

Fairfax India to invest \$300 million in Sanmar Chemicals Group

Fairfax India Holdings Corp, part of Canadian billionaire Prem Watsa's Fairfax Holdings, said it would invest \$300 million in privately held Indian petrochemical company Sanmar Chemicals Group through a combination of equity and fixed-income securities.

Fairfax India will have a 30 percent equity ownership in Sanmar following the investment, the company said on Friday.

Reuters had earlier reported that Fairfax India is close to acquiring a minority stake in Sanmar, citing sources familiar with the matter.

Fairfax India will fund an initial tranche of \$250 million while a second tranche of \$50 million will come from Fairfax Financial Holdings Ltd or another investor, the company said.

The investment in Sanmar would be the latest in a string of Fairfax investments in the country this year.

Last month, Fairfax agreed to buy a 33 percent equity interest in the Bangalore International Airport from GVK Power and Infrastructure Ltd for \$321 million.

Indian-born Watsa, whose main investment firm is Fairfax Financial Holdings, has previously said he is enthused about India's growth prospects due to Prime Minister Narendra Modi's economic reform agenda.

Chennai-based Sanmar, a family owned firm chaired by N Sankar, is one of India's largest producers of polyvinyl chloride. The firm owns manufacturing facilities in India and Egypt.