

Sistema Shyam, BSNL enter into tower-sharing agreement

ET Bureau

NEW DELHI: Sistema Shyam Teleservices, a joint venture between Russia's Sistema and India's Shyam group, has entered into a 10-year deal with BSNL to share its telecom towers, executives in the company aware of the development told ET.

Sistema Shyam has also inked a deal with BSNL to share its bandwidth across all 22 circles in the country for 5 years, these executives said.

ET has not been able to determine the deal size. This is the fourth such deal for BSNL in the past three months — recently, the PSU had entered into similar contracts with Datacom, Aircel and Tata Teleservices.

Sistema Shyam, which is currently operating through 8,000 base stations, will now have access to around 45,000 BSNL towers across all its circles. The telco has already signed similar tower-sharing deals with Tata-Quippo, Reliance Infratel (the tower arm of Reliance Communications) and Indus Towers.

Confirming the development, BSNL CMD Kuldeep Goyal said: "We are signing a tower-sharing deal with Sistema Shyam and we have had similar agreements with other operators also." He however, did not confirm the span of the agreement. When contacted, Sistema Shyam declined to comment. BSNL had earlier said that it expects to garner Rs 1,000-crore revenues annually from tower-sharing arrangements.

Sistema-Shyam was amongst the nine new companies who were given licences early last year to launch mobile services. So far, the company has launched CDMA-based services in seven circles and operates under the MTS brand.

The operator launched in the Delhi circle early this month and has plans to launch in Jharkhand, Haryana, Karnataka, Mumbai, Maharashtra & Goa soon.

The deal would enable the CDMA operator to launch pan-India operations faster, riding on BSNL's infrastructure without setting up its own network. Other new players such as Etisalat DB, Datacom and Unitech have also entered into tower-sharing deals with various tower infrastructure providers.