

Has Reliance jio changed the telecom sector of India?

# **Description**

# Background:-

- The huge LTE mobile network operator Reliance Jio Infocomm Limited is a wholly owned subsidiary of Reliance Industries. It is the only an arrowides 4G networks without any 2G or 3G network support.
- Since Jio has entered the telecom market, it has kept on growing. Low costs and offers have attracted customers all over the country in bulks.

#### Yes :-

- With Jio coming into play, the <u>data costs and the call costs has reduced drastically</u>. This is one of the primary reasons for attracting millions of customers in just a few months.
- After the introduction of Jio, other telecom companies too had to reduce tariffs and had to think ways to improve efficiency. This is a big plus to telecom industry as well as consumers.
- As Jio services support 4G networks only, the <u>demand for 4G enabled smartphones has also increased</u>. According to data by IDC and Morgan Stanley Research, 95% of the smartphones sold in the country in the first quarter after Jio launch were 4G-capable.
- India saw an exponential rise in the consumption of online data after Jio launch. Statistics says that India consumes over 100 crore GB of data each month with video streaming of 165 crore hours per month. Voice calls for over 250 crore minutes each day are also recorded. Jio has claimed that Facebook and Google have added over 70 million users since the Jio launch.
- The subscribers of Jio are increasing at alarming rates. Jio claimed the subscription of 100 million users in less than 6 months of operation. This is creating a tough competition for other telecom service providers like Vodafone, Aircel, Idea etc.
- <u>Jio became the countryâ??s biggest provider of broadband Internet</u> too. According to the governmentâ??s TRAI SpeedTest portal, Jio has consistently achieved top internet speeds in India.

The <u>launch of Jio Phones will be the next big bomb</u> for the telecom industry. Its 4G-VoLTE feature along with free calls, web surfing supports etc will make it another success. According to the company, the phone received over 6 million pre-booking requests in one day.

### No :-

- The <u>telecom industry had been facing huge debts</u> of around 4.5 trillion rupees yet it continues to carry a debt of around 3 trillion rupees.
- All other telcos like Airtel, Vodafone incurred losses because of Jio.
- In spite of the widespread of Jio connections, and free access of internet, <u>illiteracy continues</u> to be high in our country.
- In <u>rural and village or remote areas of the country, the 4G connectivity has not reached yet.</u>
  Those people are still deprived of the Jio-failities.
- The launch of Jio phones can also be a tremor for the mobile manufacturer industries. They might be facing huge losses.

## Conclusion:-

The launch of Jio and its plans has satisfied its customers greatly. Other telecom industries, mobile manufacturers, etc might be at loss but the customers are utilizing low-cost internet services and calls at their best. Jio has huge plans in the healthcare and education sector, where it wants to capitalize on Prime Minister Narendra Modiâ??s Digital India campaign.

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