Information Note to the Press (Press Release No. 79/2016)

TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, the 5th August, 2016

For Immediate release **Website:- www.trai.gov.in**

"Indian Telecom Services Performance Indicator Report" for the Quarter ending March, 2016

TRAI today has released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending March, 2016. This Report provides a broad perspective of the Telecom Services in India and presents the key parameters and growth trends of the Telecom Services as well as Cable TV, DTH & Radio Broadcasting services in India for the period covering 1st January, 2016 to 31st March, 2016 compiled mainly on the basis of information furnished by the Service Providers.

Executive Summary of the Report is enclosed. The complete Report is available on TRAI's website www.trai.gov.in.

Contact details in case of any clarification:

Ms Vinod Kotwal
Advisor(F&EA), TRAI
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg,
New Delhi – 110 002
Ph : 011-23230752
Fax: 011-23236650
E-mail: advfea1@trai.gov.in

Authorized to issue

(Vinod Kotwal)
Advisor(F&EA)

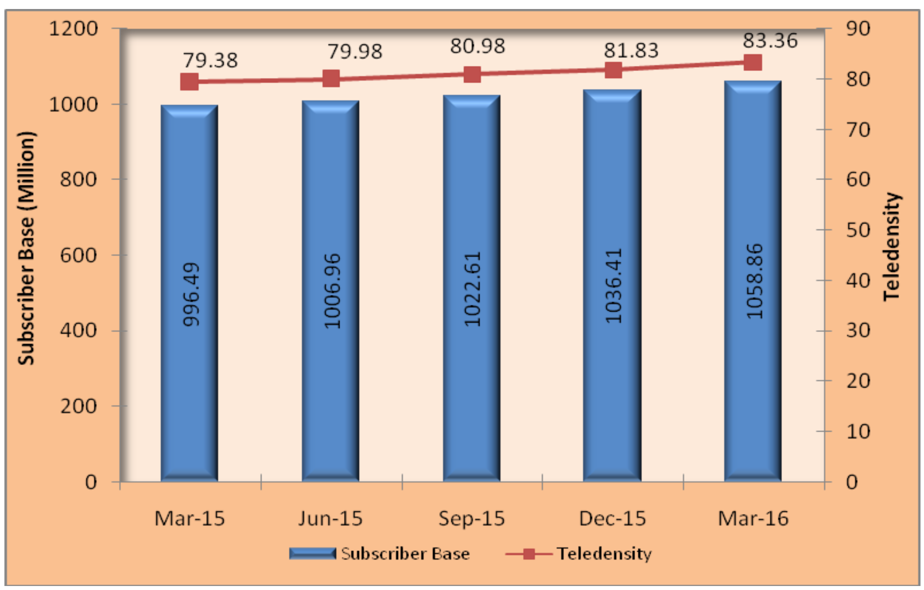
The Indian Telecom Services Performance Indicators

January – March, 2016

Executive Summary

1. The number of telephone subscribers in India increased from 1,036.41 million at the end of Dec-15 to 1,058.86 million at the end of Mar-16, registering a growth of 2.17% over the previous quarter. This reflects year-on-year (Y-O-Y) growth of 6.26% over the same quarter of last year. The overall Teledensity in India increased from 81.83 as on 31st December, 2015 to 83.36 as on 31st March, 2016.

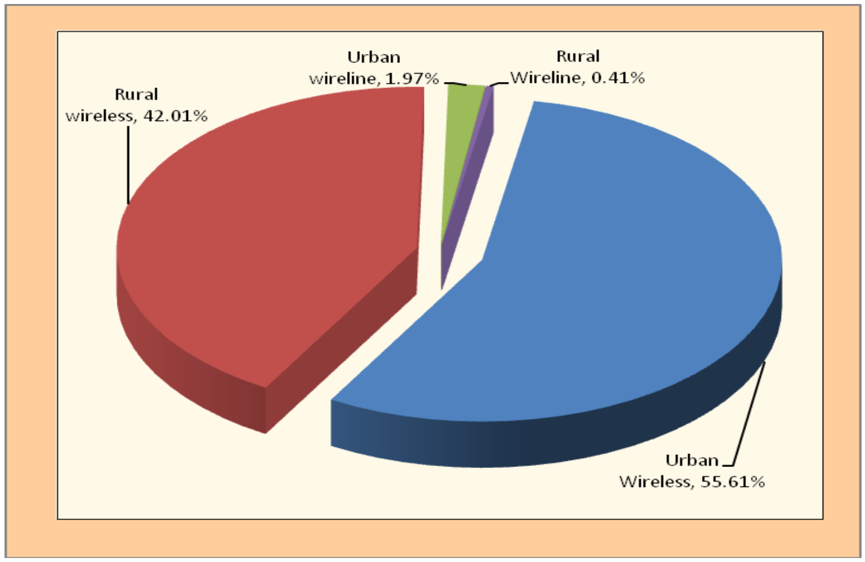
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas increased from 600.66 million at the end of Dec-15 to 609.69 million at the end of Mar-16, and Urban Teledensity increased from 152.45 to 154.01. Rural subscription increased from 435.75 million to 449.17 million, and Rural Teledensity also increased from 49.94 to 51.37 during the same period.

3. Out of the total subscription, the share of the Rural subscription increased from 42.04% at the end of Dec-15 to 42.42% at the end of Mar-16.

Composition of Telephone Subscribers



4. With a net addition of 22.74 million subscribers during the quarter, total wireless (GSM+CDMA) subscriber base increased from 1,010.89 million at the end of Dec-15 to 1,033.63 million at the end of Mar-16, registering a growth rate of 2.25% over the previous quarter. The year-on-year (Y-O-Y) growth rate of wireless subscribers for Mar-16 is 6.57%.

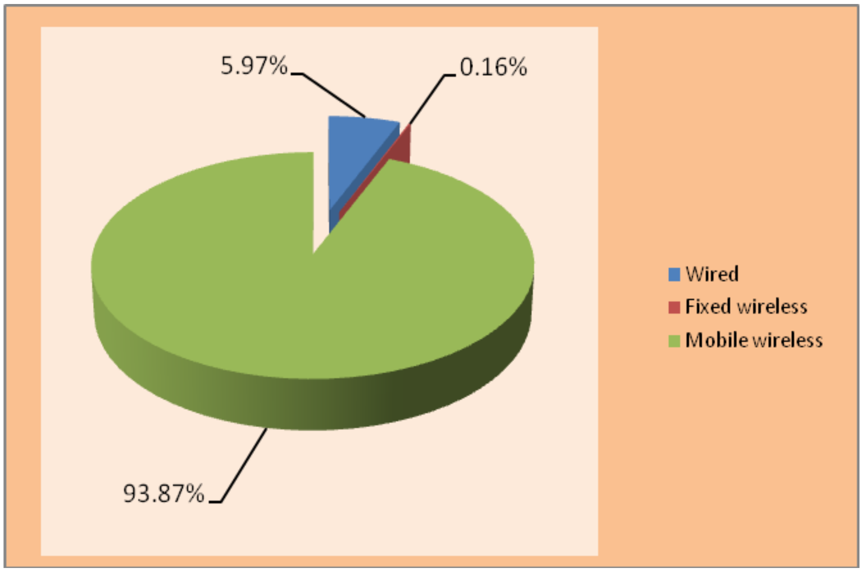
5. Wireless Tele-density increased from 79.82 at the end of Dec-15 to 81.38 at the end of Mar-16.

6. Wireline subscriber base further declined from 25.52 million at the end of Dec-15 to 25.22 million at the end of Mar-16, registering a quarterly decline rate of 1.15%. The year-on-year (Y-O-Y) decline in wireline subscribers for Mar-16 is 5.15%.

7. Wireline Teledensity declined from 2.01 at the end of Dec-15 to 1.99 at the end of Mar-16.

8. Total number of Internet subscribers has increased from 331.66 million at the end of Dec-15 to 342.65 million at the end of Mar-16, registering a quarterly growth rate of 3.31%. Out of 342.65 million, Wired Internet subscribers are 20.44 million and Wireless Internet subscribers are 322.21 million.

Composition of internet subscription



9. The Internet subscriber base of 342.65 million at the end of Mar-16 is comprised of Broadband Internet subscriber base of 149.75 million and Narrowband Internet subscriber base of 192.90 million.

10. The broadband Internet subscriber base grew by 9.69% from 136.53 million at the end of Dec-15 to 149.75 million at the end of Mar-16. On the other hand, the narrowband Internet subscriber base declined by 1.14% from 195.13 million at the end of Dec-15 to 192.90 million at the end of Mar-16.

11. Monthly Average Revenue Per User (ARPU) for GSM service increased by 1.75%, from ₹123 in QE Dec-15 to ₹125 in QE Mar-16. Monthly ARPU for GSM service grew by 3.46% on Y-O-Y in this quarter.

12. Prepaid ARPU for GSM service per month increased from ₹105.14 in QE Dec-15 to ₹107.33 in QE Mar-16, whereas Postpaid ARPU per month declined from ₹491 in QE Dec-15 to ₹488 in QE Mar-16.

13. On an all India average, the overall MOU per subscriber per month for GSM service increased by 1.34% from 376 for QE Dec-15 to 381 in QE Dec-15.

14. Prepaid MOU per subscriber for GSM service increased from 351 in QE Dec-15 to 356 in QE Mar-16, however postpaid MOU declined from 899 in QE Dec-15 to 892 in QE Mar-16.

15. Monthly ARPU for CDMA full mobility service slightly increased by 0.2%, from ₹103.30 in QE Dec-15 to ₹103.50 in QE Mar-16. Monthly ARPU for CDMA full mobility service declined by 4.3% on Y-O-Y basis in this quarter.

16. The total MOU per subscriber per month for CDMA full mobility service increased by 3.3%, from 252 in QE Dec-15 to 260 in QE Mar-16. The outgoing MOUs increased from 144 in QE Dec-15 to 150 in QE Mar-16, and incoming MOUs also increased from 108 in QE Dec-15 to 110 in QE Mar-16.

17. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Mar-16 has been ₹68,335 Crore and ₹48,379 Crore respectively. GR increased by 4.57% and AGR increased by 4.97% in QE Mar-16 as compared to previous quarter.

18. The year-on-year (Y-O-Y) growth in GR and AGR over the same quarter in last year has been 4.77% and 7.13% respectively.

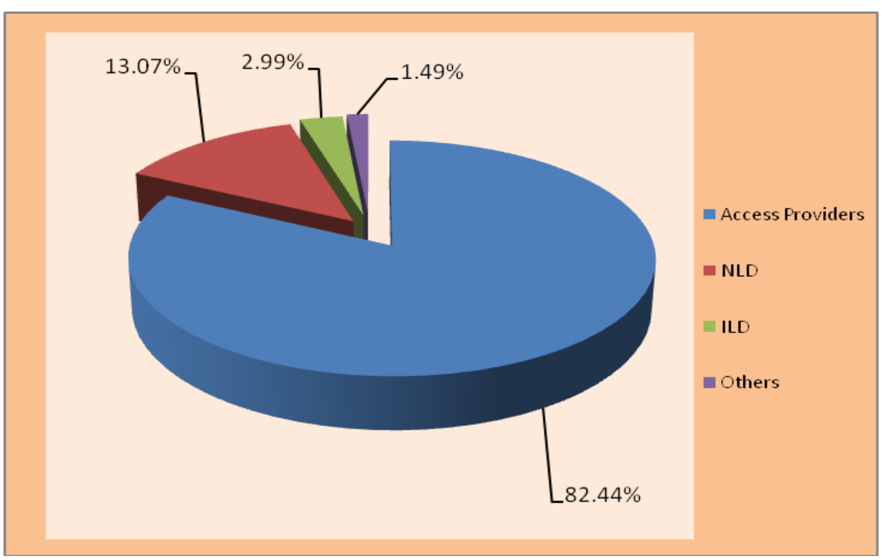
19. Pass-through charges increased from ₹19,260 Crore in Q.E. Dec-15 to ₹19,956 in Q.E. Mar-16. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Mar-16 are 3.61% and -0.56% respectively.

20. The License Fee increased from ₹3,690 Crore for the QE Dec-15 to ₹3,872 Crore for the QE Mar-16. The quarterly and the year-on-year (Y-O-Y) growth rates of license fee are 4.92% and 7.04% respectively in this quarter.

21. Access services contributed 82.44% of the total Adjusted Gross Revenue of telecom services. In Access services, Gross Revenue (GR), Adjusted Gross Revenue(AGR), License Fee and Pass Through Charges increased by 4.45%, 4.16%, 4.18% and 5.43% respectively whereas, Spectrum Usage Charges(SUC) declined by 0.24% in QE Mar-16.

22. Monthly Average Revenue per User (ARPU) for Access Services based on AGR increased from ₹123.77 in QE Dec-15 to ₹126.91 in QE Mar-16.

Composition of Adjusted Gross Revenue



23. The performance of 2G wireless service providers in terms of QoS during the quarter vis-à-vis that in the previous quarter is given as below:

Parameters showing improvement in QoS	**Parameters showing deterioration in QoS**
• BTSs Accumulated Downtime (Not available for service) • Worst affected cells having more than 3% TCH drop (call drop) rate • Call Set-up Success Rate (within licensee's own network) • Connections with good voice quality • Metering and billing credibility – Postpaid • Metering and billing credibility – Prepaid • Resolution of billing/charging/ credit & validity complaints (98% within 4 weeks) • Resolution of billing/charging/ credit & validity complaints (100% within 6 weeks) • Period of applying credit/waiver/ adjustment to customer's account from the date of resolution of complaints • Accessibility of call centre/ customer care • %age requests for Termination/ Closure of service complied within 7 days • Time taken for refund of deposits after closures	• SDCCH/Paging Channel Congestion • TCH Congestion • Point of Interconnection (POI) Congestion (No. of POIs not meeting the benchmark) • %age of calls answered by the operators (voice to voice) within 90 sec

24. The performance of 3G wireless service providers in terms of QoS during the quarter vis-à-vis that in the previous quarter is given below:

Parameters showing improvement in QoS	**Parameters showing deterioration in QoS**
• BTSs and Node-B's accumulated downtime (not available for service) (%age) • Worst affected BTSs and Node-B's due to downtime (%age) • TCH and Circuit Switched RAB Congestion (%age) • Worst affected cells having more than 3% TCH drop (call drop) rate and Circuit Switched Voice Drop Rate:- CBBH	• Call Set-up Success Rate (within licensee's own network) • SDCCH/Paging Channel and RRC Congestion (%age) • Call Drop and Circuit Switched Voice Drop Rate (%age)

25. The performance of wireline service providers in terms of QoS during the quarter vis-à-vis that in the previous quarter is given below:

Parameters showing improvement in QoS	**Parameters showing deterioration in QoS**
• Resolution of billing/ charging/ credit & validity complaints (98% within 4 weeks & 100% within 6 weeks	• %age of calls answered by the operators (voice to voice) within 90 sec • Termination/ Closure of service 100% within 7 days

26. A total of 869 private satellite TV channels have been permitted by the Ministry of Information and Broadcasting (MIB) for uplinking only/ downlinking / uplinking, as on 31st March 2016.

27. As reported by broadcasters, there were 263 pay channels at the quarter ending of March, 2016 as compared to 262 pay channels for the previous quarter. During the quarter, five new pay channels were reported, two channels were discontinued and two channels were converted from Pay Channel to FTA.

28. Since introduction in the year 2003, Indian DTH services have displayed a phenomenal growth. DTH has attained a registered subscriber base of around 88.64 million (including 58.53 million active subscribers). As on March 2016, there are 6 pay DTH service providers catering to this subscriber base. This is besides the viewership of the free DTH services of Doordarshan.

29. Apart from the Radio Stations operated by All India Radio, Prasar Bharati – a public broadcaster, there are 243 operational private FM Radio stations as on 31st March, 2016. This is as per the information available on the website of MIB.

30. As per data received from MIB, as on 31st March, 2016, out of the 237 community radio licenses issued so far, 191 stations are operational.

Snapshot

(Data As on 31st March, 2016)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	1,058.86 Million
% change over the previous quarter	2.17%
Urban Subscribers	609.69 Million
Rural Subscribers	449.17 Million
Market share of Private Operators	89.78%
Market share of PSU Operators	10.22%
Teledensity	83.36
Urban Teledensity	154.01
Rural Teledensity	51.37
Wireless Subscribers	
Total Wireless Subscribers	1,033.63 Million
% change over the previous quarter	2.25%
Urban Subscribers	588.79 Million
Rural Subscribers	444.84 Million
GSM Subscribers	989.54 Million
CDMA Subscribers	44.09 Million
Market share of Private Operators	91.30%
Market share of PSU Operators	8.70%
Teledensity	81.38
Urban Teledensity	148.73
Rural Teledensity	50.88
Wireline Subscribers	
Total Wireline Subscribers	25.22 Million
% change over the previous quarter	-1.15%
Urban Subscribers	20.90 Million
Rural Subscribers	4.32 Million
Market share of Private Operators	27.58%
Market share of PSU Operators	72.42%
Teledensity	1.99
Urban Teledensity	5.28
Rural Teledensity	0.49
No. of Village Public Telephones (VPT)	5,86,799
No. of Public Call Office (PCO)	5,88,936

Internet/Broadband Subscribers	
Total Internet Subscribers	342.65 Million
% change over previous quarter	3.31%
Narrowband subscribers	192.90 Million
Broadband subscribers	149.75 Million
Wired Internet Subscribers	20.44 Million
Wireless Internet Subscribers	322.21 Million
Urban Internet Subscribers	230.71 Million
Rural Internet Subscribers	111.94 Million
Total Internet Subscribers per 100 population	26.98
Urban Internet Subscribers per 100 population	58.28
Rural Internet Subscribers per 100 population	12.80
Broadcasting & Cable Services	
Number of private satellite TV channels registered with Ministry of I&B	869
Number of Pay TV Channels	263
Number of private FM Radio Stations	243
Registered DTH Subscribers	88.64 Million
Active DTH Subscribers	58.53 Million
Number of Community Radio Stations licenced (GOPA signed)	237
Number of Operational Community Radio Stations	191
Number of pay DTH Operators	6
Number of teleports permitted in India	90
Telecom Financial Data (QE Mar-16)	
Gross Revenue (GR) during the quarter	₹ 68,335 Crore
% change in GR over the previous quarter	4.57%
Adjusted Gross Revenue (AGR) during the quarter	₹ 48,379 Crore
% change in AGR over the previous quarter	4.97%
Share of Public sector undertakings in Access AGR	11.33%
Monthly Average Revenue Per User (ARPU) for Access Services	₹ 127
Revenue & Usage Parameters (QE Mar-16)	
Monthly ARPU GSM Full Mobility Service	₹ 125
Monthly ARPU CDMA Full Mobility Service	₹ 104
Minutes of Usage (MOU) per subscriber per month - GSM Full Mobility Service	381 Minutes
Minutes of Usage (MOU) per subscriber per month - CDMA Full Mobility Service	260 Minutes
Total Outgoing Minutes of Usage for Internet Telephony	277 Million
Data Usage of Mobile Users (QE Mar-16)	
Data Usage per subscriber per month - GSM	133.87 MB
Data Usage per subscriber per month - CDMA	433.64 MB
Data Usage per subscriber per month – Total(GSM+CDMA)	147.12 MB