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TELECOM REGULATORY AUTHORITY OF INDIA

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

"Indian Telecom Services Performance Indicator Report" for the Quarter ending September 2011.

The TRAI today released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending September 2011. This Report provides a broad perspective of the Telecom Services and presents the key parameters and growth trends for the Telecom Services as well as Cable TV, DTH & Radio Broadcasting services in India for the period covering July to September 2011, and is compiled 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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Authorised to issue.

(Raj Pal)
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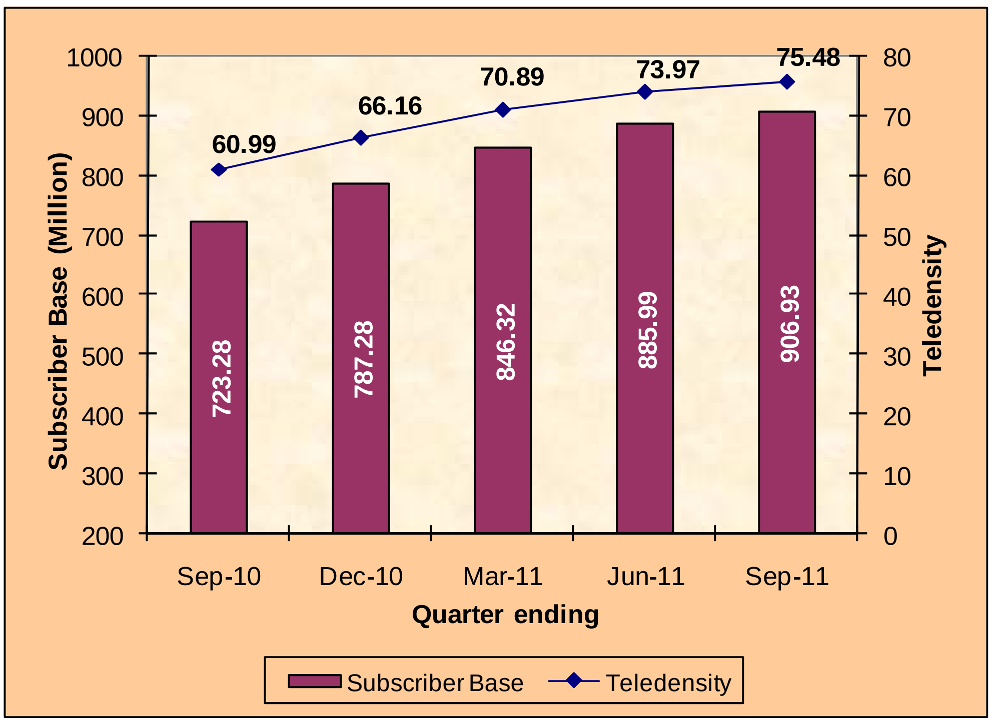
The Indian Telecom Services Performance Indicators
July – September 2011

Executive Summary

1. The number of telephone subscribers in India increased from 885.99 million at the end of Jun-11 to 906.93 million at the end of Sep-11, registering a growth of 2.36% over the previous quarter as against 4.69% during the QE Jun-11. This reflects year-on-year (Y-O-Y) growth of 25.39% over the same quarter of last year. The overall Teledensity in India has reached 75.48 as on 30th September 2011.

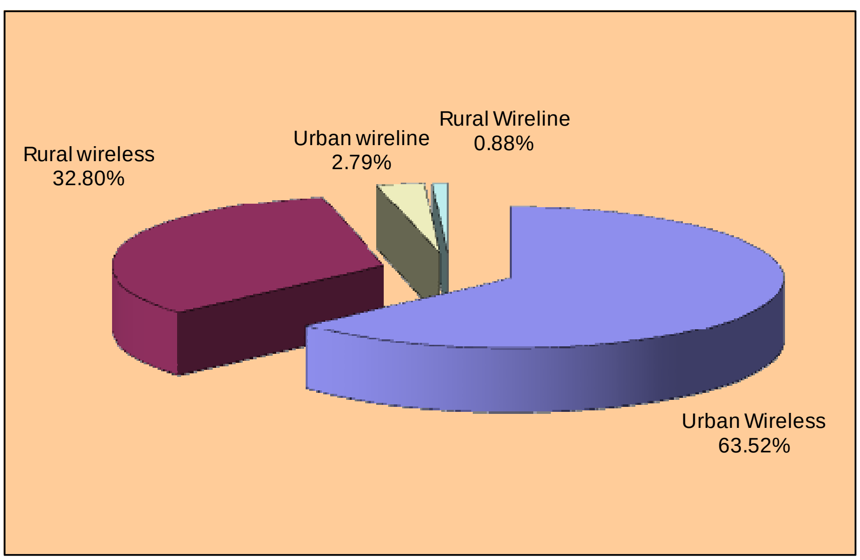
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas grew from 587.94 million at the end of Jun-11 to 601.72 million at the end of Sep-11, taking the Urban Teledensity from 163.13 to 166.01. Rural subscription increased from 298.05 million to 305.51 million, and the Rural Teledensity increased from 35.60 to 36.40. Share of Rural areas in total subscription has increased to 33.69% at the end of Sep-11 from 33.64% at the end of Jun-11.

3. About 64.37% of the total net additions have been in Urban areas as compared to 60.14% in the previous quarter. Both, Urban and Rural subscription recorded a decline in rate of growth during the quarter. Rural subscription growth rate declined from 5.60% in QE Jun-11 to 2.50% in QE Sep-11, and Urban subscription declined from 4.23% in QE Jun-11 to 2.29% in QE Sep-11.

Composition of Telephone Subscribers



4. With 21.92 million net additions during the quarter, total wireless (GSM + CDMA) subscriber base registered a growth of 2.57% over the previous quarter and increased from 851.70 million at the end of Jun-11 to 873.61 million at the end of Sep-11. The year-on-year (Y-O-Y) growth over the same quarter of last year is 27.03%. Wireless Teledensity increased from 71.11 to 72.70.

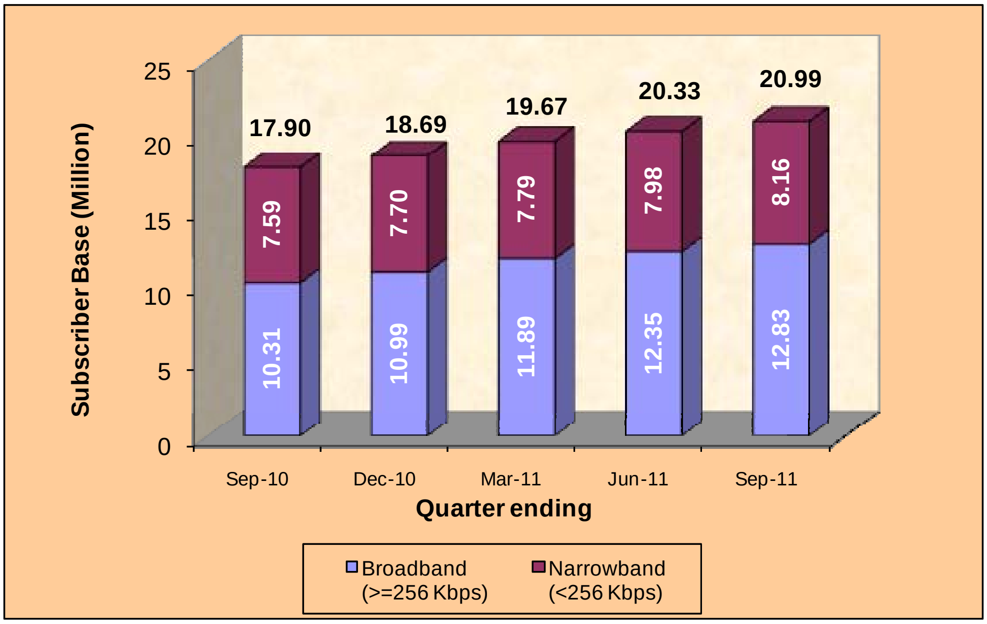
5. Wireline subscriber base further declined from 34.29 million at the end of Jun-11 to 33.31 million at the end of Sep-11, bringing down the wireline Teledensity from 2.86 at the end of Jun-11 to 2.77 at the end of Sep-11.

6. Internet subscribers increased from 20.33 million at the end of Jun-11 to 20.99 million at the end of Sep-11, registering a quarterly growth rate of 3.25%. Top 10 ISPs together hold 94.57% of the total Internet subscriber base.

7. Number of Broadband subscribers increased from 12.35 million at the end of Jun-11 to 12.83 million at the end of Sep-11, registering a quarterly growth of 3.93% and Y-O-Y growth of 24.54%.

8. Share of Broadband subscription in total Internet subscription increased from 60.7% at the end of Jun-11 to 61.1% at the end of Sep-11. 85.44% of the Broadband subscribers are using Digital Subscriber Line (DSL) technology.

Trends in Internet/Broadband subscription



9. Average Revenue Per User (ARPU) for GSM service declined by 4.59%, from ₹98 in QE Jun-11 to ₹93 in QE Sep-11, with Y-O-Y decrease of 15.11%.

10. MOU per subscriber for GSM service declined by 3.90%, from 344 in QE Jun-11 to 331 in QE Sep-11. The Outgoing MOUs (159) declined by 4.60% and Incoming MOUs (171) by 3.24%.

11. ARPU for CDMA – full mobility service increased by 9.56%, from ₹64 in QE Jun-11 to ₹71 in QE Sep-11. ARPU for CDMA has declined by 3.31% on Y-O-Y basis.

12. MOU per subscriber for CDMA-full mobility service declined by 3.27% from 238 in QE Jun-11 to 230 in QE Sep-11. The Outgoing MOUs (116) declined by 3.0% while Incoming MOUs (114) declined by 3.6%.

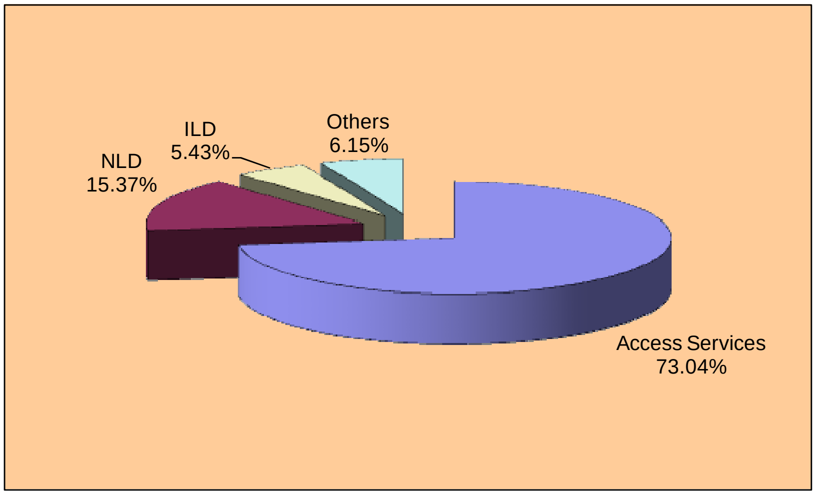
13. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Sep-11 has been ₹49,942.25 Crore and ₹33,460.52 Crore respectively. There has been an increase of 6.51% and 2.67% in GR and AGR respectively as compared to previous quarter. The year-on-year (Y-O-Y) growth in GR and AGR over the same quarter in last year has been 19.21% and 12.52% respectively. Pass-through charges accounted for 33.0% of the GR for the quarter ending Sep-11. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Sep-11 are 15.24% and 35.54% respectively.

14. Average license fee as percentage of AGR is 8.30% in QE Sep-11 as against 8.28% in previous quarter. The quarterly and the year-on-year (Y-O-Y) growth rates of the average license fee for QE Sep-11 are 2.84% and 12.27% respectively.

15. Access services contributed 73.04% of the total revenue of telecom services. In Access services GR, AGR, License Fee & spectrum Charges increased by 2.52%, 0.96%, 1.15% & 0.17% respectively in the quarter ending Sep-11 vis-à-vis previous quarter.

16. Average Revenue per User (ARPU) for Access Services based on AGR remained unchanged at the level of ₹98.

Composition of Gross Revenue



17. The performance of wireline service providers, in terms of various Quality of Service (QoS) parameters, in comparison to that in the previous quarter is summarized as under:

Parameters showing Improvement in QoS	**Parameters showing deterioration in QoS**	**Parameters showing no change in QoS**
• Point of Interconnection (POI) Congestion	• Faults incidences (No. of faults/100 Subs./month) • % of faults repaired within 3 days • % of faults repaired within 5 days • Mean Time to Repair (MTTR) • Call Completion Rate (CCR) • Metering and billing credibility - post paid • Resolution of billing/ charging/ validity complaints • Period of applying credit/ waiver/ adjustment to customer's account from the date of resolution of complaints	• % of faults repaired by next working day • Answer to Seizure Ratio (ASR)

Parameters showing Improvement in QoS	Parameters showing deterioration in QoS	Parameters showing no change in QoS
	• Accessibility of call centre/ customer care • Percentage of calls answered by the operators (voice to voice) within 60 seconds • %age requests for Termination / Closure of service complied within 7 days • Time taken for refund of deposits after closures	

18. The performance of wireless service providers in terms of QoS during the quarter vis-à-vis that in previous quarter is depicted as under:

Parameters showing Improvement in QoS	Parameters showing deterioration in QoS
• Connection with good voice quality • Call Drop Rate • Point of Interconnection (POI) Congestion (No. of POIs not meeting the benchmark) • 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	• Call Set-up Success Rate (within licensee's own network) • BTSs Accumulated downtime (not available for service) • Worst affected BTSs due to downtime • SDCCH/ Paging Chl. Congestion • TCH Congestion • Worst affected cells having more than 3% TCH drop (call drop) rate • Metering and billing credibility - post paid • Metering and billing credibility - pre paid • Resolution of billing/ charging/ validity complaints • %age of calls answered by the operators (voice to voice) within 60 sec

19. Total Number of channels registered with Ministry of I&B increased from 715 at the end of Jun-11 to 762 at the end of Sep-11. There are

161 pay TV channels in existence, as reported by 24 broadcasters/their distributors, as on QE Sep-11.

20. Maximum number of TV channels (Pay, FTA and Local) being carried by any of the reported MSOs is 287 whereas in the conventional analogue form, maximum number of channels being carried by any of the reported MSOs is 100 channels.

21. Apart from All India Radio, Prasar Bharti – a public broadcaster, there are 245 private FM Radio stations in operation at the end of Sep-11.

22. Besides the free DTH service of Doordarshan, there are 6 private DTH licensees, offering their services to the DTH subscribers. As on 30.9.2011, their reported subscriber base is 41.04 million.

23. Number of Set Top Boxes (STBs) installed in CAS notified areas of Delhi, Mumbai, Kolkata and Chennai increased from 8,11,507 at the end of Jun-11 to 8,19,960 at the end of Sep-11.

Snapshot

(Data As on 30th September 2011)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	906.93 Million
% change over the previous quarter	2.36%
Urban Subscribers	601.42 Million (66.31%)
Rural Subscribers	305.51 Million (33.69%)
Market share of Private Operators	85.83%
Market share of PSU Operators	14.17%
Teledensity	75.48
Urban Teledensity	166.01
Rural Teledensity	36.40
Wireless Subscribers	
Total Wireless Subscribers	873.61 Million
% change over the previous quarter	2.57%
Urban Subscribers	576.12 Million (65.95%)
Rural Subscribers	297.49 Million (34.05%)
GSM Subscribers	761.20 Million (87.13%)
CDMA Subscribers	112.42 Million (12.87%)
Market share of Private Operators	88.40%
Market share of PSU Operators	11.60%
Teledensity	72.70
Urban Teledensity	159.03
Rural Teledensity	35.44
Wireline Subscribers	
Total Wireline Subscribers	33.31 Million
% change over the previous quarter	-2.86%
Urban Subscribers	25.30 Million (75.94%)
Rural Subscribers	8.02 Million (24.06%)
Market share of Private Operators	18.58%
Market share of PSU Operators	81.42%
Teledensity	2.77
Urban Teledensity	6.98
Rural Teledensity	0.95
Village Public Telephones (VPT)	0.58 Million
Public Call Office (PCO)	2.59 Million

Internet & Broadband Subscribers	
Total Internet Subscribers	20.99 Million
% change over the previous quarter	3.25%
Broadband Subscribers	12.83 Million
Broadcasting & Cable Services	
Total Number of Registered Channels with I&B Ministry	762
Number of Pay Channels	161
Number of private FM Radio Stations	245
DTH Subscribers registered with Pvt. SPs	41.04 Million
Number of Set Top Boxes in CAS areas	8,19,960
Telecom Financial Data (for the QE Sep-11)	
Gross Revenue during the quarter	₹ 49,942.25 Crore
% change in GR over the previous quarter	6.51%
Share of Public sector undertaking's in GR	20.14%
Adjusted Gross Revenue (AGR)	₹ 33,460.52 Crores
% change in AGR over the previous quarter	2.67%
ARPU for Access Services	₹ 98
Revenue & Usage Parameters (for the QE Sep-11)	
Average Revenue Per User (ARPU) GSM Service	₹ 93
Average Revenue Per User (ARPU) CDMA Full Mobility Service	₹ 71
Minutes of Usage (MOU) GSM Service	331 Minutes
Minutes of Usage (MOU) CDMA Full Mobility Service	230 Minutes
Minutes of Usage for Internet Telephony	194.36 Million
