

A Giant 5.7 Billion USD Stroke of Confidence in the Indian Digital Story!

BIF Hails the Huge Investment in the challenging Covid era

27th April 2020, New Delhi: Broadband India Forum, the leading independent Think-Tank and Policy Forum for Digital Communications in the country, today warmly lauded the recent huge investment of USD 5.7 billion (INR 43,574 crore) by Social Media giant Facebook through a 9.99% stake in Jio Platforms as a big positive note for the digital services sector in the country. BIF believes that the incidence of such a major investment decision coming in the midst of the gloom of the global Covid19 pandemic and its resultant economic fallout, strongly underlines the tremendous resilience, vitality and outlook of the sector for the future, despite the trying times being faced by the industry at present.

BIF stated that they believe this partnership between Facebook and Jio could be especially beneficial to over 50 million micro, small and medium businesses, over 100 million farmers, about 30 million small merchants and many millions of small and medium enterprises in the informal sector across India. The pact signed between Jio Platforms, Reliance Retail and WhatsApp to cross-leverage ecommerce platform JioMart and WhatsApp is also clearly aimed at facilitating new business opportunities by enabling a seamless digital connectivity experience between the consumer and local businesses/shops/kirana stores. In doing so, the collaboration is expected to be suited to help people and businesses operate more effectively in the growing digital economy, by bringing together an efficient mechanism for purchase and delivery of products or procurement of services at the local levels, whereby consumers will be provided with convenience, and the small businesses can benefit through efficiency of scale and reach. This is especially relevant in the present circumstances, wherein the Covid19 crisis has constrained consumers' options, severely impacted the supply chain and normal business practices, and thereby necessitated added innovative measures from the smaller businesses to cater to the essential needs of the consumers.

There are, as usual, some apprehensions in certain quarters that net neutrality and data protection norms would be flouted and consumer interest harmed. BIF believes that this is erroneous, farfetched and not based on facts. Net Neutrality rules are now unambiguously written into the TSP licences and so they are inviolate. Secondly, the Data Protection framework to guard consumer interests is under process and is shortly expected to come out as a legislated Act. Hence the second fear is also unfounded.

BIF stated that its entire large membership, which includes both Jio and Facebook, is deeply committed to the cause of 'Broadband for All' involving the proliferation of affordable high

quality broadband and involving the principles of Liberalisation and Competition, as well as scrupulous adherence to the Regulations as regards Net Neutrality, Data Protection, etc. BIF feels there is no place whatsoever for any negativism as regards India's Digital Future or Make in India.

Mr. TV Ramachandran, President, Broadband India Forum, commented thus, *"Facebook and Jio, both esteemed members of BIF, and leaders in their respective business verticals, have come together through this move and reaffirmed the promise and potential that the future holds for the Digital Services sector in the country. The critical importance of this sector has been amply demonstrated by the major role it has played, and continues to play in these difficult times to mitigate the ill-effects of the pandemic, while maintaining near-normalcy in the country. BIF is happy to note that this investment decision will further boost India's attractiveness in the global investment community, especially in the digital domain."*

This move will further strengthen the prospects of the broadband ecosystem in India, which has already set global benchmarks in terms of data consumption on a per subscriber basis, to the tune of 11GB/per user/month, and steadily rising. The rapid adoption and uptake of digital technologies in the country has spurred socio-economic development substantially, and such investments will provide tremendous impetus to enabling further social inclusion and empowerment.

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About Broadband India Forum

Broadband India Forum (BIF) functions as a policy forum and think-tank that works for the development & enhancement of the entire broadband ecosystem in a holistic, technology-neutral and service-neutral manner. BIF has established itself as a thought leader and a credible and effective voice, to help propel the nation to achieve the country's ambitious vision of creating a Digital India. To achieve this, BIF works to promote the rapid development of policies, so as to facilitate affordable and high-speed ubiquitous broadband throughout the country.

Formed in October 2015, BIF is a dedicated forum with participation from all stakeholders, including Technology Providers, Telecom Operators, Internet Service Providers, Value-Added Service Providers, Satellite Operators and service providers, MSOs, startups and professional entities, as well as seasoned Industry professionals who are familiar with different technologies, operations, regulations and policies.

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