

# Srei in talks for mobile tower foray

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Calcutta, April 9: Srei Infrastructure subsidiary Quippo Infrastructure Equipment is in talks with Tata Teleservices and Essar Telecom to buy their telecom tower businesses.

The two telecom service providers plan to divest their tower arms.

Tata Teleservices has proposed to divest a 49 per cent stake in its wholly owned Wireless Tata Telecom Infrastructure Ltd and Essar Telecom plans to merge its subsidiary Essar Telecom Infrastructure Venture Ltd with other telecom infrastructure service providers. The Essars have 3,000 towers in 13 circles and the Tatas 10,000 towers.

"We are in an advanced stage of negotiation with Tata Teleservices and the deal is expected to be concluded in this month or the next," said Sunil Kanoria, vice-chairman and managing director of Quippo Infrastructure Equipment Ltd.

Quippo has 3,400 towers and plans to increase this to 10,000 by March 2009. "If we get Tata Teleservices' business, we'll be able to add another 10,000 towers," Kanoria said.

Kanoria said Quippo would require an investment



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of \$1.5 billion to buy a 49 per cent stake in Wireless Tata.

"However, we are open to all offers that come our way," he added, admitting that Quippo was also eyeing Essar Telecom's tower business and had talked to the Ruias.

"Talks are on but nothing concrete has happened. We are concentrating on the Tata Teleservices' proposal as this is our priority," he said.

Essar officials refused to say whether they had short-listed any company to hive off their tower business.

Essar is in talks with a host of companies, including Quippo and GTL Infrastructure.

"The talks are only at an exploratory stage. It is nowhere near the deal," an Essar spokesperson said.