

HERBERT SMITH FREEHILLS ADVISES RELIANCE COMMUNICATIONS ON THE US\$1.6 BILLION SALE OF ITS TOWERS BUSINESS TO BROOKFIELD

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News

Leading global law firm Herbert Smith Freehills has advised Reliance Communications (RCOM) on the signing of binding agreements with Brookfield Infrastructure and its institutional partners to sell its towers business.

RCOM will receive an upfront cash payment of US\$1.6 billion on completion of the transaction, which will be used to reduce the company's debt. This transaction represents the largest ever investment by any overseas financial investor in the infrastructure sector in India.

RCOM will also receive Class B non-voting shares in the new Tower company, providing 49% future economic upside in the Towers business, based on certain conditions.

RCOM's telecom towers will be demerged into a separate new Company that will be 100% owned and independently managed by Brookfield Infrastructure, thereby creating the second largest independent and operator-neutral Towers company in India.

The transaction is subject to applicable approvals.

The Herbert Smith Freehills team was led by corporate partner Roddy Martin and senior associate Joseph Fisher, assisted by senior associate Hayley Brady and associate Sid Shukla. Singapore-based corporate partner Mark Robinson and London-based tax partner Howard Murray also advised on the deal.

Commenting on the deal, Roddy said: "Advising Reliance Communications on this transaction has been a privilege. This is a significant deal in the infrastructure sector and reflects the strong confidence of international investors in the long term growth potential of the Indian economy".

Shardul Amarchand advised Brookfield, led by Akshay Chudasama and Jay Gandhi. JSA Law advised RCOM as to Indian Law.

About Herbert Smith Freehills

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