

Quipo plans Rs 6,750cr spend in telecom towers

Press Trust of India / New Delhi September 2, 2007

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, would make the investment through its telecom subsidiary - Quipo Telecom Infrastructure

"The huge shortage of telecom towers has prompted us to venture into the area. We will set up 25,000 towers across the country to help service providers in penetrating the market efficiently," Sunil Kanoria, vice chairman & MD, Quipo Infrastructure told **PTI**.

He said it is estimated that India would require 2 lakh new towers over the next two to three years.

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

The company would 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 hiving off 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 to 45% 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.

Source: <http://www.business-standard.com> - Monday, Sep 02, 2007