

THE HINDU

# Business Line

## Tikona Digital to raise Rs 1,000 cr for 4G services launch

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Tikona Digital Networks will raise Rs 1,000 crore to roll out its fourth generation-based services next year. The company plans to launch long term evolution (LTE)-based services first in Gujarat in the second half of 2013.

**STRATEGIC INVESTOR**

Speaking to *Business Line*, Prakash Bajpai, CEO and Managing Director, said the company is exploring all options including raising debt and taking on a strategic investor. "We are getting a lot

of interest from potential investors. Whether we exit or sell partial stake or raise debts our plan is to roll out a network that will be a combination of LTE and WiFi," Bajpai said.

Currently, private equity investors including Goldman Sachs, Oak Investment Partners and Everstone Capital Advisors hold 70 per cent stake in the company.

"They are private equity players and if they get good value for their equity then they may exit," Bajpai said. Tikona had won 4G spectrum

in five key circles including Gujarat, Himachal Pradesh and Rajasthan and Uttar Pradesh East and West for over Rs 1,058 crore.

In addition, it is already offering high-speed broadband services across 25 cities by using unlicensed spectrum. Bajpai said it will continue to invest in the unlicensed spectrum service to cater to the fixed broadband users. Tikona will also set up wi-fi hotspots in several cities.

**LTE NETWORK**

"The LTE network will

address the need for mobile users while wi-fi and the existing service will cater to the fixed users like homes and offices," Bajpai said.

Tikona has already set up 40,000 micro cells for its existing broadband service and plans to use the same micro cell architecture for 4G services. Micro cell allows operators to set up small base stations that cover a smaller area compared to traditional tower-based base stations which cover a larger area. Bajpai said Tikona will roll out a carpet network using

the micro cell technology in cities where it plans to launch 4G services next year.

**NO BID FOR 900 MHZ**

Tikona may not bid for 900 Mhz spectrum which is unlikely to be put up for auction in the four metros early next year. Bajpai said that 5 Mhz in the 900 Mhz band will not be enough for high-speed broadband services. "My view is that incumbent players will continue to use 900 Mhz for voice services," he said.

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