

Bharti Airtel enters definite agreement to buy Telenor India



By [Devina Sengupta](#), ET Bureau | Updated: Feb 25, 2017, 07.19 PM IST

Post a Comment

READ MORE ON » [Telenor India](#) | [Telenor](#) | [Telecom](#) | [Bharti Airtel](#) | [Airtel](#)

MUMBAI: [Bharti Airtel](#) BSE -2.77 % India's largest telecommunications services provider, on Thursday said it has signed a definitive agreement with [Telenor South Asia Investments Pte Ltd](#) to acquire [Telenor \(India\) Communications Private Ltd](#).

The acquisition is subject to requisite regulatory approvals, said [Airtel](#) BSE -2.77 % in a joint statement.

"The transaction will not trigger any impairment. As of fourth quarter 2016, the remaining value of tangible and intangible assets in [Telenor India](#) amounted to NOK 0.3 billion," the companies said.

According to the agreement, Airtel and Telenor India will merge and Airtel will take over Telenor India as soon as all necessary approvals are received.

"As part of the agreement, Airtel will take over outstanding spectrum payments and other operational contracts, including tower lease," the companies added. Airtel will acquire Telenor India's running operations in seven circles - Andhra Pradesh, Bihar, Maharashtra, Gujarat, UP (East), UP (West) and Assam.

"These circles represent a high population concentration and therefore offer a high potential for growth," the statement said.



Bharti Airtel to acquire Telenor India

Company Summary NSE BSE

Bharti Air...	▼ -9.70 (-2.77%)	+
Airtel	▼ -9.70 (-2.77%)	+

Love visual aspect of news?:
Enjoy this exclusive slideshows treat!



[Iraqi Wins Huge US Lottery, Americans Furious, Asians Foll..](#)
theLotter.com



[Lead Ahead In Your Career With This Finance Course From XLRI](#)
XLRI
Recommended By Colombia

The proposed acquisition will include the transfer of all of Telenor India's assets and customers, further augmenting Airtel's overall customer base and network. It will also enable Airtel to further bolster its spectrum footprint in these seven circles, with the addition of 43.4 MHz spectrum in the 1800 MHz band.

The statement said that Airtel will ensure quality services to Telenor India's customers, while offering them the added benefits of its innovative product portfolio, access to superior voice & data services, mobile banking, VAS and domestic/ international roaming facilities. Telenor India's operations and services will continue as normal until the completion of the transaction.

Gopal Vittal, Managing Director and CEO (India and South Asia), Bharti Airtel, said, "On completion, the proposed acquisition will undergo seamless integration, both on the customer as well as the network side, and further strengthen our market position in several key circles"

Vittal added that the acquisition of additional spectrum through this transaction, which made an attractive business proposition, has further enhanced their already solid spectrum portfolio. The proposed transaction will also create substantial long-term value for its shareholders given the significant synergies.

Sigve Brekke, Chief Executive Officer of Telenor Group, said, "We believe today's agreement is in the best interest of our customers, employees and Telenor Group. Finding a long term solution to our India business has been a priority for us, and we are pleased with our agreement with Airtel.

The decision to exit India has not been taken lightly. After thorough consideration, it is our view that the significant investments needed to secure Telenor India's future business on a standalone basis will not give an acceptable level of return."