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TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, 1st August, 2012

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

"Indian Telecom Services Performance Indicator Report" for the Quarter ending March, 2012.

The TRAI today released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending March 2012. 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 January to March 2012, 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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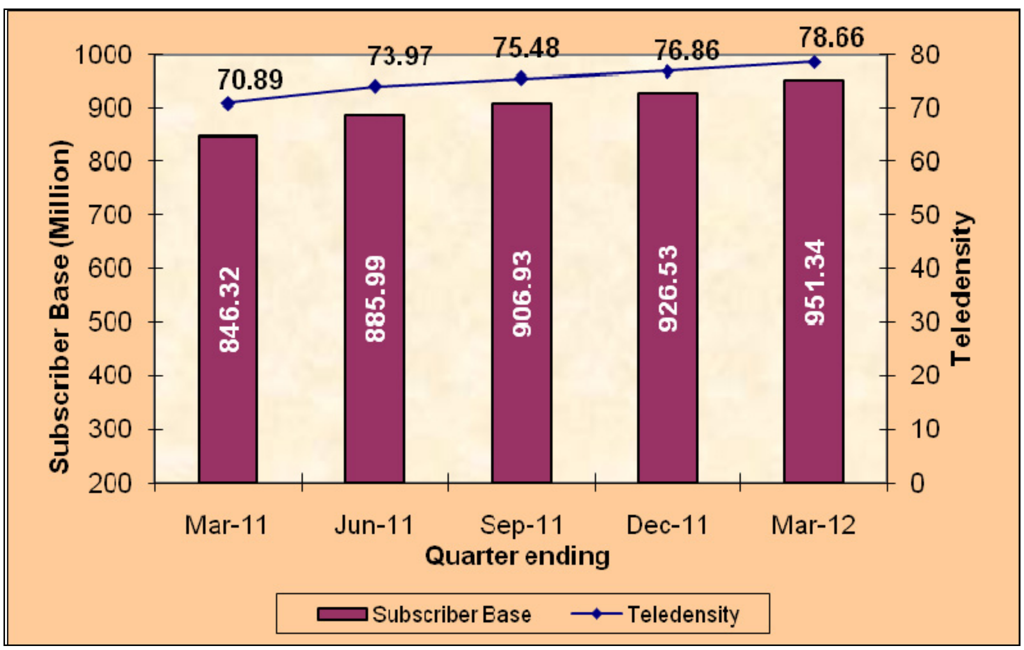
The Indian Telecom Services Performance Indicators
January - March 2012

Executive Summary

1. The number of telephone subscribers in India increased from 926.53 million at the end of Dec-11 to 951.34 million at the end of Mar-12, registering a growth of 2.68% over the previous quarter as against 2.16% during the QE Dec-11. This reflects year-on-year (Y-O-Y) growth of 12.41% over the same quarter of last year. The overall Tele-density in India has reached 78.66 as on 31st March, 2012.

Trends in Telephone subscribers and Teledensity in India

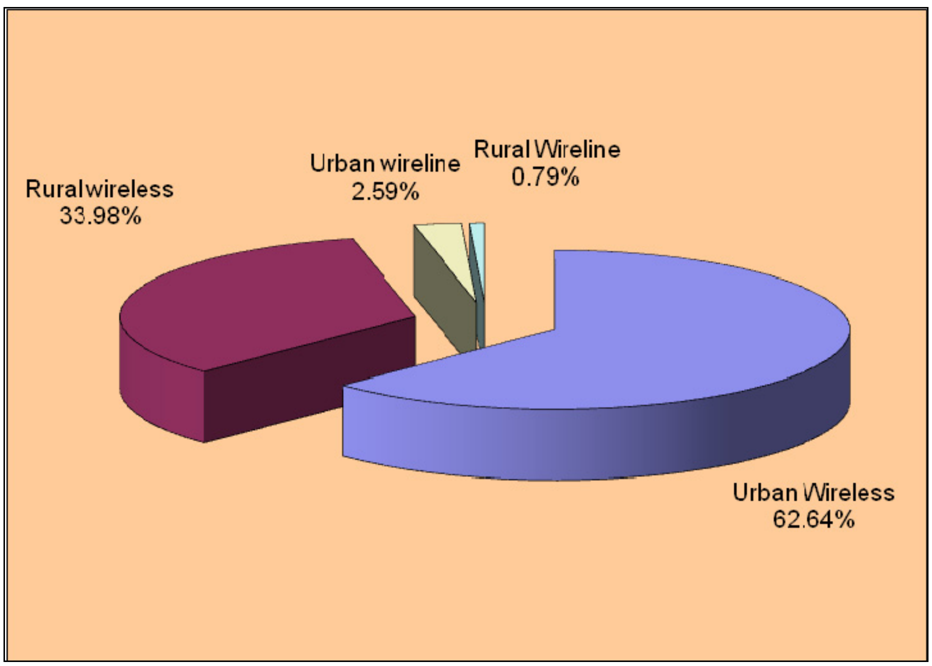


2. Subscription in Urban Areas grew from 611.19 million at the end of Dec-11 to 620.52 million at the end of Mar-12, taking the Urban Teledensity from 167.85 to 169.55. Rural subscription increased from 315.33 million to 330.82 million, and the Rural Teledensity increased

from 37.48 to 39.22. Share of Rural areas in total subscription has increased from 34.03% at the end of Dec-11 to 34.77% at the end of Mar-12.

3. About 37.61% of the total net additions have been in Urban areas as compared to 49.87% in the previous quarter. Rural subscription growth rate increased from 3.22% in QE Dec-11 to 4.91% in QE Mar-12, and Urban subscription growth rate declined from 1.63% in QE Dec-11 to 1.53% in QE Mar-12.

Composition of Telephone Subscribers



4. With 25.33 million net additions during the quarter, total wireless (GSM + CDMA) subscriber base registered a growth of 2.83% over the previous quarter and increased from 893.84 million at the end of Dec-11 to 919.17 million at the end of Mar-12. The year-on-year (Y-O-Y) growth rate of Wireless subscribers for Mar-12 is 13.26%. Wireless Teledensity increased from 74.15 at the end of Dec-11 to 76.00 at the end of Mar-12.

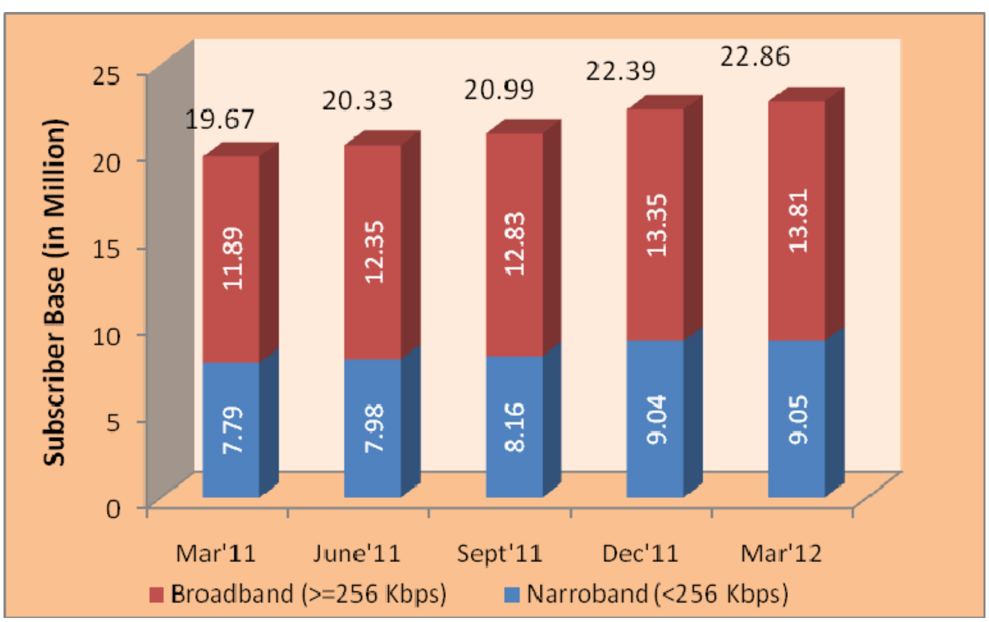
5. Wireline subscriber base further declined from 32.69 million at the end of Dec-11 to 32.17 million at the end of Mar-12, bringing down the wireline Teledensity from 2.71 at the end of Dec-11 to 2.66 at the end of Mar-12.

6. Internet subscribers increased from 22.39 million at the end of Dec-11 to 22.86 million at the end of Mar-12, registering a quarterly growth rate of 2.10%. Top 10 ISPs together hold 94.94% of the total Internet subscriber base.

7. Number of Broadband subscribers increased from 13.35 million at the end of Dec-11 to 13.81 million at the end of Mar-12, registering a quarterly growth of 3.44% and Y-O-Y growth of 16.18%.

8. Share of Broadband subscription in total Internet subscription decreased from 59.6% at the end of Dec-11 to 60.4% at the end of Mar-12. 85% of the Broadband subscribers are using Digital Subscriber Line (DSL) technology.

Trends in Internet/Broadband subscription



9. Monthly Average Revenue Per User (ARPU) for GSM service increased by 1.66%, from ₹96 in QE Dec-11 to ₹97 in QE Mar-12, with Y-O-Y decrease of 2.71%.

10. MOU per subscriber per month for GSM service slightly increased by 4.10%, from 332 in QE Dec-11 to 346 in QE Mar-12. The Outgoing MOUs (167) increased by 3.98% and Incoming MOUs (179) by 4.20%.

11. Monthly ARPU for CDMA – full mobility service increased by 2.49%, from ₹73 in QE Dec-11 to ₹75 in QE Mar-12. ARPU for CDMA has increased by 14.54% on Y-O-Y basis.

12. The total MOU for CDMA per subscriber per month increased by 1.62%, from 226 in QE Dec-11 to 229 in QE Mar-12. The Outgoing MOUs (117) increased by 3.10% and Incoming MOUs (112) declined by 0.12%.

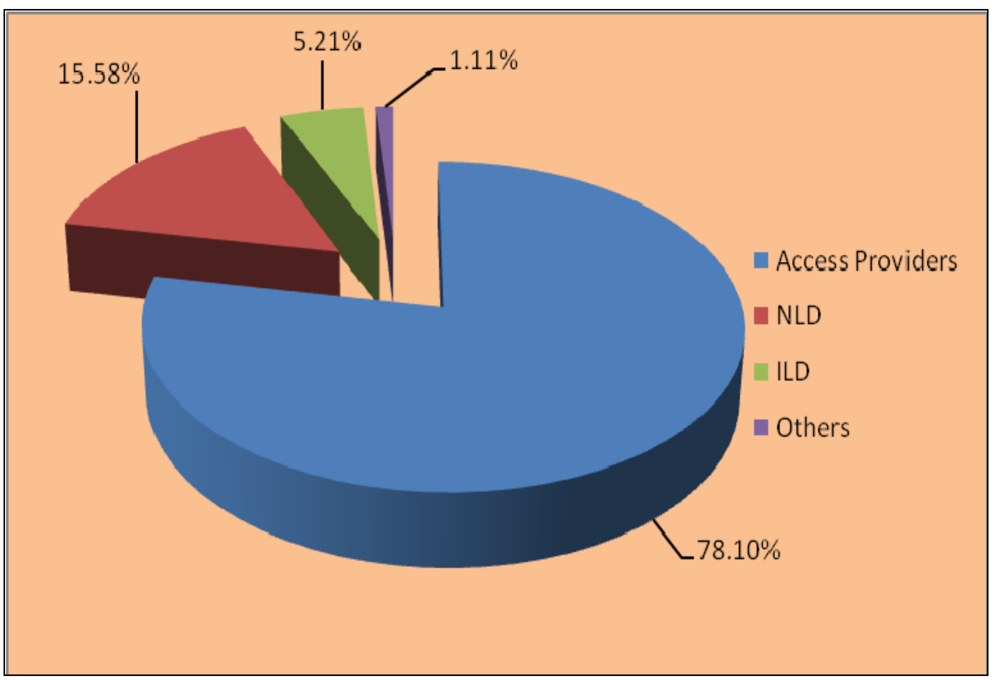
13. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Mar-12 has been ₹49,242.99 Crore and ₹34,457.07 Crore respectively. There has been a decrease of 0.25% in GR and an increase of 1.10% in AGR as compared to previous quarter. The year-on-year (Y-O-Y) growth in GR and AGR over the same quarter in last year has been 8.20% and 9.49% respectively. Pass-through charges accounted for 30.03% of the GR for the quarter ending Mar-12. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Mar-12 are -3.26% and 5.29% respectively.

14. Average license fee as percentage of AGR is 8.28% in QE Mar-12 as against 8.31% in previous quarter. The quarterly and the year-on-year (Y-O-Y) growth rates of the average license fee for QE Mar-12 are 0.67% and 10.15% respectively.

15. Access services contributed 78.10% of the total revenue of telecom services. In Access services Gross Revenue & Spectrum Charges increased by 2.00% & 1.45% respectively while AGR & License Fee decreased by 0.11% and 0.24% respectively in the quarter ending Mar-12 vis-à-vis previous quarter.

16. Monthly Average Revenue per User (ARPU) for Access Services based on AGR decreased from ₹100 in QE Dec-11 to ₹97 in QE Mar-12.

Composition of Gross Revenue



17. 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**	**Parameters showing no change in QoS**
• Call Set-up Success Rate (within licensee's own network) • 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. • %age requests for Termination /Closure of service complied within 7 days • Time taken for refund of deposits after closures.	• BTSs Accumulated downtime (not available for service) • Worst affected BTSs due to downtime • Call Drop Rate • Point of Inter-connection (POI) Congestion (No. of POIs not meeting the benchmark) • Accessibility of call centre/customer care • %age of calls answered by the operators (voice to voice) within 60 sec.	• Period of applying credit /waiver/ adjustment to customer's account from the date of action of complaints.

18. The performance of wireline 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**	**Parameters showing no change in QoS**
• Faults incidences (No. of faults/100 Subs./month • % of faults repaired by next working day • % of faults repaired within 5 days • Mean Time to Repair (MTTR). • Answer to Seizure Ratio (ASR). • Metering and billing credibility - post paid • Metering and billing credibility -	• % of faults repaired within 3 days • %age requests for Termination / Closure of service complied within 7 days.	• Call Completion Rate (CRR) • Point of Interconnection (POI) Congestion.

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 • Percentage of calls answered by the operators (voice to voice) within 60 seconds. • Time taken for refund of deposits after closures.		

19. At the end of Mar-12, total number of permitted private satellite TV channels registered with Ministry of I&B, as obtained from its website, is 831. There are 168 pay TV channels in existence, as reported by 26 broadcasters/their distributors, as on QE Mar-12.

20. Maximum number of TV channels (Pay, FTA and Local) being carried by any of the reported MSOs is 356 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 Mar-12.

22. Besides the free DTH service of Doordarshan, there are 6 private DTH licensees, offering their services to the DTH subscribers. As on 31.03.2012, their reported subscriber base is 46.25 million.

23. Number of Set Top Boxes (STBs) installed in CAS notified areas of Delhi, Mumbai, Kolkata and Chennai increased from 8,53,737 at the end of Dec-11 to 9,05,343 at the end of Mar-12.

Snapshot

(Data As on 31st March, 2012)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	951.34 Million
% change over the previous quarter	2.68%
Urban Subscribers	620.52 Million (65.23%)
Rural Subscribers	330.82 Million (34.77%)
Market share of Private Operators	86.31%
Market share of PSU Operators	13.69%
Teledensity	78.66
Urban Teledensity	169.55
Rural Teledensity	39.22
Wireless Subscribers	
Total Wireless Subscribers	919.17 Million
% change over the previous quarter	2.83%
Urban Subscribers	595.90 Million (64.83%)
Rural Subscribers	323.27 Million (35.17%)
GSM Subscribers	814.06 Million (88.56%)
CDMA Subscribers	105.11 Million (11.44%)
Market share of Private Operators	88.65%
Market share of PSU Operators	11.35%
Teledensity	76.00
Urban Teledensity	162.82
Rural Teledensity	38.33
Wireline Subscribers	
Total Wireline Subscribers	32.17 Million
% change over the previous quarter	-1.57%
Urban Subscribers	24.62 Million (76.54%)
Rural Subscribers	7.55 Million (23.46%)
Market share of Private Operators	19.41%
Market share of PSU Operators	80.59%
Teledensity	2.66
Urban Teledensity	6.73
Rural Teledensity	0.89
Village Public Telephones (VPT)	0.58 Million
Public Call Office (PCO)	2.01 Million

Internet / Broadband Subscribers	
Total Internet Subscribers	22.86 Million
% change over the previous quarter	2.10%
Broadband Subscribers	13.81 Million
Broadcasting & Cable Services	
Number of private satellite TV channels registered with Ministry of I&B	831
Number of Pay Channels	168
Number of private FM Radio Stations	245
DTH Subscribers registered with Pvt. SPs	46.25 Million
Number of Set Top Boxes in CAS areas	9,05,343
Telecom Financial Data (for the QE Mar-12)	
Gross Revenue during the quarter	₹ 49242.99 Crore
% change in GR over the previous quarter	-0.25%
Share of Public sector undertaking's in GR	12.73%
Adjusted Gross Revenue (AGR)	₹34457.07 Crore
% change in AGR over the previous quarter	1.10%
Monthly Average Revenue Per User (ARPU) for Access Services	₹97
Revenue & Usage Parameters (for the QE Mar-12)	
Monthly ARPU GSM Service	₹ 97
Monthly ARPU CDMA Full Mobility Service	₹ 75
Minutes of Usage (MOU) per subscriber per month GSM Service	346 Minutes
Minutes of Usage (MOU) per subscriber per month CDMA Full Mobility Service	229 Minutes
Minutes of Usage for Internet Telephony	236.40 Million