

'5G handset sales set to exceed 50% of total in 2024'

5G will add ₹1-lakh crore of additional revenue every 3 years: Techarc report

OUR BUREAU

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The adoption of 5G technology is expected to accelerate the revenue growth of the telecom industry, which will add ₹1-lakh crore of additional revenue every three years, rather than the four-year cycle in the 4G era.

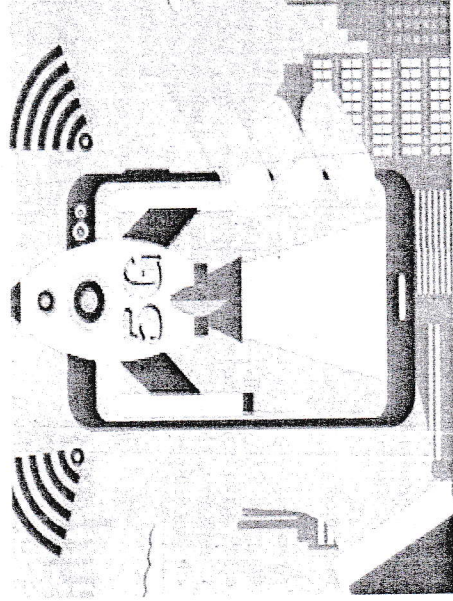
Total revenues

According to a report released by Techarc, a technology analytics company, the total revenue of the telecom industry is expected to reach ₹10-lakh crore by the end of 2023.

The report also noted that the sale of 5G smartphones

will exceed 50 per cent by 2024. "In 2024, 5G smartphone sales will exceed that of 4G smartphone sales, with the contribution of 5G smartphone sales touching 54.5 per cent. 4G smartphones will, however, continue being in demand till a little over 2030," said the report.

According to the findings of the report, the telecom sector in India is set to grow at a compound annual growth rate (CAGR) of 9.4 per cent between 2020 and 2025. The smartphone industry will grow fastest among the three main segments at a CAGR of 15.9 per cent during



The true 5G years are yet to come, which will be marked with the introduction of smartphones in the range of ₹10,000 to ₹20,000

the period. Adoption of 5G will positively impact the revenues of the industry, with CAGR between 2023 and 2025 expected to be 10.1 per cent against 8.2 per cent between 2020 and 2022.

"The increase in CAGR by

According to Techarc, the demand for 4G smartphones should continue even beyond 2030. Going by the trends, Techarc predicts 20-25 million 4G smartphones being in demand in 2030

1.9 per cent points due to 5G is likely to give accelerated relief to the telecom sector in the country after a decade of turbulence that saw consolidation and winding up of several telecom operators from the map," noted the report.

However, according to the report, the true 5G years are yet to come in India, which will be marked with the in-

roduction of mass volumes of smartphones in the range of ₹10,000 to ₹20,000.

While 5G smartphones account for 20 per cent of the overall sales in India, Techarc pegs 2024 to be the year of flip for 5G, when the sales contribution of 5G smartphones will exceed half (54.5 per cent) of the total smartphones sold.

However, this does not mean the extinction of 4G smartphones anytime soon. In 2025, Techarc estimates sales of 4G smartphones at 77 million (36 per cent).

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