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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 June 2010.

The TRAI today released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending June 2010. 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 2010, 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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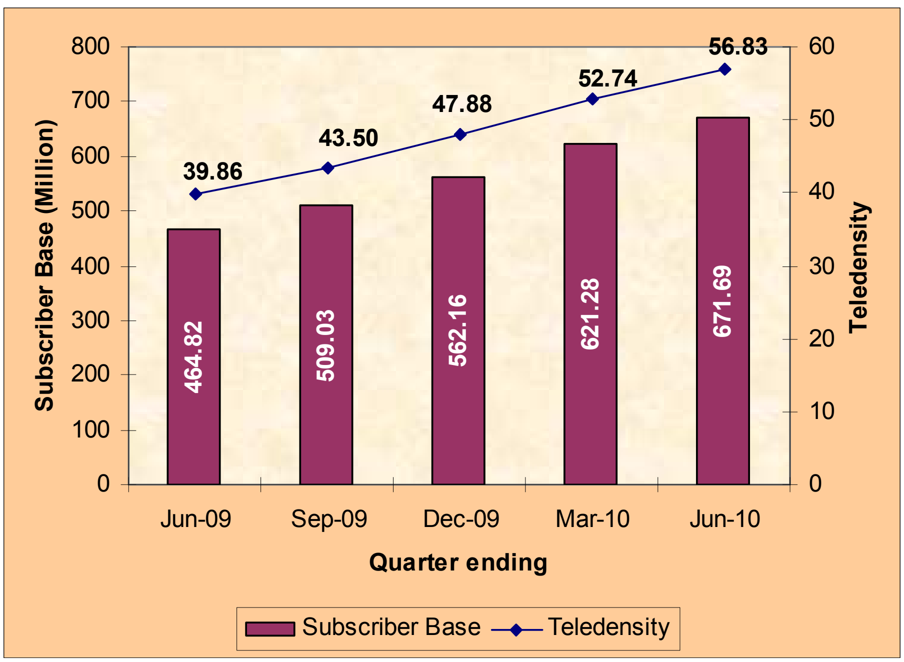
The Indian Telecom Services Performance Indicators
April - June 2010

Executive Summary

1. The number of telephone subscribers in India increased from 621.28 million in Mar-10 to 671.69 million at the end of Jun-10, registering a sequential growth of 8.1% over the previous quarter as against 10.52% during the QE Mar-10. This reflects year-on-year (Y-O-Y) growth of 44.5% over the same quarter of last year. The overall Teledensity in India has reached 56.83 as on 30th June 2010

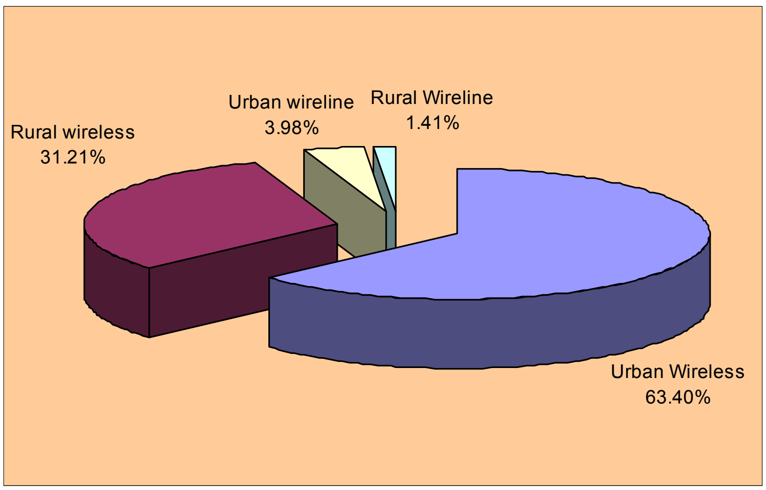
<u>Trends in Telephone subscribers and Teledensity in India</u>



2. Subscription in Urban Areas grew from 420.47 million in Mar-10 to 452.59 million at the end of June-10, taking the urban Teledensity from 119.73 to 128.20. Rural subscription increased from 200.81 million to 219.09 million, and the Rural Teledensity increased from 24.29 to 26.43.

3. About 63% of the total net additions have been in urban areas as compared to 56% in the previous quarter. Rural subscription recorded a decline in rate of growth during the quarter, from 15.06% in Mar-10 to 9.11% in Jun-10. Rate of growth for urban subscription also declined from 8.47% in QE Mar-10 to 7.64% in QE Jun-10. The share of rural subscribers has increased slightly to 32.6% in total subscription from 32.3% in Mar-10.

Composition of Telephone Subscribers



4. With 51.18 million net additions during the quarter, total wireless (GSM + CDMA) subscriber base registered a growth of 8.76% over the previous quarter and increased from 584.32 million at the end of Mar-10 to 635.51 million at the end of Jun-10. The year-on-year (Y-O-Y) growth over the same quarter of last year is 48.73%. Wireless Tele-density reached 53.77.

5. Wireline subscriber base further declined from 36.96 millions at the end of Mar-10 to 36.18 millions at the end of Jun-10, bringing down the wireline teledensity from 3.14 in Mar-10 to 3.06 end of Jun-10.

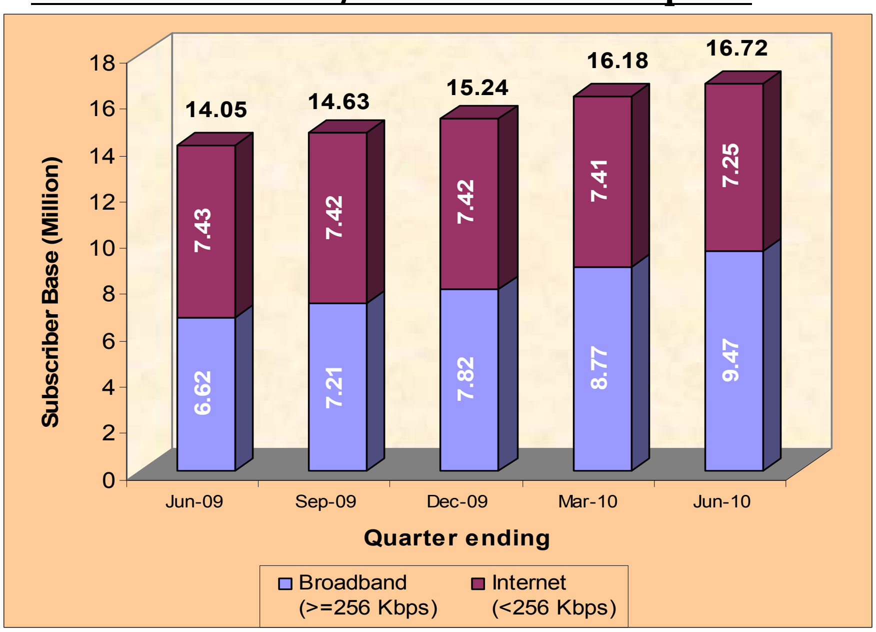
6. Internet subscribers increased from 16.18 millions at the end of Mar-10 to 16.72 million at the end of Jun-10, registering a quarterly growth

rate of 3.33%. Top 10 ISPs together hold 95% of the total Internet subscriber base.

7. Number of Broadband subscribers increased from 8.77 million at the end of Mar-10 to 9.47 million at the end of Jun-10, registering a quarterly growth of 7.97% and Y-O-Y growth of 43.09%. The growth in the number of Broadband subscribers during the quarter as also on Y-O-Y basis is more or less similar to the growth in over all telephone subscribers base.

8. Share of Broadband subscription in total Internet subscription increased from 54.2% in Mar-10 to 56.7% in Jun-10, thus the proportion of broadband subscribers in the overall Internet subscribers in increasing. Furthermore, 86.6% of the Broadband subscribers are using Digital Subscriber Line (DSL) technology.

Trends in Internet/Broadband subscription



9. Average Revenue Per User (ARPU) for GSM-Full Mobility service declined by 7%, from `131 in QE Mar-10 to `122 in QE Jun-10, with Y-O-Y decrease of 33.9%.

10. MOU per subscriber for GSM – full mobility service declined by 2.2%, from 410 in QE Mar-10 to 401 in QE Jun-10. The Outgoing MOUs (195) declined by 3.16% and Incoming MOUs (206) by 1.36%.

11. ARPU for CDMA – full mobility service declined by 3%, from `76 in QE Mar-10 to `74 in QE Jun-10. ARPU for CDMA has declined by 19.6% on Y-O-Y basis.

12. MOU per subscriber for CDMA-full mobility service declined by 2.4% from 307 in QE Mar-10 to 299 in QE Jun-10. The Outgoing MOUs (146) marginally declined by 0.45% while Incoming MOUs (154) declined by 4.26%.

13. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Sector for the QE June-10 has been `41,392.75 Crore and `30,481.93 Crore respectively. There has been an increase of 2.8% & 5.73% in GR & AGR respectively as compared to previous quarter and their respective year-on-year (Y-O-Y) growth for Jun-10 has been 5.84% and 2.52%. Pass-through charges accounted for 26.36% of the GR for the quarter ending Jun-10. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE June-10 are -4.59% and 16.37% respectively.

14. Average licence fee as percentage of AGR is 8.10% in QE June-10 as against 8.35% in previous quarter. The quarterly and the year-on-year (Y-O-Y) growth rates of the average licence fee for QE June-10 are 2.54% and -1.57% respectively.

15. 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 Constant QoS**
• % Fault repaired within 5 days • Call completion rate (in local network) • Point of Interconnection (POI) Congestion (No. of PoIs not meeting the benchmark) • Metering and billing credibility - post paid • Resolution of billing/charging/Credit & validity complaints • Termination / Closure of service 100% within 7 days	• Fault incidences per 100 subs/month • % Fault repaired by next working day • % Fault repaired within 3 days • Answer to Seizure Ratio (ASR) • 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	• Mean time to Repair (MTTR) • Time Taken for Refund of deposits after closures

16. 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**
• Point of Interconnection (POI) Congestion (No. of POIs not meeting the benchmark) • 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 • Accessibility of call centre/customer care • %age of calls answered by the operators (voice to voice) within 60 sec	• BTSs Accumulated downtime (not available for service) • Worst affected BTSs due to downtime • Call Set-up Success Rate (within lincensee's own network) • SDCCH/ Paging Chl. Congestion • TCH Congestion • Call Drop Rate • Worst affected cells having more than 3 % TCH drop (call drop) rate • Connection with good voice quality • Metering and billing credibility – Prepaid • %age requests for Termination/ Closure of service compiled within 7 days • Time taken for refund of deposits after closures

17. Total Number of channels registered with Ministry of I&B increased from 503 in Mar-10 to 515 in Jun-10. There are 150 pay TV channels in existence, as reported by 24 broadcasters/their distributors, as on QE Jun-10.

18. Maximum number of TV channels being carried by any of the reported MSOs is 254 whereas in the conventional analogue form, maximum number of channels being carried by the reported MSOs is 100 channels.

19. The number of private FM Radio stations in operation remained as 248 at the end of Jun-10.

20. Besides the free DTH service of Doordarshan, there are 6 private DTH licensees. All the 6 DTH licensees are offering pay DTH services to the customers as on 30.6.2010 and their reported subscriber base is 23.77 million.

21. Number of Set Top Boxes (STBs) installed in CAS notified areas of Delhi, Mumbai, Kolkata and Chennai increased from 7,62,238 in Mar-10 to 7,70,519 in Jun-10.

Snapshot

(Data As on 30th June 2010)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	671.69 million
% change over the previous quarter	8.1%
Urban Subscribers	452.59 million (67.4%)
Rural Subscribers	219.09 million (32.6%)
Teledensity	56.83
Urban Teledensity	128.20
Rural Teledensity	26.43
Wireless Subscribers	
Total Wireless Subscribers	635.51 million
% change over the previous quarter	8.76%
Urban Subscribers	425.87 million (67.0%)
Rural Subscribers	209.63 million (33.0%)
GSM Subscribers	527.62 million (83.0%)
CDMA Subscribers	107.88 million (17.0%)
Teledensity	53.77
Urban Teledensity	120.63
Rural Teledensity	25.29

Wireline Subscribers	
Total Wireline Subscribers	36.18 million
% change over the previous quarter	-2.10%
Urban Subscribers	26.72 million (73.9%)
Rural Subscribers	9.46 million (26.1%)
Teledensity	3.06
Urban Teledensity	7.57
Rural Teledensity	1.14
Village Public Telephones (VPT)	0.57 million
Public Call Office (PCO)	4.03 million
Internet & Broadband Subscribers	
Total Internet Subscribers	16.72 million
% change over the previous quarter	3.33%
Broadband Subscribers	9.47 million
Broadcasting & Cable Services	
Total Number of Registered Channels with I&B Ministry	515
Number of Pay Channels	150
Number of private FM Radio Stations	248
DTH Subscribers registered with Pvt. SPs	23.77 million
Number of Set Top Boxes in CAS areas	770,519
Telecom Financial Data (for the QE Jun-10)	
Gross Revenue during the quarter	` 41,392.75 Crore
% change in GR over the previous quarter	2.80%
Share of Public sector undertaking's in GR	19.19%
Adjusted Gross Revenue (AGR)	` 30481.93 Crores
% change in AGR over the previous quarter	5.73%
Revenue & Usage Parameters (for the QE Jun-10)	
Average Revenue Per User (ARPU) GSM	` 122
Average Revenue Per User (ARPU) CDMA	` 74
Minutes of Usage (MOU) GSM	401 Minutes
Minutes of Usage (MOU) CDMA	299 Minutes
Minutes of Usage for Internet Telephony	137.20 million