

Fairfax India to up stake in Bengaluru Airport, Siemens to mark partial exit



Canadian billionaire Prem Watsa's Fairfax India Holdings Corporation is set to acquire a 6% stake in Bangalore International Airport Ltd (BIAL) from Siemens Project Ventures GmbH for \$67 million (Rs 440 crore).

Following the acquisition, Fairfax India's stake in the company will increase to 54%, the public investment firm said in a press note.

Siemens will, however, retain a 20% stake in BIAL. The Karnataka State Industrial and Infrastructure Development Corporation and the Airport Authority of India hold 13%, each, in the company.

The transaction is subject to customary closing conditions and third-party consents, including lenders' consent. The deal is expected to be completed by June 2018.

BIAL operates the Kempegowda International Airport in Bengaluru. It has a concession agreement with the Government of India till 2038, with a right to extend the contract for another 30 years.

"Siemens is one of the original shareholders of BIAL and have contributed immensely to the development of Kempegowda International Airport into a world class airport, which is a gateway to and from India," said Fairfax India chairman Prem Watsa.

"We look forward to continuing to work with Siemens and the other BIAL shareholders in the further expansion of the airport," he added.

Fairfax India has been piling up its stake in BIAL since March 2016, when it had acquired a 33% stake from GVK Power and Infrastructure Ltd for Rs 2,149 crore.

Subsequently, in April 2016 it had reportedly picked up another 5% stake in the company from Zurich Airport for Rs 327 crore, and followed it up by acquiring GVK Power & Infrastructure's entire 10% stake in BIAL last June for Rs 1,290 crore.

Siemens Project Ventures

The financial services unit of Siemens is partially exiting its stake in BIAL for the second time. In 2011, it had sold a 14% stake in the company to GVK Power & Infrastructure for Rs 614 crore.

Fairfax India

Fairfax India Holdings Corporation, a dedicated investment vehicle for India, has invested aggressively across sectors, including financial services, chemicals, aviation and logistics. It is publicly traded on the Toronto stock exchange.

Fairfax Financial Holdings Ltd is the controlling shareholder of Fairfax India.

Last month, it had agreed to acquire a 51% stake in Kerala-based private sector lender Catholic Syrian Bank. Last December, Fairfax had said that it was planning to raise \$1.5 billion (Rs 10,000 crore) more to invest in India.