



GSE

Contractant global en
immobilier d'entreprise

Chennai, India

PRESS RELEASE

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GSE OPEN FOR BUSINESS IN INDIA THROUGH A JOINT VENTURE WITH LOCAL PARTNER AVIGNA

GSE now operates in India. After China and Europe, the leading EPC provider in commercial real estate is deploying its offering in this high-growth market, India being a key player in the global economy. A country on the scale of a continent (1.3 billion people), India has posted annual GDP growth in excess of 5% since 2008. But India is also an administratively complex country, with complicated rules and practices for access to land – especially if you are a foreigner. To overcome these two hurdles, GSE has joined forces with a local partner, AVIGNA.

A powerful partnership in the Indian market

AVIGNA has three decisive strengths. The company knows the local regulatory environment and has mastered the administrative processes for converting land and obtaining building permits. Secondly, it has significant land reserves in the economically strategic regions of the Mumbai, Bangalore and Chennai metropolitan areas. The company owns 250 hectares (620 acres) of its own land and has options on another 150 ha (370 acres). In addition, AVIGNA is a developer in the residential sector and now wishes to launch into commercial real estate – and more specifically industrial and logistics buildings.

AVIGNA's long-standing presence in India will act as a growth accelerator for GSE, the French partner benefiting from AVIGNA's local footprint to facilitate access to land and investors.

In return, the French company's know-how, experience and expertise in the design and construction of logistics, industrial, R&D and office buildings, its assured and successful international development for more than 20 years, the application of international standards of safety and control of execution quality, will enable AVIGNA to accelerate its development.

A pivotal time in the country's history

This partnership comes at the right time, when the Indian government wants to open the economy to foreign companies.

The logistics market's growth has accelerated significantly in recent years in India, boosted by the pro-business legislation passed by the Indian government. 2017 was a key year for the growth of the logistics sector, with the countrywide Goods and Services Tax (GST) coming into effect in July 2017 and replacing the highly complex indirect sales tax systems. The GST put an end to an extremely restrictive and uncertain organisation for foreign investors.

In 2017, the total surface of existing grade A and B warehouses in India's eight largest cities* amounted to 12.9 million m² (including 2.4 million m² built between 2016 and 2017). The same year, 67% of logistics investments were in new buildings, making India a highly promising market for GSE. Several GSE clients have already opened their first facilities in the country.

An end-to-end real estate offering

This complementarity of GSE and AVIGNA's cultures and capabilities produces a comprehensive, value-added offering for entire real estate projects: from scouting for land to leasing to clients and everything in between: authorisation procedures, building design and construction, handover, the one-year warranty period, after-sales care, even facility management.

This offering perfectly illustrates the mission that GSE has been pursuing for several years: to set a benchmark for global contractors. Each client has a single, dedicated contact person at GSE for the entire duration and for all phases of the project. The project itself is tailor-made, thanks to the special attention paid to the client's requirements and use of the most sophisticated design and execution tools, such as BIM (building information modelling).

GSE's 20 years of experience in China and other international markets will undoubtedly be a major asset in addressing and developing the gigantic Indian market.

** Bombay, New Delhi, Bengaluru, Ahmedabad, Pune, Kolkata, Hyderabad, Chennai.*

ABOUT GSE

GSE is a major player in commercial property and the leader in the "turnkey" market. GSE oversees all design, construction and/or renovation work with a promise on price, deadlines and quality.

The company is managed by CEO Roland Paul. It employs 367 people and generated revenues of €429 million in 2017, carrying out a total of 70 projects.

GSE is established in Europe and China.

ABOUT AVIGNA

AVIGNA is an Indian family company, managed by Mr. Shivagnanam Rajasekaran and based in Chennai (Tamil-Nadu).

The AVIGNA group initially developed in the textile industry (clothing and export for multinationals), in which it now owns and operates six factories with more than 2,300 employees.

During its 40 years of existence, AVIGNA has acquired land reserves in various provinces and economic development zones and has developed emblematic residential complexes, particularly in Chennai.

AVIGNA also operates two private schools and a sports academy.

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