

Softbank ready to splash \$10B on India investments (Update)

October 28 2014, by Yuri Kageyama



In this May 10, 2012 file photo, Softbank Corp. President Masayoshi Son speaks during a press conference for the Global Green Growth Summit 2012, in Seoul, South Korea. Japanese telecommunications company Softbank Corp. said Tuesday, Oct. 28, 2014, it bought stakes in two Indian technology companies and could splash \$10 billion on investments in the country over the next decade. (AP Photo/Lee Jin-man, File)

Japanese telecommunications company Softbank Corp. said Tuesday it bought stakes in two Indian technology companies and could splash \$10

billion on investments in the country over the next decade.

Softbank, which sells the iPhone in Japan, is investing \$627 million and becoming the biggest shareholder in Snapdeal, the largest digital marketplace in India with 25 million users and 50,000 businesses. It brings together products from thousands of big and small brands.

The Tokyo-based company, which recently acquired Sprint in the U.S., is also investing \$210 million in Ola Cabs, which runs the technology to connect consumers with cab drivers in India, seeking to make transportation "seamless and ubiquitous," in the words of its co-founder and Chief Executive Bhavish Aggarwal.

Softbank executives said they were banking on India because it has a large number of Internet users, the online market is not yet saturated and connection speeds are likely to get faster.

Softbank Chairman and Chief Executive Masayoshi Son said India, which has lagged China in economic growth and poverty reduction, is at a "turning point" in its development and is likely to grow strongly over the next decade.

"I have a strong wish and willingness to invest more like \$10 billion in the next 10 years. We have financial capability, we are looking for opportunity," he said in an interview with India's CNBC TV18. "If it takes more than \$10 billion we are willing to do so, if it is less than that still we will be happy," he said.

Son is known for his smart investments. He was an early investor in Alibaba, the Chinese e-commerce site that listed in the U.S. earlier this year after a record initial public offering of stock.

Electronic commerce in India has been booming lately, attracting a

stream of investments including overseas money from companies such as Amazon.

India's prime minister Narendra Modi visited Japan last month with a delegation that included more than a dozen tycoons, hoping to elevate relatively low key business ties between the two countries.

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