

India

Neutral (no change)

Telco - overall

Oct 2023 subscriber data

- RJIO and Bharti Airtel added 3.16m and 0.52m wireless broadband (BB) subscribers' mom, respectively, in Oct 2023.
- The VLR subscriber base was down by 1.36m mom to 1,045.46m.
- RJIO and Bharti Airtel added 0.22m/0.15m wired BB subscribers, respectively, in Oct 2023.

RJIO's net BB subscriber addition momentum continues

The total wireless broadband (BB) subscriber base of 850.9m in Oct 2023 was up by 0.3% mom and 7.7% yoy. Reliance Jio's (RJIO) BB subscribers, up by 3.16m mom in Oct 2023 vs. 3.48m in Sep 2023, continue to outpace Bharti Airtel (added 0.52m subscribers). YTD, RJIO added 27.9m BB subscribers vs. 22.3m addition by Airtel. Vodafone Idea or VI lost 0.83m BB subscribers in Oct 2023 but gained 1.8m BB subscribers on a YTD basis.

VI loses 15.8m subscribers on YTD basis; market share at 19.6%

The industry wireless subscriber base at 1,150.98m in Oct 2023 was up by 0.1% mom. Subscriber addition (+0.83m vs. +1.72m in Sep 2023) was led by RJIO (+3.16m vs. 3.48m in Sep 2023) and Bharti Airtel (+0.35m vs. 1.32m in Sep 2023). VI lost 2.04m (vs. -0.75m in Sep 2023) subscribers followed by Bharat Sanchar Nigam or BSNL (-0.6m vs. -2.3m in Sep 2023). The Rajasthan circle witnessed the highest increase in subscribers (0.28m mom) while the Gujarat circle saw the highest fall (-0.28m mom).

The visitor location register (VLR)-adjusted wireless subscriber base was down by 0.1% mom but up by 2.8% yoy at 1,045.46m. RJIO continues to witness an addition in active subscribers aided by sustained higher VLR at 93.31% (vs. 93.56% in Sep 2023). RJIO added a net 31.1m active subscribers on a YTD basis and Bharti Airtel added 10m on a YTD basis. VI lost 11.2m active subscribers on a YTD basis.

Rural wireless subscribers up by 0.4% yoy

RJIO added 1.32m rural subscribers' mom (13m on a YTD basis) in Oct 2023, with rural subscribers constituting 44% of its overall wireless base. Bharti Airtel added 0.47m subscribers (+5.2m on a YTD basis), with rural subscribers constituting 48.3% of its overall subscriber base. VI continues to witness a mom contraction in rural subscribers (lost 8.5m on a YTD basis), accounting for 48.6% of its overall base.

Wired broadband subscribers up by 19.1% yoy

RJIO added 0.22m wired broadband (BB) subscribers in Oct 2023, with an overall subscriber base of 9.97m, and Bharti Airtel added 0.15m subscribers' mom at 7.17m. RJIO has a 26.7% market share in wired BB subscribers (vs. 22.7% in Oct 2022) while Bharti Airtel's share was at 19.2% vs. 17.3% in Oct 2022. BSNL's wired BB subscribers were at 3.74m vs. 3.95m in Oct 2022, with a 10% market share. Competitive tariffs and value proposition could continue to aid RJIO's wired broadband subscriber addition.

Research Analyst(s)

**Abhishek SHINDADKAR**

T (91) 22 4161 1543

E abhishek.shindadkar@incredresearch.com

Tushar WAVHAL

T (91) 22 4161 1544

E tushar.wavhal@incredresearch.com

Smit GOSRANI

T (91) 22 4161 1500

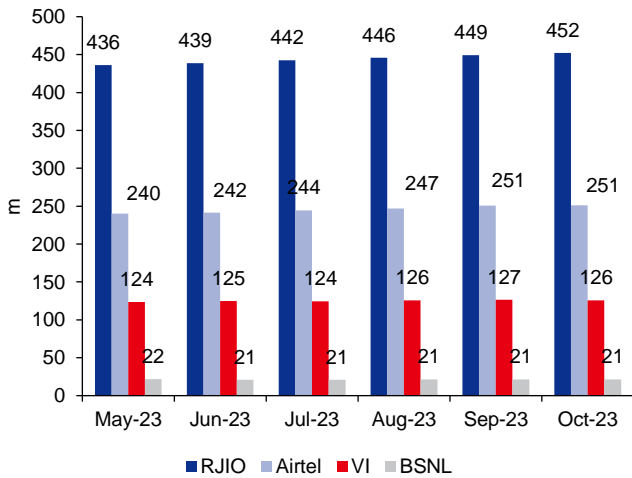
E smit.gosrani@incredresearch.com

Figure 1: Wireless subscriber data

(m)	Oct-22	Sep-23	Oct-23	MoM change	YoY change	Market share (%)
RJIO	421	449	452	3.2	31.0	39.3%
Airtel	365	378	378	0.4	13.1	32.9%
VI	246	228	225	-2.0	-20.1	19.6%
BSNL	109	94	93	-0.6	-15.8	8.1%

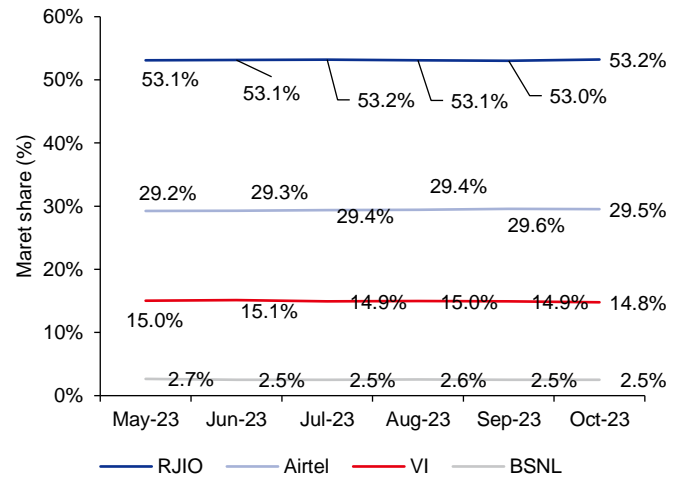
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Wireless broadband subscriber trend...



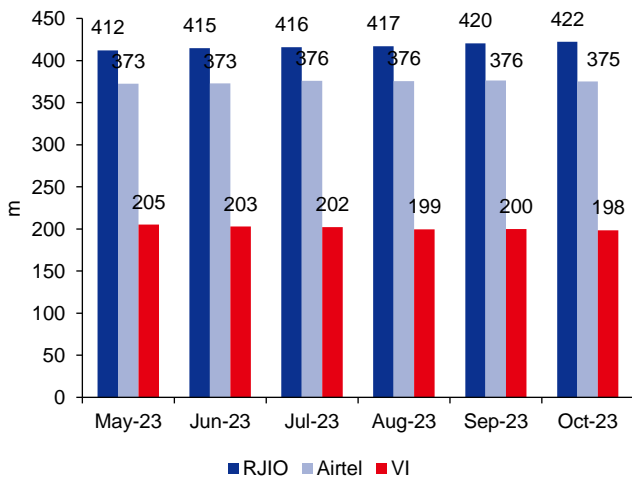
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: ...and market share trend



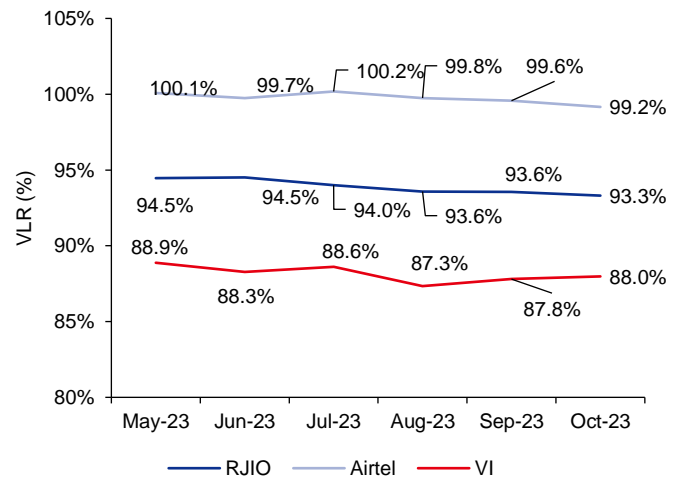
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Steady active subscribers' growth for RJIO...



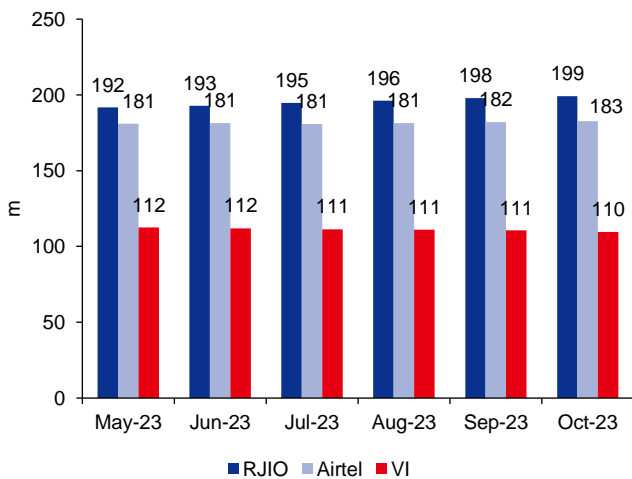
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: ...while VI's losing streak continues



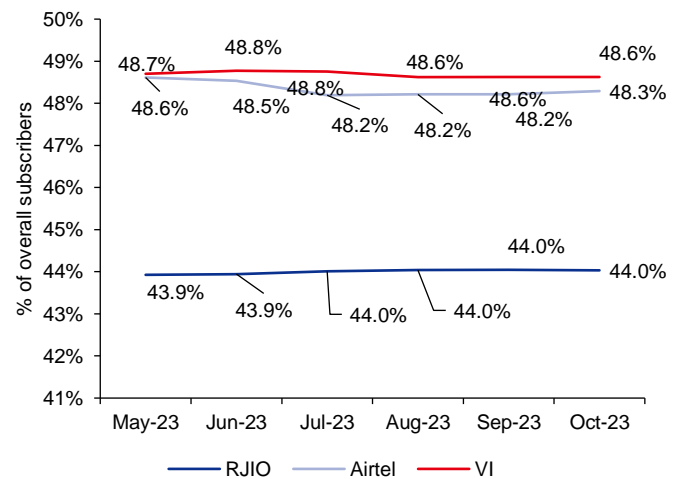
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Trend in rural subscribers...



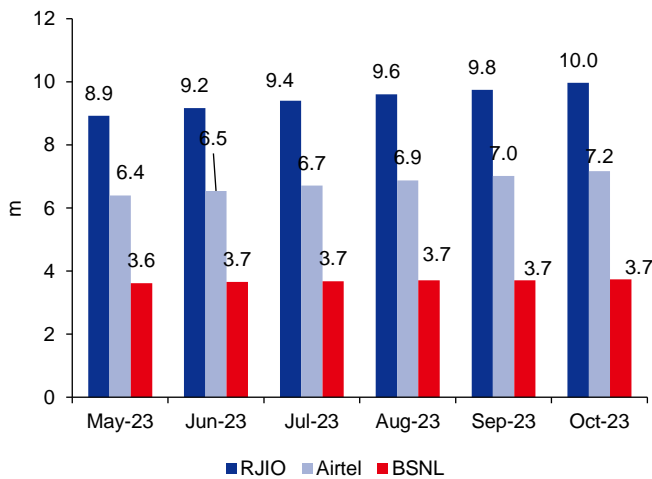
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: ...and their contribution to overall revenue



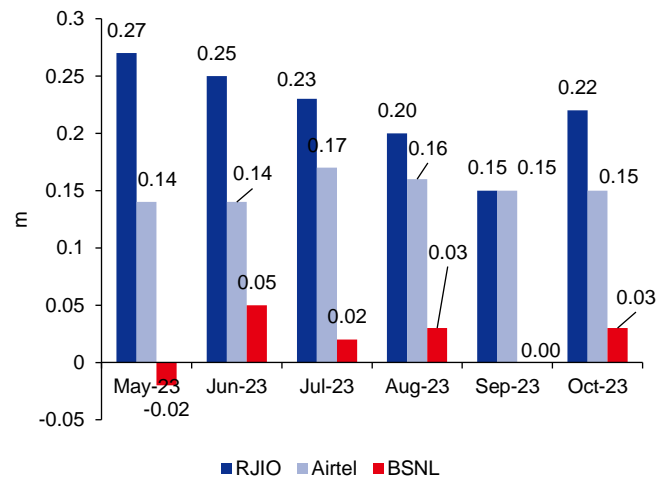
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: Fixed broadband subscribers...



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 9: ...and their net addition trend



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: Circle-wise market share as of end-Oct 2023

Market share (%)	RJIO	Airtel	VI
Andhra Pradesh	38.5%	40.4%	13.2%
Assam	35.6%	45.0%	6.9%
Bihar	42.2%	43.7%	8.3%
Delhi	35.3%	31.9%	29.7%
Gujarat	43.5%	17.5%	32.2%
Haryana	32.1%	25.6%	26.2%
Himachal Pradesh	37.8%	40.2%	4.6%
Jammu & Kashmir	42.4%	48.4%	2.5%
Karnataka	35.2%	48.2%	10.1%
Kerala	25.1%	19.7%	32.6%
Kolkata	44.5%	23.8%	22.7%
Madhya Pradesh	52.7%	20.3%	20.7%
Maharashtra	45.9%	22.8%	24.9%
Mumbai	37.1%	29.2%	33.0%
Northeast	33.5%	49.5%	6.8%
Odisha	44.0%	34.2%	4.6%
Punjab	33.8%	35.7%	18.9%
Rajasthan	39.1%	35.0%	17.2%
Tamil Nadu	32.4%	37.1%	20.8%
Uttar Pradesh (East)	37.6%	36.7%	17.6%
Uttar Pradesh (West)	37.4%	29.4%	25.3%
West Bengal	41.3%	30.8%	23.7%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 11: Circle-wise contribution to operators' overall subscriber base

Subscriber contribution (%)	RJIO	Airtel	VI
Andhra Pradesh	7.0%	8.8%	4.8%
Assam	2.0%	3.1%	0.8%
Bihar	8.7%	10.8%	3.4%
Delhi	4.3%	4.7%	7.3%
Gujarat	6.3%	3.0%	9.4%
Haryana	1.9%	1.8%	3.1%
Himachal Pradesh	0.7%	0.9%	0.2%
Jammu & Kashmir	1.1%	1.6%	0.1%
Karnataka	5.1%	8.4%	2.9%
Kerala	2.4%	2.2%	6.1%
Kolkata	2.4%	1.5%	2.4%
Madhya Pradesh	9.1%	4.2%	7.1%
Maharashtra	9.5%	5.6%	10.3%
Mumbai	2.8%	2.6%	5.0%
Northeast	0.9%	1.6%	0.4%
Odisha	3.2%	3.0%	0.7%
Punjab	2.6%	3.3%	2.9%
Rajasthan	5.7%	6.1%	5.0%
Tamil Nadu	5.5%	7.6%	7.1%
Uttar Pradesh (East)	8.3%	9.7%	7.8%
Uttar Pradesh (West)	5.2%	4.9%	7.0%
West Bengal	5.2%	4.6%	6.0%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

DISCLAIMER

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd. (formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000011024. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. Whilst every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which are believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made. (Information barriers and other arrangements may be established where necessary to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request. The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short term views etc.) that are inconsistent with and reach different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report

	Analyst/ Relative	Entity/ Associates
any financial interests in the company covered in this report (subject company) and nature of such financial interest	NO	NO
actual/beneficial ownership of 1% or more in securities of the subject company at the end of the month immediately preceding the date of publication of the research report or date of the public appearance;	NO	NO
any other material conflict of interest at the time of publication of the research report or at the time of public appearance	NO	NO
received any compensation from the subject company in the past twelve months for investment banking or merchant banking or brokerage services or investment advisory or depository or distribution from the subject company in the last twelve months for products/services other than investment banking or merchant banking or broker- age services or investment advisory or depository or distribution from the subject company in the last twelve months	NO	NO
managed or co-managed public offering of securities for the subject company in the last twelve months	NO	NO
received any compensation or other benefits from the subject company or third party in connection with the research report	NO	NO
served as an officer, director or employee of the subject company	NO	NO
been engaged in market making activity for the subject company	NO	NO

Analyst declaration

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.