

Quippo Telecom to raise \$185 m

Oman Investment To Pick Up 18.74% For Rs 480 Cr; Indinvest & IDFC PE To Buy 12.19% Each

TOWER PLAY

- > **Investment** is part of a bigger fund infusion which would see the paid-up capital of Quippo Telecom go up from Rs 1,000 crore to Rs 1,969 crore, say sources
- > **Fresh fund** infusion will make Oman Investment the second largest shareholder in the firm behind Quippo Infrastructure
- > **Now, total** direct & indirect foreign holding in the firm will touch 82.55%-mark
- > **Quippo Telecom** is the telecom towers arm of Quippo Infrastructure, which is one of the largest infrastructure equipment rental firm in India
- > **It plans** to rollout 6,000 towers next year

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IDFC Private Equity, US investment major DB Zwirn, sovereign wealth funds Singapore's GIC-managed Indinvest, Qatar's Oman Investment Fund and Quippo Infrastructure are pumping in Rs 781 crore (\$185 million) in Quippo Telecom Infrastructure. The fresh investments is through a mix of rights issue and entry of a new investor—Oman Investment Fund—which is picking 18.74% in Quippo Telecom for Rs 480 crore, say sources. The balance Rs 301 crore is being brought in by existing investors in Quippo including Quippo Infrastructure, DB Zwirn, IDFC Private Equity and Indinvest. Indinvest and IDFC Private Equity are picking 12.19% stake each in Quippo Telecom.

Quippo Telecom is the telecom towers arm of Quippo Infrastructure, which is one of the largest infrastructure equipment rental firm in the country.

It is learnt that Quippo Telecom is looking to rollout 6,000 towers next year and has plans to increase it to 21,000 towers by 2011. The funds will be used for financing this expansion. The company rents its towers to all telecom operators including Bhar-

ti Airtel, Vodafone Essar and Idea Cellular.

Quippo Telecom is backed by holding firm Quippo Infrastructure, which is promoted by the Srei Group. Last year, the latter bought out Spice Communications tower business for Rs 500 crore.

The fresh fund infusion will make Oman Investment the second largest shareholder in the firm behind Quippo Infrastructure. DB Zwirn will hold 16.23% in the firm post transaction. With the fund infusion, total direct and indirect foreign holding in the firm will rise from 65.63% to 82.55%. Sources say this investment is part of a bigger fund infusion which would see the paid-up capital of Quippo Telecom go up from Rs 1,000 crore to Rs 1,969 crore.

Quippo Infrastructure, which has a diverse set of investors including Srei Infrastructure Finance, Opulent Venture Capital, Dutch financial institution FMO, Ingersoll Rand India and risk capital firm Swedfund International Aktiebolag, is the country's largest infrastructure equipment rental company. It services the needs of construction, mining, oil & gas, telecom and energy sector. The telecom business rents its towers to telecom operators while the oil and gas subsidiary is in the business of renting on-shore drilling rigs.



CLEAR SIGNAL: Talk & smile

Manipal, Parkway deal hits roadblock

BANGALORE: The biggest deal in India's health-care sector has become a casualty of the strained valuations in a turbulent market, report **Boby Kurian & P P Thimmaya**. The Singapore-headquartered Parkway Health's move to acquire stake in Manipal Hospital has hit a roadblock following differences over the valuation figures, sources said. Private equity giant Texas Pacific Group (TPG)-controlled Parkway, which operates a chain of luxury hospitals across South East Asia, was expected to acquire around 30% stake in Manipal for about Rs 500 crore. When contacted, Manipal Hospital CEO R Basil didn't comment adding that they are were still in talks with many players.

It is believed that Manipal was expecting a valuation close to Rs 2,000/2,500 crore for the stake sale. Besides valuation, sources added, issues pertaining to shared management functions and the roadmap also posed problems. The market meltdown and tightening liquidity has squeezed valuation numbers across businesses and has badly hit the fund-raising plans of several hospitals.