India @75: Replete with Contradictions, Brimming with Opportunities, Saddled with Challenges

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In a nutshell…

- <u>Contradictions</u>
  - Stock market vs real economy
  - Urban/formal vs rural/informal
  - Goods inflation
  - Cyclical convergence with the global economy
  - Bankruptcy resolutions

- <u>Opportunities</u>
  - Start-up India
  - Digital India
  - FinTech in MSME lending
  - FDI flows
  - Banking system health

Is India ready for China+1 pivot of the world?

- Challenges
  - High tariffs
  - Rising industrial concentration
  - Twin deficits
  - Persistent core inflation
  - Skilling gaps and declining female labor force participation

- Proposals (Industrial Balance)
  - De-tariff, reduce protectionism
  - Dismantle conglomerates OR
    Gracefully reduce concentration
  - Speed-up, strengthen bankruptcy
    "Living wills" for conglomerates
  - (Macro) Achieve fiscal and inflation targets
  - (Labor + Skilling) Eliminate agri subsidies,
    Boot camps, Magnet schools, and
    CSR for female literacy, skilling, childcare

Scope of Inquiry in India’s Industrial Concentration

- Joint work with Rahul Singh Chauhan, U. Chicago Booth School of Business
- Trends in aggregate market power in India’s non-financial sector for the period 1991-2021
  - Using firm balance sheet data from the *Centre for Monitoring the Indian Economy’s Prowess Dx database,* we document trends in industrial concentration measured through firms’ annual sales and assets
- Which sectors are driving the trends?
  - Using data from *Prowess Dx*, we study the forces driving concentration including mergers and acquisitions data
- How is industrial concentration impacting industry-wide markups?
- Implications for price stickiness and persistent above-target inflation?

Table 1: Variable Definitions

Variable	Description
Top-5	Industry Groups ranked 1st to 5th by Assets or Sales across all Non-financial Industries in a given year (results are robust to defining Top-5 within each sector in a given year and are available upon request)
Big-5	Top-5 Industry Groups by Assets in the Non-Financial Sector in 2021. They are: Reliance (Mukesh Ambani) Group, Tata Group, Aditya Birla Group, Adani Group and Bharti Telecom
Big-6-10	Industry Groups ranked 6th to 10th by Assets in the Non-Financial Sector in 2021
Top-5 Share	Share of Top-5 Firms' Assets or Sales across all Non-financial Industries
M&A Deals	Deals involving Mergers or Acquisitions of Shares by Indian firms of domestic Indian firms
Markup	Firm-wise Markups are estimated as per DeLoecker, Eckhout and Unger (2020)[1] method. Measures the wedge between a variable input's expenditure share in revenue and that input's output elasticity.

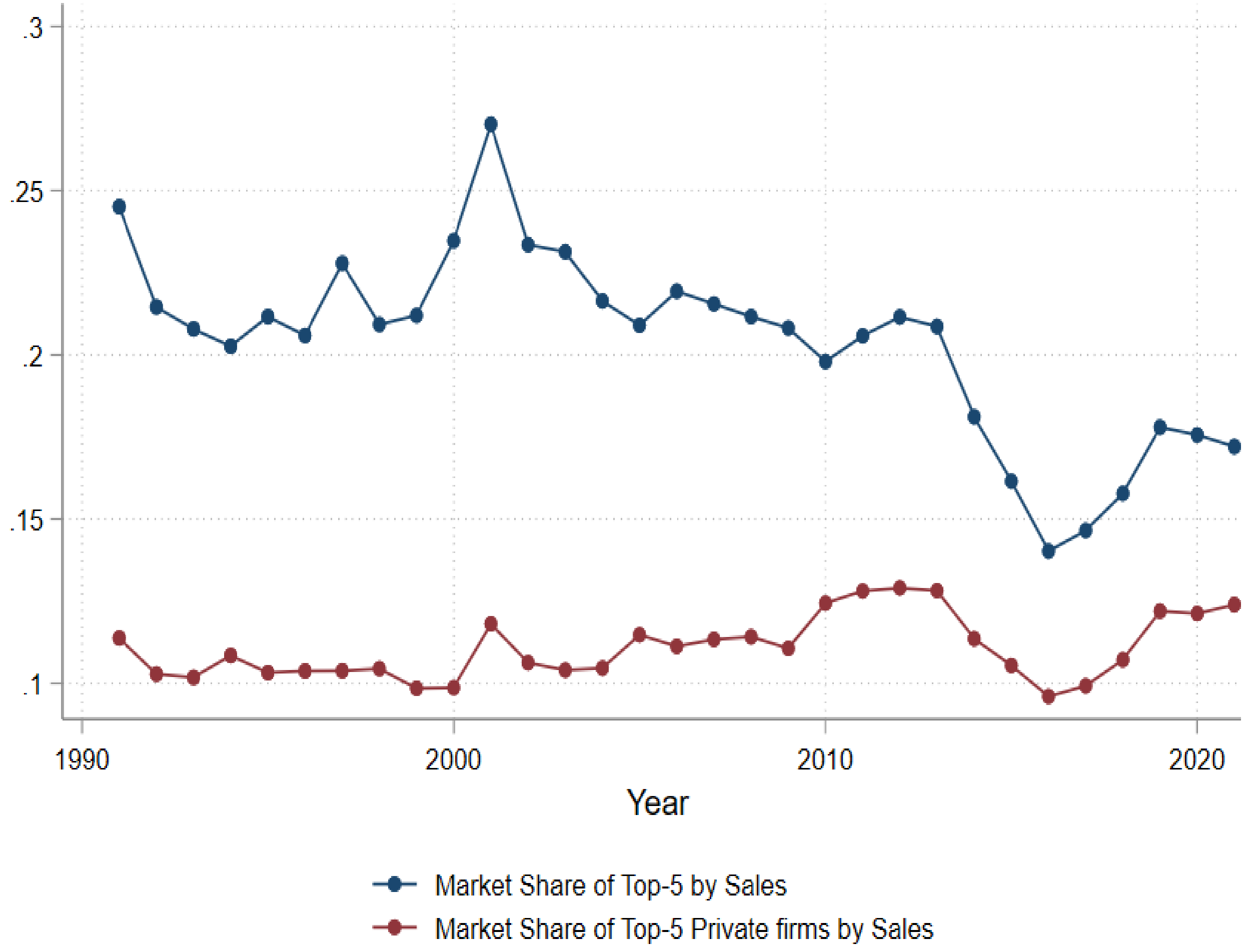
[1]De Loecker, Jan, Jan Eeckhout, and Gabriel Unger. "The rise of market power and the macroeconomic implications." *The Quarterly Journal of Economics* 135, no. 2 (2020): 561-644.

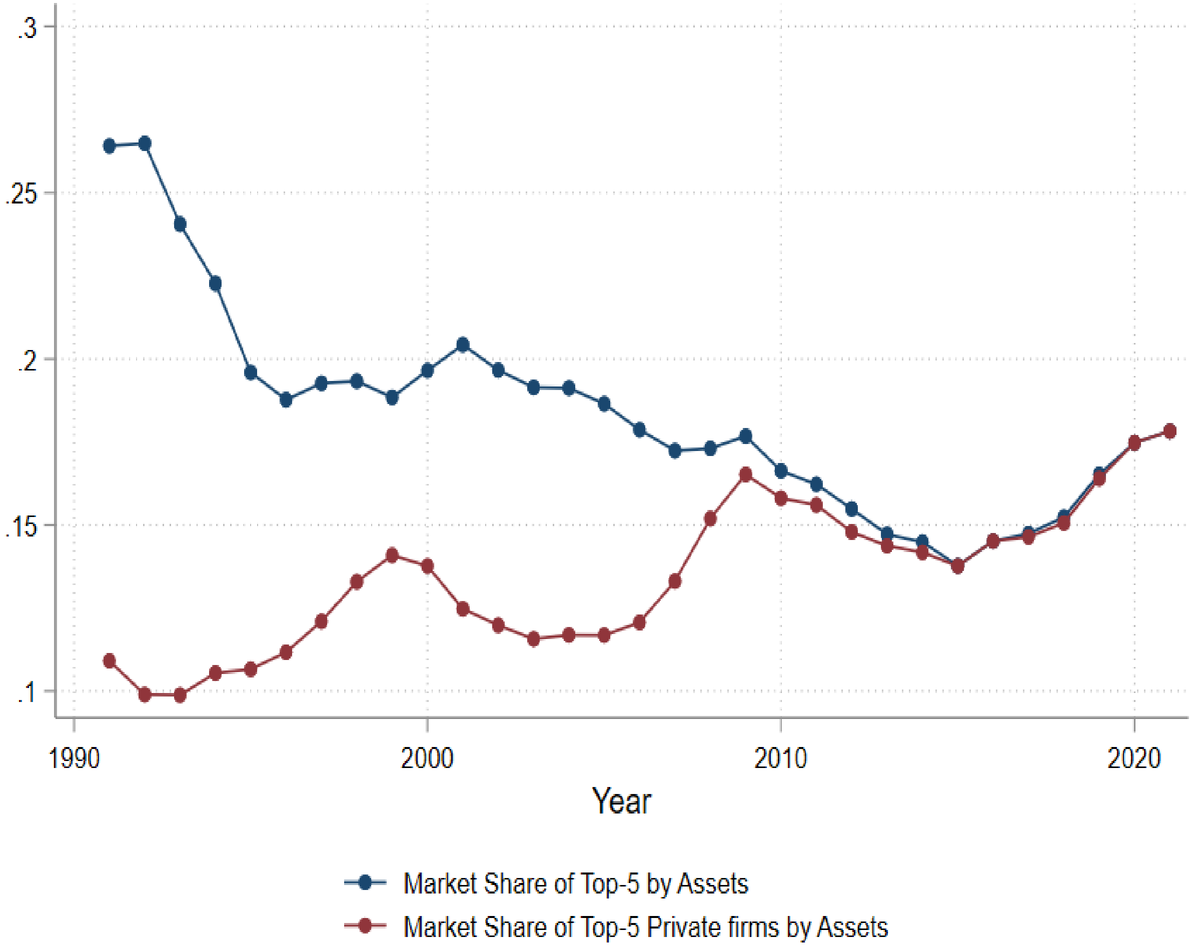
Trends in Industrial Concentration in India

- Industrial concentration across sectors was falling post-1991 liberalization as industries were de-reserved for the private sector and public sector enterprises were privatized or divested
- As a result market shares of public-sector enterprises declined and gave way to more private-sector competition
- Naturally, the market shares of private-sector firms rose in parallel
- However, there has been a recent rise in market shares of the private sector driven by consolidation by large conglomerates
- This rise of private-sector conglomerates is no longer reducing the overall concentration, in fact increasing it, and is thus not just at the expense of public-sector firms but also at the expense of other private-sector firms

Shares of Top-5 Groups Across Sectors

The figures plot the market share of the Top-5 firm groups by sales and assets in the overall non-financial sector in a given year[2]. The asset share graph points to the recent rise being driven by Top-5 private sector firms.



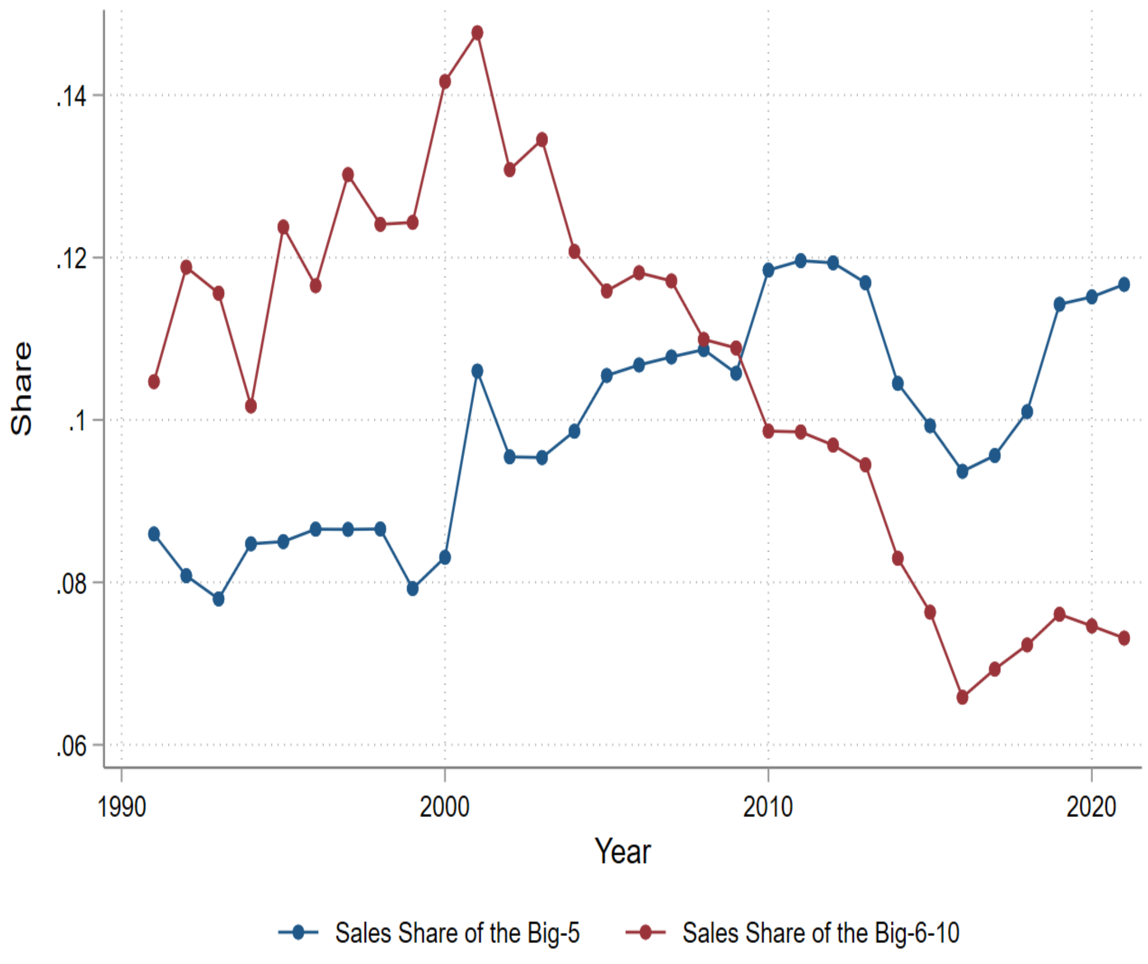


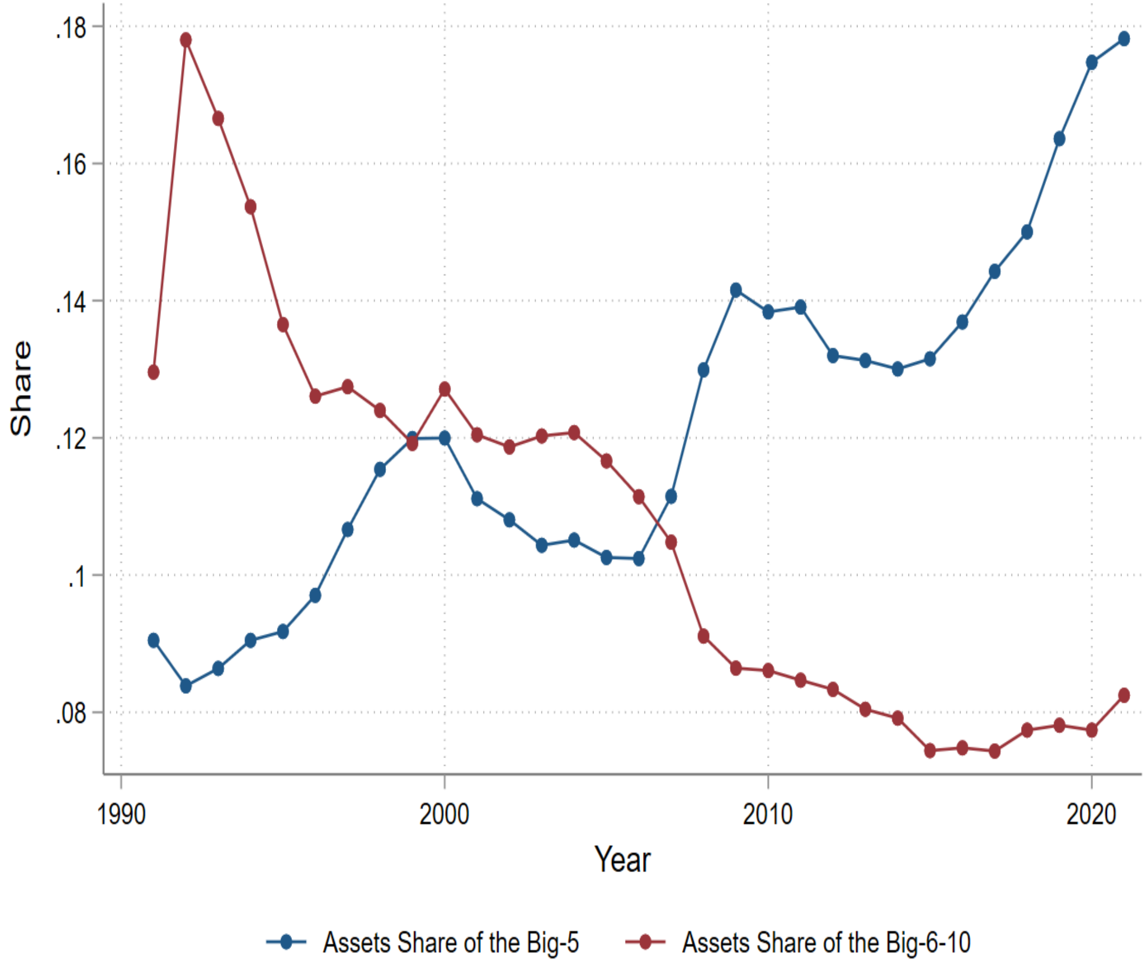
[2]Patterns are similar if the Market Share of Top-5 is defined as the cross-sector average in a year of the market share of Top-5 firms within each sector.

Who is gaining market share?

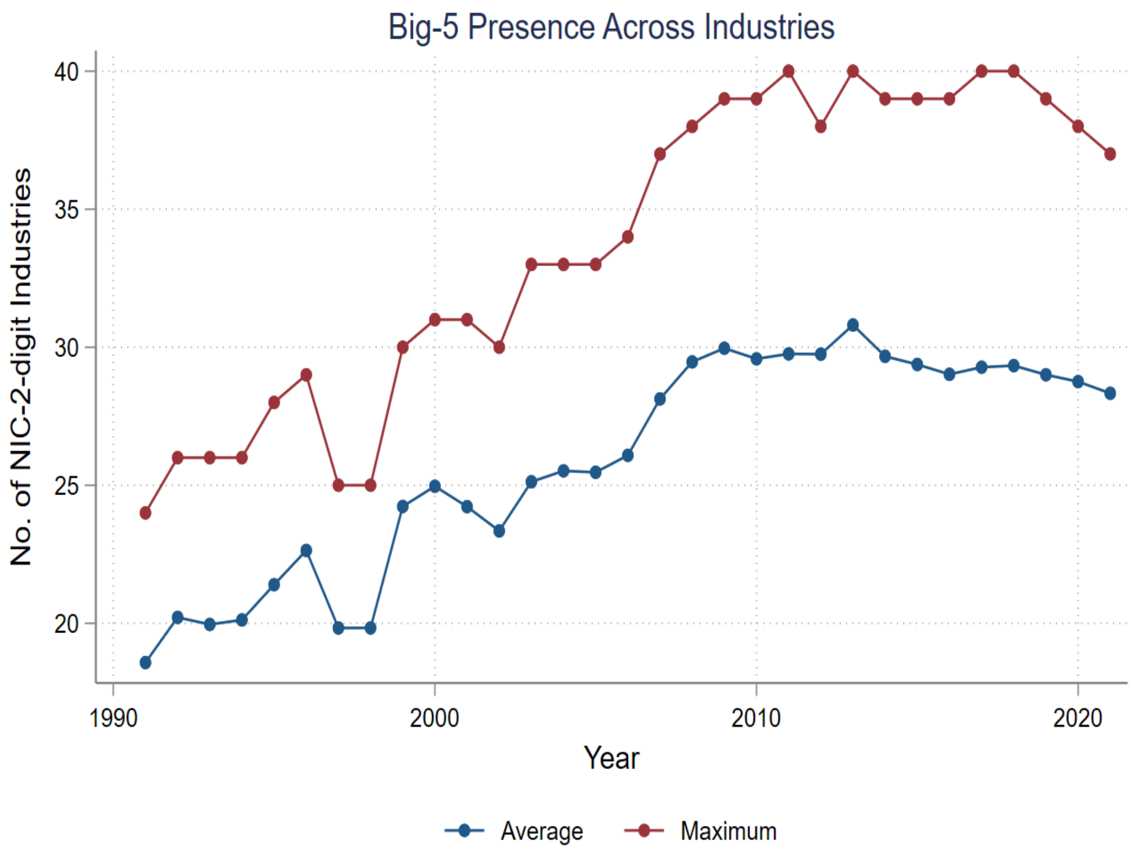
- To further investigate the cause of increasing market concentration, we look at the rise in market share of the large private sector conglomerates over time
- We find that the share in total assets of the non-financial sectors owned by the Big-5 business groups has risen from 10% in 1991 to nearly 18%
  - Top-5 Industry Groups by Assets in the Non-Financial Sector in 2021: Reliance (Mukesh Ambani), Tata, Aditya Birla, Adani and Bharti Telecom
- Interestingly the share of the next big five (Big 6-10) business groups has fallen from 18% in 1992 to < 9% in the non-financial sectors

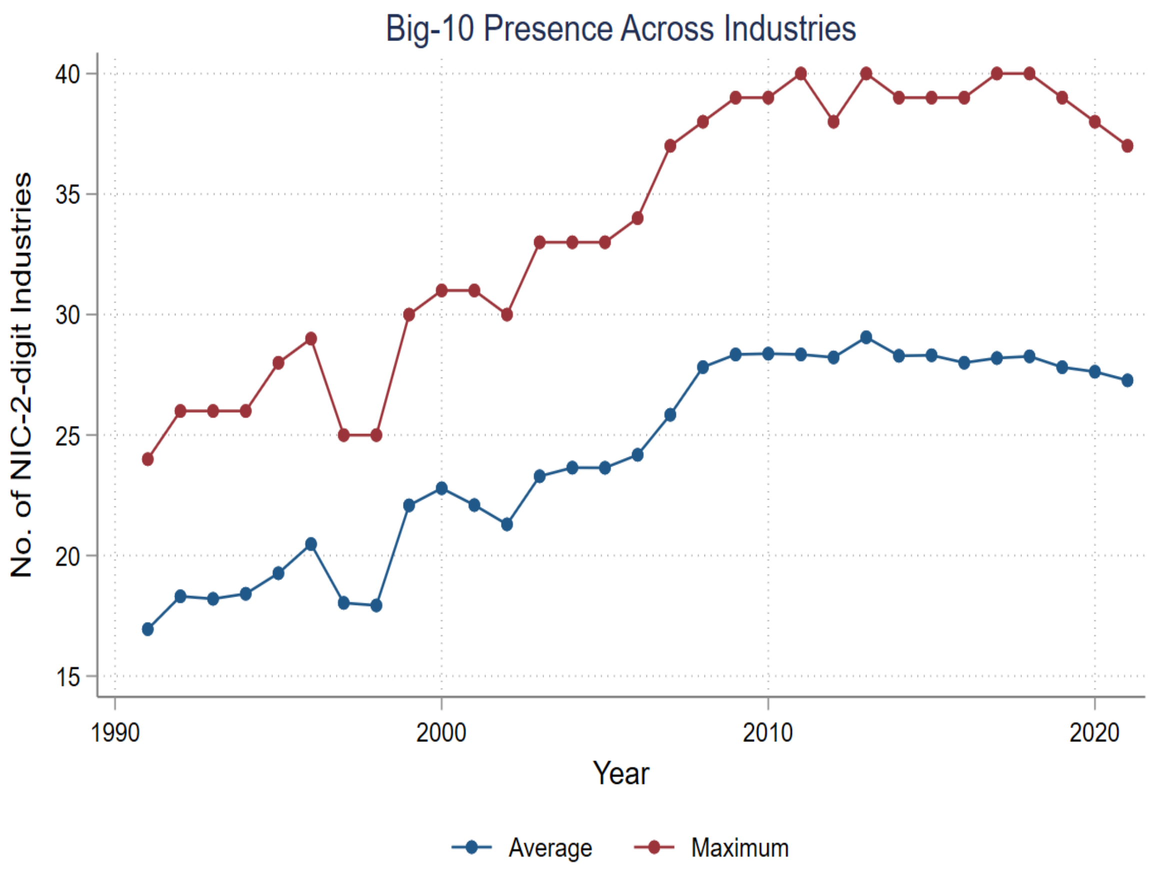
Share of the Big-5 is rising at the expense of Big-6-10





Breadth-first, depth-next strategy of expansion: Group-wise presence across industries



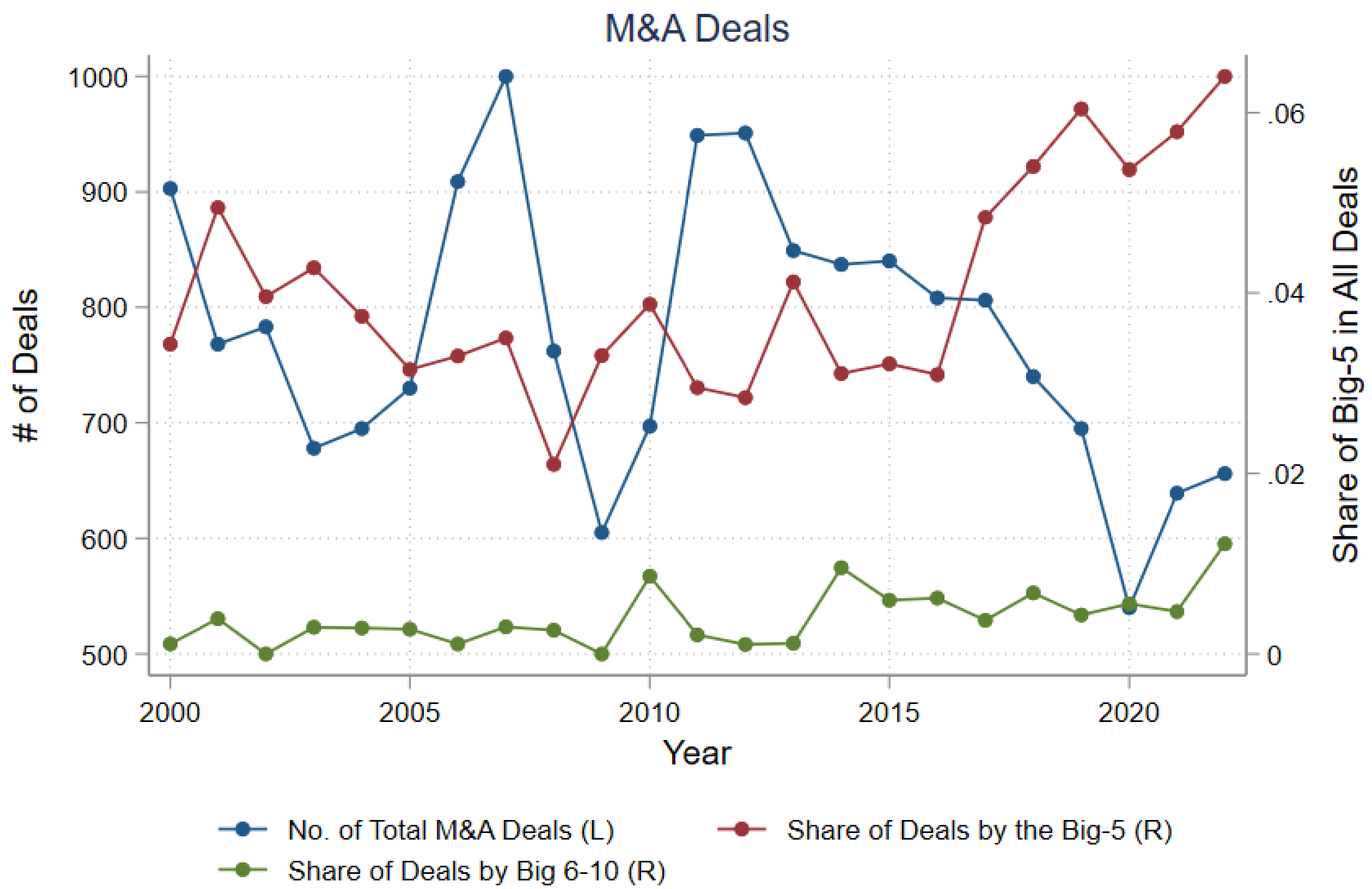


The presence of Big-5 business groups across industries has also risen from on average 20 NIC-2 industries in 1992 to 26 sectors. The maximum coverage (unique number of industries where at least one of the big-5 firms are present) has also risen from 24 to 37 groups.

Channel of Increasing Concentration: M&A activity

- We measure the number and share of mergers and acquisitions where any of the Big-5 firms were the acquirers
- Aggregate number of M&A deals has dropped since 2011
- Share of M&A deals by the Big-5 has doubled from under 3% in 2015 to nearly 6% in 2021
- However such an increase is not seen in the next five biggest groups
- These results are robust to excluding M&A attributable to the Insolvency and Bankruptcy Code resolutions (starting in 2017)

M&A Deals: Big 5 versus the Big 6-10

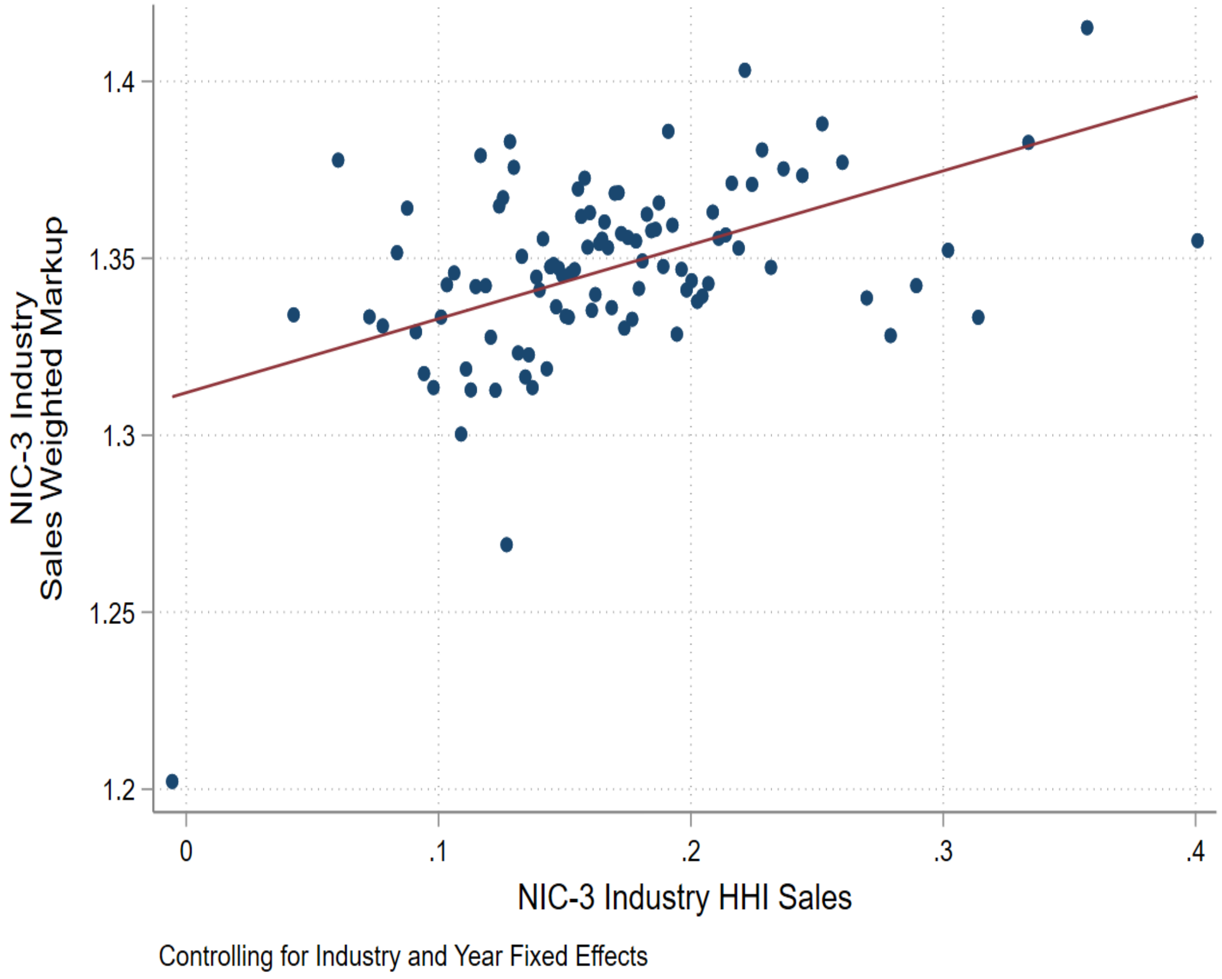


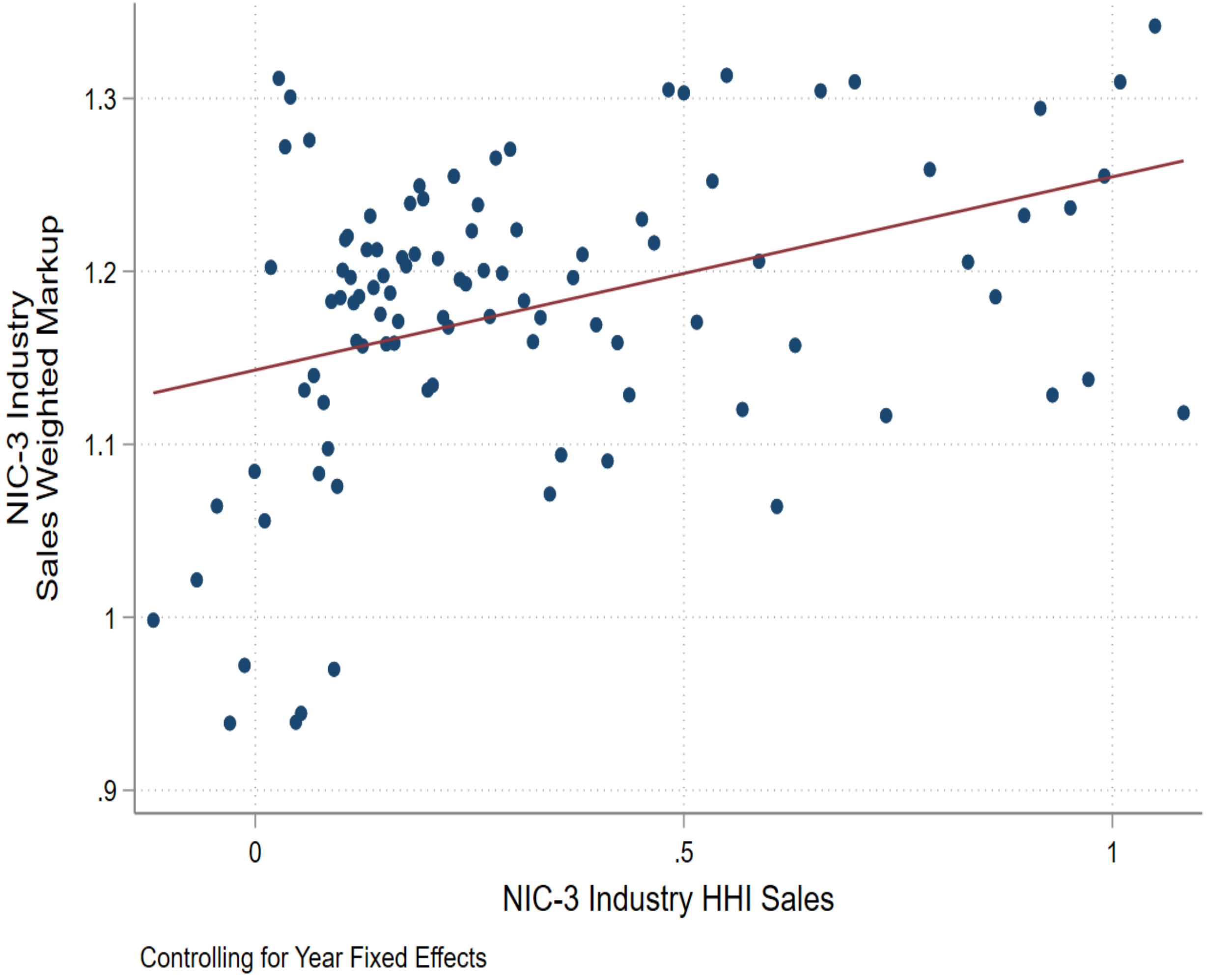
Effect of Rising Concentration: Rise in Markups

- Markup: If input cost changes by 1%, how much does product price change by?
  - Using De Loecker et al. (2020), we estimate firm-wise markups for Indian firms
- With the rising industrial concentration since 2015, we also see a corresponding rise in aggregate sales-weighted markups
  - Markups kept rising even when capacity utilization was low during the pandemic
  - The rise in market power is correlated with the rise in markups and is robust to controlling for industry and year-fixed effects (see Appendix I)
- Big-5 markups show a persistent and substantial wedge relative to markups of industry peers, but not Top-5
  - Big-5 pricing power due to overall size, supply-chain dominance, political patronage, …
- This has a perverse effects on producers' prices, as market power of Big-5 feeds into wholesale price inflation (see Appendix I)
  - Source of persistent "core" inflation?

Reversal seen in Markups

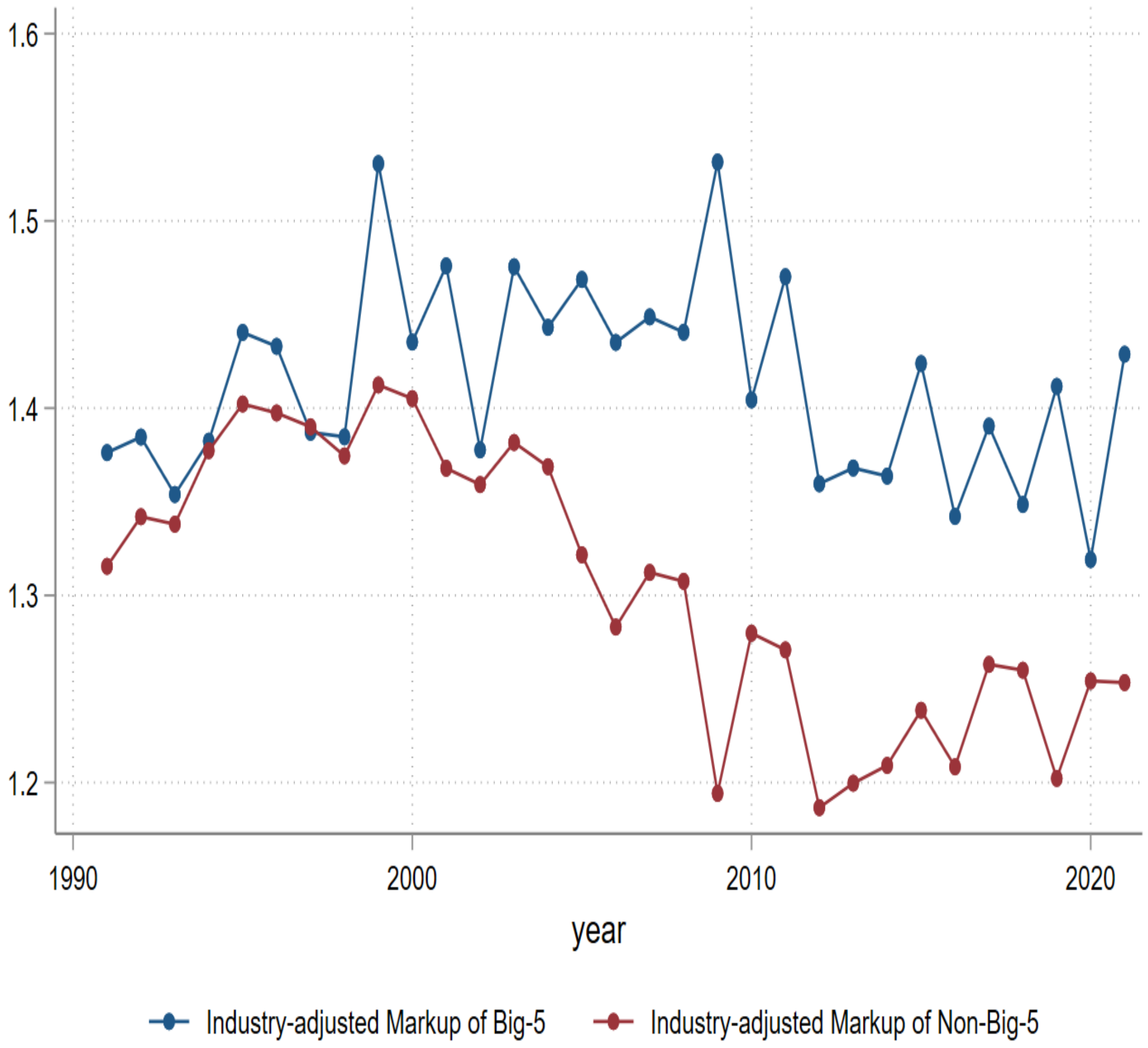
Higher Concentration is correlated with Higher Markups

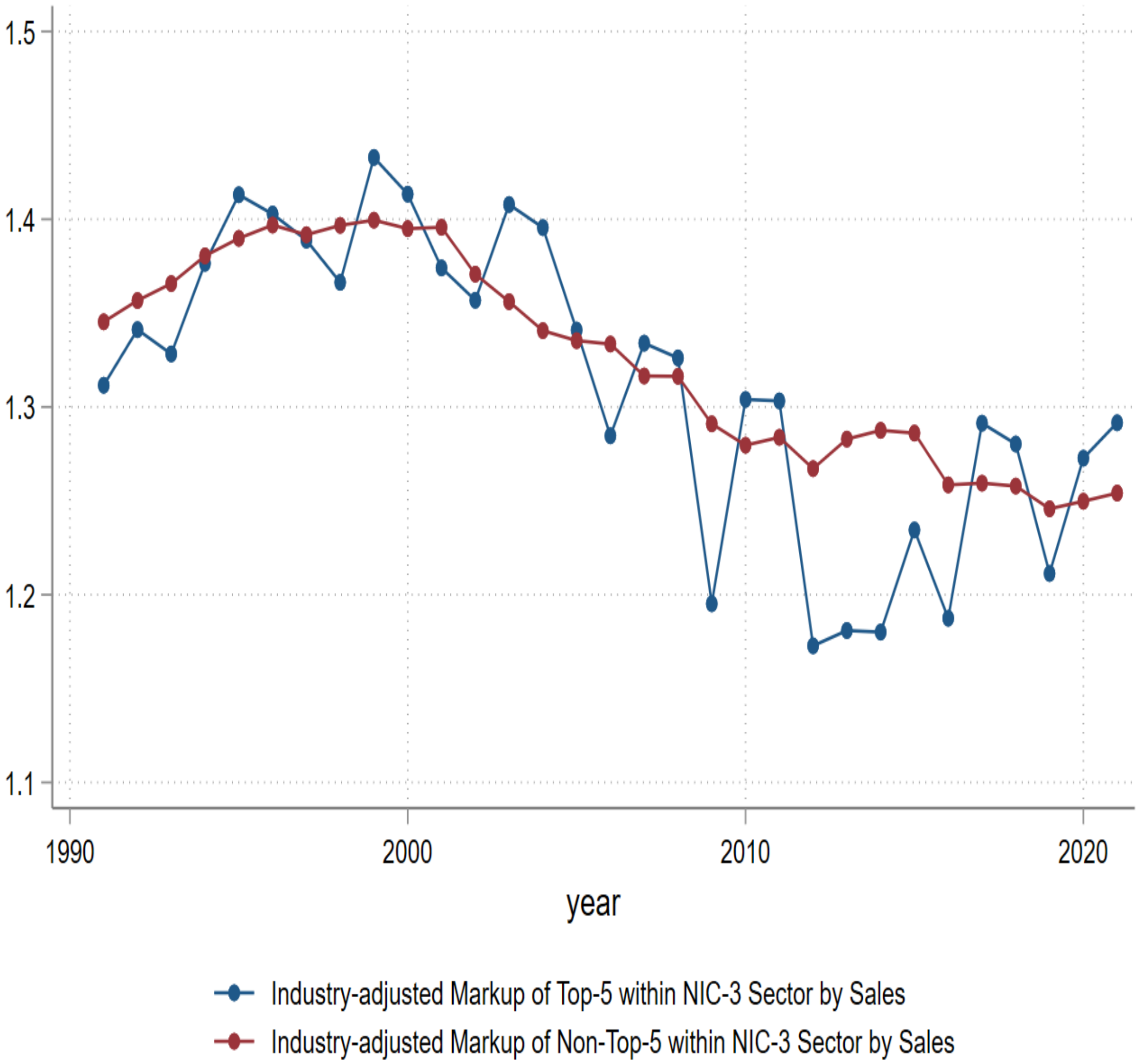




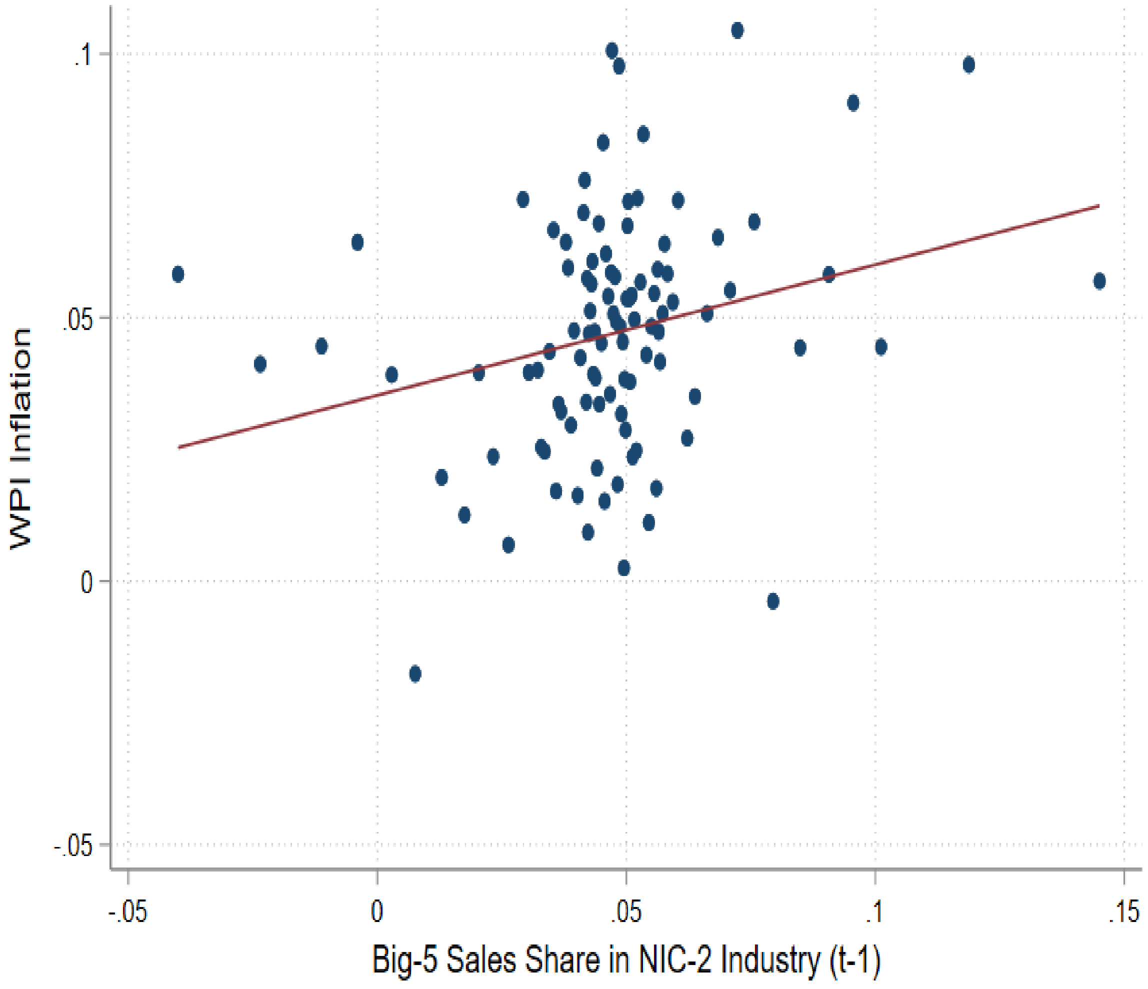
Scatter points represent bins of 1/100th of the data

Diversion in Industry-adjusted Markups of Big-5 vs. Rest

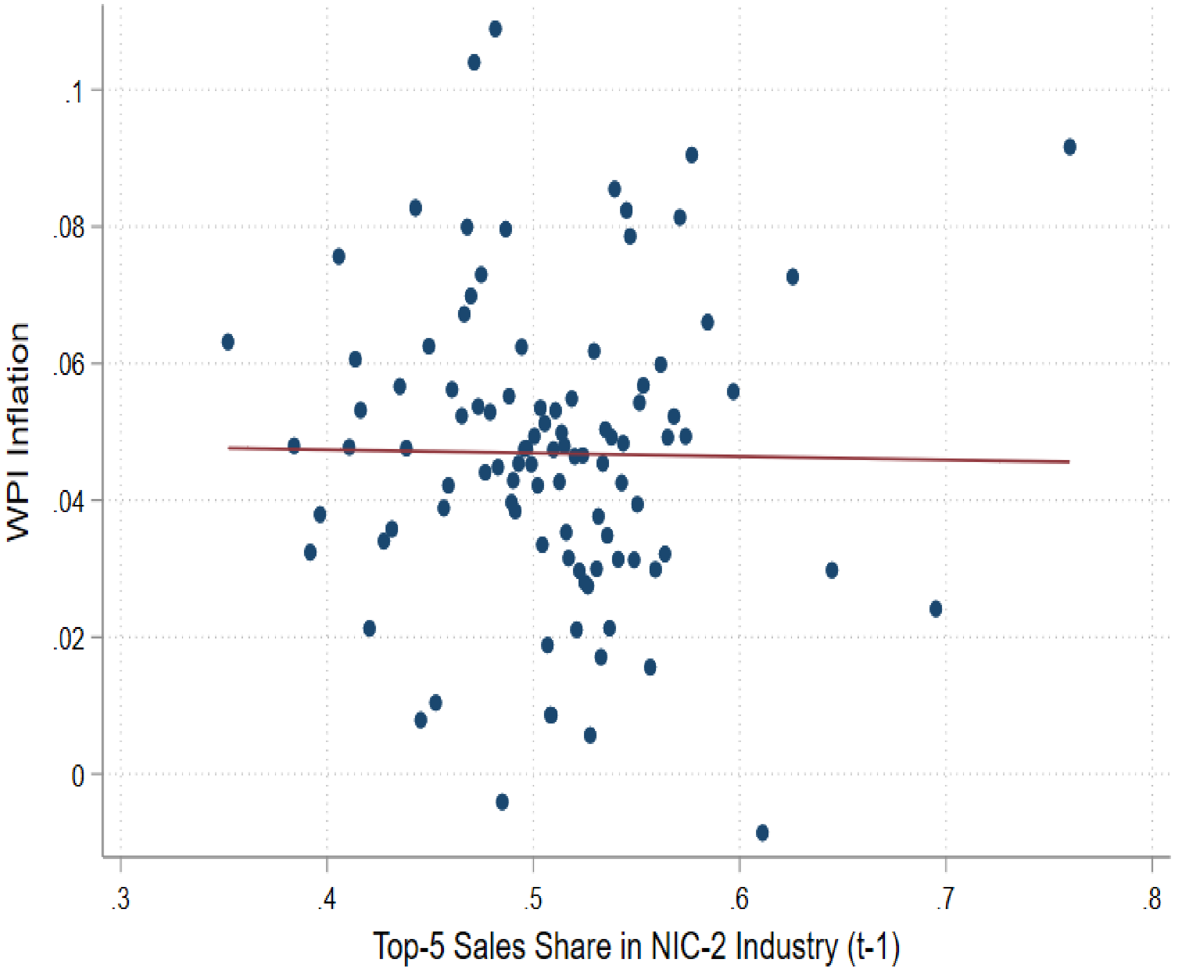




WPI Inflation versus Big-5 and Top-5 (within sector) Sales Share



Includes controls for Input Prices Growth, Industry fixed effects and Year fixed effects



Includes controls for Input Prices Growth, Industry fixed effects and Year fixed effects

Why has concentration risen since 2015?

- A conscious industrial policy to promote “national champions” by an increasingly centralized form of governance
  - Declining financial strength and execution role of states
- Old model of “foot soldiers”: Earlier policy of nationalizing banks and owning state-owned companies has failed
- New model of “army generals”: Deliver government-desired projects and infrastructure via (preferential allocation to) large conglomerates
  - Advantages: Bypass bureaucracy, allow predation, strategic timing of delivery
- Marketed as building global but indigenous conglomerates
  - Heavily protected by tariffs and factor constraints for new entrants

Alternate Interpretation: Learning from Korea?

- Is India emulating the national-champion policy of *Chaebols* in South Korea?
- However, they did not protect conglomerates with high tariffs
  - India ranks 4th highest in the world in tariffs (especially in traditional industries)
- Conglomerates in S Korea were competing on a level-playing field with international counterparts
- Whereas, most of India's Big-5's revenues are domestically sourced
- Korea also took supply-side or factor market reforms in land, labor, power and financial sector to aid industrial development
- Without such reforms, risks from rising concentration more to the downside?
  - Besides higher product price markups: Crony capitalism, key (wo)men/family risk, too big to fail, lack of entry and creative destruction

Proposals to Restore Industrial Balance

- De-tariff
  - Lower tariffs to match those of China or even further, over a three-year period
  - Including in agriculture where tariffs are as high as 35%!
  - Make transparent the allocation of production-linked incentive (PLI) allocations
    - PLI a form of tariff to domestic manufacturing companies on incremental sales

- Reduce industrial concentration
  - “Trust buster” approach via the competition commission
  - Require 80% ownership of subsidiaries for tax and loss-offsetting benefits

- Ensure Insolvency and Bankruptcy Code can handle conglomerates
  - Loan covenants in contracts to set trip-wire points for pre-packaged bankruptcies
  - Are large conglomerates are likely too-big-to-fail or too-systemic-to-fail?
  - Like SIFIs, require conglomerates to prepare audited “living wills”

Appendix I: Econometric analysis of markups, rising concentration, and inflation

Markup Regressions

(Big-5 markup increases in sales share, but not so for Top-5)

	(1)	(2)	(3)	(4)
	Firm-wise Markup			
NIC-3 Sales Share	-0.0688	1.031***	-0.0471	0.0576***
	(0.0490)	(0.0620)	(0.0313)	(0.0138)
Top-5 by Assets	0.0460***			
	(0.00302)			
Top-5 by Assets × NIC-3 Sales Share	0.00851			
	(0.0497)			
Top-5 by Sales		0.0363***		
		(0.00289)		
Top-5 by Sales × NIC-3 Sales Share		-1.068***		
		(0.0616)		
Private Firm			0.0423***	
			(0.00318)	
Private Firm × NIC-3 Sales Share			0.173***	
			(0.0339)	
Big-5				0.0245***
				(0.00619)
Big-5× NIC-3 Sales Share				0.127***
				(0.0458)
Constant	1.351***	1.348***	1.311***	1.352***
	(0.000774)	(0.000820)	(0.00310)	(0.000697)
Observations	316050	316050	316050	316050
R-Sq	0.162	0.162	0.162	0.161
Fixed Effects	NIC3 & Year	NIC3 & Year	NIC3 & Year	NIC3 & Year

Markup Regression (quantitative magnitude)

	Mean	Median	SD	Count
Big-5 NIC-3 Digit Sales Share	4.2	0.5	11.3	5583
Private Sector NIC-3 Digit Sales Share	1.3	0.1	6.1	305331
NIC-3 Digit Sales Share	1.5	0.1	6.7	316050

- A one standard deviation increase in the sales share of a private firm leads to a 0.7% higher markup (One SD Sales Share X Coeff = 6% *0.173) than the average markup (1.36)
- A one standard deviation increase in the sales share of a Big-5 firms leads to a 1.2% higher markup (One SD Sales Share X Coeff)= 10% X 0.158) than the average markup (1.36)
- In comparison, the effect is either not statistically different from zero for Top-5 firms by assets ot even negative for top-5 firms by Sales

Pass through of markups to inflation

- We regress NIC-2 digit industry change in producer prices (Wholesale Price Index) against the interaction of sales-weighted average markup of the NIC-2 industry and value-weighted growth in input prices
- We find that for every per cent growth in input prices, industries with higher markups face relatively large increases in prices

	(1) WPI Inflation
Markup (Sales-weighted)	0.0174
	(0.0115)
Growth in Input Prices	-0.00515^{***}
	(0.00178)
Markup (Sales-weighted) × Growth in Input Prices	0.00459^{***}
	(0.00112)
Constant	0.0271
	(0.0166)
N	675
r2	0.154
Year-FE	Year-FE

Inflation versus Concentration: Big-5 or Top-5?

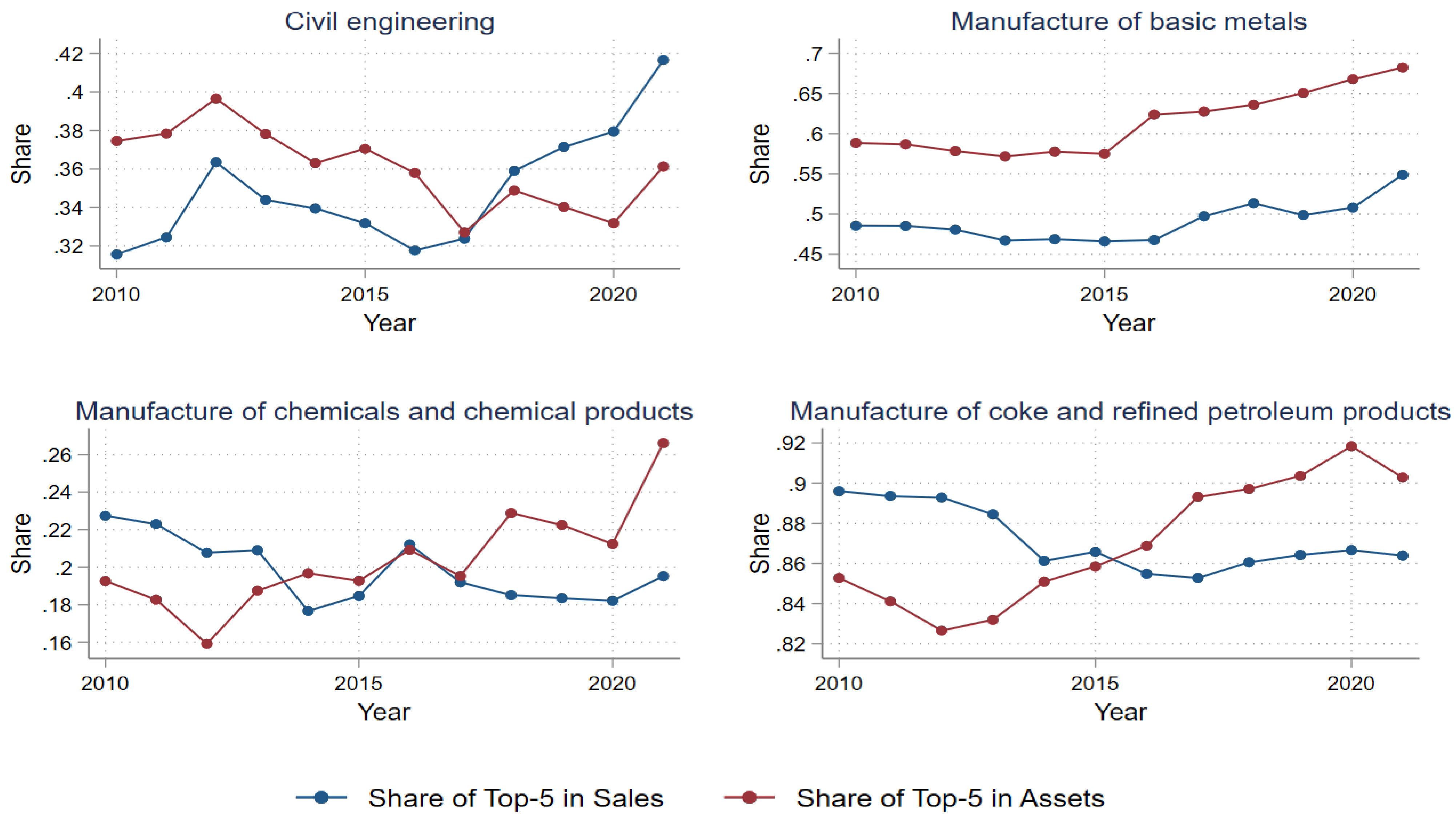
	(1)	(2)
	Yearly Change in NIC-2 Industry WPI	
Big-5 Sales Share$_{t-1}$	0.267**	
	(0.127)	
Top-5 Sales Share$_{t-1}$		-0.0220
		(0.0552)
Growth in Input Costs	0.00142	0.00139
	(0.000863)	(0.000861)
Constant	0.0375***	0.0614*
	(0.00789)	(0.0296)
N	675	675
R-sq	0.196	0.192
Fixed Effects	NIC-2 & Year	NIC-2 & Year

Appendix II: Industries driving the Rising Concentration results

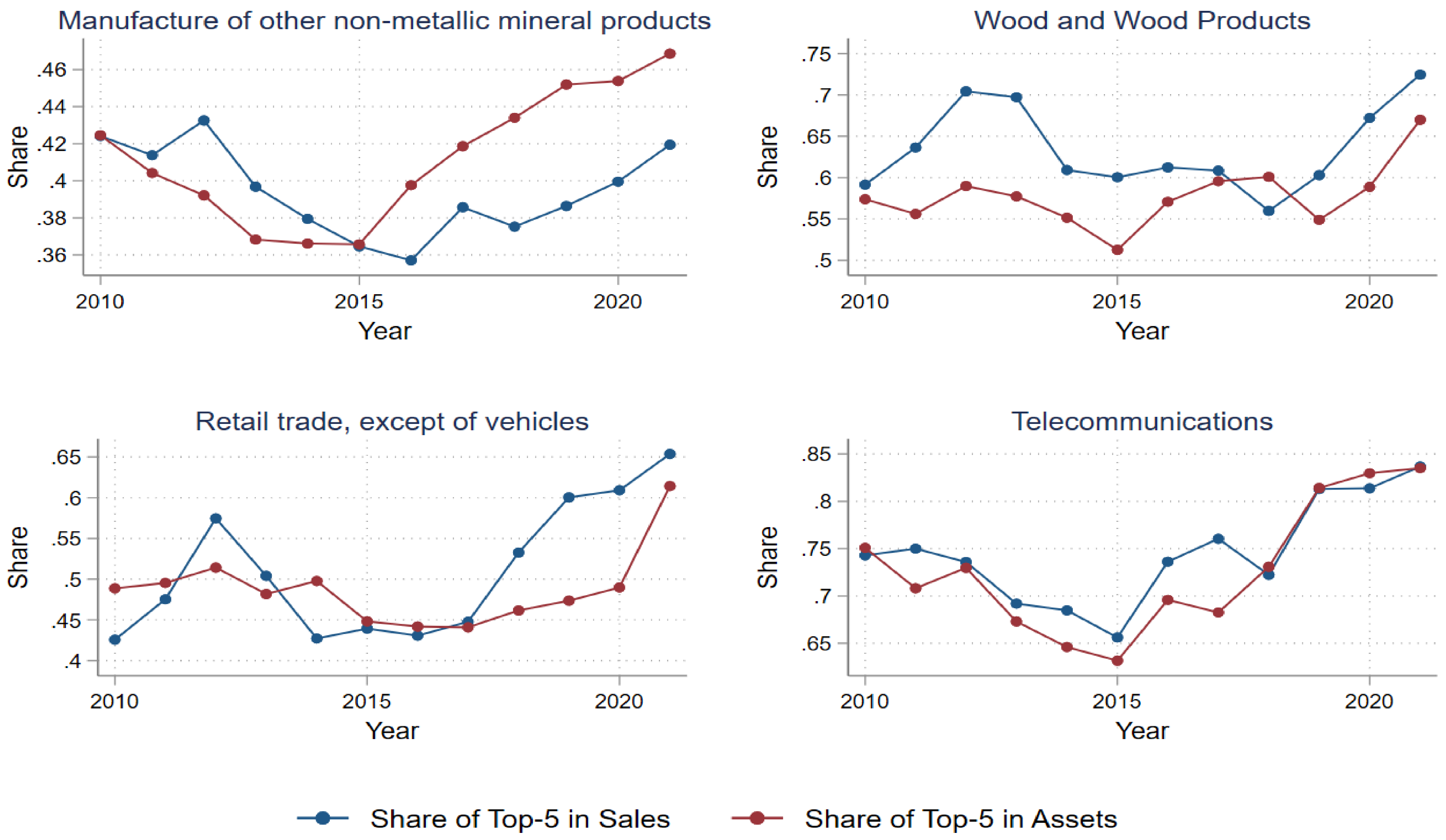
Industries contributing to rising concentration

- The recent rise in market concentration is observed in traditional as well as new-age industries
- The share of Top-5 groups by sales in
  - Civil Engineering and Construction rose from 31% in 2016 to 42% in 2021
  - Telecommunications rose from 65% to over 84%
  - Retail trade sector also rose from under 44% to over 65%
- Similarly the share of Top-5 groups by Assets rose sharply by 2021 to
  - 68% in the Manufacturing of Basic Metals
  - 26% in the Manufacturing of Chemicals
  - 90% in the Manufacturing of Refined Petroleum and Coke
  - 47% in the Manufacturing of non-metallic mineral products which includes cement and other building materials

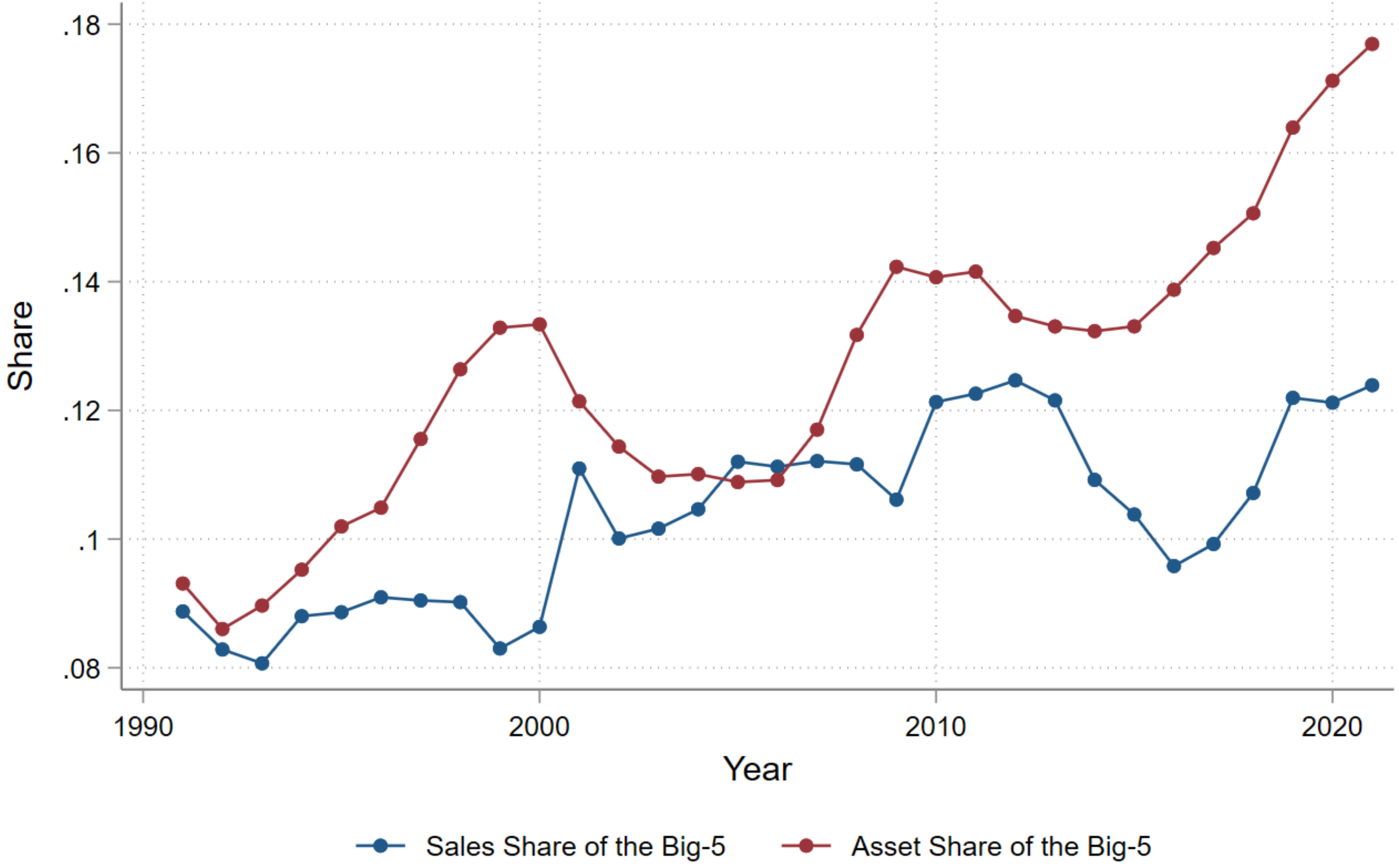
Industries Contributing to Rising Concentration



Industries Contributing to Rising Concentration



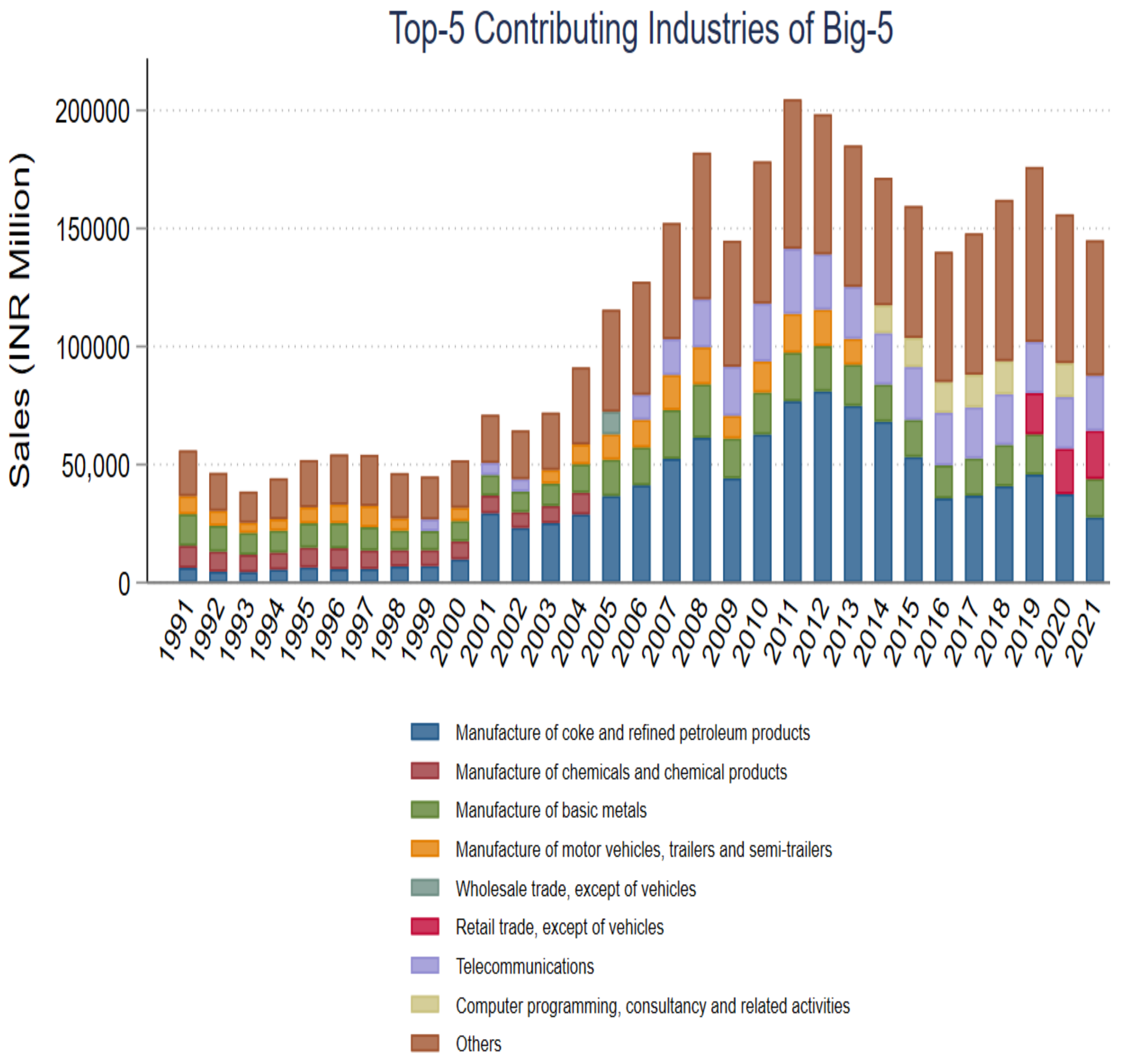
Share of the Big-5 is rising

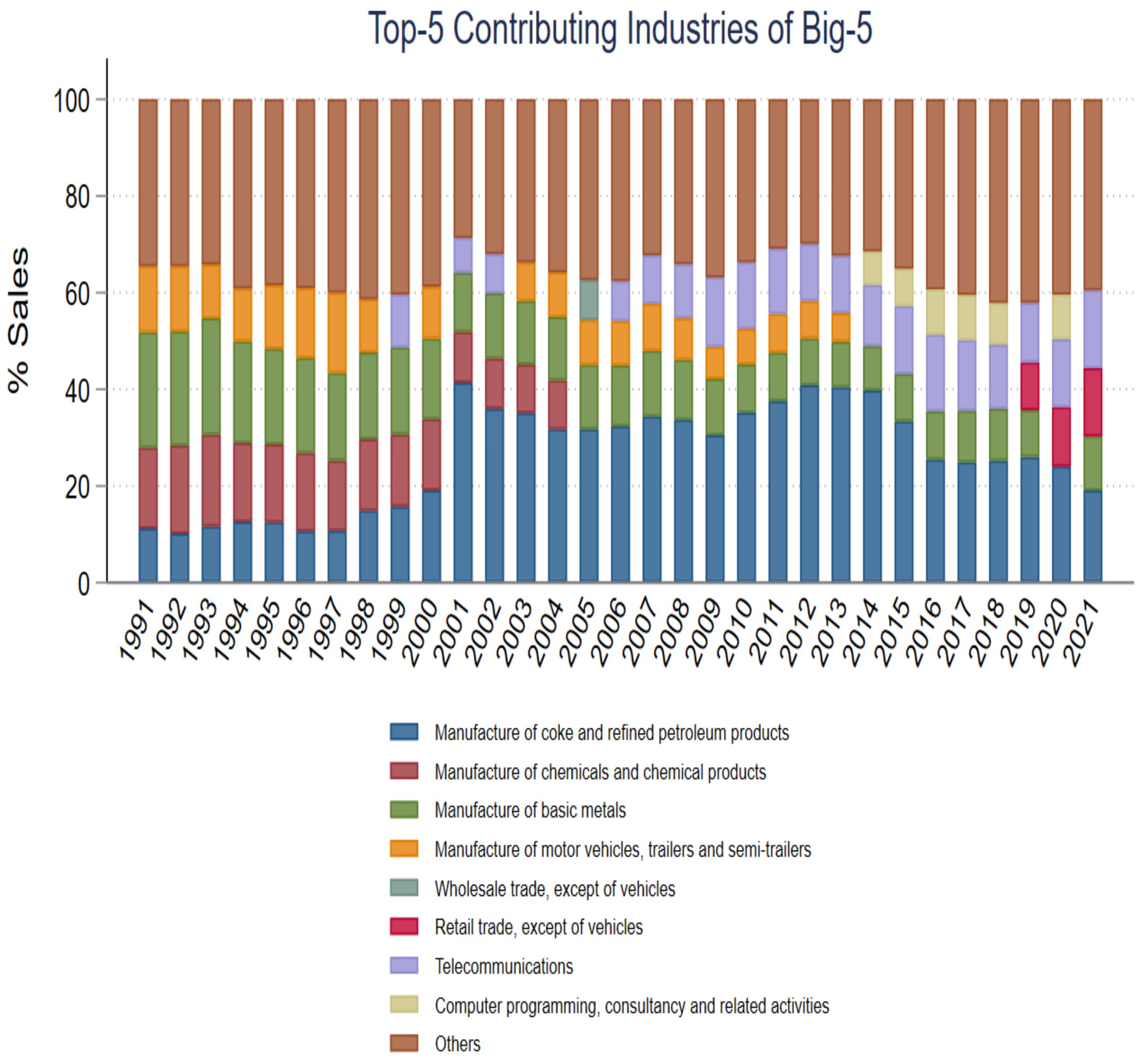


Where are the Big-5 gaining market share?

- We study the industries where the Big-5 has been gaining market share
- We find that the in the aggregate, the largest contributors to Big-5 sales are
  - Manufacturing of Metals
  - Manufacturing of Coke and Refined Petroleum Products
  - Retail Trade
  - Telecommunications
- Consistent with the rising market concentration seen in those sectors →
- Companies are receiving a greater percentage of their sales revenue from the sectors where they have gained considerable market power.

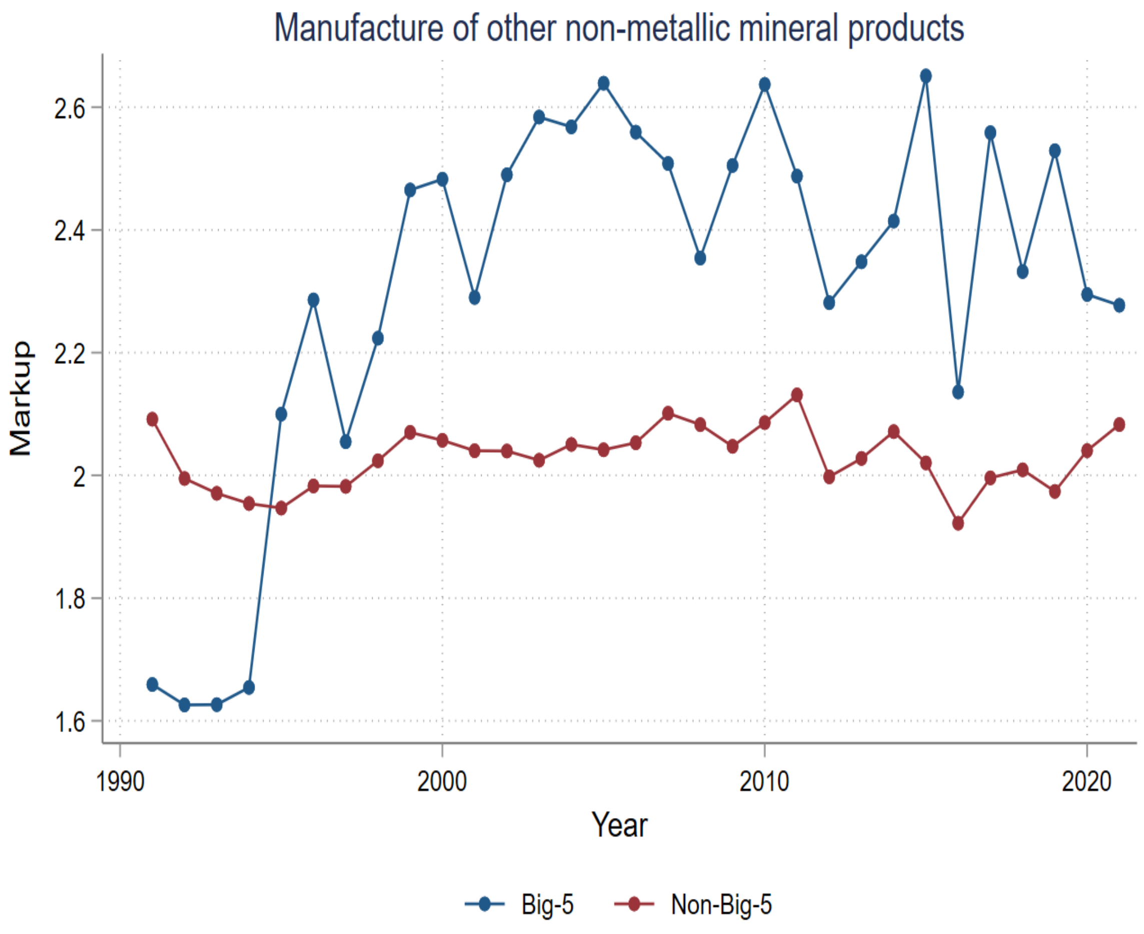
Industries Contributing to Rising Share of Big-5 (overall)

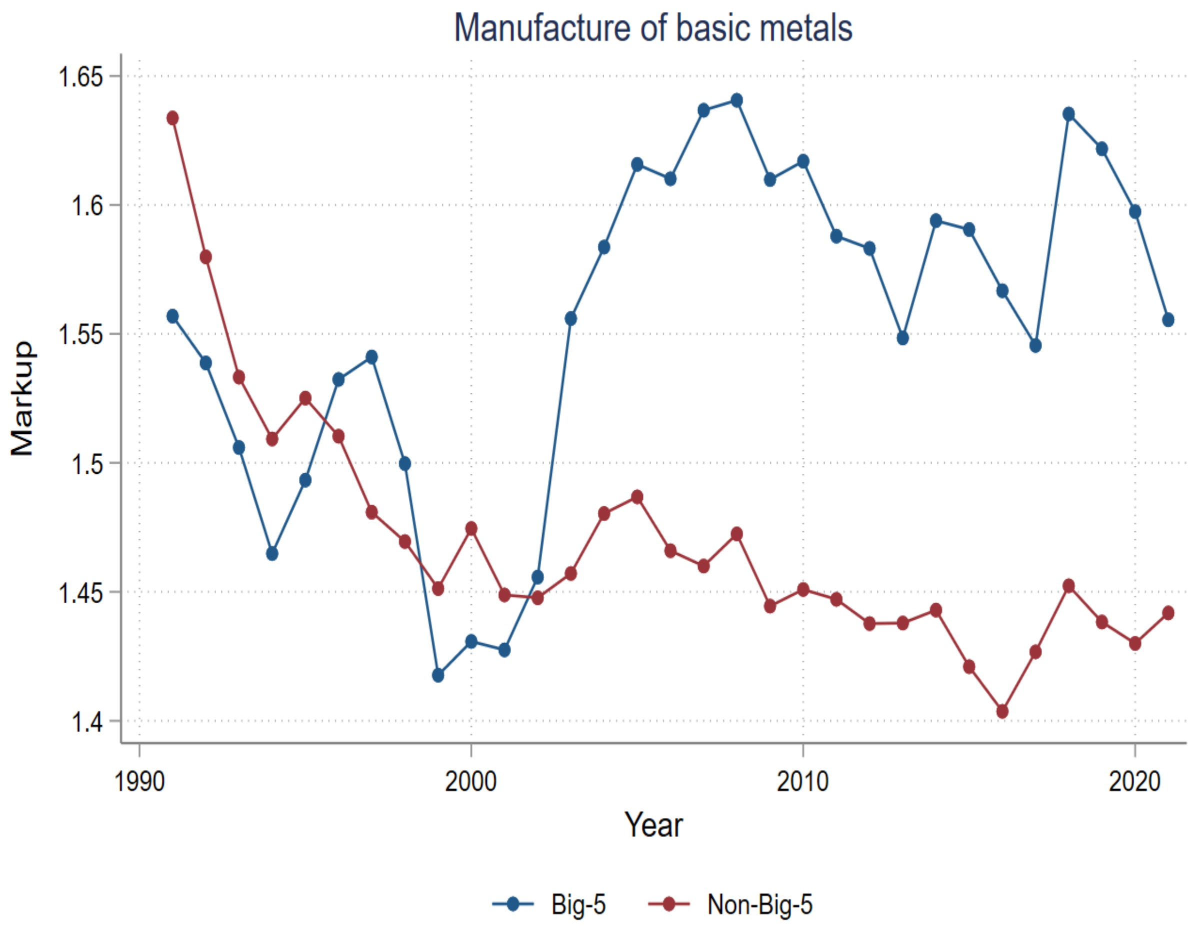




Diversion in Industry-adjusted Markups of Big-5 vs. Rest

- At the sectoral level, we find a persistent wedge in the markup of Big-5 firm groups versus other firms in non-metallic mineral products (which includes cement and other building materials) and manufacture of basic metals





Appendix III: Top-5 over time in sectors with high concentration

Civil Engineering: Top-Companies

Rank	2001				2011				2021			
	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)
1	Larsen & Toubro Group	26	Larsen & Toubro Group	30	Larsen & Toubro Group	15	Larsen & Toubro Group	18	Larsen & Toubro Group	21	Larsen & Toubro Group	26
2	Reliance Group [Anil Ambani]	11	Reliance Group [Anil Ambani]	9	Jaypee Group	9	Jaypee Group	5	Shapoorji Pallonji Group	5	MEGHA ENGINEERING & INFRASTRUCTU RES LTD.	5
3	Jaypee Group	9	Jaypee Group	7	Reliance Group [Anil Ambani]	8	Reliance Group [Anil Ambani]	4	Jaypee Group	4	Shapoorji Pallonji Group	4
4	KONKAN RAILWAY CORPN. LTD.	8	HFCL Group	5	Lanco Group	4	Essar (Ruia) Group	3	NATIONAL HIGHWAYS & INFRASTRUCTU RE DEVELOPMENT CORPORATION LTD.	3	RAIL VIKAS NIGAM LTD.	4
5	HFCL Group	8	IRCON INTERNATIONAL LTD.	3	Punj Lloyd Group	2	IVRCL Group	3	MEGHA ENGINEERING & INFRASTRUCTU RES LTD.	3	RPG Enterprises Group	3

Basic Metals: Top Companies

Rank	2001				2011				2021			
	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)
1	STEEL AUTHORITY OF INDIA LTD.	19	STEEL AUTHORITY OF INDIA LTD.	21	Tata Group	16	Om Prakash Jindal Group	14	Om Prakash Jindal Group	19	Om Prakash Jindal Group	19
2	Om Prakash Jindal Group	14	Tata Group	12	Om Prakash Jindal Group	15	STEEL AUTHORITY OF INDIA LTD.	10	Tata Group	18	Tata Group	14
3	Tata Group	11	Birla Aditya Group	8	Vedanta Group	12	Tata Group	10	Vedanta Group	16	Vedanta Group	9
4	Birla Aditya Group	8	Om Prakash Jindal Group	8	STEEL AUTHORITY OF INDIA LTD.	10	Vedanta Group	9	STEEL AUTHORITY OF INDIA LTD.	9	STEEL AUTHORITY OF INDIA LTD.	8
5	ARCELORMITTAL NIPPON STEEL INDIA LTD.	6	Vedanta Group	7	Birla Aditya Group	6	Birla Aditya Group	6	Birla Aditya Group	7	Birla Aditya Group	5

Chemical and Chemical Products: Top Companies

Rank	2001				2011				2021			
	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)
1	Reliance Group [Mukesh Ambani]	9	Uni Lever (F) Group	13	Birla Aditya Group	6	Uni Lever (F) Group	9	Birla Aditya Group	9	Uni Lever (F) Group	8
2	Uni Lever (F) Group	7	Reliance Group [Mukesh Ambani]	7	Uni Lever (F) Group	4	State and Private sector	4	Uni Lever (F) Group	8	Asian Paints Group	4
3	Haldia Petrochemicals	6	Birla Aditya Group	6	Haldia Petrochemicals	3	Murugappa Chettiar Group	3	O N G C PETRO ADDITIONS LTD.	4	Birla Aditya Group	3
4	Birla Aditya Group	6	Chidambaram M.A. Group	4	Sandesara Group	3	Asian Paints Group	3	Haldia Petrochemicals	3	Murugappa Chettiar Group	2
5	Chidambaram M.A. Group	5	NATIONAL FERTILIZERS LTD.	3	Rajju Shroff Group	3	Birla K.K. Group	3	Asian Paints Group	2	Rajju Shroff Group	2

Coke and Refined Petroleum: Top-Companies

Rank	2001				2011				2021			
	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)
1	INDIAN OIL CORPN. LTD.	33	INDIAN OIL CORPN. LTD.	41	Reliance Group [Mukesh Ambani]	38	INDIAN OIL CORPN. LTD.	33	Reliance Group [Mukesh Ambani]	49	INDIAN OIL CORPN. LTD.	31
2	Reliance Group [Mukesh Ambani]	31	Reliance Group [Mukesh Ambani]	18	INDIAN OIL CORPN. LTD.	25	Reliance Group [Mukesh Ambani]	24	INDIAN OIL CORPN. LTD.	21	BHARAT PETROLEUM CORPN. LTD.	18
3	HINDUSTAN PETROLEUM CORPN. LTD.	9	HINDUSTAN PETROLEUM CORPN. LTD.	16	HINDUSTAN PETROLEUM CORPN. LTD.	8	BHARAT PETROLEUM CORPN. LTD.	15	BHARAT PETROLEUM CORPN. LTD.	8	Reliance Group [Mukesh Ambani]	16
4	BHARAT PETROLEUM CORPN. LTD.	8	BHARAT PETROLEUM CORPN. LTD.	16	BHARAT PETROLEUM CORPN. LTD.	8	HINDUSTAN PETROLEUM CORPN. LTD.	13	HINDUSTAN PETROLEUM CORPN. LTD.	8	HINDUSTAN PETROLEUM CORPN. LTD.	16
5	MANGALORE REFINERY & PETROCHEMICALS LTD.	4	KOCHI REFINERIES LTD. [MERGED]	3	Essar (Ruia) Group	5	Essar (Ruia) Group	5	Essar (Ruia) Group	5	Essar (Ruia) Group	5

Non-metallic Products: Top-Companies

Rank	2001				2011				2021			
	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)
1	Adani Group	20	Adani Group	19	Adani Group	12	Adani Group	15	Birla Aditya Group	20	Birla Aditya Group	17
2	India Cement Group	10	India Cement Group	7	Birla Aditya Group	12	Birla Aditya Group	13	Adani Group	12	Adani Group	12
3	Ramco Group [Madras Cements]	4	Birla B.K. Group	7	India Cement Group	6	Birla B.K. Group	6	Nirma Group	5	Bangur P.D./B.G. Group	5
4	Nirma Group	4	Birla M.P. Group	4	Dalmia Group	5	India Cement Group	4	Dalmia Group	5	Dalmia Group	4
5	Birla B.K. Group	4	Ramco Group [Madras Cements]	4	Birla B.K. Group	5	Bangur P.D./B.G. Group	3	Bangur P.D./B.G. Group	5	Nirma Group	4

Wood and Wood Products

Rank	2001				2011				2021			
	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)
1	Nuchem Group	18	GREENPLY INDUSTRIES LTD.	18	GREENPLY INDUSTRIES LTD.	21	GREENPLY INDUSTRIES LTD.	27	CenturyPly Group	21	CenturyPly Group	28
2	ECOBOARD INDUSTRIES LTD.	14	CenturyPly Group	16	CenturyPly Group	12	CenturyPly Group	21	GREENPANEL INDUSTRIES LTD.	18	GREENLAM INDUSTRIES LTD.	14
3	DUROPLY INDUSTRIES LTD.	12	Nuchem Group	12	SHIRDI INDUSTRIES LTD.	11	SHIRDI INDUSTRIES LTD.	9	GREENLAM INDUSTRIES LTD.	12	GREENPLY INDUSTRIES LTD.	13
4	WESTERN INDIA PLYWOODS LTD.	12	DUROPLY INDUSTRIES LTD.	10	Bajaj Group	7	DUROPLY INDUSTRIES LTD.	3	RUSHIL DECOR LTD.	9	GREENPANEL INDUSTRIES LTD.	13
5	GREENPLY INDUSTRIES LTD.	12	WORTHY PLYWOODS LTD. [MERGED]	9	ASSOCIATE DECOR LTD.	5	ARCHIDPLY INDUSTRIES LTD.	3	GREENPLY INDUSTRIES LTD.	8	RUSHIL DECOR LTD.	4

Retail Trade: Top-Companies

Rank	2001				2011				2021			
	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)
1	Gitanjali Gems Group	13	Gitanjali Gems Group	46	Future Group	21	Future Group	20	Reliance Group [Mukesh Ambani]	39	Reliance Group [Mukesh Ambani]	44
2	BATA INDIA LTD.	12	BATA INDIA LTD.	8	Reliance Group [Mukesh Ambani]	10	Reliance Group [Mukesh Ambani]	8	Future Group	10	KARNATAKA STATE BEVERAGES CORPN. LTD.	7
3	KODAK INDIA PVT. LTD.	8	KERALA STATE BEVERAGES (MFG. & MKTG.) CORPN. LTD.	8	Gitanjali Gems Group	9	Gitanjali Gems Group	8	AMAZON SELLER SERVICES PVT. LTD.	5	AVENUE SUPERMARTS LTD.	6
4	Future Group	7	KODAK INDIA PVT. LTD.	8	HUAWEI TELECOMMU NICATIONS (INDIA) CO. PVT. LTD.	6	HANDICRAFTS & HANDLOOMS EXPORTS CORPN. OF INDIA LTD.	7	AVENUE SUPERMARTS LTD.	4	M M T C-PAMP INDIA PVT. LTD.	5
5	TOMMORRO WLAND LTD.	6	HANDICRAFTS & HANDLOOMS EXPORTS CORPN. OF INDIA LTD.	5	HANDICRAFTS & HANDLOOMS EXPORTS CORPN. OF INDIA LTD.	4	Tata Group	4	Birla Aditya Group	3	CLOUDTAIL INDIA PVT. LTD.	4

Telecommunications

Rank	2001				2011				2021			
	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)	Company Name	Asset Share (%)	Company Name	Sales Share (%)
1	BHARAT SANCHAR NIGAM LTD.	62	BHARAT SANCHAR NIGAM LTD.	39	BHARAT SANCHAR NIGAM LTD.	20	Bharti Telecom Group	28	Bharti Telecom Group	28	Bharti Telecom Group	29
2	MAHANAGAR TELEPHONE NIGAM LTD.	14	Tata Group	25	Reliance Group [Anil Ambani]	19	Reliance Group [Anil Ambani]	15	Reliance Group [Mukesh Ambani]	21	Reliance Group [Mukesh Ambani]	28
3	Tata Group	11	MAHANAGAR TELEPHONE NIGAM LTD.	19	Bharti Telecom Group	18	BHARAT SANCHAR NIGAM LTD.	14	Birla Aditya Group	17	Birla Aditya Group	14
4	Bharti Telecom Group	4	Bharti Telecom Group	4	Tata Group	9	Tata Group	10	BHARAT SANCHAR NIGAM LTD.	11	Tata Group	8
5	Birla Aditya Group	3	Global Tele-Systems Group	3	Birla Aditya Group	5	Birla Aditya Group	8	Tata Group	5	BHARAT SANCHAR NIGAM LTD.	6