



**Techno Economic Viability Study of a Telecom Operator**

**SUMMARY**

A global MNC business information provider had a mandate to do a techno commercial viability (TEV) analysis of a telecom company – leading regional broadband provider. They had to submit this analysis to their client – a leading bank of India. The funding proposal involved was about INR 800 Crores.

**THE CLIENT'S CHALLENGE**

The client has an in house world class risk management team that has years of experience and expertise to carry out such an exercise from a financial perspective. However, in order to execute the above assignment for the telecom operator, they felt the need for senior telecom professionals who have the relevant industry expertise from a techno commercial perspective and are well versed with the state of the art telecom technologies, industry practices, business models and the capex/opex requirements for an expansion and business as usual. Their ask from the experts was to help them understand as well explain technologies in addition to provide independent and strategic view of various business aspects and also participate in the due diligence of the telecom operator.

**ACTION PLAN**

Striatum was selected by the client as the consultant for the exercise. Striatum consultants successfully completed the techno commercial evaluation of the telecom operator over a period of two months. Striatum submitted a detailed technical report at the end of the exercise. Striatum also participated in the meetings with the bankers and explained the various aspects of the telecom business and the findings from the TEV exercise.

Striatum consultants carried out the following activities during the consulting exercise:

- Study and analyse the documents provide by the client
- Raise relevant queries and get missing data/responses from end user
- Onsite visit to the telecom operator offices, data centers, regional offices and telecom nodes.
- Joint sessions with all functional heads of the telecom operator (CEO, CMO, CTO, Marketing/HR heads) and other key staff to get a deeper understanding of each function and their drivers.
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- Analyse the telecom operators deployed technology, strategy for expansion, products, operations, customer services standalone and benchmarked to the industry
- Assessment of the network and IT resources, processes, operational framework, human resources and cost allocation
- Review and evaluate future revenue estimates and Capex/ Opex requirement considering projected business growth, modernization, technology migrations and regulatory reasons in addition to competitive scenario
- Visit key distributors at their offices and evaluate their experience with the operator
- Visit key enterprise customers to get their views about the company products and customer services experience
- SWOT analysis for telecom operator viability basis the shared information, discussions, visits and market sources

### **RESULT**

The client was able to complete firm's techno economic viability project well within the timelines and present it to their end client – the bankers.

