

PowerGrid unit's antennas out to lease space on transmission towers

In talks with **Quippo**, **Indus Towers** and **GTL Infrastructure**

ANU Gupta

Specialist Staff

A unit of the state-owned Power Grid Corporation of India is currently in talks with **Quippo**, **Indus Towers** and **GTL Infrastructure** for leasing out space on its pan-India transmission towers.

"Being a pan-India transmission major, we have about 1.8 lakh power transmission towers in the country. Since the bandwidth is already available, we just need to lease out space on the towers where **CDMA**, **CDMA** and **WiFi** antennas can be placed," a spokesperson on behalf of Mr P K. Paul, head of PowerGrid's telecommunication business unit of PowerGrid, told Business Line.

TELECOM

The country would require 1.8 lakh more towers in the next three years.

PowerGrid, a unit of **PowerGrid**, is also offering its network to telecom service providers.

It contributed Rs 200 cr to **PowerGrid**'s Rs 7,000-cr revenues in fiscal 2009.

As the battle for telecom subscribers shifts to transmission, **PowerGrid** is confident that tower companies would be interested in entering an arrangement with it. This is because the state-owned 'network' has 95 per cent of its towers in the semi-urban and rural areas, the spokesperson said on the sidelines of the ITC Telecom World, here on Tuesday.

According to a recent

study, the country would require 1.8 lakh more towers in the next three years. It costs Rs 10-15 lakh in order to erect a telecom tower, something which both the new and existing telecom operators are wary about.

Every year, **PowerGrid** plans to add between 11,000 and 15,000 more towers for its power transmission needs, another **PowerGrid** official added. It would

absorb 40 per cent of the total power generated in the country on its transmission network.

The company is currently in the process of working out a viable business model with tower companies such as **Quippo**, **Indus Towers** and **GTL Infrastructure**. It has already completed a pilot project with **Vodafone** in which it mounted a **4G** antenna on **PowerGrid**'s towers at **Delhi** and **West Bengal**, he added.

Sharing passive infrastructure is a fact unfolding up in India, as it helps keep the operating as well as capital expenditures low, a fact necessary for telecom companies given the global

economic climate and the low-cost nature of services offered.

Currently, **PowerGrid** is also offering its network to wireless service providers such as **Global Service Nigam** Ltd, **Data owned Nigam** (formerly **Nigam** Ltd), **Tan Telecom** services, **Bhaskar Communications** and **Shree Airtel**.

For the year ended March 2009, **PowerGrid** contributed about Rs 100 crore to the transmission major's revenues of Rs 7,000 crore.

By March 2010, **PowerGrid** expects to add Rs 600 crore to revenues. In the long run, **PowerGrid** intends to hire off **PowerGrid** into a separate subsidiary.