

Quipo lines up Rs 6,750 cr for telecom tower foray

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Betting big on the buoyant telecom sector in India, Quipo Infrastructure Equipment will invest Rs 6,750 crore over the next two to three years to set up nearly 25,000 telecom towers across the country.

The company, promoted by infrastructure leasing firm SREI, will make the investment through its telecom subsidiary — Quipo Telecom Infrastructure.

We will set up 25,000 towers across the country to help service providers in penetrating the market efficiently,” Vice-Chairman and Managing Director Sunil Kanoria told PTI.

He said it is estimated that India would require a whopping two lakh new towers over the next two to three years.

On an average one telecom tower needs an investment of Rs 27 lakh and presently the company has 1,200 towers across the country.

The company will set up new towers primarily in Tier II cities and has tied up with all major service providers to lease the towers.

“We forayed into this business in 2005 and initially had a hard time to market the concept. Now, with a number of service providers de-hiving their tower businesses, we have started leasing out these towers and expect it to contribute significantly to our top-line in years to come,” Kanoria said.

The company expects telecom business to contribute nearly 40-45 per cent to its revenues in the next few years.

“Construction equipment leasing presently contributes as much as 80 per cent to our revenues, which is expected to come down once our telecom business gets in full swing,” Kanoria said.

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