

Paramount Airways' promoters keen to hike stake to 100%

Ashwini Phadnis

New Delhi, Jan. 18

The promoters of the Coimbatore-based, Paramount Airways, are keen to increase their stake in the airline to 100 per cent by buying back the about 5 per cent stake held by others. The promoters hold currently 95 per cent stake.

Kotak Mahindra and Bennet & Coleman between them hold the 5 per cent stake.

"We are closed to the idea of private equity funding. All our other group companies are 100-per cent owned. So, we want to see the same in Paramount Airways also. We had divested share as a relationship building exercise. But now we have told the shareholders that if they are ready to sell their stake, we will buy it," the Managing Director, Mr M. Thiagarajan, told *Business Line*.

It was in 2005 that India Growth Fund from Kotak Mahindra Group and Bennett & Coleman picked up a stake in Paramount Airways.

Declining to comment on the quantum of funds required, Mr Thiagarajan said



Mr M. Thiagarajan

the buyback would be funded through other group companies.

Meanwhile, the airline has drawn up plans to expand its presence in western India. "The thrust in western India will begin in April this year and we hope to be a dominant market player there both in terms of number of flights operated and market share," he said.

The airline, which took to the skies in 2005, operates Embraer family of aircraft connecting 11 cities including Chennai, Coimbatore, Madurai, Bangalore, Hyderabad, Goa and Pune.