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Technology

Hands on with India's £3 smartphone

By Shilpa Kannan BBC News, Delhi

© 2 hours ago

Technology





There were only a small amount of apps to try on the test unit

Getting your hands on the world's "cheapest smartphone" is not easy.

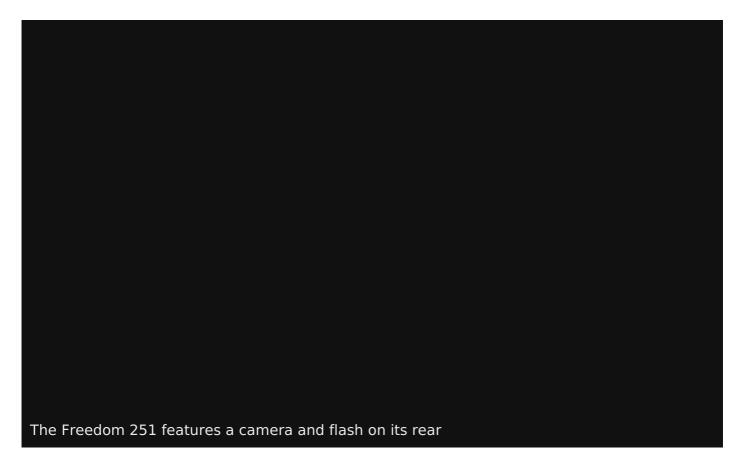
Freedom 251 is an Android phone advertised by the Indian company Ringing Bells at 251 rupees (£2.77).

In the hand, it feels somewhat like Apple's iPhone 5.

And, surprisingly for its price, its specifications are quite impressive:

- camera on both front and back
- 4in (10.2cm) wide
- 1GB Ram
- 8GB internal storage, expandable to 32GB
- quad-core processor providing more processing power when necessary but making less use of its battery at other times

There are two models, one black, one white.



As I handle the handset, it seems to work like a basic smartphone.

But it is hard to really test its capabilities, as it has very few applications, covering only basic tasks, such as:

calculator

- music player
- web browser
- email

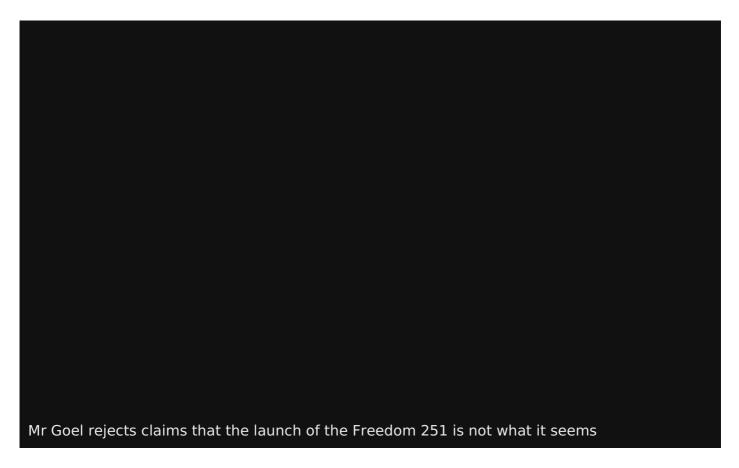
At the demo, the company told me the final model would be made available for scrutiny only after 30 June. Later, on Tuesday afternoon, it said that date had been delayed until 7 July.

Some people are worried.

Questions are being asked about whether the company will be able to deliver the millions of handsets it says it can.

One member of the Indian parliament, Kirit Somaiya, has even suggested **a "huge scam"** is being perpetrated, while the head of the Indian Cellular Association has said the sale **seemed to be "a joke or a scam"**.

Mohit Goel, the founder and chief executive of Ringing Bells, denies the allegations of fraud.



His family has been in the dry fruits business for decades, and he says it was a desire to be part of the digital India dream that drove him to the idea of a cheap handset.

There is no denying the demand for such a product.

India is the world's second-largest mobile phone market, with one billion subscribers

- many have joined those ranks thanks to other low-cost - but not this low - smartphones.

But is the Freedom 251 too good to be true?

I first managed to get my hands on one of the handsets when the company first launched the product, in February this year.

More than 70 million people had registered online, and the company's website had crashed.

But the device given out to me and other journalists was actually a Chinese-made phone.

Its brand name - Adcom - had been covered up with white paint on the front, and a sticker hid it on the rear.

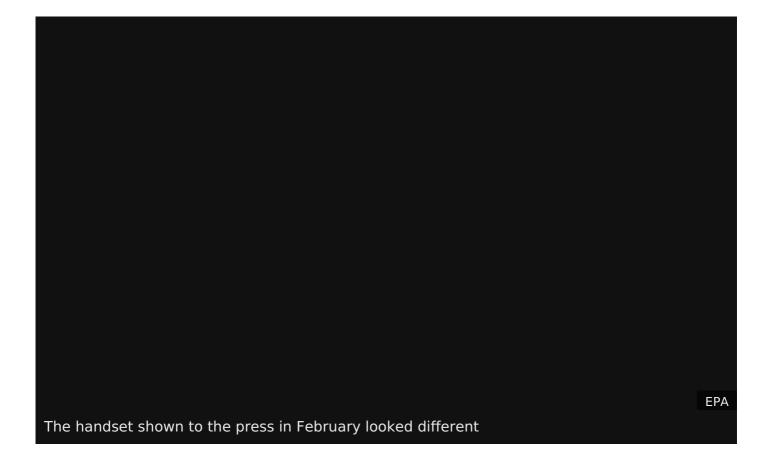
And, oddly, the icons of the phone's apps looked liked those of an iPhone, despite it being an Android device.

This led to a furore as people protested outside the company headquarters, and there were multiple inquires by the police, tax authorities and the enforcement directorate.

Ringing Bells then refunded the deposits it had taken from more than 30,000 people via the internet.

The new handset is definitely a different model.

The most obvious change is that it now has three buttons below its display, rather than just one.



So, where is Ringing Bells making these phones, as it has yet to build factories?

Mr Goel says his company is importing "knocked-down parts" from Taiwan and assembling them in Haridwar in northern India.

But once it makes enough money, he adds, the company wants to manufacture all the parts in India.

The phone costs about 1,180 rupees to make, and Ringing Bells claims to subsidise it via tie-ups with some of the apps that will be pre-installed.

Mr Goel says the business will still lose about 150 rupees on each phone and hopes the government will step in with subsidies.

About 200,000 handsets are said to be ready to send to customers.



Ringing Bells also plans to sell other more expensive handsets - ranging in price up to about \$100 (£75) - at a profit.

But, with just over a week to go until Freedom 251's launch, critics remain unconvinced.

"I find it difficult to believe that any sort of phone can be manufactured for 251 rupees, so it's difficult to see what kind of business model they have," says Pranav Dixit, a tech expert at the news site Factor Daily.

"More importantly, the founders don't have a technology background."

Update: The original version of this story said the Freedom 251 phone would launch on 30 June. After publication, Mr Goel told the BBC the launch had been delayed until 7 July, and the article was amended to reflect this.





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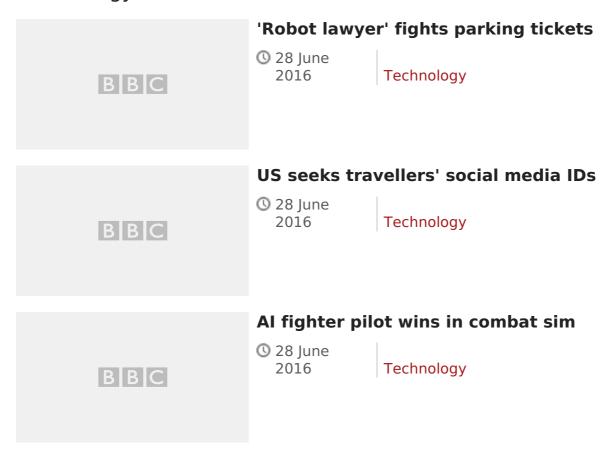


Ringing Bells

Indian Cellular Association

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