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TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, the 7th April, 2017

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

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

TRAI today has released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending December, 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 October, 2016 to 31st December, 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.

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Authorized to issue

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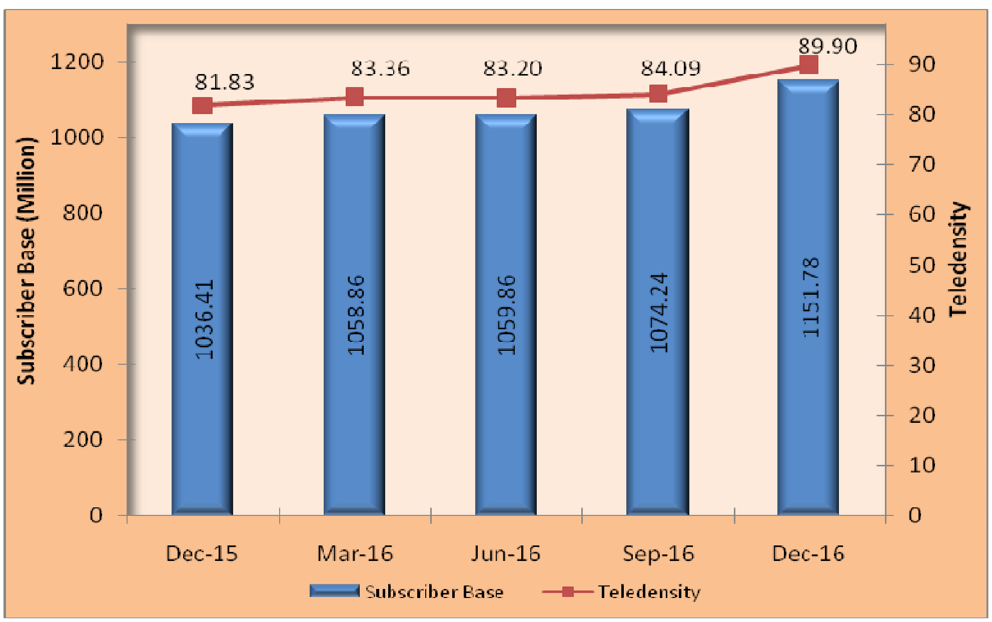
The Indian Telecom Services Performance Indicators
October - December, 2016

Executive Summary

1. The number of telephone subscribers in India increased from 1,074.24 million at the end of Sep-16 to 1,151.78 million at the end of Dec-16, registering a growth of 7.22% over the previous quarter. This reflects year-on-year (Y-O-Y) growth of 11.13% over the same quarter of last year. The overall Teledensity in India increased from 84.09 as QE Sep-16 to 89.90 as on QE Dec-16.

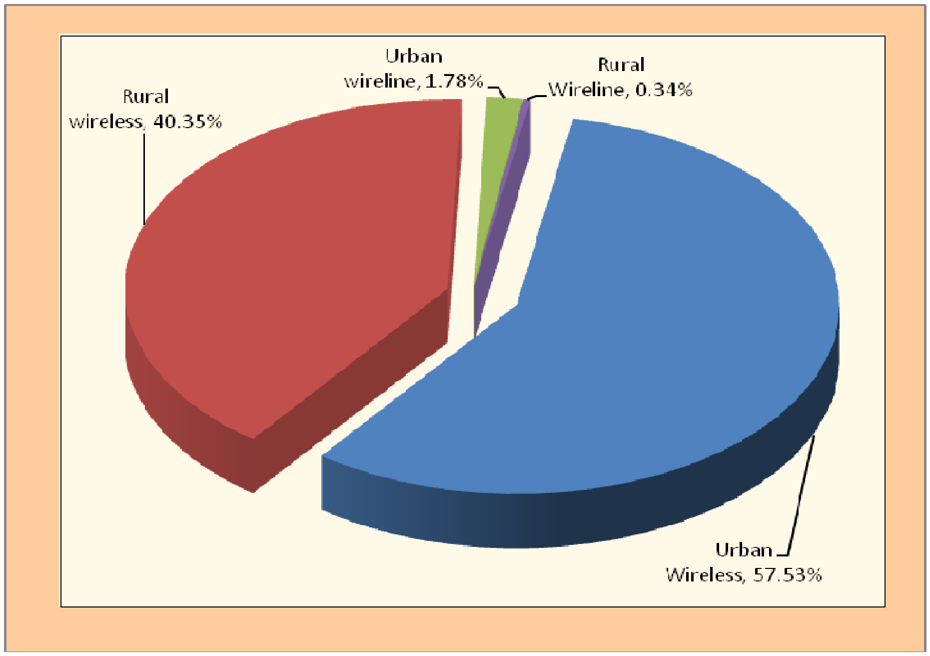
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas increased from 624.38 million at the end of Sep-16 to 683.14 million at the end of Dec-16, and Urban Teledensity also increased from 156.24 to 170.15 during the same period. Rural subscription also increased from 449.86 million to 468.64 million and Rural Teledensity also increased from 51.24 to 53.27 during the same period.

3. Out of the total subscription, the share of Rural subscription declined from 41.88% at the end of Sep-16 to 40.69% at the end of Dec-16.

Composition of Telephone Subscribers



4. With a net addition of 77.63 million subscribers during the quarter, total wireless (GSM+CDMA) subscriber base increased from 1,049.74 million at the end of Sep-16 to 1,127.37 million at the end of Dec-16, registering a quarterly growth rate of 7.40% over the previous quarter. The year-on-year (Y-O-Y) growth rate of wireless subscribers for Dec-16 is 11.52%.

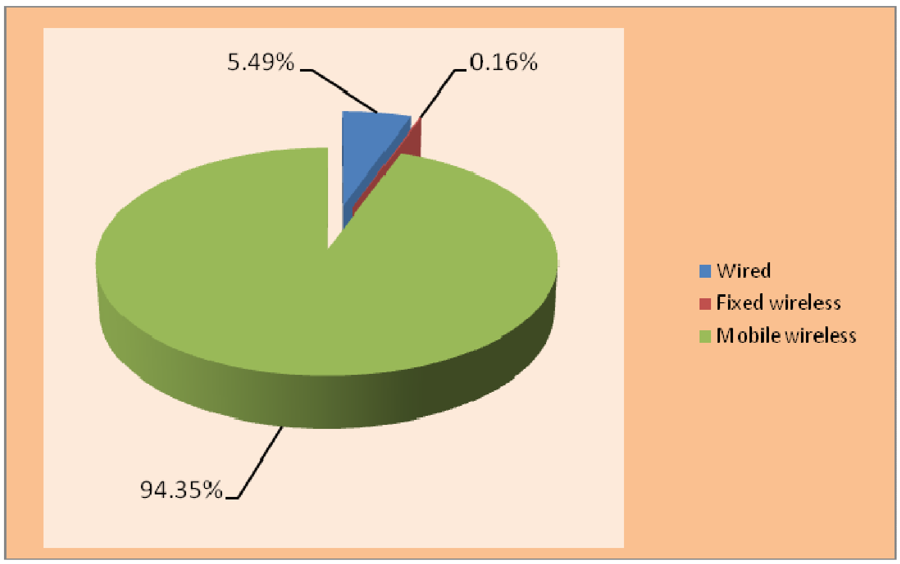
5. Wireless Tele-density increased from 82.17 at the end of Sep-16 to 88.00 at the end of Dec-16.

6. Wireline subscriber base further declined from 24.49 million at the end of Sep-16 to 24.40 million at the end of Dec-16, registering a quarterly decline rate of 0.37%. The year-on-year (Y-O-Y) decline rate in wireline subscribers for Dec-16 is 4.37%.

7. Wireline Teledensity declined from 1.92 at the end of Sep-16 to 1.90 at the end of Dec-16.

8. Total number of Internet subscribers has increased from 367.48 million at the end of Sep-16 to 391.50 million at the end of Dec-16, registering a quarterly growth rate of 6.54%. Out of 391.50 million, Wired Internet subscribers are 21.51 million and Wireless Internet subscribers are 370.00 million.

Composition of internet subscription



9. The Internet subscriber base of 391.50 million at the end of Dec-16 is comprised of Broadband Internet subscriber base of 236.09 million and Narrowband Internet subscriber base of 155.41 million.

10. The broadband Internet subscriber base grew by 22.77% from 192.30 million at the end of Sep-16 to 236.09 million at the end of Dec-16. On the other hand, the narrowband Internet subscriber base declined by 11.29% from 175.18 million at the end of Sep-16 to 155.41 million at the end of Dec-16.

11. Monthly Average Revenue Per User (ARPU) for GSM service declined by 14.10%, from ₹121 in QE Sep-16 to ₹104 in QE Dec-16. Monthly ARPU for GSM service declined by 15.32% on Y-O-Y in this quarter.

12. Prepaid ARPU for GSM service per month declined from ₹103 in QE Sep-16 to ₹86 in QE Dec-16, and Postpaid ARPU per month also declined from ₹485 in QE Sep-16 to ₹456 in QE Dec-16.

13. On an all India average, the overall MOU per subscriber per month for GSM service declined by 1.58% from 366 for QE Sep-16 to 360 in QE Dec-16.

14. Prepaid MOU per subscriber for GSM service declined from 339 in QE Sep-16 to 335 in QE Dec-16, and postpaid MOU also declined from 885 in QE Sep-16 to 849 in QE Dec-16.

15. Monthly ARPU for CDMA full mobility service declined by 8.20%, from ₹154.05 in QE Sep-16 to ₹141.42 in QE Dec-16. Monthly ARPU for CDMA full mobility service increased by 36.86% on Y-O-Y basis in this quarter.

16. The total MOU per subscriber per month for CDMA full mobility service declined by 4.99%, from 269 in QE Sep-16 to 255 in QE Dec-16. The outgoing MOUs declined from 145 in QE Sep-16 to 129 in QE Dec-16, however incoming MOUs increased from 124 in QE Sep-16 to 127 in QE Dec-16.

17. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Dec-16 has been ₹66,532 Crore and ₹45,905 Crore respectively. GR and AGR declined by 6.79% and 9.17% respectively in QE Dec-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 1.81% and -0.39% respectively.

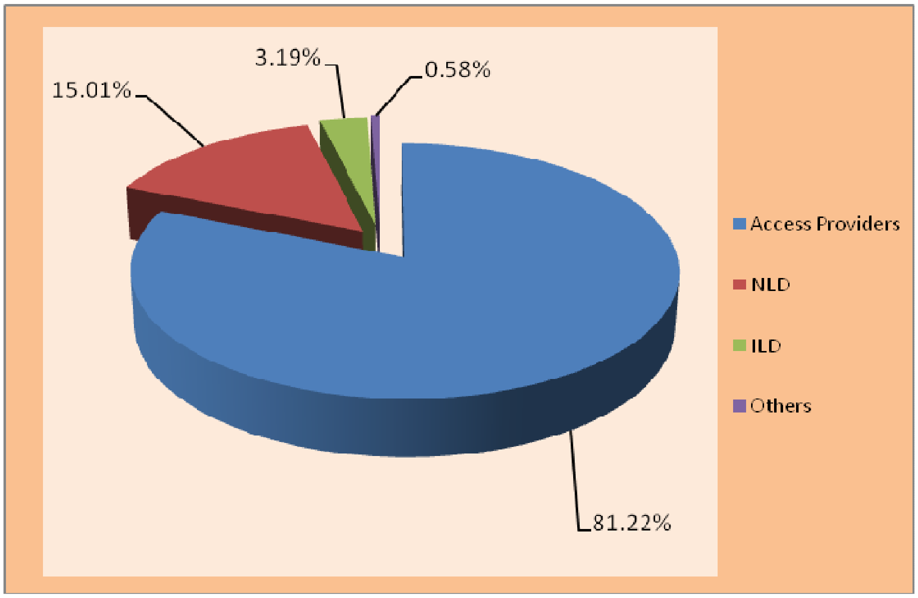
19. Pass-through charges declined from ₹20,839 Crore in Q.E. Sep-16 to ₹20,627 in Q.E. Dec-16. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Dec-16 are -1.01% and 7.10% respectively.

20. The License Fee declined from ₹4,091 Crore for the QE Sep-16 to ₹3,698 Crore for the QE Dec-16. The quarterly and the year-on-year (Y-O-Y) growth rates of license fee are -9.62% and 0.20% respectively in this quarter.

21. Access services contributed 81.22% of the total Adjusted Gross Revenue of telecom services. In Access services, Gross Revenue (GR), Adjusted Gross Revenue(AGR), License Fee and Spectrum Usage Charges(SUC) declined by 8.09%, 10.55%, 10.92% and 12.29% respectively however, Pass Through Charges increased by 0.38% in QE Dec-16.

22. Monthly Average Revenue per User (ARPU) for Access Services based on AGR declined from ₹131.10 in QE Sep-16 to ₹111.63 in QE Dec-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
• SDCCH/ Paging Chl. Congestion • TCH Congestion • Worst affected cells having more than 3% TCH drop (call drop) rate • Connection with good voice quality • Metering and billing credibility- post paid • Metering and billing credibility - pre paid • Resolution of billing/charging/validity complaints (98% within 4 weeks) • Resolution of billing/charging/validity complaints (100% within 6 weeks) • Accessibility of call centre/customer care • %age of calls answered by the operators (voice to voice) within 90 sec	• Worst affected BTSs due to downtime • Point of Interconnection (POI) Congestion (No. of POIs not meeting the benchmark) • %age requests for Termination/Closure of service complied within 7 days • Time taken for refund of deposits after closures

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 cells having more than 3% TCH drop (call drop) and Circuit Switched Voice Drop Rate:-CBBH	• Point of Interconnection (POI) Congestion

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**
• Fault incidences (No. Of faults/ 100 subs/month) • Fault repaired by next working day for urban areas • Response time to the customer for Assistance- Accessibility of call centre/Customer care. • %age of calls answered by the operators (voice to voice) within 90 seconds.	• Fault repaired within 5 days for urban areas • Mean Time to Repaired (MTTR) • Metering and billing credibility – Post-paid • Termination/Closure of service 100% within 7 days

26. A total number of 899 private satellite TV channels have been permitted by the Ministry of Information and Broadcasting (MIB) for uplinking only/ downlinking / uplinking, as on 31st December, 2016.

27. During the quarter ending December 2016, there were 287 pay channels as reported by 47 broadcasters as compared to 281 pay channels reported in the previous quarter. 287 pay channels include 208 SD pay TV channels and 79 HD Pay TV channels. During the quarter ending December 2016, as per the reporting, Six new pay channels were commenced. No pay channel was converted into FTA & no channel was reported to be discontinued.

28. Since its introduction in the year 2003, Indian DTH service has displayed a phenomenal growth. DTH has attained a registered pay subscriber base of around 97.05 million (including 62.65 million active subscribers). As on December 2016, there are 6 pay DTH service providers. 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, as on 31st December 2016, there are 273 operational private FM Radio stations and 84 existing cities with operational FM radio channels as compared to 260 private FM Radio Stations reported in the previous quarter. According to the reporting of advertisement revenue done by the FM Radio Service Providers, it has emerged that during the quarter ending 31st December 2016, 13 new private FM Radio Stations have become operational.

30. As per data received from MIB, as on 31st December, 2016, out of the 255 community radio licenses issued so far, 201 stations are operational.

Snapshot

(Data As on Q.E. 31st December, 2016)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	1,151.78 Million
% change over the previous quarter	7.22%
Urban Subscribers	683.14 Million
Rural Subscribers	468.64 Million
Market share of Private Operators	89.79%
Market share of PSU Operators	10.21%
Teledensity	89.90
Urban Teledensity	170.15
Rural Teledensity	53.27
Wireless Subscribers	
Total Wireless Subscribers	1,127.37 Million
% change over the previous quarter	7.70%
Urban Subscribers	662.60 Million
Rural Subscribers	464.78 Million
GSM Subscribers	1,112.30 Million
CDMA Subscribers	15.07 Million
Market share of Private Operators	91.09%
Market share of PSU Operators	8.91%
Teledensity	88.00
Urban Teledensity	165.04
Rural Teledensity	52.84
Wireline Subscribers	
Total Wireline Subscribers	24.40 Million
% change over the previous quarter	-0.37%
Urban Subscribers	20.55 Million
Rural Subscribers	3.86 Million
Market share of Private Operators	29.46%
Market share of PSU Operators	70.54%
Teledensity	1.90
Urban Teledensity	5.12
Rural Teledensity	0.44
No. of Village Public Telephones (VPT)	2,36,163
No. of Public Call Office (PCO)	4,91,190
Telecom Financial Data	
Gross Revenue (GR) during the quarter	₹ 66,532 Crore
% change in GR over the previous quarter	-6.79%
Adjusted Gross Revenue (AGR) during the quarter	₹ 45,905 Crore
% change in AGR over the previous quarter	-9.17%
Share of Public sector undertakings in Access AGR	10.46%
Monthly Average Revenue Per User (ARPU) for Access Services	₹ 112

Internet/Broadband Subscribers	
Total Internet Subscribers	391.50 Million
% change over previous quarter	6.54%
Narrowband subscribers	155.41 Million
Broadband subscribers	236.09 Million
Wired Internet Subscribers	21.51 Million
Wireless Internet Subscribers	370.00 Million
Urban Internet Subscribers	276.44 Million
Rural Internet Subscribers	115.06 Million
Total Internet Subscribers per 100 population	30.56
Urban Internet Subscribers per 100 population	68.86
Rural Internet Subscribers per 100 population	13.08
Broadcasting & Cable Services	
Number of private satellite TV channels permitted by the Ministry of I&B for uplinking only/ downlinking / uplinking	899
Number of Pay TV Channels	287
Number of private FM Radio Stations (excluding All India Radio)	273
Number of Pay Subscribers Registered with Private DTH Operators	97.05 Million
Number of Pay Subscribers Active with Private DTH Operators	62.65 Million
Number of Community Radio Stations licenced (GOPA signed)	255
Number of Operational Community Radio Stations	201
Number of pay DTH Operators	6
Revenue & Usage Parameters	
Monthly ARPU GSM Full Mobility Service	₹ 104
Monthly ARPU CDMA Full Mobility Service	₹ 141
Minutes of Usage (MOU) per subscriber per month - GSM Full Mobility Service	360 Minutes
Minutes of Usage (MOU) per subscriber per month - CDMA Full Mobility Service	255 Minutes
Total Outgoing Minutes of Usage for Internet Telephony	251 Million
Data Usage of Mobile Users	
Data Usage per subscriber per month – GSM (2G+3G+4G)	884.29 MB
Data Usage per subscriber per month - CDMA	503.41 MB
Data Usage per subscriber per month – Total(GSM+CDMA)	878.63 MB
Average outgo per MB data for GSM including LTE	₹ 0.16
Average outgo per MB data for CDMA	₹ 0.12