

# India Wireless Market Update – 1H,2010

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# SWOT India Mobile Market

**S** Strong mobile subscriber growth is continuing, with the market benefiting from a healthy competition.

- Mobile Market has seen investment from Singapore's SingTel, Vodafone of the UK, Telekom Malaysia, Norway's Telenor, Etisalat of the United Arab Emirates, Japan's NTT DoCoMo and Russia's Sistema.
- Demand for mobile value-added services is strong and expected to grow.
- Attractive Regulatory framework and Business environment for telecoms sector investors; the government

**T** Government plans to increase spectrum usage charges for telecoms companies planning to offer 3G services could negatively affect the 3G licensing process.

- Price war is possible with competition intensifying, while consolidation may not be a far-off reality

**W** Mobile market is still highly skewed towards prepaid users;

- High Churn , low Prepaid ARPU and Duplicat SIMs
- delayed policy implementation in a number of areas

**O** The government will cut license fees by up to 33% for those operators whose services cover over 95% of the residential areas in a calling circle.

- Possibility of allowing MVNOs
- Large demand expected from content services and mobile broadband services
- Possibility to convert Prepaid users to Postpaid

# SWOT India Broadband Market

**S**

**B**roadband subscription growth is strong, with the market registering almost a 42% increase in subscribers in 2009.

- CAGR over 50% for next five year projected
- Availability of BWA spectrum with 3 operators to fuel mobile broadband adoption.

**W**

**T**he market for fixed telephone lines is shrinking.

- Fixed-line market is dominated by state-owned operators BSNL and MTNL. In rural India, BSNL controls over 99% of the telephone infrastructure.
- 85 % of the market is DSL in India

**T**

**F**ixed-line sector may decline at a more rapid rate than envisaged, with potentially negative consequences for ADSL growth.

- Danger that the development of IPTV services will be hampered by high costs, low broadband usage and slow speeds.

**O**

**H**uge untapped market with only 2% of the population in India has broadband penetration .

- Allocation of BWA spectrum should fuel growth and adoption in India
- 4G Technology like WiMAX and LTE to play bigger role in bridging the gap of digital dividend.
- Growing workforce, house hold disposable, and per capita show high for broadband growth

# SWOT India Business Environment

**S**

India is now one of the biggest recipients of foreign direct investment (FDI) among emerging markets.

- Cost Effective skilled English-speaking force
- Growing Workforce, Household Income, Literacy ,GDP and per capita

**W**

Overall literacy rates in India remain far lower than in Asian and other key emerging market nations.

- Lack of optimum Infrastructure
- Foreign investment protection , red tape and inflexible labour laws

**T**

Multinational Competition and challenges from other countries like bangladesh, Vietnam

- China as major competitor to FDI

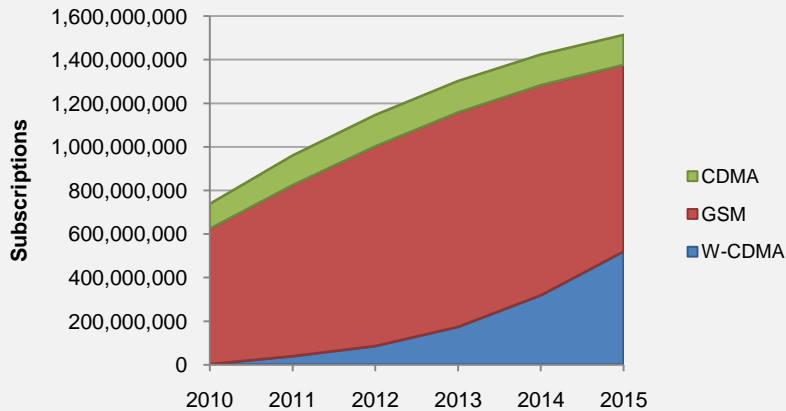
**O**

Enhance competitiveness of local industry through further liberalization and deregulation

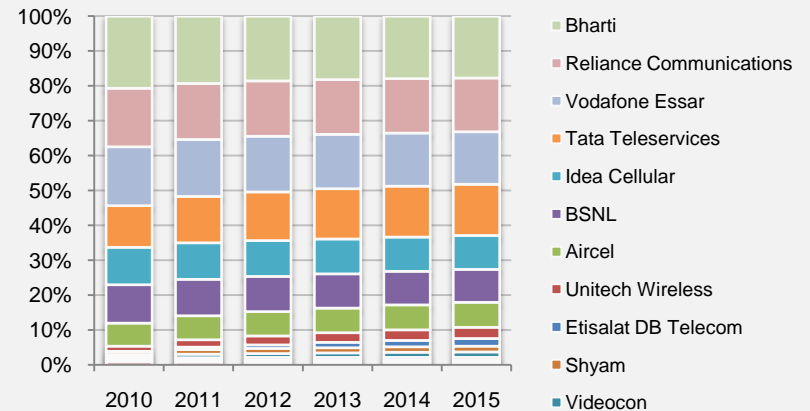
- Major opportunity lies in infrastructure , roads, railways and airports etc.

# Subscription and Technology Forecast

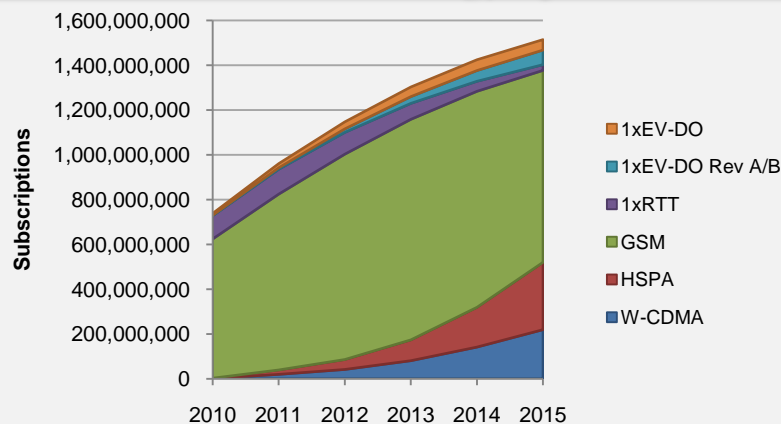
## CDMA, GSM and W-CDMA



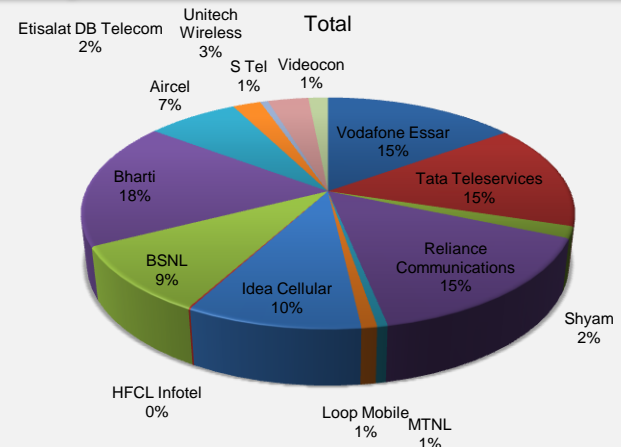
## Operators Market Share



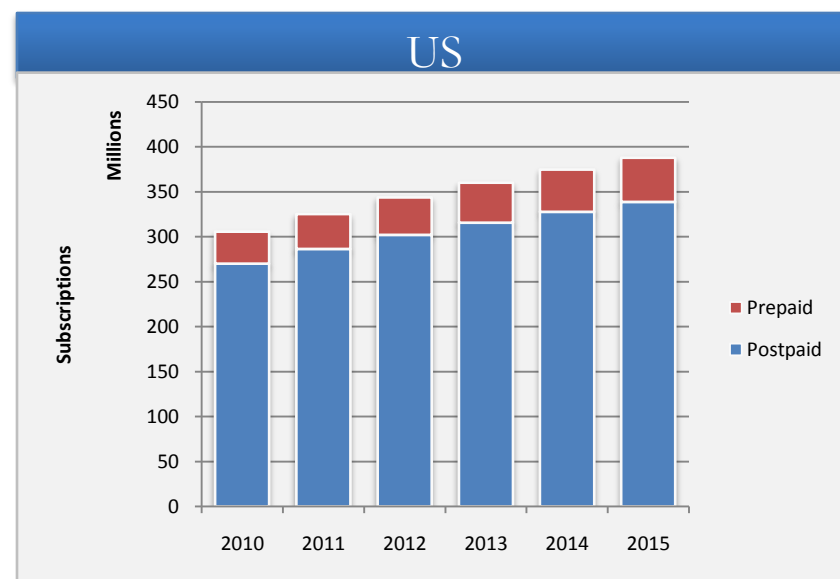
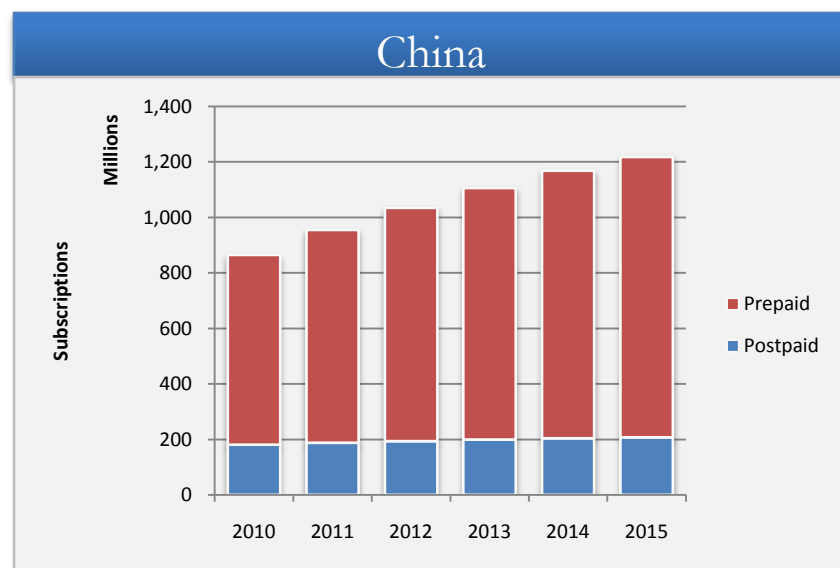
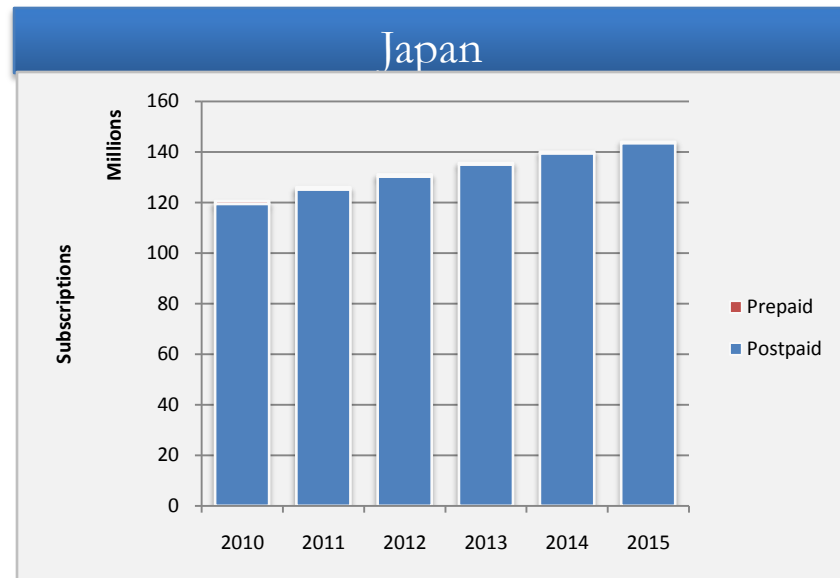
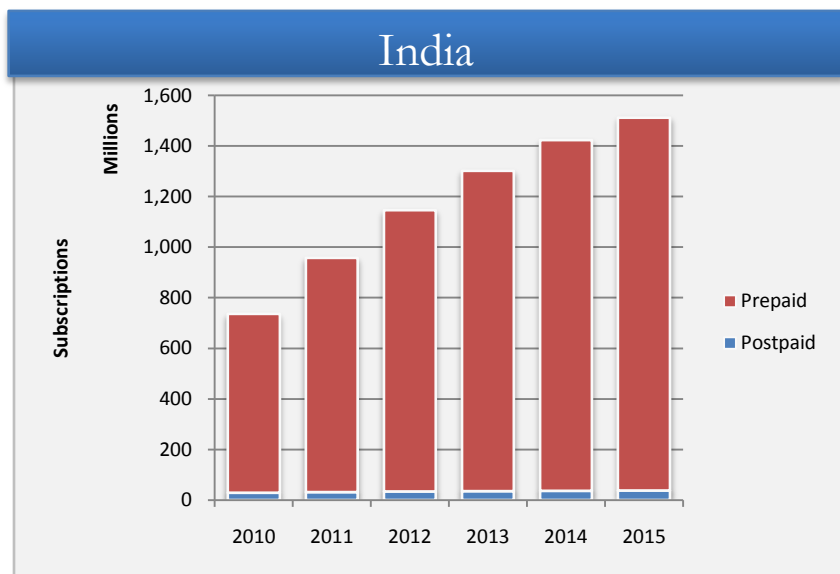
## Data Technology Split



## Operators Market Share in 2015



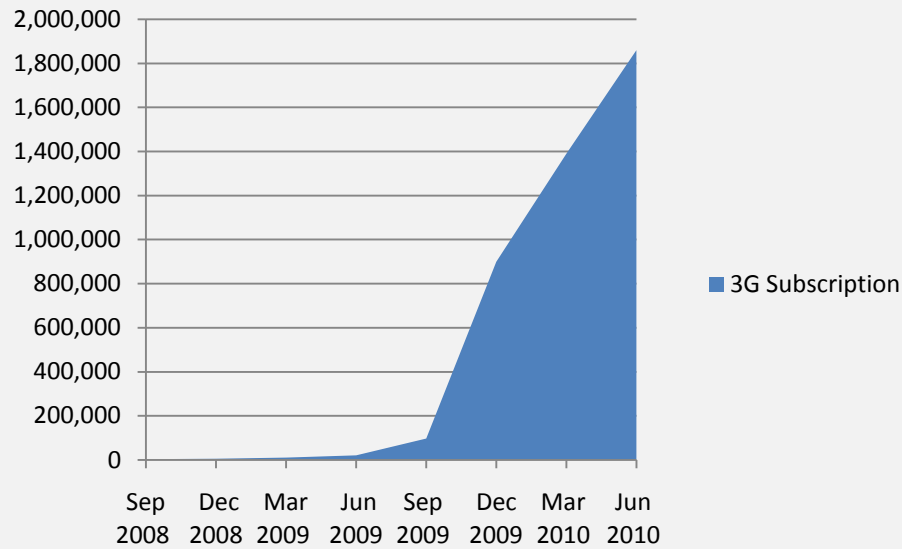
# Prepaid vs. Postpaid Composition – Comparing China, US and Japan



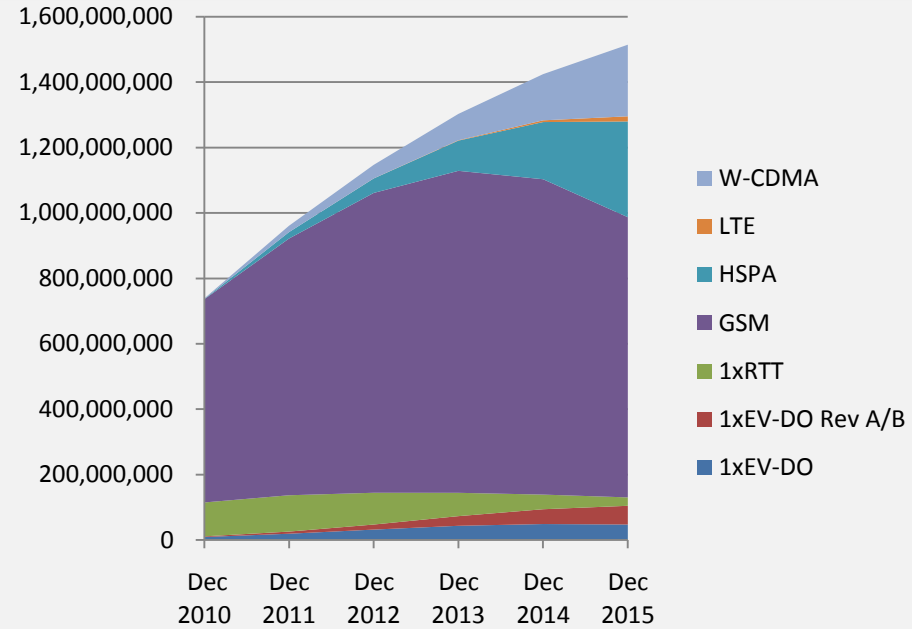
# 3G Market and Forecast

## MTNL BSNL 3G Uptake

### MTNL/BSNL, 3G

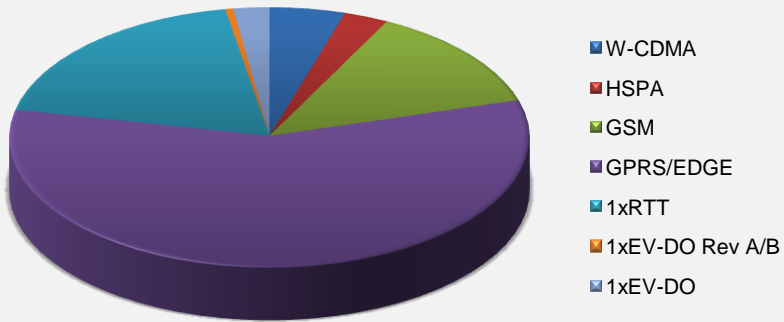


## Technology / Forecast

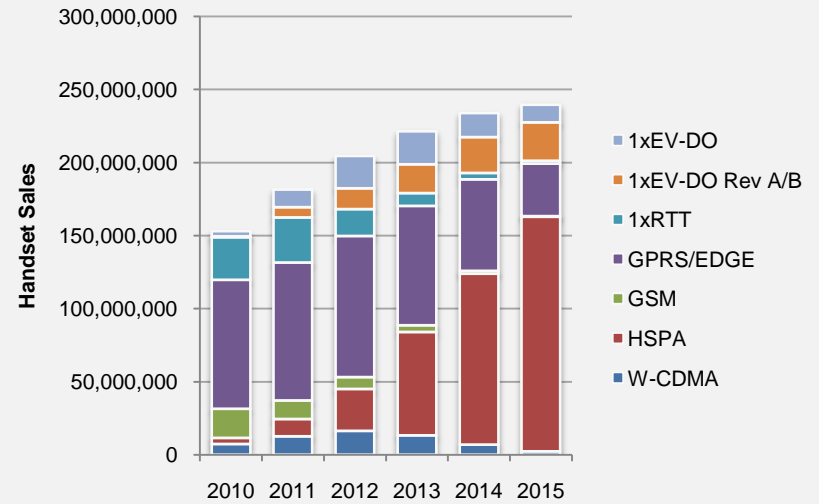


# Handset Market Share by Technology

Handset Market Share in 2010

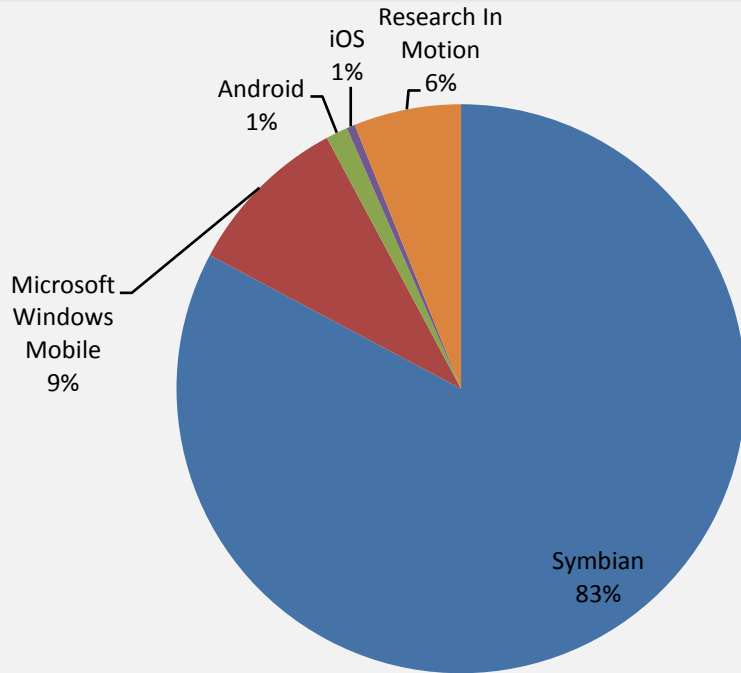


Forecast market share by 2015

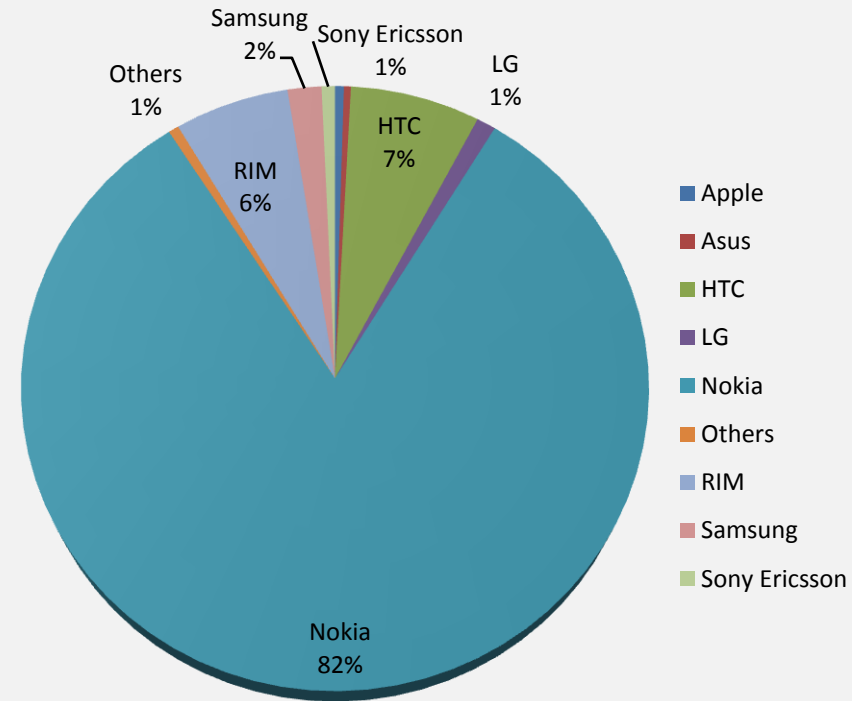


# OS Market Share and Handset Manufacturers

## Smartphone OS Market Share

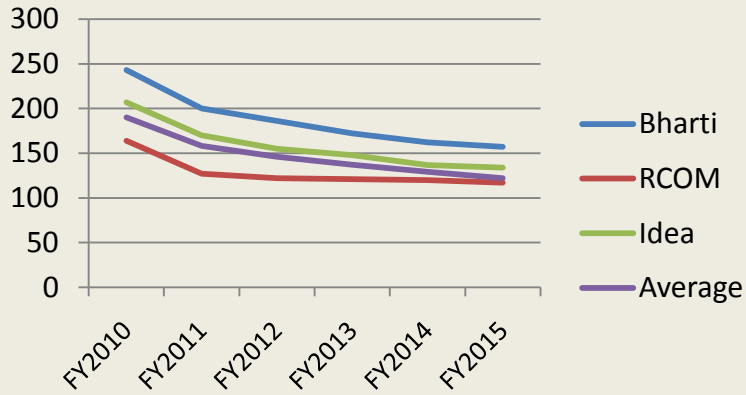


## Handset Manufacturers Market Share

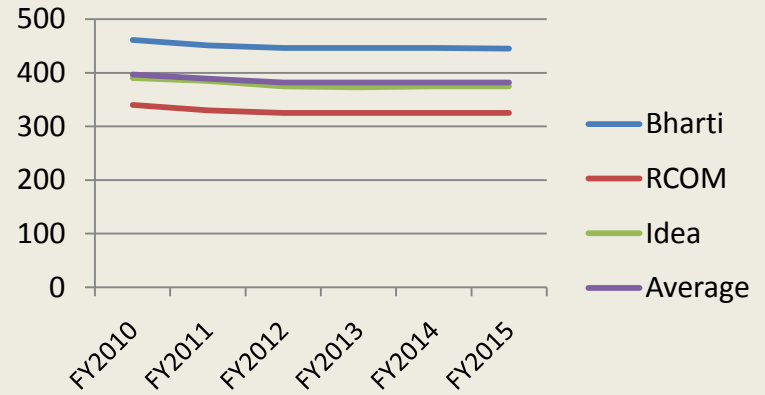


# ARPU Trends and Forecast

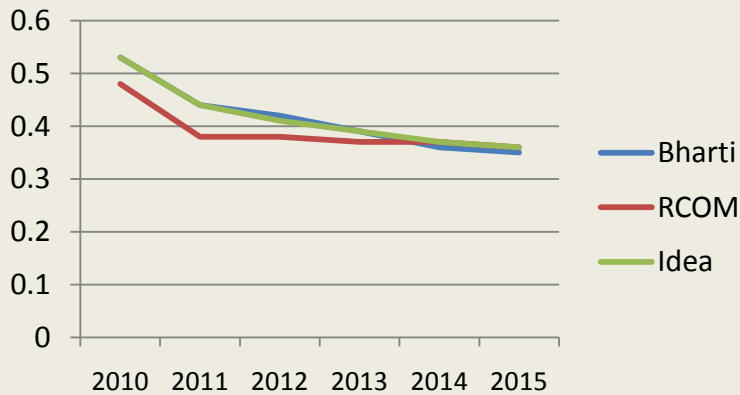
## Voice APRU (-8.5% CAGR)



## Minute of Use (-2% CAGR)

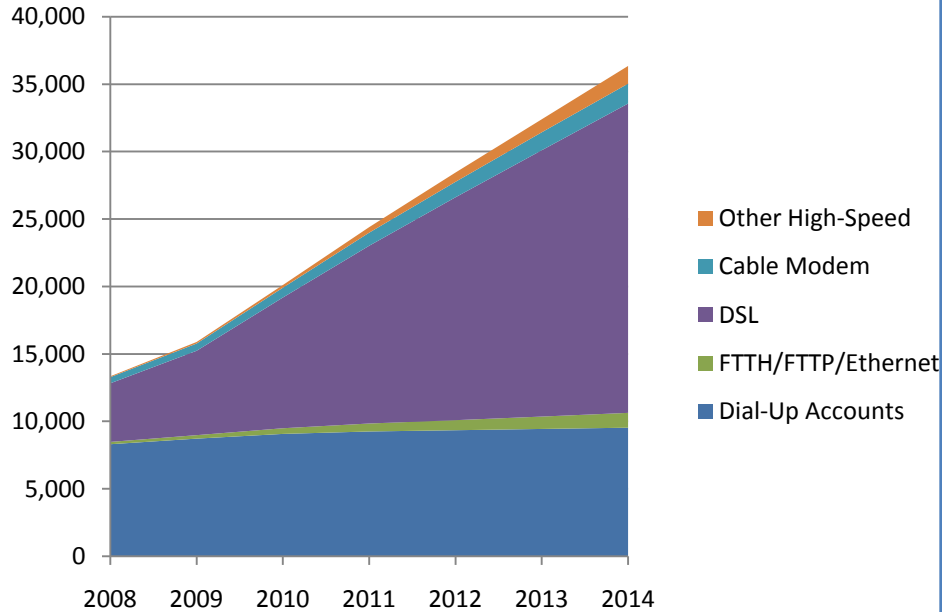


## Average Cost per Minute (-7% CAGR)



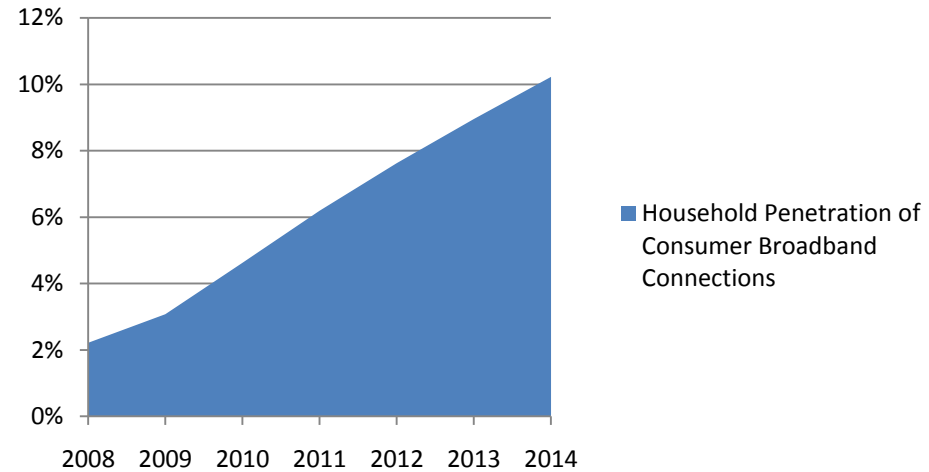
# Wireline Broadband Landscape

DSL covers over 80% of the market



Household Broadband Penetration

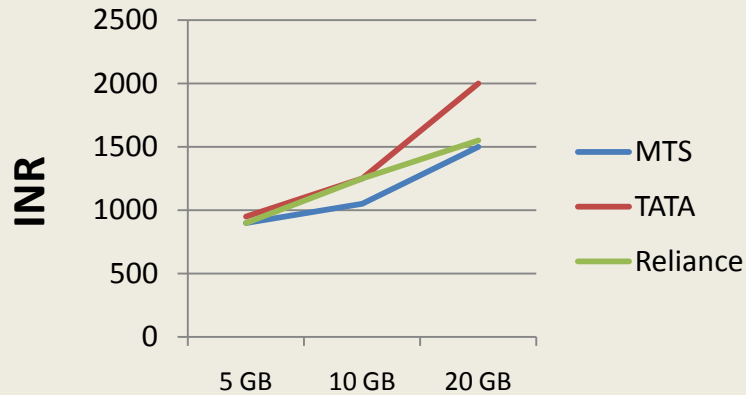
## Household Penetration of Consumer Broadband Connections



# Data ARPU Trends

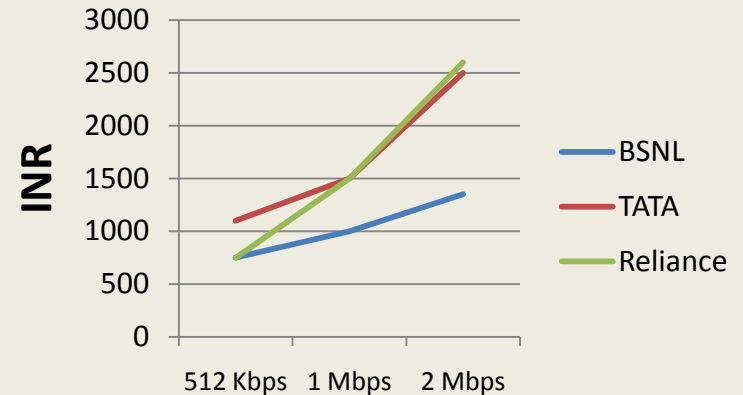
## Personal Broadband

### Dongle EV-DO



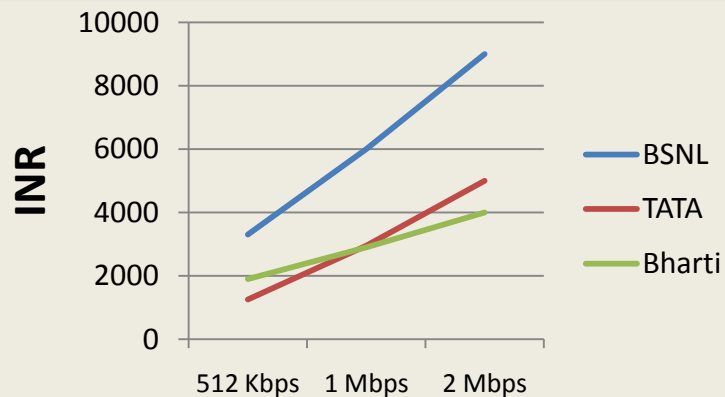
## Residential Broadband

### Unlimited plans, fair usage policy



## SME Broadband

### Unlimited ,Fair Usage , Static IP



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**THANKYOU**

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