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GSM subscriber data (April 2007)

Telecommunications

Wireless additions plunge…

… on lower additions from state-owned operators; net additions in private sector remain strong

Bijal Shah, CFA
(91-22) 6636-0169
bijal.shah@bricssecurities.com

Alok Nemani
(91-22) 6636-0288
alok.nemani@bricssecurities.com

Indian GSM operators added 4.1m subscribers in April, taking the country's GSM subscriber base to 125.6m. The month's net additions are 33% lower than that of March, primarily due to decline in net additions of state-owned BSNL and MTNL. This decline is not unexpected as their additions usually pick up in March, only to drop subsequently. Net additions of most private players continue to remain strong. Bharti's subscriber additions were 3% higher than the previous month. IDEA and Hutch saw 15% and 49% MoM increase in net additions, respectively. RCOM's net additions in GSM segment was nil for the month.

Bharti's net additions remained strong at 1.75m subscribers in April, but flat MoM. Its market share in net additions stood at 42.4%, as against the last six month's average of 33% (see Figure 3). This increase is primarily due to a large decline in net additions from BSNL.

IDEA's subscriber additions in April stood at 553,000, 49.1% higher than in March, but still below last six months' average of 607,000. IDEA saw acceleration in net additions in existing as well as new circles. Despite this, net additions number is lower than the last six months' additions. Note that last month's numbers were impacted by subscriber verification norms. IDEA's market share in net additions in the recently launched circles of Rajasthan and Uttar Pradesh (East) has improved in the past month. Since the company is ramping up its network roll out in these circles, net additions might improve further.

Hutch reported net additions of 1.26m subscribers, up 15%. For the last six months, the company's net additions averaged at 1.03m. We see acceleration in net additions in most circles, and improvement in net additions in BPL circles as well. However, there is possibility of further acceleration in BPL circles, especially in Maharashtra.

RCOM's net additions in the GSM segment were nil for the quarter as compared to 237,000 in March, which might be partly due to subscriber verification process. However, note that the subscriber base at 4.3m is significantly higher than 3.3m (as of March-end) reported in earnings release. This implies that it could be a couple of months before which net additions in GSM segment would actually pick up.

Aircel's net additions for the month at 414,000 were flat MoM.

BSNL reported 84% MoM decline in net additions to 327,000 (last month – 1.9m) and **MTNL** reported net disconnections of 263,000 (last month's net additions – 167,000). This decline is not unexpected as their additions usually pick up in March, only to drop subsequently.

Figure 1: Group's subscriber base

	Subscriber base					
	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07
Bharti	30,262,269	31,974,038	33,731,954	35,440,406	37,141,210	38,892,306
BSNL	22,975,201	23,618,551	24,442,364	25,444,271	27,428,884	27,755,857
Hutch + Essar	22,274,580	23,306,165	24,414,358	25,343,179	26,441,838	27,703,034
BPL (Mumbai)	1,052,699	1,056,282	1,062,255	1,065,818	1,070,853	1,077,085
IDEA + Escotel	11,841,154	12,442,450	13,071,949	13,640,000	14,010,551	14,563,206
Spice	2,357,493	2,449,664	2,519,927	2,578,584	2,728,956	2,814,727
RCOM	3,409,792	3,640,810	3,876,216	4,110,717	4,347,593	4,347,593
MTNIL	2,375,026	2,424,533	2,498,234	2,578,822	2,746,814	2,483,797
Aircel	4,237,834	4,512,690	4,802,346	5,094,840	5,514,467	5,927,932
Total	**100,786,048**	**105,425,183**	**110,419,603**	**115,296,637**	**121,431,166**	**125,565,537**

Source: COAI, AUSPI

Figure 2: Group's subscriber additions

	MoM additions					
	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07
Bharti	1,650,537	1,711,769	1,757,916	1,708,452	1,700,804	1,751,096
BSNL	921,147	643,350	823,813	1,001,907	1,984,613	326,973
Hutch + Essar + BPL	1,007,875	1,031,585	1,108,193	928,821	1,098,659	1,261,196
BPL (Mumbai)	3,527	3,583	5,973	3,563	5,035	6,232
IDEA + Escotel	861,525	601,296	629,499	568,051	370,551	552,655
Spice	91,450	92,171	70,263	58,657	150,372	85,771
RCOM	226,184	231,018	235,406	234,501	236,876	0
MTNL	49,456	49,507	73,701	80,588	167,992	-263,017
Aircel	232,756	274,856	289,656	292,494	419,627	413,465
Total	**5,044,457**	**4,639,135**	**4,994,420**	**4,877,034**	**6,134,529**	**4,134,371**

Source: COAI, AUSPI

Figure 3: Groupwise market share in subscriber additions *(%)*

	Share in net additions					
	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07
Bharti	32.7	36.9	35.2	35.0	27.7	42.4
BSNL	18.3	13.9	16.5	20.5	32.4	7.9
Hutch + Essar	20.0	22.2	22.2	19.0	17.9	30.5
BPL (Mumbai)	0.1	0.1	0.1	0.1	0.1	0.2
IDEA + Escotel	17.1	13.0	12.6	11.6	6.0	13.4
Spice	1.8	2.0	1.4	1.2	2.5	2.1
RCOM	4.5	5.0	4.7	4.8	3.9	0.0
MTNL	1.0	1.1	1.5	1.7	2.7	-6.4
Aircel	4.6	5.9	5.8	6.0	6.8	10.0
Total	**100**	**100**	**100**	**100**	**100**	**100**

Source: COAI, AUSPI

Figure 4: Category-wise share in net additions *(%)*

Category	Category-wise net additions					
	Nov-06	**Dec-06**	**Jan-07**	**Feb-07**	**Mar-07**	**Apr-07**
Metros	9.8	13.0	11.2	14.1	10.4	5.4
A	37.0	29.9	35.9	30.4	32.0	42.9
B	40.1	43.8	40.2	39.7	40.3	37.7
C	13.1	13.4	12.7	15.9	17.3	14.0
Total	**100**	**100**	**100**	**100**	**100**	**100**

Source: COAI, AUSPI

Brics Research and Sales

Research	Sector	E-Mail ID	Telephone
Prabhat Awasthi *(Head of Equities & Research)*	Auto, Telecom, Metals	prabhat.awasthi@bricssecurities.com	(91-22) 66360 155
Kapil Singh	Auto	kapil.singh@bricssecurities.com	(91-22) 66360 047
Srikanth Vadlamani, CFA	Banking	srikanth.vadlamani@bricssecurities.com	(91-22) 66360 178
Deepak Reddy	Banking	deepak.reddy@bricssecurities.com	(91-22) 66360 157
Satish Kumar	Cement, Engineering	satish.kumar@bricssecurities.com	(91-22) 66360 176
Abhinav Sharma	Cement, Engineering	abhinav.sharma@bricssecurities.com	(91-22) 66360 130
Bidisha Ganguly	Economist	bidisha.ganguly@bricssecurities.com	(91-22) 66360 175
Harmendra Gandhi, FRM	IT Services	harmendra.gandhi@bricssecurities.com	(91-22) 66360 179
Sarvottam Kumar	IT Services	sarvottam.kumar@bricssecurities.com	(91-22) 66360 059
Vishal Gupta	Petrochem, Oil & Gas, Power utilities, Airlines	vishal.gupta@bricssecurities.com	(91-22) 66360 195
Saion Mukherjee	Pharmaceuticals	saion.mukherjee@bricssecurities.com	(91-22) 66360 138
Inderjeetsingh Bhatia	Pharmaceuticals	inderjeet.bhatia@bricssecurities.com	(91-22) 66360 177
Bijal Shah, CFA	Telecom, Metals	bijal.shah@bricssecurities.com	(91-22) 66360 169
Manish Gunwani	Mid-caps	manish.gunwani@bricssecurities.com	(91-22) 66360 128
Manish Jain	Mid-caps	manish.jain@bricssecurities.com	(91-22) 66360 057
Aatash Shah	Mid-caps	aatash.shah@bricssecurities.com	(91-22) 66360 062
Jamil Ansari	Mid-caps	jamil.ansari@bricssecurities.com	(91-22) 66360 088
Sales – Equity			
Smita Das *(Head of Institutional Sales)*		smita.das@bricssecurities.com	(91-22) 66360 027
Abhijit Chakraborty		abhijit.chakraborty@bricssecurities.com	(91-22) 66360 126
Sachin Patil		sachin.patil@bricssecurities.com	(91-22) 66360 170
A. Sasikant		a.sasikant@bricssecurities.com	(91-22) 66360 083
Sanjay Jakate		sanjay.jakate@bricssecurities.com	(91-22) 66360 137
Ajit Kasar		ajit.kasar@bricssecurities.com	(91-22) 66360 109
Sanjay Shinde		sanjay.shinde@bricssecurities.com	(91-22) 66360 109
Sales – Derivatives			
Yuvraj Sehgal *(Head of Derivatives)*		yuvraj.sehgal@bricssecurities.com	(91-22) 66360 134
Saurin Zota		saurin.zota@bricssecurities.com	(91-22) 66360 042
Bhavin Parikh		bhavin.parikh@bricssecurities.com	(91-22) 66360 022
Ravi Jhaveri		ravi.jhaveri@bricssecurities.com	(91-22) 66360 035
Abhinay Salvi		abhinay.salvi@bricssecurities.com	(91-22) 66360 064
Piyush Shah		piyush.shah@bricssecurities.com	(91-22) 66360 065
Jignesh Shah		jignesh.shah@bricssecurities.com	(91-22) 66360 063
Vipul Shah		vipul.shah@bricssecurities.com	(91-22) 66360 067
Pramit Shah		pramit.shah@bricssecurities.com	(91-22) 66360 062
Suchita Shah		suchita.shah@bricssecurities.com	(91-22) 66360 091
Uday Purohit		uday.purohit@bricssecurities.com	(91-22) 66360 134
Database			
Sanjay Kadam		sanjay.kadam@bricssecurities.com	(91-22) 66360 160
Production			
Priyanka Sheth		priyanka.sheth@bricssecurities.com	(91-22) 66360 053
Bindu Unny		bindhu.unny@ bricssecurities.com	(91-22) 66360 242
Sushama Patil		sushama.patil@bricssecurities.com	(91-22) 66360 163
Administration			
Anna D'Souza		anna.dsouza@bricssecurities.com	(91-22) 66360 029
Krishnahari Kasturi		krishnahari.kasturi@bricssecurities.com	(91-22) 66360 161
Sunita Dmello		sunita.dmello@bricssecurities.com	(91-22) 66360 029

MUMBAI
Sadhana House, 1st Floor,
Behind Mahindra Tower,
570 P.B.Marg, Worli,
Mumbai- 400018. India
Tel : (91-22) 66360000
Fax : (91-22) 66360164

DELHI
803, Ashoka Estate,
Barakhamba Road,
Connaught Place,
New Delhi- 110001
Tel : (91-11) 51515392
Fax : (91-11) 23358790

BANGALORE
Unit No. 106, 1st Floor,
The Presidency, No. 82,
St. Mark's Road,
Bangalore- 560001
Tel : (91-80) 22485116
Fax : (91-80) 22485114

KOLKATA
FMC Fortuna,
R.No.A/16, 3rd Floor,
234/3A,A.J.C. Bose Road,
Kolkata- 700020
Tel : (91-33) 39881122
Fax : (91-33) 22812406

CHENNAI
Lemuir House, No.10,
G.N. Chetty Road,
T.Nagar,
Chennai- 600017
Tel : (91-44) 52606474
Fax : (91-44) 52606476