

## IN BRIEF

## L&amp;T GETS ORDERS WORTH \$2700 CR

Larsen & Toubro (Larsen) LLC, a joint venture between Larsen & Toubro and Toubro Corporation, has secured cumulative orders of \$2700 crore in Orissa for developing projects in preparation for the second Asian Beach Games to be held there. The JV will be involved in construction of a hotel, marine apartment building, administrative buildings for the games and an athletes' village. Three projects are scheduled to be completed within two years. Engineering, cost and project management consultants for the project are W.S. Atkins, HNS International and Fatfield & Gould respectively.

## ADAG TO INVEST \$2500 BILLION IN GUJARAT

The Adani-led Dinanath Investment Group (ADIG) has signed three accords worth \$250 billion with the Gujarat government as part of its investment commitment to the state. The investments would be made for building a port jetty in Lothal, a major power plant and three cement factories.

The two-day annual summit has seen a total of \$1,200 billion being signed, promising an investment worth \$30 trillion.

## GOVT APPROVES \$250 CR PROJECTS

The government has approved six totaling 1,100 to 120 km of highways in various states at an estimated cost of \$250 crore, under the National Highway Development Project (NHDP). All nine stretches will be developed by the NHAI under public-private partnership.

## Fund to boost tele-density, tower business in rural areas

BY SPY ANISH SAGDE

As demand for telecom towers surges, tower companies providing telecom infrastructure are reaping the benefits especially in rural India. Adding to this is the government's initiatives through Universal Service Obligation Fund (USOF) to be utilized for meeting Universal Service Obligation (USO) by providing affordable telephony. The government will fund 15,671 towers through USO fund which will cover 100 districts across 27 states.

Small and big companies now have an opportunity to tap this market. According to a survey, India will need 3,20,000 towers by 2010. Rural mobile penetration is only 4.5% as compared to 43.8% in urban areas.



Telecom analysts think that small companies have an advantage due to their location in tier-II cities.

Najma Towers Ltd, a Hyderabad-based company, has seen its market share double to 8% after the launch of this fund. The company's order book has swelled to \$6000 cr. It has bagged large orders in Andhra Pradesh, where under USOF, 581 sites have been

selected for telecom towers in 22 districts. "We have increased our tower capacity four-fold to 2,20,000 per annum," said VSB Murthy, group director, Najma Group.

Likewise, big companies who offer tele-infrastructure on rental basis to service providers are also seeing opportunities. Quipco Telecom Infrastructure Limited (QTEL), which merged its infra business with Tata Teleservices to create an independent telecom infrastructure company, is expecting an allocation of 6000 towers under Phase 2 of USO rollout target of 12000 towers installation by 2010, covering 250,000 villages across India. "In a state where tariffs are falling, companies prefer to rent towers as it saves on capex and rollout time," said Prakash Ghosh, CEO of QTEL.

## Nalco to start work on smelter project

National Aluminium Co (Nalco) is gearing up to start preliminary work on its second aluminium project, the \$616,000 crore greenfield venture for a smelter plant in Orissa. This comes close on the heels of Nalco receiving an in-principle approval from the Orissa government.

Nalco's proposed 1 lakh tonne smelter in Bargarh will be its second aluminium project in the state. The state-owned aluminium major already operates a smelter and a thermal power plant and alumina refinery at Angul and Damanjodi, respectively. The new project is part of the PSU's ambitious plans to invest \$2000 crore in a series of projects in the next few years.

There is hardly any private land in the proposed location of the



project. Most of it is forest land. The choice of the site is perhaps linked to the company's plans to get coal linkage from Orissa's prolific LH Valley deposits to fuel its 1,250 MW thermal power unit.

The proposed new project will

use alumina from Nalco's existing refinery at Damanjodi. With completion of Nalco's expansion programme, the latter unit is envisaged to use an increase in capacity from over 15 lakh tonnes to around 21 lakh tonnes.