries Thiru.S.P.Velumani, Chief Secretary to Government, Principal Secretary-Industries, CMD-SIPCOT and Executive Vice Chairman-Guidance Bureau were present.

PSA Peugeot Citroën (shortly called as **PSA**) is a French manufacturer of automobiles and motorcycles sold under the brand names of “Peugeot” and “Citroën”. Headquartered in Paris, PSA is the second largest automaker based in Europe and currently ranked the Sixth largest automobile manufacturer in the World. During 2010, PSA had a sales turnover of US \$ 67.30 billion (Rs.3,09,556 crores) and currently ranked 94 among Fortune 500 companies.

PSA is eager to establish a car manufacturing facility with an initial capacity of 3.0 lakhs cars per annum to supply to Indian and overseas markets. PSA has proposed to establish this Indian project as a 100% subsidiary of the parent company. After evaluating sites in various states, PSA has selected a site near Sriperumpudur in Tamil Nadu. Chennai offers a mature eco system with auto components supply base, abundant availability of skilled manpower, port logistics, etc. Above all, according to PSA, the support of the

State Government being the most critical, PSA requested the Hon'ble Chief Minister for a package of support including land.

During this meeting, the Hon'ble Chief Minister Selvi J Jayalalithaa thanked PSA for selecting Tamil Nadu and assured the support of State Government for expeditious implementation of the car project. PSA project is expected to provide direct employment to about 5,000 and indirect employment to another 15,000. Also, PSA project will help attract a large number of French auto component manufacturers, triggering a multiplier benefit to the State economy.

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