Information Note to the Press (Press Release No. 55/2011)

TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, 9th November 2011

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

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

The TRAI today released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending June 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 April to June 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.

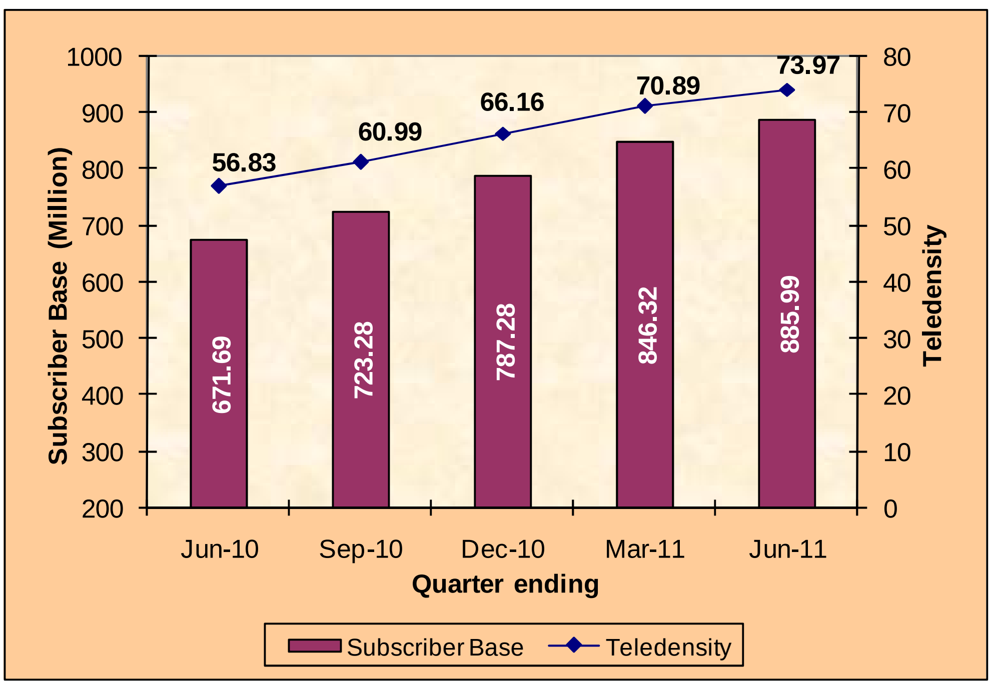
(Raj Pal)
Advisor (ER)

The Indian Telecom Services Performance Indicators
April – June 2011

Executive Summary

1. The number of telephone subscribers in India increased from 846.32 million in Mar-11 to 885.99 million at the end of Jun-11, registering a sequential growth of 4.69% over the previous quarter as against 7.50% during the QE Mar-11. This reflects year-on-year (Y-O-Y) growth of 31.91% over the same quarter of last year. The overall Teledensity in India has reached 73.97 as on 30th June 2011.

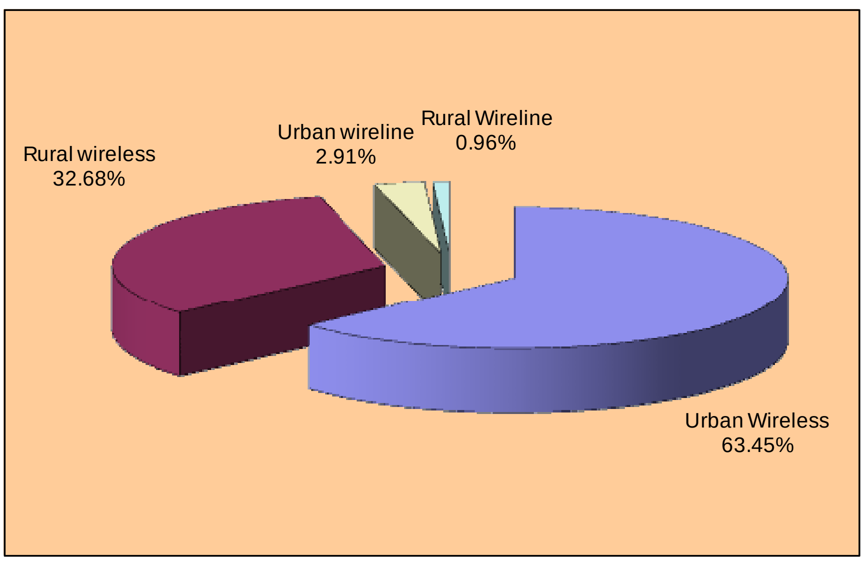
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas grew from 564.08 million at the end of Mar-11 to 587.94 million at the end of Jun-11, taking the Urban Teledensity from 157.32 to 163.13. Rural subscription increased from 282.23 million to 298.05 million, and the Rural Teledensity increased from 33.79 to 35.60. The share of Rural subscribers has further increased to 33.64% in total subscription from 33.35% at the end of Mar-11.

3. About 60.14% of the total net additions have been in Urban areas as compared to 61.96% 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 8.65% in Mar-11 to 5.60% in QE Jun-11, and Urban subscription declined from 6.93% in QE Mar-11 to 4.23% in QE Jun-11.

Composition of Telephone Subscribers



4. With 40.11 million net additions during the quarter, total wireless (GSM + CDMA) subscriber base registered a growth of 4.94% over the previous quarter and increased from 811.59 million at the end of Mar-11 to 851.70 million at the end of Jun-11. The year-on-year (Y-O-Y) growth over the same quarter of last year is 34.02%. Wireless Teledensity increased from 67.98 to 71.11.

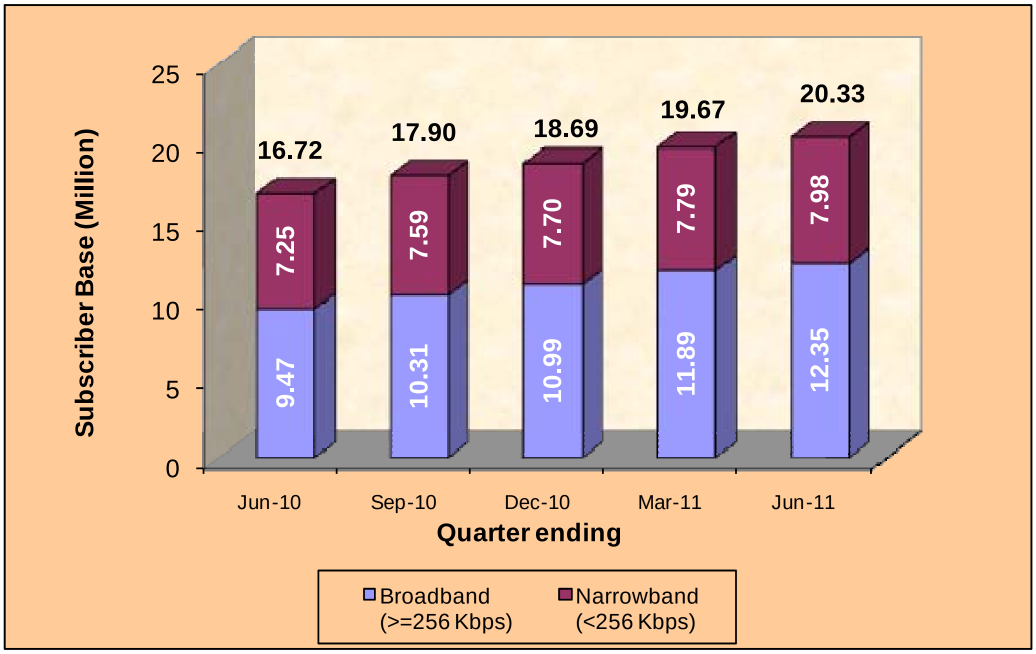
5. Wireline subscriber base further declined from 34.73 million at the end of Mar-11 to 34.29 million at the end of Jun-11, bringing down the wireline Teledensity from 2.91 at the end of Mar-11 to 2.86 at the end of Jun-11.

6. Internet subscribers increased from 19.67 million at the end of Mar-11 to 20.33 million at the end of Jun-11, registering a quarterly growth rate of 3.33%. Top 10 ISPs together hold 94.53% of the total Internet subscriber base.

7. Number of Broadband subscribers increased from 11.89 million at the end of Mar-11 to 12.35 million at the end of Jun-11, registering a quarterly growth of 3.89% and Y-O-Y growth of 30.37%.

8. Share of Broadband subscription in total Internet subscription increased from 60.4% in Mar-11 to 60.7% at the end of Jun-11. 85.72% 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 2.55%, from ₹100 in QE Mar-11 to ₹98 in QE Jun-11, with Y-O-Y decrease of 19.05%.

10. MOU per subscriber for GSM service declined by 1.45%, from 349 in QE Mar-11 to 344 in QE Jun-11. The Outgoing MOUs (167) declined by 1.46% and Incoming MOUs (177) by 1.44%.

11. ARPU for CDMA – full mobility service declined by 2.01%, from ₹66 in QE Mar-11 to ₹64 in QE Jun-11. ARPU for CDMA has declined by 12.91% on Y-O-Y basis.

12. MOU per subscriber for CDMA-full mobility service declined by 9.41% from 263 in QE Mar-11 to 238 in QE Jun-11. The Outgoing MOUs (120) declined by 9.43% while Incoming MOUs (118) declined by 9.39%.

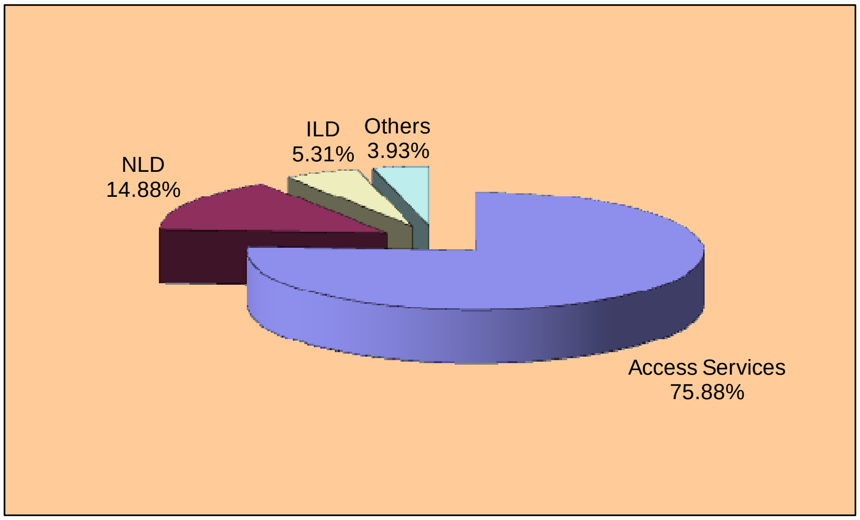
13. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Sector for the QE Jun-11 has been ₹46,891.61 Crore and ₹32,589.93 Crore respectively. There has been an increase of 3.03% and 3.56% in GR and AGR respectively as compared to previous quarter. The year-on-year (Y-O-Y) growth in GR and AGR over the same quarter in last year has been 13.28% and 6.92% respectively. Pass-through charges accounted for 30.50% of the GR for the quarter ending Jun-11. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Jun-11 are 1.85% and 31.08% respectively.

14. Average license fee as percentage of AGR is 8.28% in QE Jun-11 as against 8.23% in previous quarter. The quarterly and the year-on-year (Y-O-Y) growth rates of the average license fee for QE Jun-11 are 4.23% and 9.37% respectively.

15. Access services contributed 75.88% of the total revenue of telecom services. In Access services GR, AGR, License Fee & Spectrum charges increased by 4.43%, 6.57%, 6.52% & 4.58% respectively in the quarter ending Jun-11 vis-à-vis previous quarter.

16. Average Revenue per User (ARPU) for Access Services based on AGR remained unchanged at the level of ₹100.

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
• % Fault repaired within 5 days • Metering & billing credibility – Post paid • Accessibility of call centre/ customer care • %age of calls answered by the operators (voice to voice) within 60 sec. • Termination / Closure of service 100% within 7 days • Time taken for refund of deposits after closures	• Fault incidences per 100 subs/month • % Fault repaired within 3 days • Answer to Seizure Ratio (ASR) • Point of Interconnection (POI) Congestion • Period of applying credit/ waiver/ adjustment to customer's account from the date of resolution of complaints	• % Fault repaired by next working day • MTTR • Call Completion Rate (in local network) • Resolution of billing/charging/ Credit & validity complaints

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**
• BTSs Accumulated downtime (not available for service) • Worst affected BTSs due to downtime • SDCCH/ Paging Chl. Congestion • TCH Congestion • Call Drop Rate • Point of Interconnection (POI) Congestion (No. of POIs not meeting the benchmark) • Metering and billing credibility - post paid • Metering and billing credibility - pre paid • Resolution of billing/ charging/ validity complaints • Period of applying credit/ waiver/ adjustment to customer's account from the date of resolution of complaints • Accessibility of call centre/ customer care • %age of calls answered by the operators (voice to voice) within 60 sec. • Time taken for refund of deposits after closures • Call Set-up Success Rate (within licensee's own network) • Connection with good voice quality	• Worst affected cells having more than 3% TCH drop (call drop) rate • %age requests for Termination / Closure of service complied within 7 days

19. Total Number of channels registered with Ministry of I&B increased from 652 at the end of Mar-11 to 715 at the end of Jun-11. There are 158 pay TV channels in existence, as reported by 25 broadcasters/their distributors, as on QE Jun-11.

20. Maximum number of TV channels (Pay, FTA and Local) being carried by any of the reported MSOs is 300 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 Jun-11.

22. Besides the free DTH service of Doordarshan, there are 6 private DTH licensees, offering their services to the DTH subscribers. As on 30.6.2011, their reported subscriber base is 38.5 million.

23. Number of Set Top Boxes (STBs) installed in CAS notified areas of Delhi, Mumbai, Kolkata and Chennai increased from 8,04,837 at the end of Mar-11 to 8,11,507 at the end of Jun-11.

Snapshot

(Data As on 30th June 2011)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	885.99 Million
% change over the previous quarter	4.69%
Urban Subscribers	587.94 Million (66.36%)
Rural Subscribers	298.05 Million (33.64%)
Market share of Private Operators	85.62%
Market share of PSU Operators	14.38%
Teledensity	73.97
Urban Teledensity	163.13
Rural Teledensity	35.60
Wireless Subscribers	
Total Wireless Subscribers	851.70 Million
% change over the previous quarter	4.94%
Urban Subscribers	562.12 Million (66.00%)
Rural Subscribers	289.57 Million (34.00%)
GSM Subscribers	737.33 Million (86.57%)
CDMA Subscribers	114.36 Million (13.43%)
Market share of Private Operators	88.35%
Market share of PSU Operators	11.65%
Teledensity	71.11
Urban Teledensity	155.96
Rural Teledensity	34.58
Wireline Subscribers	
Total Wireline Subscribers	34.29 Million
% change over the previous quarter	-1.26%
Urban Subscribers	25.82 Million (75.29%)
Rural Subscribers	8.47 Million (24.71%)
Market share of Private Operators	17.86%
Market share of PSU Operators	82.14%
Teledensity	2.86
Urban Teledensity	7.16
Rural Teledensity	1.01
Village Public Telephones (VPT)	0.58 Million
Public Call Office (PCO)	2.83 Million

Internet & Broadband Subscribers	
Total Internet Subscribers	20.33 Million
% change over the previous quarter	3.33%
Broadband Subscribers	12.35 Million
Broadcasting & Cable Services	
Total Number of Registered Channels with I&B Ministry	715
Number of Pay Channels	158
Number of private FM Radio Stations	245
DTH Subscribers registered with Pvt. SPs	38.5 Million
Number of Set Top Boxes in CAS areas	8,11,507
Telecom Financial Data (for the QE Jun-11)	
Gross Revenue during the quarter	₹ 46,891.61 Crore
% change in GR over the previous quarter	3.03%
Share of Public sector undertaking's in GR	17.27%
Adjusted Gross Revenue (AGR)	₹ 32,589.93 Crores
% change in AGR over the previous quarter	3.56%
ARPU for Access Services	₹ 100
Revenue & Usage Parameters (for the QE Jun-11)	
Average Revenue Per User (ARPU) GSM Service	₹ 98
Average Revenue Per User (ARPU) CDMA Full Mobility Service	₹ 64
Minutes of Usage (MOU) GSM Service	344 Minutes
Minutes of Usage (MOU) CDMA Full Mobility Service	238 Minutes
Minutes of Usage for Internet Telephony	191.77 Million