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Top Stories of the Month

Government notifies FDI norms for telecom sector

The government notified the revised foreign direct investment guidelines in the Indian telecom sector, where FDI cap has been raised to 74% from current level of 49%.

The government issued a notice allowing Foreign Direct Investments (FDI) to 74% from current level of 49% to further enhance the sector overall. All telecom companies have been given 3 months time to comply with the revised norms and thereafter the compliance reports to be submitted on a six monthly basis.

The revised guidelines allow telecom companies to appoint foreign CEOs with Home Ministry clearance and have network access from remote areas -- two key features that the original guidelines did not permit.

Both direct and indirect foreign investment in the licensee company shall be counted for the purpose of FDI ceiling. Foreign Investment shall include investment by Foreign Institutional Investors, Non-resident Indians, Foreign Currency Convertible Bonds, American Depository Receipts, Global Depository Receipts and convertible preference shares held by foreign entity.

Indirect foreign investment shall mean foreign investment in the company/companies holding shares of the licensee company and their holding company/companies or legal entity (such as mutual funds, trusts) on proportionate basis. Shares of the licensee company held by Indian public sector banks and Indian public sector financial institutions will be treated as "Indian holding", the guidelines said.

The Indian shareholding will not be less than 26%. The norms announced by Department of Industrial Policy and Promotion.

FDI up to 49% will continue to be on the automatic route. FDI in the licensee company/Indian promoters' investment company including their holding companies shall require approval of the Foreign Investment Promotion Board (FIPB) if it has a bearing on the overall investment ceiling.

Mobile telephony update

Mobile telephony services are rapidly expanding and the companies have added 6.1mn new subscribers in March, taking their total user base to 121.4mn in March 07. At the end of February total GSM customers stood at 115.3mn. The March increase of around 5% was the highest-ever monthly rise and was higher than the 4.9mn new user additions in February. The spurt in subscriber additions and the overall growth in mobile subscribers during the financial year ending March 07 had been possible due to industry initiatives, forward looking policies of the ministry and the enabling regulations

Market share of mobile subscribers
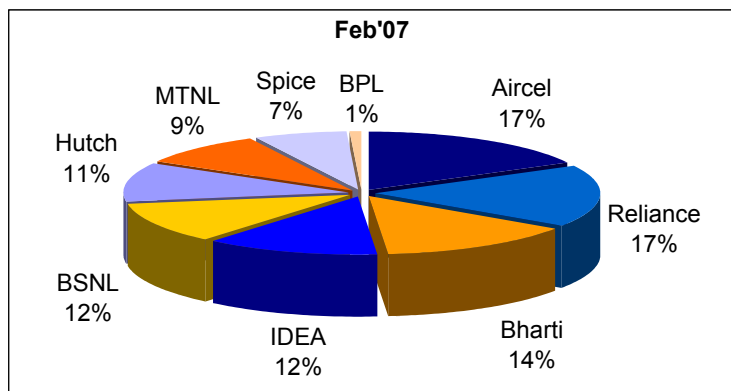
Source: COAI, AUTSPI,

GSM mobile segment

The All India GSM subscriber base continued to grow aggressively in March 07, achieving a subscriber base of 121mn in March 2007, up from 115mn in February 2007 recording an addition of over 6.13mn during the month under review. There was an overall growth of 5% over the previous month.
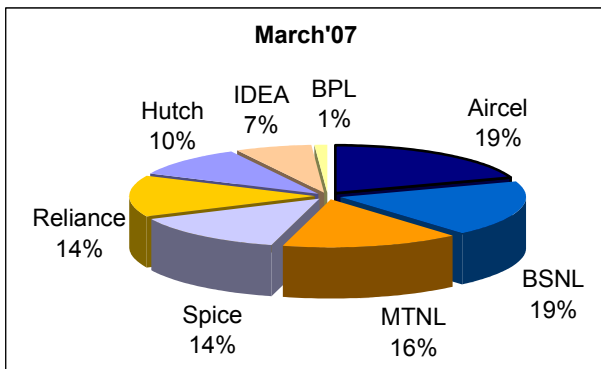
The Indian GSM industry has witnessed an excellent start in the year 2007 and the same growth trend is expected to continue in the months to come. The exponential growth in the GSM Industry was a result of the concerted efforts of the GSM industry coupled with forward looking policies of the Government, enabling regulation and fair play for all the players.

GSM subscribers

Group Company	Subscribers as of Feb.07	Additions In Mar.07	Subscribers as of March 07	(%)Growth
BSNL	25444271	1984613	27428884	7.8
Hutch	25343179	1098659	26441838	4.3
IDEA	13640000	370551	14010551	2.7
BPL	1065818	5035	1070853	0.5
Spice	2578584	150372	2728956	5.8
Aircel	5094840	419627	5514467	8.2
Reliance	4110717	236876	4347593	5.8
MTNL	2578822	167992	2746814	6.5
Total	**79856231**	**4433725**	**84289956**	

Source: COAI

GSM market share

GSM share of net additions

GSM market share pie chart — March'07: Aircel 19%, BSNL 19%, MTNL 16%, Spice 14%, Reliance 14%, Hutch 10%, IDEA 7%, BPL 1%

GSM Net Share in Additions pie chart: Aircel 46%, Reliance 25%, Hutch 9%, Bharti 8%, MTNL 5%, Spice 4%, IDEA 0%
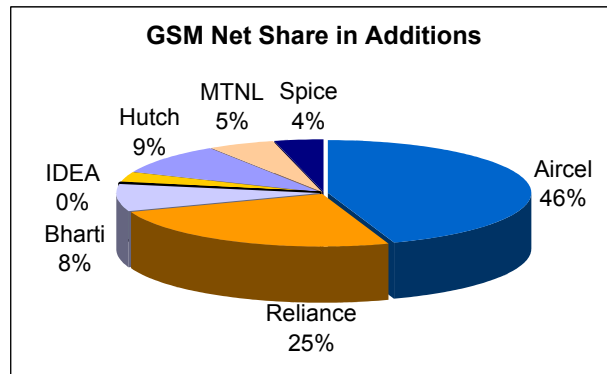
The Metro subscribers grew by 3% in the month of March. Chennai recorded the highest growth at 4.8% followed by Kolkata 3.5%.

Among Category A circles Karnataka recorded the highest growth of 5.82% followed by Tamil Nadu at 5.77%.

Within the Category B circles, Rajasthan recorded the highest growth at 11.13%, followed by U.P.(E) at 6.74%.

Among all circles, Category C circles continued to witness the highest rate of growth at 8.7%, followed by Category B circles at 6%.

Within the Category C circles, Assam recorded the highest growth at 12.4%, followed by N.E. Circle at 11.2%

Circle wise subscriber addition

Circle	February	March		
	Subscribers	Subscribers	(%)Growth	% Share
Metro	21321507	21958514	3.0	18.1
A	40717267	42680298	4.8	35.1
B	41072379	43542736	6.0	35.9
C	12185484	13249618	8.7	10.9
Total	**115296637**	**121431166**	5.3	100.0

CDMA mobile segment

There is a sharp fall of around 6%mom in CDMA subscriber's base to around 3mn. Tata witnessed a 3.49% mom growth in subscriber base, around 5.5mn mark. Reliance witnessed sharp decline in its subscriber growth of around 3.6mn in the month of March 07.
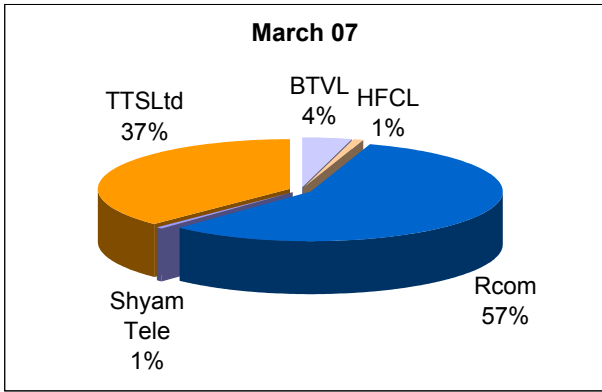
Reliance is gradually losing its market share to Tata but still remained a market leader with a total subscriber base of around 25mn, which was lower by around 3mn mom.

CDMA subscriber data

Group Company	Subscribers as of Feb. 07	Subscribers as of Mar. 07	Additions in Mar.07	% Growth
Bharati Tele Venture	1,819,083	1,871,387	52,304	2.88
HFCL Infotel Ltd	323,992	319,110	-4,882	-1.51
Reliance Comm. Ltd	28,820,515	25,188,258	-3,632,257	-12.60
Shyam Telelink Ltd	241,508	249,403	7,895	3.27
Tata Teleservices Ltd	15,994,729	16,552,987	558,258	3.49
Total	**47,199,827**	**44,181,145**	**-3,018,682**	**-6.40**

Market share of CDMA operators

March 07

TTSLtd 37%
BTVL 4%
HFCL 1%
Shyam Tele 1%
Rcom 57%

Source: AUTSPI

CDMA share of net additions

Legend: BTVL | HFCL | Rcom | Shyam Tele | TTSLtd

TTSLtd 13%
HFCL 0.16%
BTVL 1.73%
Shyam Tele 0.26%
Rcom 86%
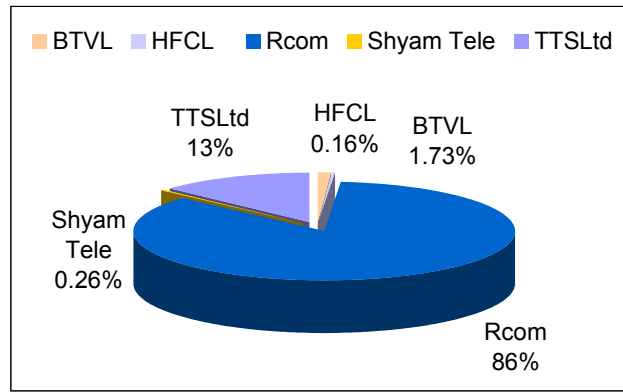
Source: AUTSPI

Avaya GlobalConnect ties up with OKI Electric Industry

Avaya GlobalConnect and OKI Electric Industry Co. Ltd., Japan's leading IP communication Solution Company announced a strategic partnership in India. This partnership to develop IP enabled 'value for money' voice solutions for small and medium enterprises, will define a new era in digital communications and convergence.

The two players have jointly launched a product called "IPstage EX100" that provides all the basic PBX features and network interfaces. The IPstage SX/MX/EX will be primarily positioned towards the low and medium end SME market and will target the Government, Public Sector Undertakings and Indian corporates looking for basic telephony functionality with IP compatibility.

IPstage EX100 is a high performance IP-PBX that offers high voice quality and various features ranging from conventional PBX systems, to full IP systems, seamlessly. With the introduction of new IP multi-key phones, MKT-IP-20DHS, the most updated advantages of IP-PBX become available with the same level of investment as a conventional PBX system. When the I P stage EX100 is deployed as a conventional PBX with existing analog phones, it can be up-graded to IP-PBX when a LAN environment becomes available.

Bharti Airtel acquires 49% of Bharti Aquanet

Bharti Airtel Ltd acquires 12,25,000 equity shares of Rs 10 each of Bharti Aquanet Ltd ("Aquanet") comprising 49% of the equity from Singtel i2i Ltd for Rs154.5mn, subject to obtaining requisite approvals. Post acquisition, Aquanet will become a wholly owned subsidiary of and will be merged with the Company.

In order to comply with the guidelines on foreign direct investment in direct to home ("DTH") broadcasting sector, the Company's equity stake in Bharti Telemedia Ltd ("Telemedia") is being restricted to 40% and the balance 60% will be held by a Bharti group company. Telemedia was incorporated as a wholly owned subsidiary of the Company to undertake DTH business.

Essar Telecom Retail connects with JDA Software

"The MobileStore" of Essar Telecom Retail, India's first national chain of multi-brand and multi-service telecom outlets has selected JDA Software Group to help operate and aggressively expand its new retail format across the country.

The MobileStore, which is already operational with core JDA applications, will also use JDA's merchandising, store, CRM, planning, replenishment and analytic applications to improve coordination across functional departments and help increase its operational efficiencies. Essar Telecom Retail plans to set up over 2500 stores in the next 3 years across 600 cities, thus covering virtually every major town in every state across India.

Bharti Airtel slashes international call rates

Bharti Airtel Ltd announced the reduction in International Long Distance (ILD) tariffs for all mobile customers in India. This is in line with the company's endeavor to make international calling more affordable and deliver greater value to its growing number of mobile users.

The Telecom Regulatory Authority of India (TRAI) announced a 37% reduction in Access Deficit charge (ADC) for 2007-08 to Rs20bn from Rs32bn last year. The new rates were effective from April 1. The telecom regulator also abolished the levy of 80 paise per minute on all outgoing international calls, while for incoming international calls, the charge was lowered by 38% to Re 1 per minute from Rs1.6 a minute. For International calls to USA, Canada, Europe (Fixed Line), Australia, Singapore, Hong Kong, Thailand, Malaysia, Indonesia and New Zealand the new tariff charged at Rs6.40 per minute as against the old rate of Rs7.20, a reduction of 11%. For global destinations in the Gulf, Europe (Mobile), SAARC countries, Africa & Rest of the world the new tariff will be Rs9.20 per minute compared to the old rate of Rs9.99, a reduction of 8%

Prepaid cards...Airtel bundles offer with Samsung

Bharti Airtel Ltd announced the launch of its tie-up with Samsung Telecommunications India for Airtel - Samsung handset bundle offer for new prepaid customers in Mumbai at a very affordable price of Rs2, 299/-. The bundle prepaid offer will provide its users with free A2A talk time worth Rs2299 and incoming / outgoing validity for 24 months. The key features of the handset comprises Emergency SMS service – this will help in case of emergencies as it sends SOS messages to predetermined numbers, Color LCD Screen: 1.51' 128 x 128 65K UFB, Weight – 69gm, 16 polyphonic Ring tones, a phonebook memory of 500 entries, speakerphone for hands free communications, GPRS Class 8, and last but not the least it comes with 1 year warranty.

Belgacom Mobile implements new Teradata

Teradata, a division of NCR Corporation, announced that Belgacom Mobile, Belgium's leading mobile telecommunications operator, has implemented a new Teradata Warehouse. Belgacom Mobile is using Teradata's communications Logical Data Model (cLDM). The cLDM provides the capability to drive strategic and tactical analysis from a single, integrated view of the business.

This capability is accomplished by integrating data from various internal applications (for example, billing, order management, network 2G/3G traffic, and handset management). The result is a structured and intelligent information model that enables Belgacom Mobile to better evaluate and manage its activities in key areas. These key areas include customer management, product analysis, revenue management, and finance and performance management.

Intex enters mobile handset market

Intex Technologies (I) Ltd, has entered the field of communication through launch of GSM mobile phones. The company has launched three feature rich models and has also entered into a tie-up with Buena Vista Internet Group, a part of The Walt Disney Group ("Walt Disney"), the world's leading family entertainment brand, for preloaded Disney content. Intex mobile phones carry exciting sings tones, ring tones, exciting screen savers and aesthetic videos of the endearing Disney characters-Mickey, Minnie and also the stars from Pirates of Caribbean.

All the models are lightweight music phones with user-friendly features and sleek designs. Also, they present a unique proposition to all Indian mobile users to have ready access to the highly popular Walt Disney content at a MOP ranging from Rs2000-8000/-

Palm launches Treo 680 Smartphone

Palm, Inc. introduced the Palm Treo 680 smartphone, a GSM/GPRS/EDGE quad-band world phone, in India. Customers will find in the Treo 680 smartphone Palm's renowned usability, yet it's packed full of features beyond its stellar phone capability, such as email, web browsing, messaging, multimedia, calendar, contacts and more. Palm believes this product, which is available now, will appeal to feature-phone users who want a more capable mobile-computing device.

The Treo 680 smartphone has an internal antenna and is designed with ease of use in mind. It has a full, easy-type keyboard, perfect for writing SMS messages and emails, and an optimal 320x320 vibrant color screen for viewing web pages, photos, media and more. The Treo 680 smartphone has a unique phone user interface that further simplifies Treo innovations, such as the ability to respond to calls with a preset text message and add new phone numbers to existing contact information, and three-way calling.

Ikivo ties up with Advanced Micro Devices
Ikivo AB, the leading provider of open standards based rich media solutions for mobile devices, announced a collaboration with Advanced Micro Devices, a leading global provider of innovative processing solutions in the computing, graphics and consumer electronics markets, to demonstrate accelerated vector graphics for rich media applications.

The Ikivo application running on AMD's hardware leverages Ikivo's portfolio of Enrich Tools and Clients based on Mobile SVG (Scalable Vector Graphics) and the AMD Imageon(tm) media processor solution for OpenVG 1.0. The stunning performance improvements achieved by hardware accelerated OpenVG is expected to stimulate wider use of rich media in mobile services and improve the user experience in applications such as Mobile TV, 2D games, media players and On-Device portals.

Infonox and PayMate ties up to launch mobile applications

Infonox, the provider and operator of the leading platform for the delivery of diversified financial services to Kiosks, ATMs and other delivery channels, has partnered with PayMate, the leading (M) mobile-commerce solutions provider of India to develop a suite of mobile payment products for the US market. With this alliance, the existing businesses on Infonox platform, which include major merchant acquirers, financial service aggregators and banks, will have the instant ability to offer their branded transaction services on cell phones.

Products to be offered on the mobile channel will include not only Transactional Services but a variety of Business Services and Systems Management Services. The applications will be demonstrated on popular cell-phones like Sony Ericcson k790i and the BlackBerry 8700 at the ETA (Electronics Transactions Association). The mobile applications will be based on industry standards like J2ME, BREW, Windows Mobile and will run over SMS, GPRS and CDMA based protocols. The applications have been developed to be compatible with major phone models offered by US providers and include BlackBerry, Treo, Motorola, Nokia, Sony Ericsson, Samsung, LG and Windows Mobile based cellular devices.

Adax signs new deal with Keynote SIGOS
Signaling vendor, Adax Europe, has announced its long-term agreements to supply frame relay software and HDCII-PCI controllers to telecommunications testing specialist Keynote SIGOS. Keynote SIGOS will be using the Adax solutions to support its SITE (SIGOS Integrated Test Environment) system, a facility which is used by network operators to test and measure their entire mobile network operations.

Keynote SIGOS SITE is used by more than 50 major operators around the world, including Vodafone, T-Mobile, O2, Orange, Turkcell, Etislat, Maxis, CellC... The system provides continuous monitoring, comprehensive core network testing, detailed measurement activity, supports the new technologies (i.e. GSM, GPRS, EDGE and UMTS) without loss of quality, powerful scripting, and a flexible, modular structure.

Motorola launches Flagship MOTOSTORE in India

Motorola, Inc., to open Motorola branded stores in key global markets with the simultaneous opening of a Flagship MOTOSTORE in the National Capital Region (NCR) at NOIDA and another MOTOSTORE in one of New Delhi's busiest markets, Lajpat Nagar. The MOTOSTORE will offer access to interactive experiences and exclusive content, as well as personalized services such as mobile phone tattoos; Bluetooth photo-imaging and ring tone downloads.

The new stores further cements Motorola's long term retail commitment to India, which now includes a MOTOSTORE presence in six cities as well as over 30 Shop-in-Shop installations across the country. The company will continue to invest in this strategy for India, and in other locations around the world.

YOU Telecom enters into agreement with Motorola and Sandvine

Citigroup–owned YOU Telecom India Private Limited has entered into a technology deployment agreement with global wireless communications major Motorola, Inc and US-based Sandvine Incorporated, a wholly-owned subsidiary of Sandvine Corporation.

Sandvine's technology will give YOU Telecom visibility into its network traffic in order to offer high-quality Internet services to over 150,000 subscribers. Motorola, a long-term technology provider to YOU Telecom, will complement Sandvine's efforts by offering sales and first-level support.

Sandvine's PTS technology platform is the industry's first 10-Gig platform, helping enable per-subscriber DPI-based policy solutions to solve both business and technology challenges in the world's largest broadband networks that are migrating to10-Gig connectivity. It will monitor subscriber usage traffic enabling implementation of intelligent broadband solutions such as customized broadband plans for subscribers. It will provide regular reports and will help to roll out revenue-generating services that help improve subscribers' online experience.

Samsung and Nokia to cooperate on mobile TV interoperability

Samsung and Nokia announced to cooperate to achieve interoperability between their DVB-H (Digital Video Broadcast - Handheld) enabled mobile devices and the open standards based Nokia network services system. The handset manufacturers will work together to support solutions based on the open OMA BCAST standard available for operator partners interested in deploying multi-vendor mobile TV services and trials in 2007 and onward.

The deployment of mobile TV services will offer new business opportunities for companies across the value chain, including content and broadcast companies, mobile service providers, infrastructure and handset manufacturers, and technology providers. The availability of interoperable DVB-H enabled devices and services is a key factor in further opening up the market.

Samsung and Nokia are both active in ongoing standardization and technology development to optimize the broadcast mobile TV experience. The companies will work on interoperability efforts using the open OMA standard while continuing to participate in industry-wide interoperability efforts within the related standardization bodies.

Volantis ties up with Mobixell

Volantis and Mobixell has announced a partnership to deliver a broad variety of multimedia capabilities optimized for every media type, mobile device, and value added service (VAS). The two companies have completed development on a fully integrated mobile video solution that takes advantage of Mobixell's unique multimedia capabilities together with Volantis' market-leading content delivery platform.

The new partnership complements Volantis' existing solutions for wireless carriers and content providers. The Volantis Suite of Mobile Content Applications(tm) and supporting Mobile Content Framework(tm) enable the development and distribution of a wide variety of mobile content, including wallpapers, ringtones, audio and video, streaming content, games, and interactive content such as quizzes, polls, and competitions.

Volantis' mobile content solutions provide an end-to-end content delivery platform that automates content operations and delivery for storefronts, deck management, 3rd party content integration, personalization, subscriber management, PC web-to-mobile transcoding, and on-device applications. Volantis' platform easily integrates with pricing and charging facilities that allow powerful merchandizing such as subscriptions, loyalty schemes and promotions, and mobile marketing campaigns.

IOL Broadband enters e-Learning business
IOL Broadband Ltd will launch its e-Learning initiative via interactive broadband services very shortly. As part of its e-Learning initiative, the company has signed an exclusive broadband access deal with Aban Informatics Pvt Ltd., a Chennai based company, part of the multimillion dollar Aban Group.

Tanla Mobile expands into Ireland
Tanla Mobile, a specialist in mobile application development, billing and delivery, has expanded its operations into Ireland. The company has signed revenue sharing agreements for mobile payments and messaging with every Irish mobile operator including 3, O2, Meteor and Vodafone.

The new partnerships enables Tanla to offer its leading mobile services to Irish media companies, telecom service providers and brands wishing to exploit the growing commercial marketing potential of mobile platforms. Tanla Mobile's entrance into the Irish market represents the next phase in its global strategy. Earlier this year, Tanla Mobile made a firm commitment to target Europe, South East Asia, North America and Australia.

Tanla Mobile provides an extensive portfolio of mobile solutions for content and brand owners, marketing and digital agencies, media channels, retailers and corporate businesses to entertain and communicate with their customers. Tanla Mobile's core billing and delivery offerings are complemented by a product suite of campaign management, content management, 3G Video and interactive TV management applications, all of which are integrated with powerful online reporting and CRM tools.

i-mate unveils JAQ3

The i-mate JAQ3 is a must tool for every professional on the move, packed with GPRS, EDGE and Wi-Fi connectivity for excellent data download rates. The true Microsoft Direct Push Email experience with i-mate JAQ3, that extend to attachments for real-time viewing and editing of work documents makes the life much easier.

I-mate JAQ3 has the right buttons to improve one-handed operation. The buttons and keyboard keys are nicely domed and raised with good tactile feedback, so you won't need to stare at the device's controls when you should be looking at the road when driving. The keys have a somewhat rough texture which helps keep your fingers on the keys rather than sliding off.

The classy black I-mate JAQ3, which weighs just 160 grams is uniformly distributed over the entire surface and is coupled with many interesting features. One such feature is the i-mate Configurator which detects the SIM card and configures the GPRS and MMS settings according to the network as soon as the device boots up. It also has The Search Application to search the device for various files, messages, calendar entries, notes, emails and the likes. The third is the Voice Commander, which recognizes voice prompts without storing voice tags in the device.

Subex Azure completes acquisition of Syndesis

Subex Azure Ltd. has successfully completed acquisition of Syndesis Ltd. Canada based Syndesis which is a provider of telecom service fulfillment solutions that enable telecom operators to create, offer and automate advanced communications services such as IPTV, VoIP, broadband and others.

This acquisition strengthens Subex Azure's leadership status in the telecom OSS space. They will now have access to enhanced solution delivery capabilities, especially in EMEA and APAC regions and a broader solution portfolio that addresses key areas such as revenue assurance, fraud management, interconnect billing and routing management. The expanded company has reorganized itself into three distinct Business Units (BUs) — Revenue Maximization Solutions BU, Fulfillment & Assurance Solutions BU and BT Business BU.

Network Services

Network Services, in a telecommunication network, are specified sets of information transfer capabilities furnished to users between telecommunications network points of termination. Network services categories include access and transport, public and private, and switched and non-switched.

ISDN PRI: ISDN Primary Rate Interface

ISDN Primary Rate Interface (ISDN PRI) is the ISDN configuration used primarily by large organizations with intensive communications needs. An ISDN PRI connection supports 23 64 kbps B-channels and one 64 kbps D-channel (or 23B+D) over a high speed DS1 (or T-1) circuit. The European PRI configuration is slightly different, supporting 30B+D.