

Press Clipping

Publication : Business Standard
Date : 10.03.2009
Edition : Mumbai
Page No. : 04

RCom places Rs 300 crore modem order with Huawei, ZTE

BS REPORTER
Mumbai, 9 March

Reliance Communications (RCom) has placed a Rs 300-crore bulk order with two Chinese equipment vendors, Huawei Technologies and ZTE Corporation, for around one million (10 lakh) plug-n-play USB modems.

This is believed to be one of the single largest order for USB modems, that can be used with laptops and desktops for accessing the Internet, from the country.

The Anil Ambani group company will receive the first consignment of nearly 100,000 modems, nearly 10 per cent of the total order, this week. On receipt of the modems, the company will roll these out into the market, sources close to the development told *Business Standard*.

RCom is planning to ramp up its wireless data operations and pursue an aggressive market share acquisition strategy, and these modems will also help the company establish its presence in the data market.

The company is pushing its Netconnect service (wireless data card) across both urban and rural areas in the country. Going forward, RCom expects its data business to contribute nearly 15-20 per cent of its overall revenues, they said.

The order with Huawei is for USB modems weighing not more than 50 gms and with a Micro Secure Digital Memory card, while the one with ZTE is for modems weighing around 40 gms. Technical specifications for both the companies are much similar.

When contacted RCom spokesperson declined to comment on the development.