
Russia's AFK Sistema set to become pan-Indian mobile operator

RIA Novosti - 12/2/2008

AFK Sistema, a leading Russian telecoms and services holding, said on Tuesday it plans to invest \$5-7 billion in launching a mobile communications network in India.

"We would like to set up a mobile communication network to become a pan-Indian operator. This is an ambitious task, which we must accomplish within two years," said Vladimir Yevtushenkov, chairman of the company's board of directors.

Yevtushenkov and other businessmen are accompanying Russian Prime Minister Viktor Zubkov during his official visit to India.

Yevtushenkov said AFK Sistema had already invested \$1 billion in its Indian project and was opening a representative office in India's capital on Tuesday.

Yevtushenkov said the Indian market was attractive for investors.

Experts say the number of mobile telephone users in India will increase by 500 million in the next four years.

AFK Sistema owns 51% of shares of Indian cell phone service provider Shyam Telelink and could increase its stake in the company to 74% under the terms of an option agreement.

AFK Sistema incorporates telecom, high technology, insurance, real estate, retail trade, media, banking and venture companies. In addition, the company is developing business in tourism, radio technology, pharmaceuticals and bio technology. The company's shares are floated on the London Stock Exchange and Russia's MICEX and RTS bourses.
