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## Lucent bags \$400 mn RCom network deal

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Telecom and internet major Reliance Communications has awarded a \$400 million (Rs 1,600 crore) network expansion contract to global service provider Alcatel-Lucent. This contract will enable the Anil Ambani company to expand its wireless network to over 20,000 towns and 600,000 villages in the country.

According to sources, with this deal and some others in the anvil Reliance would be able to double its network capacity (GSM and CDMA) from 35 million lines currently.

"The expansion of our wireless CDMA and GSM network would further enhance our competitive edge in effectively participating in the achievement of our national tele-density targets of 500 million by 2010, thereby contributing to economic growth," Reliance Communications Chairman Anil Ambani said in a release here today.

Under the contract, Alcatel-Lucent will upgrade Reliance's CDMA and GSM networks with additional mobile switching centres and base stations. The global major will also provide a comprehensive suite of network integration services, including network optimisation, system support and general project management among others.

According to Alcatel-Lucent



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CEO Patricia Russo, "For a project of this magnitude, Reliance Communications needed a supplier with a deep understanding of and experience with leading wireless technologies.

Alcatel-Lucent is unique in the broadness of its wireless portfolio and the depth of its expertise".

"The expansion of the Reliance network, particularly in rural areas, will help improve the lives of millions in India, and is further evidence of our commitment to meeting the communications needs of high-growth economies," she added.

Indian telecommunication majors were increasingly looking at outsourcing network man-

agement and rolling out of services to global majors. This enables them to concentrate on their growth plans, mainly adding more subscribers and expanding footprint across the country.

Earlier, Nokia Siemens Networks - a joint venture between Nokia and Siemens - had bagged a \$900 million (Rs 3,690 crore) deal from Bharti Airtel for the expansion of wireless and fixed line services.

In February 2004, Bharti signed a \$400 million deal with Swedish equipment vendor Ericsson to build and manage networks across 13 circles, which was followed by a \$250 million deal in June 2005.