



RCom sells tower biz to GTL Infra for Rs 50,000 cr

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Mumbai: The country's second-largest wireless carrier, Reliance Communications (RCOM), on Sunday hived off its tower business to GTL Infrastructure for Rs 50,000 crore (\$11 billion) to create the world's largest telecom infrastructure company not controlled by a telecom operator.

The boards of the Anil Ambani-promoted RCOM and its subsidiary, Reliance Infratel (Rel Infratel), and GTL

What Deal Means

FOR GTL: Makes it the largest independent telecom infrastructure company—way ahead of global peers like American Towers (27,989 towers) and Crown Castle (23,935 towers)

FOR RCOM: Manages to whittle down its total debt

2 mn RCOM shareholders to get free shares of merged entity

At Rs 50,000 cr, it's the largest telecom deal in the country

Infrastructure (GTL Infra), a company promoted by Manoj Tirodkar, have approved the transaction. The deal will be implemented through a demerger of Rel Infratel's tower assets into GTL Infra. Along with the substantial unlocking of value, the deal will help RCOM reduce debt and invest in network upgrades.

RCOM, the flagship firm of the Reliance ADA group, has a net debt of Rs 33,000 crore. Selling off the tower assets has ensured that its net debt gets cut by Rs 18,000 crore, leaving a debt of Rs 15,000 crore. TNN

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