

India

September 28, 2023 - 7:40 AM

Neutral (no change)

Telco - overall

Jul 2023 subscriber data

- RJIO and Bharti Airtel added 3.91m and 2.89m wireless broadband (BB) subscribers mom, respectively, in Jul 2023.
- The VLR subscriber base was up by 3.55m mom at 1,046.41m.
- RJIO/Bharti Airtel added 0.23m/0.17m wired BB subscribers, respectively, in Jul 2023.

RJIO's net BB subscriber addition was highest over last 13 months

- Total wireless broadband (BB) subscriber base of 832.5m in Jul 2023 was up by 0.7% mom and 7% yoy. Reliance Jio's (RJIO) BB subscribers were up by 3.91m mom vs. 2.27m in Jun 2023, outpacing Bharti Airtel in mom addition for the fifth straight month. Bharti Airtel added 2.89m subscribers in Jul 2023 vs. 1.31m in Jun 2023. YTD, RJIO added 18m BB subscribers vs. 15.7m addition by Airtel. VI lost 0.62m BB subscribers in Jul 2023 but gained 0.4m BB subscribers on a YTD basis.

VI loses 26.8m subscribers on LTM basis; market share below 20%

- The industry wireless subscriber base at 1,146.25m in Jul 2023 was up 0.2% mom. Subscriber addition (+2.67m vs. +0.37m in Jun 2023) was led by RJIO (+3.91m vs. 2.27m in Jun 2023) and Bharti Airtel (+1.52m vs. 1.41m in Jun 2023). VI lost 1.32m (vs. -1.29m in Jun 2023) subscribers followed by Bharat Sanchar Nigam or BSNL (-1.4m vs. -1.9m in Jun 2023). The Maharashtra circle witnessed the highest increase in subscribers (0.6m mom) while the Andhra Pradesh circle saw the highest fall (-0.3m mom).
- Visitor location register (VLR)-adjusted wireless subscriber base was up 0.3% qoq and 3.3% yoy at 1,046.41m. RJIO continued to witness an addition in active subscribers aided by sustained higher VLR at 94% (vs. 91.88% in Jul 2022). RJIO added a net 24.96m active subscribers on a YTD basis and Bharti Airtel added 10.92m on a YTD basis. VI lost 7.26m active subscribers on a YTD basis.

Rural wireless subscribers down by 0.7% yoy

- RJIO added 2m rural subscribers' mom (8.5m on a YTD basis) in Jul 2023, with rural subscribers constituting 44% of its overall wireless base. Bharti Airtel lost 0.54m subscribers (+3.4m on a YTD basis), with rural subscribers constituting 48.2% of its overall subscriber base. VI continued to witness a mom contraction in rural subscribers (lost 16.6m over the last 12 months), accounting for 48.8% of its overall base.

Wired broadband subscribers up 21.1% yoy

- RJIO added 0.23m wired broadband (BB) subscribers in Jul 2023, with an overall subscriber base of 9.4m, & Bharti Airtel added 0.17m subscribers' mom at 6.7m. RJIO has a 26.3% market share in wired BB subscribers (vs. 21.3% in Jul 2022) while Bharti Airtel's share was at 18.8% vs. 16.9% in Jul 2022. BSNL's wired BB subscribers were at 3.68m vs. 3.86m in Jul 2022, with a 10.3% market share. Competitive tariffs & recent launch of JioAirFiber could continue to aid its wired broadband subscriber addition.

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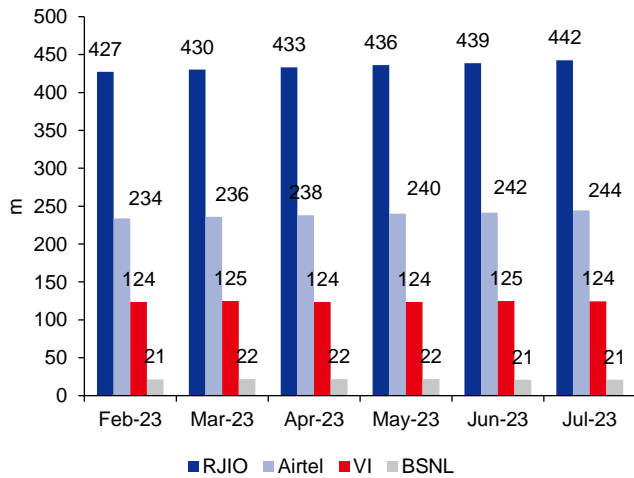
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Figure 1: Wireless subscriber data

| (m) | Jul-22 | Jun-23 | Jul-23 | MoM change | YoY change | Market share (%) |
|--------|--------|--------|--------|------------|------------|------------------|
| RJIO | 416 | 439 | 442 | 3.9 | 26.5 | 38.6% |
| Airtel | 363 | 374 | 375 | 1.5 | 11.8 | 32.7% |
| VI | 255 | 230 | 228 | -1.3 | -26.8 | 19.9% |
| BSNL | 111 | 99 | 98 | -1.4 | -12.6 | 8.6% |

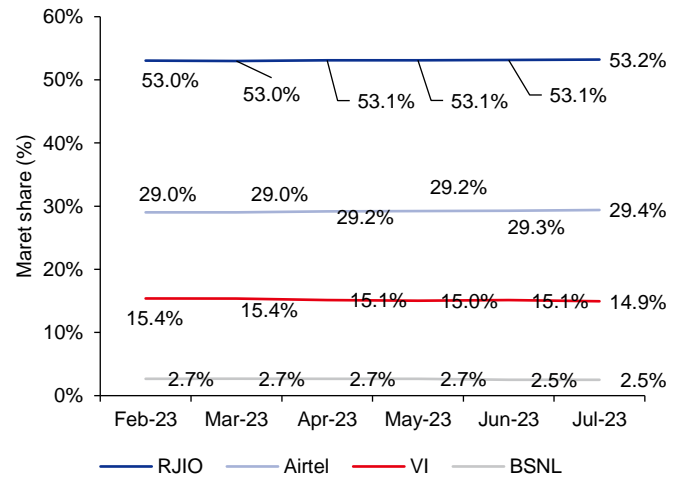
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Figure 1: Wireless broadband subscriber trend...



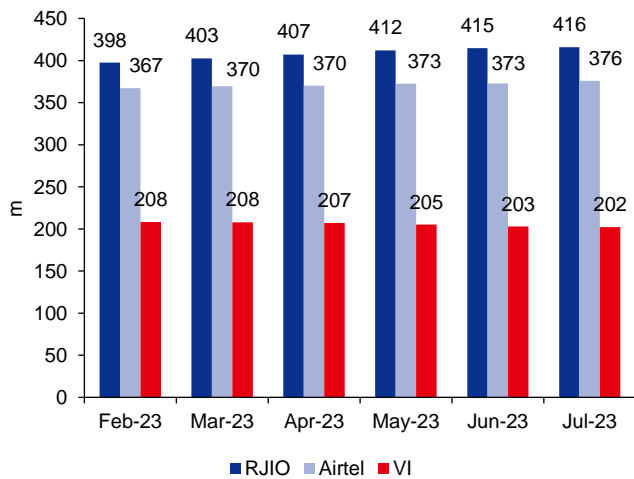
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Figure 2: ...and market share trend



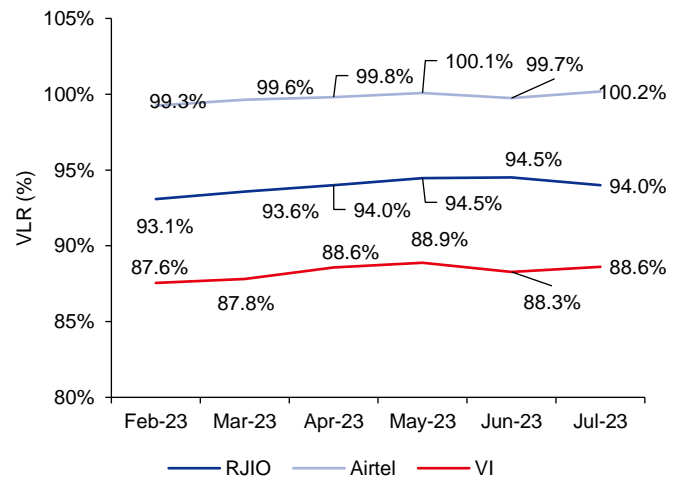
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Figure 3: RJIO's active subscribers' growth continues



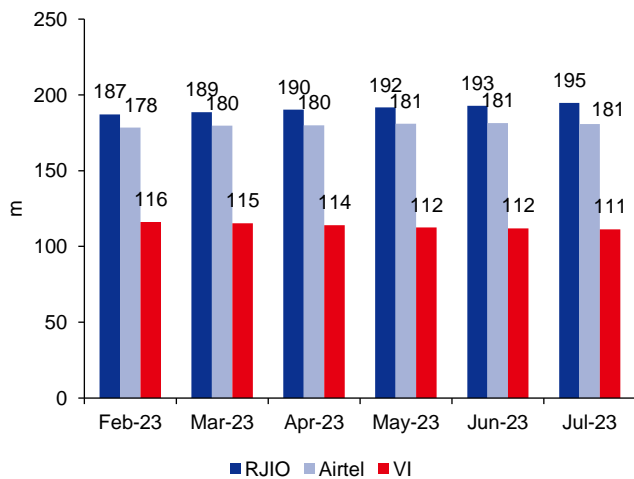
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Figure 4: ...while Vi continues to lose subscribers



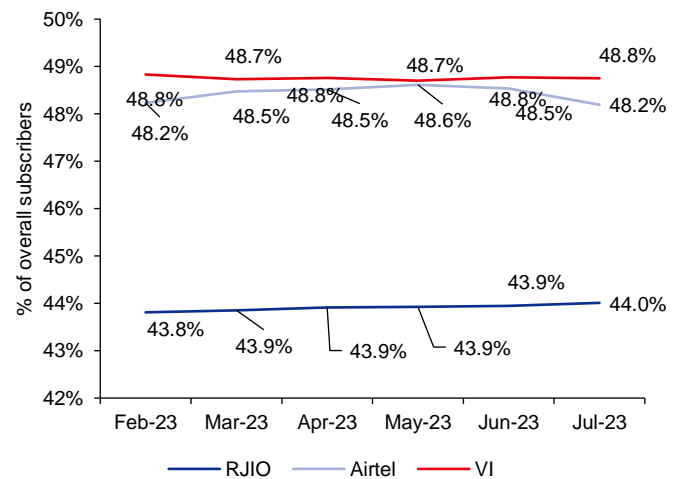
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Figure 5: Trend in rural subscribers...



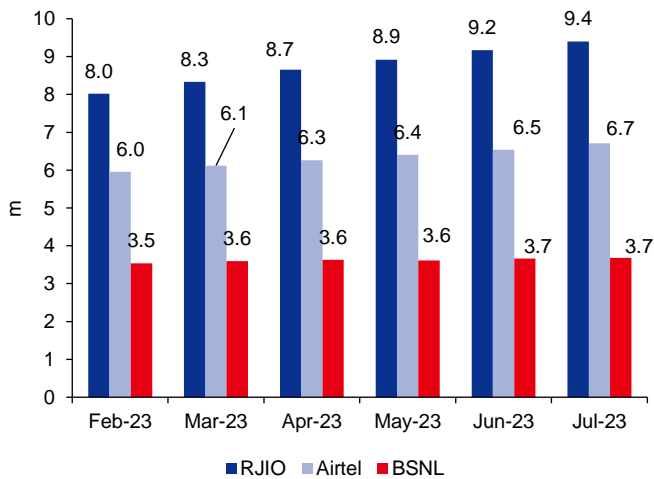
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Figure 6: ...and their contribution to overall subscriber base



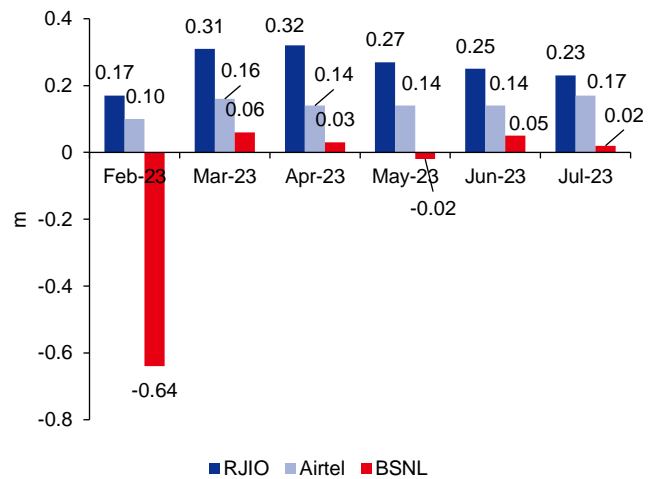
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Fixed broadband subscribers...



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: ...and their net addition trend



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 9: Circle-wise market share as of end-Jul 2023

| Market share (%) | RJIO | Airtel | VI |
|----------------------|-------|--------|-------|
| Andhra Pradesh | 37.7% | 40.1% | 13.8% |
| Assam | 35.7% | 44.3% | 7.4% |
| Bihar | 41.3% | 43.8% | 8.6% |
| Delhi | 35.3% | 31.7% | 29.9% |
| Gujarat | 42.3% | 17.3% | 32.8% |
| Haryana | 31.4% | 25.0% | 26.9% |
| Himachal Pradesh | 37.6% | 39.3% | 4.8% |
| Jammu & Kashmir | 42.4% | 48.3% | 2.6% |
| Karnataka | 33.9% | 48.2% | 10.0% |
| Kerala | 24.4% | 19.2% | 33.4% |
| Kolkata | 43.9% | 23.6% | 23.4% |
| Madhya Pradesh | 51.8% | 20.1% | 21.5% |
| Maharashtra | 44.9% | 23.0% | 25.4% |
| Mumbai | 36.8% | 29.5% | 32.9% |
| Northeast | 33.5% | 48.8% | 7.4% |
| Odisha | 42.8% | 34.1% | 4.7% |
| Punjab | 32.9% | 34.9% | 19.4% |
| Rajasthan | 39.9% | 35.8% | 15.3% |
| Tamil Nadu | 32.1% | 36.8% | 21.2% |
| Uttar Pradesh (East) | 36.6% | 36.6% | 18.2% |
| Uttar Pradesh (West) | 36.5% | 29.3% | 25.7% |
| West Bengal | 40.7% | 30.3% | 24.6% |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: Circle-wise contribution to operators' overall subscriber base

| Subscriber contribution (%) | RJIO | Airtel | Vi |
|-----------------------------|------|--------|-------|
| Andhra Pradesh | 7.0% | 8.8% | 4.9% |
| Assam | 2.0% | 3.0% | 0.8% |
| Bihar | 8.7% | 10.8% | 3.5% |
| Delhi | 4.3% | 4.6% | 7.1% |
| Gujarat | 6.3% | 3.1% | 9.5% |
| Haryana | 1.9% | 1.8% | 3.1% |
| Himachal Pradesh | 0.8% | 0.9% | 0.2% |
| Jammu & Kashmir | 1.2% | 1.6% | 0.1% |
| Karnataka | 5.1% | 8.5% | 2.9% |
| Kerala | 2.3% | 2.2% | 6.2% |
| Kolkata | 2.4% | 1.5% | 2.4% |
| Madhya Pradesh | 9.1% | 4.2% | 7.3% |
| Maharashtra | 9.4% | 5.7% | 10.3% |
| Mumbai | 2.8% | 2.7% | 4.9% |
| Northeast | 0.9% | 1.6% | 0.4% |
| Odisha | 3.2% | 3.0% | 0.7% |
| Punjab | 2.6% | 3.3% | 3.0% |
| Rajasthan | 5.8% | 6.1% | 4.3% |
| Tamil Nadu | 5.6% | 7.5% | 7.1% |
| Uttar Pradesh (East) | 8.3% | 9.8% | 8.0% |
| Uttar Pradesh (West) | 5.2% | 4.9% | 7.0% |
| West Bengal | 5.2% | 4.6% | 6.1% |

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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