

Business talk

There is an overwhelming growth of the domestic market where more than Rs. 41,000 crore has been committed for infrastructure and capacity enhancement. It offers a compelling business opportunity, which very few countries can match.



SHARAT CHANDRA
President, Chief Operating Officer,
GTL International Limited.

On your marketing plans and strategies

India is experiencing an exponential economic growth, fueled significantly by subscribers roll-out of over 6 million a month and fast technological transitions. Our primary focus is on delivering end-to-end service offerings in the wireless telecom space. For this, there are six business verticals under which GTL will expand operations not only in India but worldwide.

Global Group, India's largest network services provider to the world, has interests in telecom services, infrastructure, and manufacturing (infrastructure towers). With experience of more than 20 years in telecom, presence across 25 countries, and a talent pool of over 12000 employees, Global Group offers a unique blend of skills, experience, expertise, and focus to serve the widest needs of carriers, OEMs, and service providers worldwide.

Currently, I am engaged in creating a common thread of business strategy tying in all the business units of Global Group and leveraging the commonality of market presence and business play. Aside from this, there will be need to establish niche strategic initiatives for each business unit. We are in advanced stages of discussions with leading global OEMs for strategic engagements in enhancing and strengthening the portfolio of services including but not limited to network planning and optimization. The key outcome of these strategies is to build world class capabilities as systems integrator of choice, leveraging on technical skills, program management processes, and strong financial base.

We have established a Center of Excellence (CoE) for WiMAX services recently. The WiMAX CoE will offer the best in class engineering, program management, integration, and O&M capability that could be exploited for WiMAX project execution at a global scale. In parallel, we will establish an academy, which will offer training and inter-operability testing platform for telecom engineers from within the group, customers, and upcoming engineers from Indian colleges.

Some of the key deliverables of my assignment as the President and the Chief Operating Officer, GTL International Limited include integration of all the international companies acquired

and under acquisition by providing integration support, guidance, and direct engagement in ensuring that the process of integration will be smooth, seamless, and mutually rewarding for GTL and the acquired companies.

On overall sales target for 2007-08

GTL Limited recently announced audited results (including its international subsidiaries on consolidated basis) for the quarter ended September 30, 2007. The consolidated revenue for the quarter ended September 30, 2007 was Rs. 439.18 crore as against Rs. 235.56 crore for the corresponding period in the previous year recording an y-o-y growth of 86 percent.

We have won contracts worth Rs. 230 crore in this quarter from two national level operators in India, in addition to contracts worth Rs. 40 crore and Rs.70 crore from OEMs in Saudi Arabia and Nigeria, respectively.

On manufacturing activities

GTL Infrastructure is setting up close to 25,000 towers spread across India, a majority of which will be located in rural and semi-urban terrain. For fulfilling our in-house requirements, we have another group company called Global Towers Limited that is into manufacturing of towers.

On R&D efforts

GTL is a telecom services company and we serve the interests of customers in the wireless network segments through end-to-end delivery. Being product agnostic, it allows us to leverage technical skills across multi-vendor platforms.

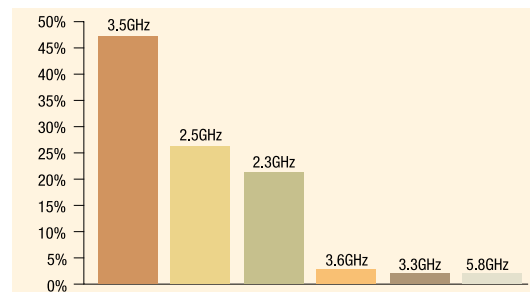
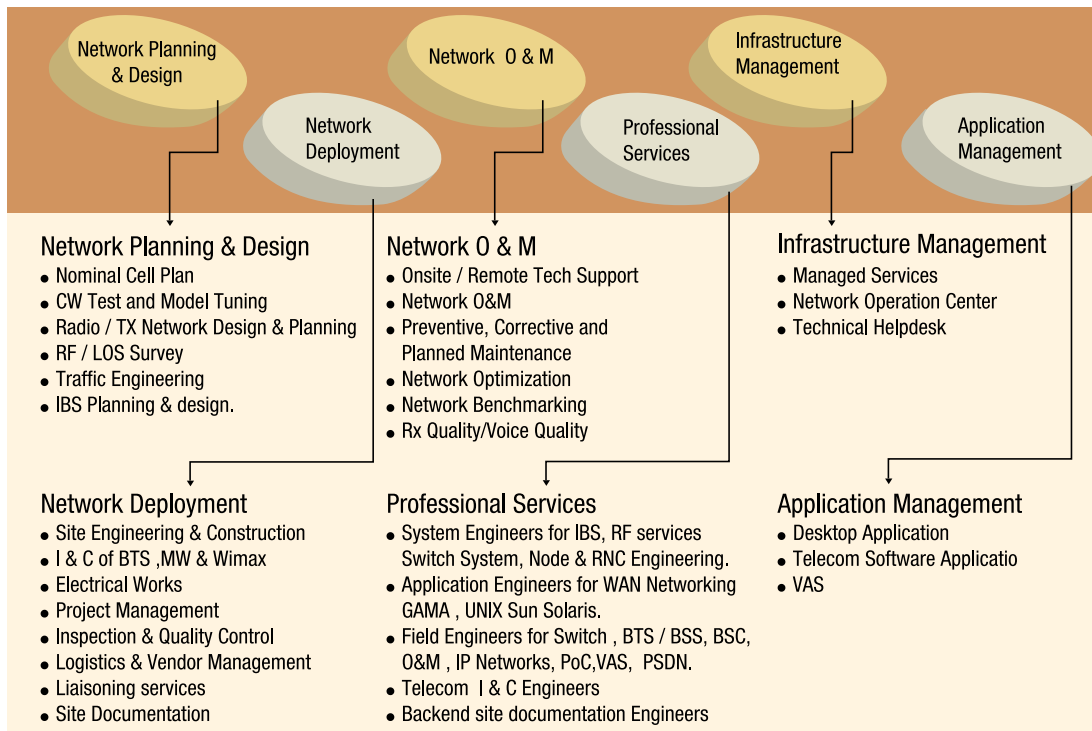


Figure: 1 WiMAX Frequency Allocations



While we do not have a specific R&D engagement, an ever growing number of cellular networks, approximately 25, serving more than 20 million subscribers, are a standing testimony to Global Group's engineering, integration, deployment, and program management capabilities worldwide.

On strategic advantages of the market

India offers a great potential for leap-frogging into new technologies as it is not saddled with legacy platforms in wireless mass communication. This is the biggest strength with immense strategic value to equipment manufacturers and service providers like GTL Limited. Even in deploying new business models such as managed services, India has taken a position of pre-eminence ahead of many developed countries. Local engineering talent matches up to the best in the world and ability to offer new applications to run on the latest technologies. Enhancing features and functionality of technology platforms has been amply demonstrated by Indian companies. Add to this, there is an overwhelming growth of the domestic market where more than Rs. 41,000 crore has been committed for infrastructure and capacity enhancement. It offers a compelling business opportunity, which very few countries can match. We at GTL Limited are well poised to engage, invest, and exploit the market opportunities through building up

the base, spreading our portfolio, and focusing on renewal by partnering with OEMs and customers in India.

On challenges that need to be addressed

WiMAX is currently one of the hottest technologies in wireless. Interest has increased with the addition of mobility to the 802.16E standard, which will potentially offer next generation wireless service with voice over IP, mobility, and very high speed, low cost data services.

There is a need to support the power of international harmonization and certification for the long term benefit of the operators and end-customers. These two aspects will drive the economies of scale for the technology, services, and roaming across WiMAX networks. Hence, globally, large OEMs have focused on product development based on 802.16e standards and harmonized global bands, such as 2.5GHz, 3.5GHz, and 2.3GHz.

Indian operators, however, currently have spectrum allocation in 3.3GHz band, which is not one of the standard WiMAX profile. Most OEMs are very keen to bring the advantages and benefits of its WiMAX products and services to the Indian markets and operators. To make this happen, they have been working in the past with the in-country operators and regulatory bodies to ensure that India adopts WiMAX spectrum as per the defined WiMAX profiles across the globe. ■