

# RCom, GTL Infra create \$11b tower giant

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## Move will help Anil Ambani firm slash debt

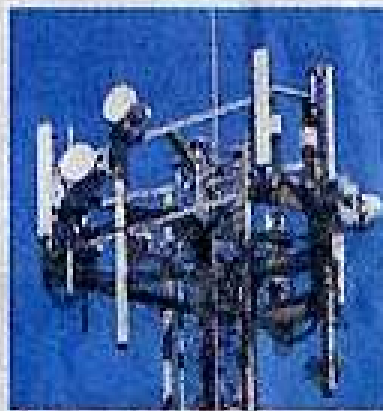
KETAKI GOKHALE

*Bloomberg*

Reliance Communications agreed to sell its mobile-phone towers to GTL Infrastructure in a transaction that will create India's second-largest transmission network.

GTL will buy approximately 50,000 transmission towers for cash and stock in its second acquisition this year, the companies said in statements on Sunday.

Combining the Reliance and GTL assets will create a network worth Rs 50,000 crore (\$11 billion), they said, without disclos-



### Signal power

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ing details.

Selling the towers will help Reliance Communications repay debt and invest in network upgrades after it paid Rs 8,590 crore last month to buy permits to offer high-speed wireless phone services.

The company, also known as RCom, had net debt totalling Rs 19,900 crore as of March 31. This would add significant cash to the books of RCom, said Nishna Biyani, an analyst with Prabhudas Lilladher in Mumbai. "I wouldn't be surprised if RCom stock reaches Rs 200."

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