

## **Maravedis predicts WiMAX subscribers to reach 13 million in India by 2012**

*Leading research firms Maravedis and Tonse Telecom release new market study entitled "India Wireless Broadband and WiMAX Market Analysis and Forecasts 2006-2012" to provide an in-depth review of current regulatory and overall wireless market trends in India.*

FOR IMMEDIATE RELEASE

**MONTREAL, Canada, and BANGALORE, India, June 27, 2006 –**

There will be 13 million WiMAX subscribers in India by 2012 according to Maravedis Research and Tonse Telecom, leaders in broadband wireless research and analysis, who partnered to produce a new research report entitled **"India Broadband Wireless and WiMAX Market Analysis and Forecasts 2006-2012,"**.

This 120-page report, the third of a series that includes reports on Brazil and Russia, provides an in-depth review of the broadband wireless and WiMAX markets as well as regulatory activity taking place in India.

The Indian telecom market is so hot that mobile operators are constantly investing in massive network expansions and still falling behind in keeping pace with additional subscriber growth. The Indian Ministry of Telecom is pulling all stops to further enhance telephone penetration into the remotest villages and is entirely confident of reaching its targeted 250million phones by 2007. Even with that, the national teledensity will still be less than 25%, which gives an indication of the enormous opportunity in this market.

"More than 70% of Indian households do not have access to fixed wired telephone services. Instead, customers have flocked to cellular phone carriers, which have built a tremendous infrastructure to provide service to more than 100 million customers" says Adlane Fellah, co-author of the report and Senior Analyst with Maravedis Inc.

The same trend is predicted for broadband wireless Internet access services such as WiMAX that will provide high-speed data services over a wireless data infrastructure.

"There is huge potential for broadband wireless Internet and voice-over-IP services in India because there are still more than 600,000 villages with no basic communications services," explained " says Sridhar T Pai, co-author of the report and CEO of Tonse Telecom.

'India is adding more mobiles per year than the total number of fixed line phones added in the first five decades of becoming an Independent nation (1947). This massive revolution has changed lives, improved GDP, increased productivity and made vital contribution to India's progress. The broadband scenario is on the verge of a similar upheaval. From a mere 1.5 million connections currently, Indian broadband market will grow manifold in the next six years to become potentially one of the top broadband wireless markets on the planet. The resulting eco-system and opportunities are a vendor / investors dream destination' added Sridhar.

Broadband services were launched in India in 2005. ADSL services now cover 300 towns with 1.5 million connections while broadband wireless subscriber figures are still negligible. In a country where monthly broadband ARPU is estimated at \$8-10, and computer penetration is still at around 4%, BWA / WiMAX adoption will depend on very low cost end-to-end pricing for connectivity including the compute platform and CPE. The Indian telecom sector operates in a volume-driven market. If WiMAX is to succeed it will only be on the premise of huge volumes not, small deployments

"Bharti TeleVentures, Reliance, BSNL and VSNL (Tata Group) have all acquired licenses in 3.3GHz range and are in various stages of trials and modest commercial deployments. Maravedis Tonse has

gathered evidence that larger deployments will start to materialize in early 2007 but volumes in the millions will take a few years to materialize. The planned release of additional spectrum will be critical to this” explained Fellah.

“However, shortage of spectrum is a serious obstacle for massive adoption of broadband wireless and WiMAX in India. For WiMAX to prosper in India, license holders will need at least 20MHz of spectrum while they currently hold 12MHz or less. 20MHz is a minimum to support wide scale deployments and hence a profitable business case” added Sridhar.

Government appears to be serious about solving the problem by releasing some of the spectrum from the departments of Space and Defense and the TRAI is currently engaged in a critical public consultation. Wireless adoption is essential if the government wishes to meet its ambitious plans. The Ministry of Telecom now targets about 250 million connections by the year 2007 (including wireline) and mobile coverage to extend 85% of the geographical area of the country by the year 2007 from about 30% today.

Maravedis' latest research also reveals that India remains a very price sensitive market. Demand for broadband services is exploding, but both service providers and residential end-users demand low cost CPE (below \$100) before they will fully adopt WiMAX. So far, the demand for broadband wireless services has been mainly driven by high-end corporate and government users. Players such as Telsima, Beceem and Motorola will play a key role in delivering low cost CPEs that will drive this huge potential market.

**India Broadband Wireless and WiMAX Market Analysis and Forecasts 2006-2012** is a must read for companies wanting to enter the Indian marketplace and provides a good roadmap that will help various players maneuver around obstacles and find the real opportunities to make money in this region. A free copy of the table of contents can be downloaded at: [www.maravedis-bwa.com](http://www.maravedis-bwa.com)

#### **Maravedis BWA/WiMAX Research Reports and License Database Updates:**

Maravedis produces a wide variety of broadband wireless research reports. The company also maintains a worldwide database of license holders, government regulations and spectrum band plans. For information on how to purchase reports or subscribe to the ClearSpectrum License Database, please visit: <http://www.maravedis-bwa.com/how-to-order.html>

#### **Research Report/Databases:**

<b><u>Research Report/Databases:</u></b>	<b><u>Country</u></b>	<b><u>Release Date</u></b>
ClearSpectrum List of BWA/WiMAX License Holders	Worldwide	January 2005
BWA/WiMAX Worldwide Market Analysis & Forecast	Worldwide	March 2005
North America 700 MHz Regulatory & Market Analysis	USA, Canada	October 2005
BRS, EBS and WCS Regulatory & Licensing Analysis	USA	December 2005
BWA/WiMAX Brazil Market Analysis & Forecast	Brazil	April 2006
BWA/WiMAX Russia Market Analysis & Forecast	Russian Federation	May 2006
BWA/WiMAX India Market Analysis & Forecast	India	June 2006
BWA/WiMAX China Market Analysis & Forecast	China	TBD

#### **ABOUT MARAVEDIS**

Maravedis is a leading research and analysis firm focusing on Broadband Wireless technologies including WiMAX, 802.20, TD-CDMA and Wireless Local Loop Systems. Maravedis has established itself over the years as the most credible and reliable resource for market intelligence in the broadband wireless industry. Maravedis works with equipment vendors, service providers, regulators and the investment community to produce a sound market analysis based on hard primary data and an in-depth understanding of technology, market and regulation trends.

For more information, please visit [www.maravedis-bwa.com](http://www.maravedis-bwa.com).

#### **ABOUT TONSE TELECOM Pvt. Ltd.**

Tonse Telecom is focused on research, analysis and consulting services for the Indian telecom sector. Tonse is focused exclusively on the Indian geography and the telecom vertical in particular. It is our belief

that to add significant value to our clients, we need to bring unprecedented depth to our research and unique insights that can only come from people relationships, feet-on-the-street presence and local partnership with every segment of the value chain: device makers, software developers, Value Added Services companies, service providers, infrastructure vendors and Regulatory and policy builders. For more information, please visit [www.tonsetelecom.com](http://www.tonsetelecom.com)

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**Contact Information:**

Adlane Fella, Senior Analyst  
Maravedis Research  
**Office:** +1 (786) 347-5580  
**Mobile:** +1 (514) 823-4096  
**Email:** [afellah@maravedis-bwa.com](mailto:afellah@maravedis-bwa.com)  
**Web :** [www.maravedis-bwa.com](http://www.maravedis-bwa.com)

Sridhar T Pai  
Tonse Telecom  
**Office:** (+91 98440 36371)  
**Email:** [stpai@tonsetelecom.com](mailto:stpai@tonsetelecom.com)  
**Web:** [www.tonsetelecom.com](http://www.tonsetelecom.com)