

# Reliance Jio Puts 5G Expansion in Slow Lane

Faces monetisation issues like Airtel; telcos sharpen focus on upgrading 4G users; look at need-based 5G expansion

Kalyan Parbat

Kolkata: Reliance Jio, like rival Bharti Airtel, is going slow on its 5G network expansion with capacity utilisation low and monetisation still some time away, prompting it to sharpen focus on upgrading 4G users to the pricier next-gen service. Airtel, too, is focusing on ramping up its 4G network to migrate its remaining feature phone users to smartphones. Both telcos are looking at purely need-based expansion of its 5G operations as monetisation of the next-gen mobile services business is yet to see traction in the absence of use cases.



able that Jio's 5G equipment suppliers are Finland's Nokia and Sweden's Ericsson. "Jio's focus is to migrate its 4G users to 5G, but this won't happen overnight... the next round of 5G (purchase orders) for 5G gear could be some quarters away as network utilisation needs to rise sharply,"

of the people cited told ET. "Further investment by Jio will be need-based," a Jio spokesperson said in a written response to ET's queries. Jio added that the telco's 5G network already covers over 90% of India's population and is significantly ahead of the competition

(read: Bharti Airtel) in both coverage and capacity. Industry experts added that Jio's next round of 5G network expansion is likely to happen once it faces more competition from Airtel. "This is not the case now, given that Jio's 5G user base (130 million) is higher than Airtel's (90 million). Jio has some 130 million 5G users, of its 490 million-strong mobile user base in Q1FY25. And despite growing appetite for Jio Airtel 5G—telco's 5G-based fixed wireless access (FWA) service—there is still enough excess capacity on Jio's countrywide standalone 5G network, say experts. The Jio spokesperson said based on data growth on the telco's network and benchmarks from reputed third-party global entities that rate carrier network performance—such as OpenSignal and others—Jio's 5G SA (standalone) network

has been consistently rated as the world leader in network availability, experience and carrying the highest amount of data traffic. Airtel, too, is looking at Ericsson did not respond to ET's queries. Jio's senior management recently said the telco's capex hit a peak in FY24, and they expect moderation in FY25. However, in the current fiscal, the telco concluded its pan-India rollout of 5G networks by December 2023. J M Financial estimates Jio's annual capex to decline sharply to ₹30,300 crore/₹29,700 crore in FY25/FY26 from ₹45,000 crore/₹55,000 crore run-rate (excluding spectrum) seen in FY23/FY24. Senior industry executives said Jio would invariably need to double down on 5G network expansion once its 4G-to-5G conversions pick up and demand for its 5G-based Airtel services see further momentum.

# Exicom Buys US EV Charging Tech Co Tritium for ₹310cr

Plans manufacturing unit in Hyderabad; absorbs US-based company's entire workforce of 300

Press Trust of India

New Delhi: Home grown EV charging solutions firm Exicom has acquired US-based DC fast charging technology company Tritium for ₹310 crore, or about ₹310 crore, a senior company official said. Exicom managing director Anant Nahata said the company is setting up a manufacturing unit in Hyderabad where it will use DC (Direct Current) fast charging technology of Tritium to develop

solutions for electric vehicles. The Hyderabad facility is expected to be operational by end of 2025. "This strategic investment highlights Exicom's robust positioning in international markets and our commitment to expanding operational capabilities across diverse geographies. The comprehensive deal encompassing four key regions—the UK, the Netherlands, the US and Australia—amounts to ₹57 million," Nahata said. Exicom has absorbed the entire workforce of 300 people at Tritium in the company. "With the integration of Tritium's 300 talented individuals, Exicom will leverage synergies and drive innovation within the EV charging sector. This collaboration will further enhance our ability to deliver world-class solutions to our clients," Nahata said. Next-listed Tritium designs and manufactures proprietary hardware and software to make DC fast chargers for electric vehicles. Nahata said Tritium chargers are ideal for India's weather where temperatures vary from 20 degrees Celsius to 55 degree Celsius.

## AMID DoT DISCUSSIONS WITH FINMIN FOR A WAIVER...

# DoT Sends Notice to Vi for not Submitting Bank Guarantees

Due in second half of Sept, cover was for past spectrum auction dues

Kiran Rathee

New Delhi: The Department of Telecommunications (DoT) has issued a notice to Vodafone Idea concerning non-payment of bank guarantees needed to cover for past spectrum auction dues, officials told ET. The notice comes amid ongoing DoT discussions with the finance ministry regarding a waiver for the bank guarantee requirement. But so far, no decision has been taken. The latest notice was issued recently after the joint venture between UK's Vodafone Group and India's Aditya Birla Group failed to submit bank guarantees on time for past spectrum dues for auctions conducted before 2022. "We have written to Vodafone Idea to submit the bank guarantees... the bank guarantee was due in the second half of September, but the company has not submitted it yet," a person privy to the details said. Under the moratorium for spectrum auction dues for Vodafone Idea (VI) comes to an end in September 2025 and bank guarantees have to be submitted at least a year in advance for securing the dues. VI was scheduled to submit bank guarantees in tranches for different auc-



REUTERS

**BEHIND SCHEDULE**  
An official says Vi needs to submit bank guarantees worth ₹24,700 cr+ to the government in the coming months

tions, starting from September 20. Another official said Vi needs to submit bank guarantees worth a total of ₹24,700 crore to the government in the coming months. A query sent to Vi regarding the DoT notice concerning non-payment of bank guarantees remai-

ned unanswered at the time of going to press. Vi had earlier written to DoT seeking a waiver for submitting bank guarantees. While the companies need not provide bank guarantees for airwaves purchased in auctions from 2022 onwards, earlier rules mandated firms to provide a bank guarantee of an amount of one annual instalment. Officials, however, said the DoT had initially rejected the idea to grant a waiver as the requirement for bank guarantees was mentioned in the notice inviting application (NIA) for the respective spectrum auctions. The terms of NIA are binding on the government and cannot be unilaterally changed. But the proposal to waive the bank guarantee requirement was taken up again after taking into account Vi's financial situation and also the reforms package announced in 2021, which rationalised the need to submit bank guarantees. Based on the package, spectrum auctions conducted in 2022 and 2023 have done away with the requirement for bank guarantees. In case the DoT decides to waive the bank guarantee requirement for past auctions dues, Reliance Jio and Bharti Airtel, along with Vi, will also benefit to an extent.

# Stars Coming Down from Sky-High Fee to Get Movies Rolling

A-list actors take pay cuts on project-by-project basis amid several BO failures, tough funding

Rajesh N Naidu

Mumbai: A-list actors, known for their box office appeal, are stepping back and adopting a more realistic approach by lowering their fees on a project-by-project basis to get films off the ground in 2024's challenging funding environment and amid a string of high-profile failures, according to several top producers. Several top names have cut their rates by up to 30% compared to what they charged during the pandemic, a sign of the times and a necessary move to keep the industry moving forward. Generally speaking, an A-list actor's remuneration forms more than 50% of the cost of production of a film.

Generally speaking, an A-list actor's remuneration forms more than 50% of the cost of production of a film. Girish Johar, a producer known for Hindi films like Jazbaa (2015), Rustom (2016), and Tadka (2022), said, "Today, there is a clear focus on the cost of films. Many A-list actors have become more realistic and are reducing their fees by up to 30% on a project-to-project basis. This was, at least films are getting started."

Some A-list actors are now also agreeing to take 20-30% of their fees upfront and the remaining 60-70% from the film's profits, say industry experts. The failure of top films like Bade Miyan Chote Miyan, Madaana (2023) and Fighter has also forced production houses to look closely at costs and their film lists. "The number of films each production house is making has decreased. The mantra now is to create fewer, bigger, and better films," said the founder and group CEO of a leading talent management firm. "Increasingly, the industry is following skin-in-the-game strategy to kick-start films. A-list actors who have reduced their fees take a basic fee and secure a large part of remuneration from the profits of a film." Producers noted that this approach, where A-list actors take a smaller upfront fee, eases the burden of raising funds for films and creates a win-win situation for all stakeholders. Sunil Khetarpal, a film producer at Thema E&M, known for films like Badla (2019), Kesari (2019), and Dobaaraa (2022), said,

## Lights, Camera... Pay Cut

Several top names cut fees by nearly 30% from pre-pandemic levels on case-to-case basis

Stars' fees from 45-55% of a film's budget

Stars are taking a basic fee upfront of 20-30% of their reduced fees

Producers raise 45-50% funds for cost of production (95% of crew on board)



"The current business ecosystem has made a collaborative commercial structure necessary, where talent comes in at a fixed cost but shares in the upside when a film succeeds at the box office." He added that this more cooperative approach among key stakeholders—financiers, studios, talent, producers—is an organic response to the industry's current state of affairs. Gliven that star fees account for a significant portion of the costs, when an A-list actor reduces their fee and accepts only a basic amount, the producer then faces the task of raising funds solely for meeting movie-making costs. Suniel Wadhwa, cofounder of Karim Films and a veteran film distributor known for titles like Thees (1992), Ait India Rank (2023), and Lal Salaam (Hindi, 2024), said, "The situation in the industry is worrisome. Costs are being closely monitored on all fronts. Today, only those projects are moving forward where A-list actors have reduced their fees and are taking a smaller basic amount. This makes it relatively easier for producers to raise funds for the film's production costs."

# FINANCIAL FREEDOM FRATERNITY PROFESSIONAL

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## SMALL STEPS LEADING TO BIG OPPORTUNITIES

Creating wealth requires carefully studying the opportunities. Advisors can showcase long-term opportunities across asset classes

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Spotting the opportunity in the complex world of investing for tomorrow, mutual fund distributors play a pivotal role in guiding investors for achieving their financial goals. The expertise and personalised strategies are fundamental to navigating the intricacies of the market and optimising returns. As India's market extends its bull run and the rush of liquidity continues, spotting the long-term opportunity will get more challenging than earlier. For wealth managers, using technology to communicate with the investors is increasingly becoming critical. Use of technology can help customise the opportunities for investors and offer them information and perspectives that can keep their interests aligned. At the 5th FFFP Conference at Gurugram, fund managers and leaders of the mutual funds industry elucidated on the opportunities for volatility coaches to identify opportunities for wealth creation. Mutual fund distributors from over 75 cities gathered to listen to the best in the business," said Kanak Jain, Founder, SSL Academy.



It was their opportunity to learn from the people who are shaping the industry that manages funds in excess of Rs. 60 lakh crore. The experts focused on taking the small steps that could lead to the big opportunity through one-pointedness. Navmeet Mittal, MD&CEO, HDFC AMC & Chairman AMFI addressed the gathering on a video link.

**DIVERSIFICATION IS THE KEY TO GROWTH**

With diversification, which helps in spreading risk across various asset classes, mutual

fund distributors ensure that portfolios can minimise risk and enhance potential returns. Identifying pockets of opportunities that could emerge as megatrends of the future will help take care of the future. Across the various categories of mutual funds, for example, equity funds will capture value during the growth phase while debt funds will derisk the investments during periods when growth tends to slow down.

**SMALL IS THE NEW BIG**

As the mutual fund distributors reach out to the smallest of investors, for some of who it

may be the first step in the market, understanding their financial goals, risk tolerance, and time horizon is critical. This personalised approach ensures that the investment strategy aligns with their specific needs – some may need to reap the rewards for retirement or future healthcare needs or more. Imagine, a mutual fund distributor helping to invest in a fund for children's education, with growth potential for their lifetime.

**LEARN, UNLEARN, AND RELEARN**

The fundamental principles

- FFFP ACHIEVERS AWARDS 2024**
- Chadha Investment Consultant Pvt Ltd., Gurugram
  - Vista Wealth, New Delhi
  - SLA Finserv Private Limited, Jaipur
  - Assetplus (Valueplus technologies Pvt Ltd.), Chennai
  - Finnovators Services Private Limited, Pune
  - Hum Faaji Financial Services Pvt Ltd, New Delhi
  - Innovative financial management, Chandigarh
  - Scrp Box, Bengaluru
  - Hari G Kamat, Goa
  - Sapient Finserv Pvt Ltd, Delhi
  - Midas Finserv Pvt Ltd, Pune
  - I Can Financial, Mumbai
  - BlueChip capital services pvt ltd, Delhi
  - MFA Wealth Solutions Pvt Ltd, Mumbai
  - Sabal Biswas, Kolkata
  - Blue Edge Associates LLP, New Delhi
  - MFA Capital, Mumbai
  - Marina Wealth, Chennai
- FFFP VOLATILITY COACH INFLUENCER AWARDS 2024**
- Pramod Saraf, Indore
  - Sanjeev Chakraborty, Kolkata
  - Chandan Kumar Singh, Varanasi
  - Prakash Kumar Jain, Tirusukia
  - Ratnesw Varshney, Aligarh
  - Prishy Sampat, Mumbai
  - Gagan Gupta, Mumbai
  - Ashish Kumar Day, Kolkata
  - Bihag Indubhai Parikh, Ahmedabad
  - Bhavesw Garg, Panichkula

- FFFP POPULAR AWARDS 2024**
- Most Influential P2P Platform- Popular LenderClub
  - Most Influential Loan against MF Platform- Popular Viki Money
  - Most Preferred Backend Mutual Fund Software- Investwell
  - Most Preferred Mutual Fund Research Platform- Morningstar
  - Most Preferred MF Enabler Website- Advisor King
  - Most Preferred Alternative Investing Platform- theinvestedincome.com
  - Most Preferred MF Transaction Platform- MFU
  - Most Influential P2P Platform- Jury Lend Box
  - Most Influential L&S Platform- Jury LARK
  - MFDA Associations 2024
  - MFDA Varanasi
  - MFDA Bhopal
  - Ask Circle
  - IFPA
  - MFDAK- Hubli
  - MFDAK- Bengaluru

utors help demystify financial jargon and empower investors to make informed decisions independently.

**GUIDANCE FOR INVESTING**

Managing investments can be time-consuming and stressful, even for the mutual fund distributor. It can be even more stressful for those who are unfamiliar with the

short and medium-term gyrations of the market. By helping navigate the complex landscape, mutual fund distributors take on this responsibility, especially those new to investing. The financial professional providing expert guidance and assistance in the world of mutual funds and opportunities to diversify and minimise risks.

