

# Fairfax India Holdings Corporation *News Release*

*TSX Stock Symbol: FIH.U*

**TORONTO, July 20, 2015**

*NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES*

## **FAIRFAX INDIA TO ACQUIRE NATIONAL COLLATERAL MANAGEMENT SERVICES, INDIA'S LARGEST NON-GOVERNMENT GRAIN HANDLING COMPANY**

*(Note: All dollar amounts in this news release are expressed in U.S. dollars, except as otherwise noted.)*

Fairfax India Holdings Corporation (TSX: FIH.U) is pleased to announce that, through its wholly-owned subsidiary FIH Mauritius Investments Ltd, it has agreed to acquire approximately 74% of National Collateral Management Services Limited (“National Collateral”) for an aggregate investment of approximately INR 8 billion (approximately \$126 million). The transaction is subject to customary closing conditions and is expected to be completed later in 2015.

National Collateral is a leading private-sector agricultural commodities storage company in India that has operated for over 10 years and is now preparing to expand to take advantage of the significant market potential in India’s under-developed agricultural storage industry. The company operates in the mid-stream agriculture value chain by offering end-to-end solutions in grain procurement, testing, storage and collateral management. As a result of recent fiscal and non-fiscal policy announcements in India, private sector players such as National Collateral ([www.ncml.com](http://www.ncml.com)) are enhancing the range of solutions provided to Indian farmers, traders, food processors, banks and governments and to the businesses connected to the agriculture supply chain, thereby generating significant efficiencies to help India achieve its stated national objective of greater food security.

“We are looking forward to investing in National Collateral which, under the leadership of its CEO, Sanjay Kaul, will continue to build on its position as the largest private-sector agriculture warehouse and grain collateral storage company in India,” said Prem Watsa, Chairman of Fairfax India. “National Collateral has an impressive management team, and our long-term approach to investing will allow it to take advantage of the substantial market potential in India by offering competitive, market-driven solutions for India’s agriculture warehouse and grain storage industry. In researching this investment, we had the advantage of expert diligence that was conducted by AFGRI Holdings, Africa’s largest grain storage company, which has been in business for over 90 years (Fairfax Financial, Fairfax India’s controlling shareholder, owns 40% of AFGRI). We also benefitted from the financial advisory services of IDFC Securities Limited. I am particularly pleased that, in addition to being a tremendous investment opportunity, National Collateral will be at the forefront of a market-driven solution that will benefit the people and small farmers in India and contribute to food security for the country.”

Following the investment by Fairfax India, National Collateral will continue to operate independently under the leadership of Sanjay Kaul and his highly experienced executive team. Fairfax India will also collaborate closely with the continuing National Collateral shareholders, which include National Commodity and Derivatives Exchange Limited and a number of Indian banks.

#### About Fairfax India

Fairfax India is an investment holding company whose objective is to achieve long-term capital appreciation, while preserving capital, by investing in public and private equity securities and debt instruments in India and Indian businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, India. Generally, subject to compliance with applicable law, Indian investments are made with a view to acquiring control or significant influence positions.

-30

For further information, contact:

John Varnell, Chief Financial Officer  
(416) 367-4755