

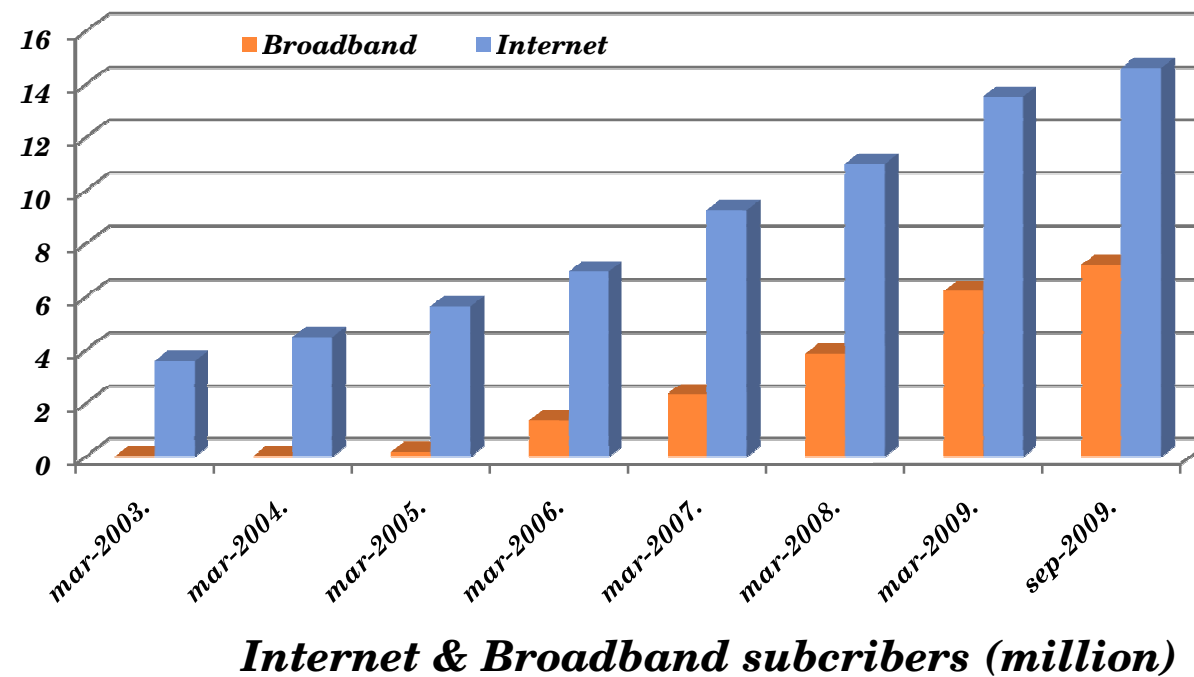


ADDRESSING INTER-STATE ISSUES: BROADBAND IMPACT ON ECONOMIC GROWTH

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ICRIER**



BROADBAND PENETRATION IN INDIA IS STILL
VERY LOW.....INDIA HAS LESS THAN 1
BROADBAND CONNECTION PER 100
INHABITANTS



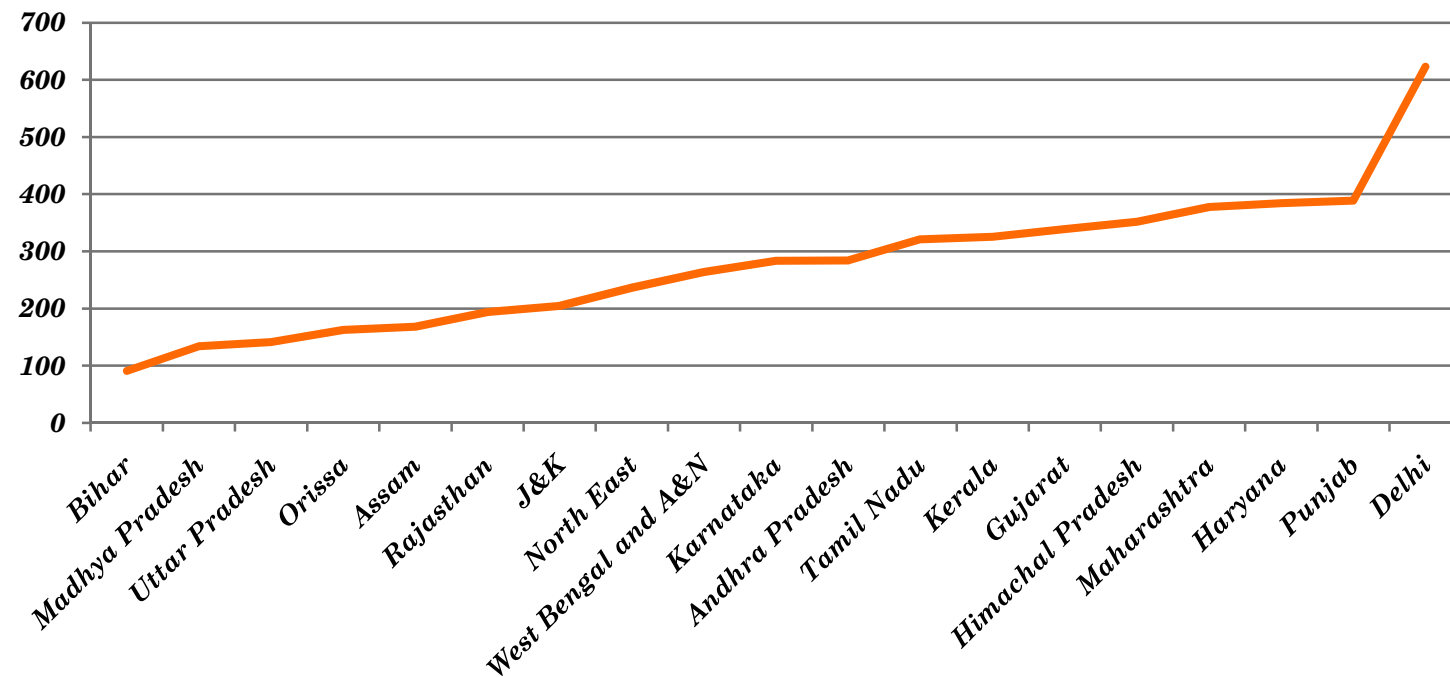
ISSUES

- *Broadband penetration is below 1% in India*
- *Rural India had only 3.3 million internet user i.e. only 1% of rural India is covered*
- *As evident there is huge variation in per capita income across states in India*
- *Assumed access cost of Broadband is 300-400 per month in India*
.... (from CII report 2009)
- *Our earlier research “India: the impact of Mobile Phones”, 2009 shows that Indian states with higher mobile penetration grow faster, with a growth rate of 1.2% points higher for every 10% increase in mobile penetration.*
- *From our recent analysis we find high correlation for broadband, internet and state GDP*

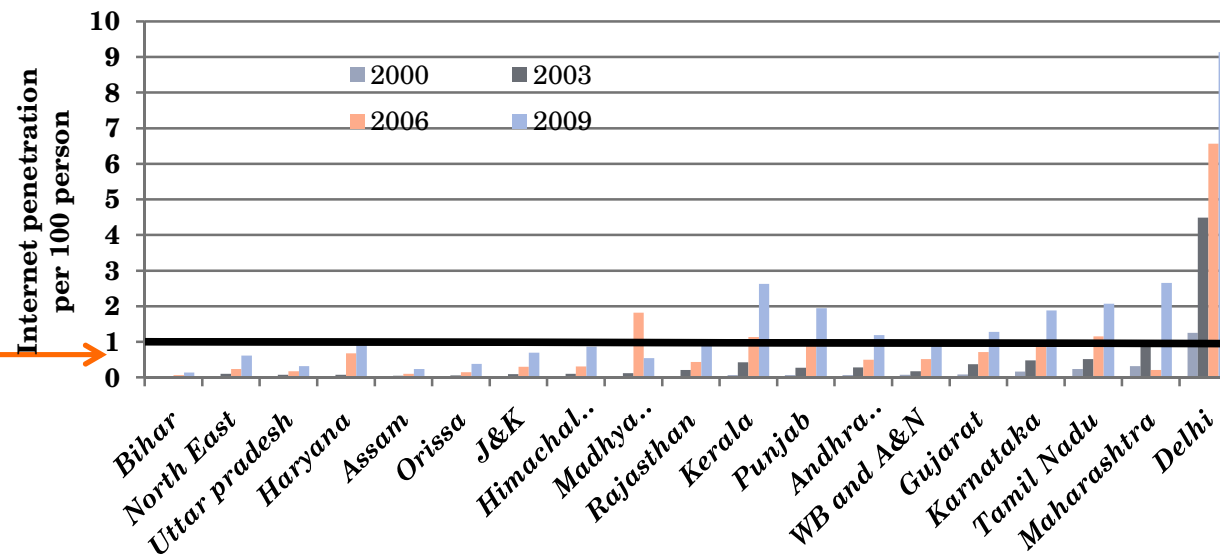
Cost of Broadband in India is 260 times higher South Korea while compared to China it is 65 times higher.....



PER CAPITA INCOME ACROSS STATES, 2008



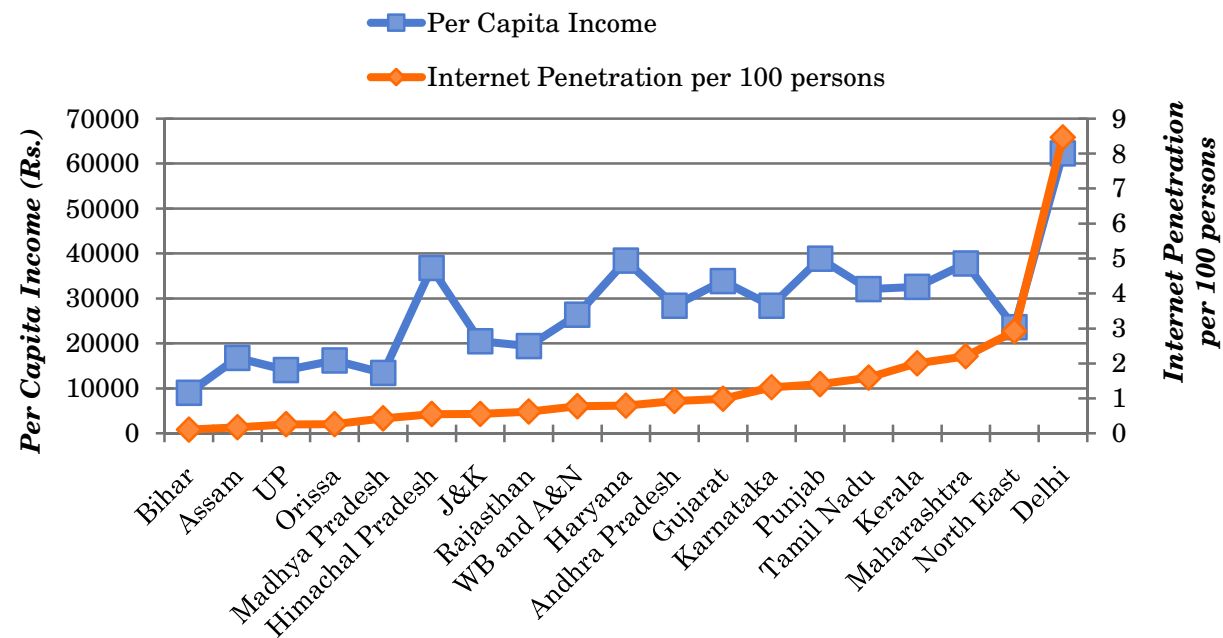
INTERNET PENETRATION IN PAST 10 YEARS ACROSS STATES



Only few states in past 10 years have internet penetration above 1



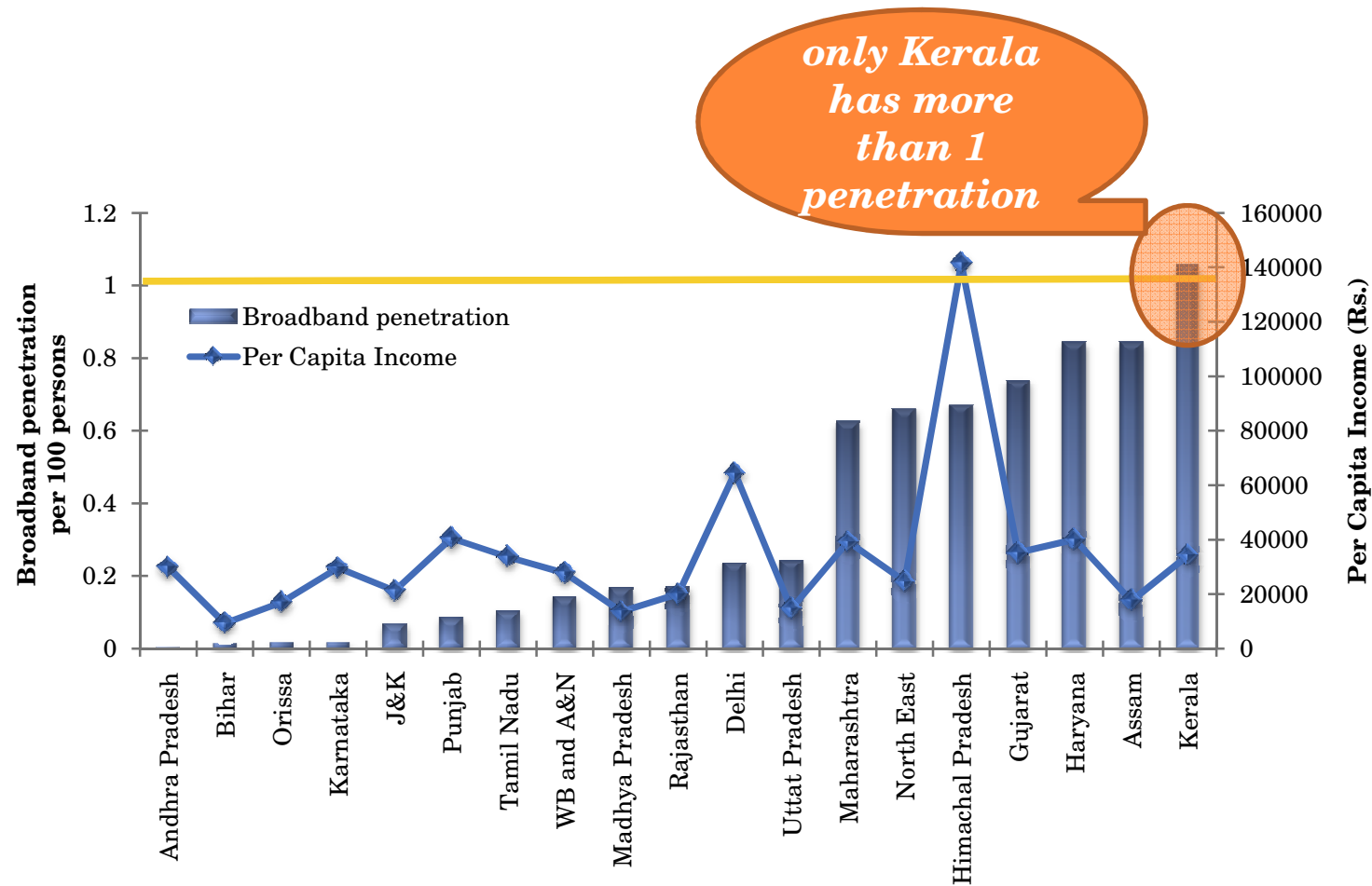
INTERNET PENETRATION AND ECONOMIC GROWTH.....INTER-STATE ANALYSIS



Internet penetration and Per capita income, 2008



BROADBAND DEPLOYMENT AND ECONOMIC OUTPUT.....INTER-STATE ANALYSIS



Broadband Penetration and Per Capita Income, 2008

OUR CURRENT RESEARCH ON “INDIA: THE
IMPACT OF BROADBAND” IS ADDRESSING
SOME OF THE ISSUES

THANK YOU!

