

Quipo telecom to expand in UP, Uttarakhand

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Keeping pace with the telecom revolution, Quipo Telecom Infrastructure Ltd (QITL), the leading telecom infrastructure providing company, has massive expansion plans for Uttar Pradesh and Uttarakhand. The company plans to roll out more than 2,000 towers next year and is expected to invest about \$350-400 million over the next four years.

The company is a frontrunner in the 'passive sharing' of telecom towers.

"Looking at the growth potential, the industry, although at a nascent stage, has attracted a lot of players — both domestic and international. Besides independent tower companies, many telecom operators have also initiated the process of hiving off their tower infrastructure. At Quipo, we are proud of pioneering this con-

cept which appears to have re-defined the dynamics of the well established telecom industry," said Arun Kapur, group president and managing director, QITL, while talking to Business Standard.

The term 'passive sharing' comes from passive infrastructure, which is the key element of any telecom infrastructure like towers, shelters, batteries, civil and electrical systems. Passive infrastructure contributes about 75 per cent of the total cost of any base transceiver station (BTS) sites.

"If you plan at the time of site roll out, with a small incremental cost the tower can be designed to share as many as 3-5 operators. Sharing of passive telecom infrastructure helps any operators to reduce the cost of ownership and cost of operations significantly," explained Kapur.

Passive infrastructure

sharing provides 'plug - n - play' service to operators where the telecom operators can fix their active telecom equipment and start operating from day one.

Explaining the prospects of this new model, Kapur said many operators of UP and Uttarakhand were keen in the model because of its business potential. However, most of them could not convert the opportunities to business mainly because of its geographical conditions.

"Sharing passive telecom infrastructure has enhanced their business potential and thus most of them are seriously looking to expand their network significantly," he added.

Currently, the company has over 400 towers in UP (E) and UP (W). "We are rolling out 75-100 towers a month as of now, which may go up to 200 towers a month in the near future."

"Quipo is present in eight circles currently — Punjab, Karnataka, UP (east and west), MP, Karnataka, Gujarat and NCR. "We have over 2000 site operating in these circles."

Talking about the expenses that the operators incur on account of this sharing, Kapur said there was a fixed monthly rental for the towers. In addition to the monthly rental, there is an operational cost, mainly the cost of fuel and electricity which is a borne by the customer. "As and when the sharing happens, the benefits will be passed on to the anchor tenant (first tenant). Similarly, the operating cost also gets shared with all the operators present in the site."

"As for us, the main source of revenue is through the monthly rental. However, we are also exploring the opportunities for alternative revenue sources," said Kapur.