

potential for GSM/GPRS and CDMA modem market. The wireline broadband subscription base was 1.5 million in 2005. It is likely to reach 21 million in 2010 and 29 million in 2015. The future will belong to wireless broadband technologies such as WiFi and WiMAX. The WiFi modem market is likely to grow to \$650 million over the next decade. These figures indicate that the Indian modem industry will continue to be on the upswing for some time. ●

MAJOR PLAYERS

ATRIE TECHNOLOGY

Atrie offers a wide range of modems including DSL, ADSL, ISDN, and leased line. Its major customers include banks such as Canara Bank, Syndicate Bank, Bank of India, Bank of Maharashtra, and Oriental Bank of Commerce

Indian Bank; Government departments/PSUs such as the Indian Railways, Indian oil Corporation, HPCL, Software Tech Parks of India, Oriental Insurance Company Ltd., UP Irrigation Project, and BEML; and service providers such as MTNL, BSNL, VSNL, Tata Teleservices, BSES Telecom, HFCL Infotel Ltd., BSNL, and Airtel.



*Pawan Kapur,
CEO, Bharti
Teletech*

With the Government having classified broadband as minimum 256kbps, a sharp shift towards DSL is being noticed and a large number of customers are expected to move from Dial up to DSL. The National Broadband Policy envisages 20 million DSL subscribers by 2010.

BHARTI TELETECH

Bharti is one of the largest players in the ADSL/ADSL2+ CPE segment. The company plans to increase its share in the broadband CPE mar-

ket by providing superior quality CPE's with latest features with compatibility with equipment of most companies. Its major customers include mostly DSL service provid-

ravichandran

exclusive interview



Managing Director (India & SAARC) - Atrie Technology Pvt. Ltd.

On the Indian modem market.

The Indian modem market has grown by 27 percent in terms of volumes in 2005-06. Over the last fiscal year

however, it has grown by only 8 percent in terms of revenue due to drop in prices, as low cost solutions are available for the SME and SOHO market. The next few years are expected to be bullish and the market should grow at a rate of 15 percent annually in terms of revenue. One needs to be prudent to check the accurate total market size. Manufacturers sell

modems to service providers/system integrators and resellers, who in turn provide the same to their customers either by selling them, or bundling them with services, or offering them on rent. Thus, the same modems are sold twice which may lead to wrong and misleading information on the market size. Therefore, the best way to find out the market size is to consider net sales value of manufacturers who shipped boxes into India, to get the correct picture. We believe that the total India market size is Rs. 210 crore of which, leased line modems and equipment account for Rs. 150 crore and DSL & ADSL account for Rs. 60 crore approximately. The largest end users for leased line modems last year were the India Railways. State governments for the state WANs, central government for its networks, and banking & financial verticals constitute a major portion of the market. BSNL was the largest buyer of DSL and ADSL modems. BSNL

purchased over 480,000 units, followed by Bharti (300,000 units), and HFCL Connect (20,000 units), and Tata Indicom (20,000 units) approximately. ISDN modems are used for back up for 2MB/E1 and 64K leased circuits in case of failure and their share/value in the market is insignificant.

On technology and market trends.

The xDSL market is the largest with sales coming mainly from SOHO and SME segments. The incumbents BSNL and MTNL will continue to be major buyers of xDSL modems. Considering their strength on the existing penetration of subscribers in services on copper, there will be an addition of more than 20 million users in the next financial year. They will provide affordable data-services, such as Triple Play, besides video and voice on ADSL 2+, which is the current technology trend in DSL modems. IDSL 64/128 k leased line modems are expected to witness a