



Telecom Sector





OVERVIEW



Contributes 6.5%
to India's GDP



4 million
employees



1.2 bn
subscriber
base



Rs. 185.3 cr
Market size



US\$37.27 bn
FDI Inflow In
2020



446 mn
Internet users

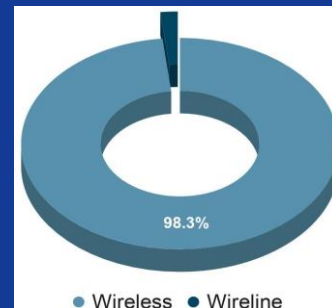
Second largest
Telecom Network

Fastest Growing App
Market

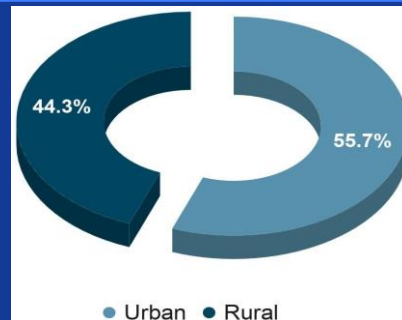
Second Highest
Number of Internet
Users

Sector Composition

Wireless vs Wireline



Urban vs Rural



The Three Segments



Mobile (Wireless)

- Comprises establishments operating and maintaining switching and transmission Facilities
- Provides direct communication via airwaves



Fixed Line (Wireline)

- Consists of companies that operate and maintain switching and transmission facilities
- Provides communication via landlines, microwaves



Internet Services

- Includes ISPs
- Offer broadband internet connections via consumer and corporate channels

Attractiveness of the Industry

01

Expanding
Telecom
Subscriber
Base

02

Wireless
Segment
Gaining
Share

03

Number of
Internet
Subscribers
Increasing

04

Strong
Growth in
Broadband

05

Rural
Segment is
Expanding

06

Exponential
Growth in
Data
Consumption

Opportunities Across Segments

01

Telecom Infrastructure

TRAI has made recommendations for development of telecom infrastructure including tax benefits

02

Growth in MVAS and Cloud Computing

This area has a very high scope and will reach US \$23.8 bn by 2020

03

Growing Cashless Transactions

Platforms like Paytm that incorporate UPI could be a big boon

04

Telecom Equipment

This market is expected to reach US \$30 bn by 2020



Business Opportunities

1. Smartphone Sales
2. Call Centre Agents
3. Recharge Card Sales
4. Bulk SMS Business
5. Telecommunications Network
6. Mobile Marketing
7. Angel Investing
8. Blogging
9. Affiliate Marketing
10. Internet Service



National Digital Communications Policy 2019

Connect India

- Provide universal broadband connectivity at 50mbps
- Provide 1 gbps to all Gram Panchayats and 10gbps till 2022
- Enable fixed line access to 50% households
- Achieve unique mobile subscriber density of 65 by 2022
- Ensure connectivity to all uncovered areas

Propel India

- Attract investments worth US \$100 bn in digital communications sector
- Increase India 's contribution To global value chain
- Re-skill 1 mn manpower for building new age skills
- Accelerate transition to Industry 4.0

Secure India

- Establish a comprehensive data protection regime for digital communications
- Ensure net neutrality principles are upheld
- Develop and deploy robust digital communication network security frameworks
- Build capacity for security testing and establish appropriate security Standards

- TRAI directed operators to have a call-drop rate of less than 2%
- PM Modi 's 'Skill India" mission helped people secure jobs after appropriate skill training
- FDI in telecom has been increased to 100%- 49% through automatic route and rest through FIPB approval route
- 100% FDI permitted for infra providers offering dark fiber, electronic mail, and voicemail
- The Department of Information Technology intends to set up over 1 million internet-enabled common service centers across India as per the National e-Governance Plan
- Government recommended reduction in license fees of telecom operators by 6 %

Growth Drivers



01

Growing Demand

- Higher Real Income
- Changing Lifestyles
- Growing Young Population
 - Increasing MoU
 - and Data Usage

02

Increasing Investment

- Higher FDI
- Increasing M&A Activity

03

Policy Support

- Reduction in License Fee
- Relaxed FDI Norms
- Encouraging Firms to Expand to Rural Areas

Marketing

01.

Differentiation in services

02.

Value Added Service

03.

Attractive Offerings



04.

Innovative Marketing Campaigns
#StrongerEveryHour
Sab Kuch Try Karo, Phir Sahi Chuno

05.

Get the pricing right

06.

Affordable and convenient plans

Key Companies

| Company | Ownership | Presence | |
|---|--------------------------------------|--|---|
|  | Mahanagar Telephone Nigam Ltd (MTNL) | Government (56.3 per cent), Life Insurance Corporation (18.8 per cent) | Fixed-line and mobile telephony (in Delhi and Mumbai), data and Internet |
|  | Bharat Sanchar Nigam Ltd (BSNL) | Government (100 per cent) | Fixed-line and mobile telephony (GSM – outside Delhi and Mumbai), data and Internet in 22 circles |
|  | Bharti Airtel | Bharti Group (45.48 per cent), Pastel Ltd (14.79 per cent), Indian Continent Investment (6.65 per cent), | Broadband and mobile (GSM) in 22 circles |
|  | Vodafone Idea Limited | Aditya Birla Group and Vodafone Group partnership | Broadband and mobile (GSM) in 22 circles |
|  | Reliance Jio Infocomm | Reliance Industries Limited. | Broadband and mobile |

Start-ups



| Company | Founded | Business |
|--------------|---------|--|
| JhaMobi Tech | 2016 | IT Service and consultancy provider, mobile product development company |
| Pelatro | 2012 | End-to-end precision marketing solutions for telecom |
| Spring Edge | 2014 | Business communications service provider, offers voice communication, bulk SMS service |
| Plivo | 2011 | Builds voice apps |

Associations

01



Department of
Telecommunication

04



Internet and
Mobile Association
of India (IAMAI)

02



Association of
Unified Telecom
Service Providers
of India (AUSPI)

05

Cellular Operators
Association of India

03



Telecom Regulatory
Authority of India
(TRAI)

06

Association of
Competitive Telecom
Operators (ACTO)

Road Ahead



- Revenue from the telecom equipment sector is expected to grow to US\$ 26.38 billion by 2020
- The number of internet subscribers in the country is expected to double by 2021 to 829 million and overall IP traffic is expected to grow four-fold at a CAGR of 30% by 2021
- The Indian Government is planning to develop 100 smart city projects, and IoT will play a vital role in developing these cities
- The National Digital Communications Policy 2018 envisaged attracting investment worth US\$ 100 billion in the telecommunications sector by 2022
- App downloads in India is expected to increase to 18.11 billion in 2018F and 37.21 billion in 2022F





**THANK
YOU**