

Renault Nissan to open Chennai factory early next year

Despite his Indian alliance not going as smoothly as expected, the head of Japan's Nissan Motors and France's Renault SA, Carlos Ghosn said their venture will be opening their factory in south India early next year.

'We will be starting our new plant in [Chennai](#) by the end of first quarter of next year,' Ghosn told reporters on the sidelines of the India Economic Summit of the World Economic Forum.

Renault has a partnership with Mahindra and Mahindra for the production of Logan, whose sales have not done as well as expected.

'I am not saying all our performances are going the way we wanted them to, but I never thought we were going to get it right at the first time here,' said Ghosn, adding, 'We have patience and we have to learn from experiences'.

Striking an optimistic note, Ghosn further said Indian automobile sales will triple from two million to six million units in the next 10 years. 'The whole auto industry is down globally, but India's exports have been increasing, which is a good sign.'

At the same time, he noted, global sales may have bottomed out. 'It looks like we are here hitting a plateau.'

On the alliance of Nissan with Bajaj Motors, Ghosn said that the project for developing a low-cost car as a rival to Tata Nano was still being developed. 'Our competitor Tata has already developed such a car, but we continue with our partners for developing this kind of product.'

He noted that the project was not stuck due to any rigidity of the price being at \$2,500. 'The price may end up being \$2,500 or \$2,800 or \$3,000. We are not stuck on the price.'

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