

## **NIIF to invest upto INR 6.75 billion in the upcoming greenfield airport at Bhogapuram, Andhra Pradesh being developed by GMR Airports Limited**

**December 21 2023, Delhi:** GMR Airports Limited (GAL), a subsidiary of GMR Airports Infrastructure Limited, and NIIF (National Investment and Infrastructure Fund) entered into binding agreements for NIIF to invest up to INR 6.75 billion in GMR Visakhapatnam International Airport Limited (GVIAL), a special purpose vehicle to develop and operate the Bhogapuram International Airport. This investment is part of the financial partnership announced on 7<sup>th</sup> December 2022 between the parties, in relation to investment by NIIF in the equity capital of three airport projects of GMR Airports Limited. This marks NIIF's second airport investment, after its investment in GMR Goa International Airport Limited, which operates Manohar International Airport in Goa, was completed in April 2023.

GVIAL, in 2020, was awarded the concession to develop and operate the greenfield Bhogapuram International Airport (BIA) to the north of Visakhapatnam under a 40-year Design-Build-Finance-Operate-and-Transfer model. BIA, a part of the National Infrastructure Pipeline, is poised to become the largest airport in the state of Andhra Pradesh with a phase I capacity of up to 6 million passengers per annum and with an ultimate capacity of up to 40 million passengers per annum. The transaction envisages a primary investment by NIIF in the form of Compulsorily Convertible Debentures (CCDs) to be issued by GVIAL. The transaction is subject to customary completion of conditions precedent and necessary approvals.

BIA will provide vital infrastructure to deliver a world-class passenger experience in Andhra Pradesh while significantly enhancing air travel potential in the Visakhapatnam region. The project is well positioned to boost connectivity and transportation infrastructure in northern Andhra Pradesh and also resonates with national priorities of strengthening air travel penetration and connectivity, especially to Tier 2 and Tier 3 cities. GVIAL shall be an important engine of Andhra Pradesh's economic development and growth over the medium to long term.

**GBS Raju, Business Chairman – Airports, GMR Group,** said, "It is a proud moment for GMR Group to develop the greenfield Bhogapuram International Airport in the State of Andhra Pradesh. We are confident that we will replicate the success of our Hyderabad Airport and the new world class airport will act as the catalyst for the socio-economic growth of the city and the State at large. The new Bhogapuram airport and airport city will help in the transformation of Visakhapatnam and will place it on the global map as the most preferred investment destination. Our growing partnership with NIIF is a further testament of GMR's credibility as an Airport Infrastructure developer and the future of the Aviation industry in the country."

**Vinod Giri, Managing Partner – Master Fund, National Investment and Infrastructure Fund Limited,** said, "NIIF believes that Bhogapuram International Airport will strengthen aviation infrastructure in Andhra Pradesh, playing a pivotal role in the region's economic progress in the coming years. NIIF's Master Fund is India's largest infrastructure fund with a robust and well-diversified portfolio across transportation, energy and digital infrastructure. NIIF's investment in GVIAL represents the Fund's second airport project, underscoring our commitment to participate in the implementation of Government of India's ambitious National Infrastructure Pipeline."

## **About GMR Visakhapatnam International Airport Limited**

GVIAL is promoted by GAL, one of the largest private sector airport operators globally. GAL is a partnership between India's GMR Group and Groupe ADP (majority equity held by the French government). GAL has developed and operated airports in more than nine countries and presently operates six airports, viz. Delhi, Hyderabad, North Goa and Bidar airports in India, as well as the Kualanamu Airport in Medan, Indonesia and Mactan Cebu Airport in Philippines. In addition to these, GAL is also awaiting the signing of the concession agreement for Nagpur airport, which is a brownfield project.

## **About GMR Group**

GMR Group is a leading global infrastructure conglomerate with unparalleled expertise in designing, building, and operating airports. It also has a significant presence in sectors like Energy, Transportation, and Urban Infrastructure.

GMR Airports is the largest private airport operator in Asia and 2nd largest in the world with a passenger handling capacity of over 189 million annually. GMR Airports Limited, a subsidiary of GMR Airports Infrastructure Limited [formerly known as GMR Infrastructure Limited] (GIL) has Groupe ADP as its strategic partner, which is holding a 49 per cent stake. GMR Airports operates the iconic Delhi Airport, which is the largest and fastest-growing airport in India. It also runs Hyderabad Airport, a pioneering greenfield airport known for several technological innovations. The company also operates New Goa Airport which is India's first destination Airport. The airport offers everything a tourist looks for i.e. liveliness in the serene lap of nature, making it a perfect destination for leisure and holistic tourism.

Expanding its overseas footprint, the company is developing and operating Kualanamu International Airport in Medan, Indonesia, in collaboration with Angkasa Pura II (AP II). GMR Airports is also providing technical services to the architecturally renowned and the second busiest airport in the Philippines, Mactan Cebu International Airport in Cebu.

The Group is currently developing two major greenfield airport projects in India and Greece. Bhogapuram airport in India is poised to transform the economy and landscape of the surrounding areas when ready. Crete airport in Greece will similarly play a significant role in the local economy of the region.

GMR Aero Technic (GAT) is India's largest integrated world-class third-party MRO; a part of GMR Hyderabad International Airport Limited (GHIAL). GAT provides complete technical support to aircraft operators, with utmost quality and reliability to ensure that its customers meet their operational requirements. GAT has been constantly upgrading its capabilities and expanding its service offerings to meet the growing maintenance needs of airline operators within and outside India, with a vision to be a lead MRO in the Asia Pacific region.

As a pioneer in implementing the path-breaking Aerotropolis concept in India, GMR Airports is developing unique airport cities on commercial lands available around its airports in Delhi, Hyderabad, and Goa. GMR Delhi Aerocity is a landmark business, leisure, and experiential district. Similarly, GMR Hyderabad Aerocity is coming up as a new-age smart business hub.

GMR's energy businesses have an installed capacity of over 3,000 MW capacity. With a significant focus on green energy, the company is working towards creating a more sustainable environment by harnessing the power of wind, water, and sun for energy generation. It has a balanced mix in its energy generation portfolio. Around 1,000 MW of clean energy projects of GMR are under various stages of development in India and Nepal.

The Transportation and Urban Infrastructure division focuses on surface transport projects including Roads, Railways, and Airstrips/ Runways in both DBFOT (under GMR Highways) and EPC (under GIL – EPC) segments. The Group has four operating highway assets spanning over 1,824 lane kilometres.

Group's EPC business is working on the design and construction of the prestigious Eastern Dedicated Freight Corridor project of DFCCI (Dedicated Freight Corridor Corporation of India). GMR Group is also developing multi-focus Special Investment Regions in India.

GMR Group's underlying philosophy is to work closely with and support the local communities wherever it is present. Towards this, GMR Varalakshmi Foundation (GMRVF), the CSR arm of the Group, focuses on improving the quality of life of people by enhancing skills, providing education, and developing healthcare infrastructure and services.

For further information about GMR Group, visit <http://www.gmrgroup.in>

### **About National Investment and Infrastructure Fund Limited**

National Investment and Infrastructure Fund Limited (NIIFL) is a collaborative investment platform for international and Indian investors, anchored by the Government of India, which manages funds with investments in different asset classes and diversified sectors that generate attractive risk-adjusted returns. NIIFL manages over \$4.9 billion of equity capital commitments across its four funds – Master Fund, Fund of Funds, Strategic Opportunities Fund, and India-Japan Fund, each with a distinct investment strategy committed to support the country's growth needs.

Master Fund managed by NIIFL is one of India's largest infrastructure funds, that aims to participate in the robust Indian infrastructure story. The fund invests in high quality businesses and assets across core infrastructure sectors, via both operating and greenfield opportunities. With considerable experience in investing and operating infrastructure assets, the fund focuses in areas that are critical to India's economic development and long-term growth prospects.

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