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From PTI

The transaction is expected to be completed in the next six months, Reliance Comm said. Stanchart Bank acted as financial adviser to GTL Infrastructure. According to PTI, the boards of RCom, its arm Reliance Infra, and GTL Infra in principle approved the deal on Sunday to create the world's largest independent telecom infrastructure company, neither owned nor controlled by any telecom operator.

The RCom statement said the cash infusion and equity swap ratio would be decided in due course. Sources said the deal would help RCom reduce its Rs 33,000 crore debt by Rs 18,000 crore.

The deal will be implemented through a demerger of R-Infra's tower assets into GTL Infra, it said. India's largest optical-fibre network and related assets owned by R-Infra will remain under RCom's ownership.

Two million shareholders of RCom would get free listed shares of the merged entity. "Details of the quantum of cash infusion to RCom, and the share swap ratios for RCom and R-Infra to minority shareholders will be finalised in due course with the help of independent valuers and advisers," an Anil Dhirubhai Ambani group statement said.

The merged entity will have more than 80,000 towers. In addition, the merged entity will have a firm option on additional 75,000 tenancies from leading players, PTI said. The deal is good news for India's communications industry because it values the towers of the combined entity at Rs 63 lakh each, 25 per cent more than the most recent such sale, Biyani said.