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TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, 13th April 2012

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

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

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

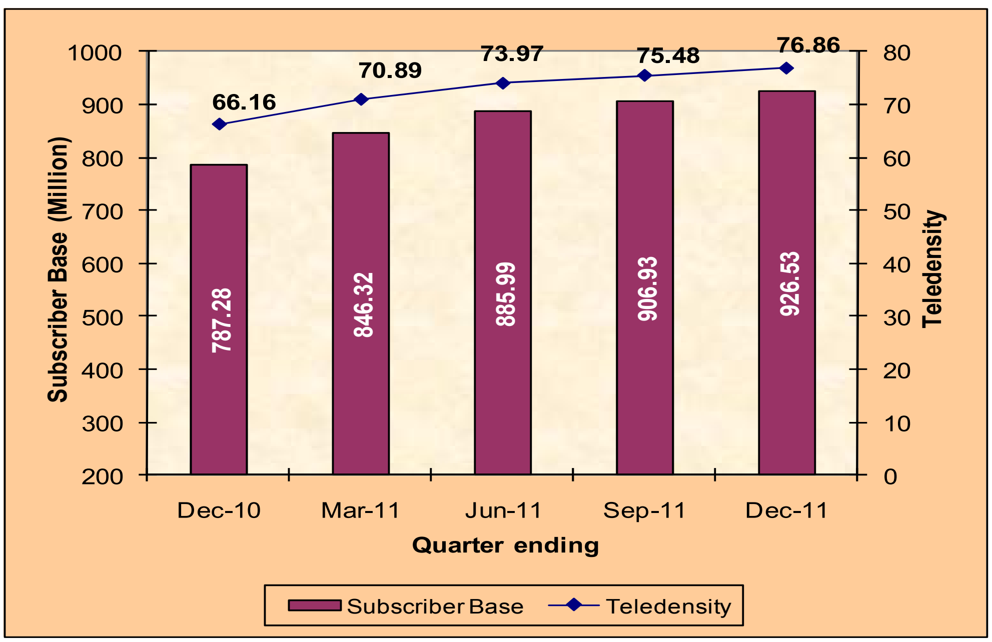
(Raj Pal)
Advisor (ER)

The Indian Telecom Services Performance Indicators
October – December 2011

Executive Summary

1. The number of telephone subscribers in India increased from 906.93 million at the end of Sep-11 to 926.53 million at the end of Dec-11, registering a growth of 2.16% over the previous quarter as against 2.36% during the QE Sep-11. This reflects year-on-year (Y-O-Y) growth of 17.69% over the same quarter of last year. The overall Teledensity in India has reached 76.86 as on 31st December 2011.

Trends in Telephone subscribers and Teledensity in India

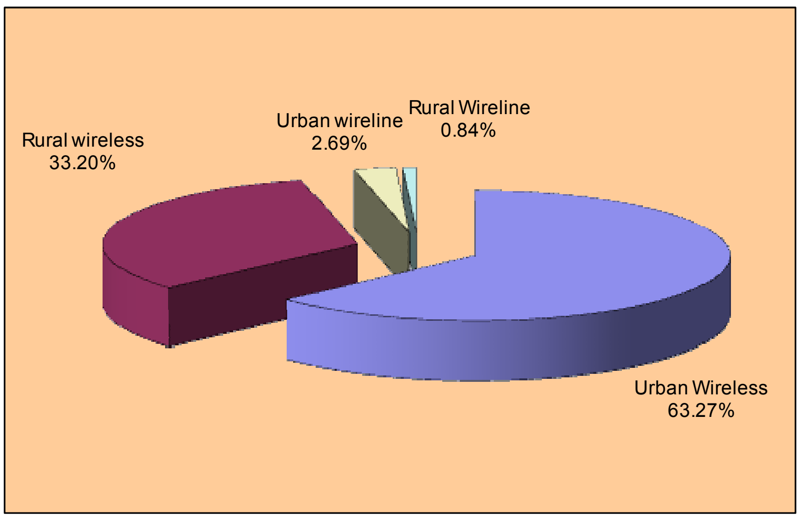


2. Subscription in Urban Areas grew from 601.72 million at the end of Sep-11 to 611.19 million at the end of Dec-11, taking the Urban Teledensity from 166.01 to 167.85. Rural subscription increased from 305.51 million to 315.33 million, and the Rural Teledensity increased from 36.40 to 37.48. Share of Rural areas in total subscription has

increased from 33.69% at the end of Sep-11 to 34.03% at the end of Dec-11.

3. About 49.87% of the total net additions have been in Urban areas as compared to 64.37% in the previous quarter. Rural subscription growth rate increased from 2.50% in QE Sep-11 to 3.22% in QE Dec-11, and Urban subscription growth rate declined from 2.29% in QE Sep-11 to 1.63% in QE Dec-11.

Composition of Telephone Subscribers



4. With 20.23 million net additions during the quarter, total wireless (GSM + CDMA) subscriber base registered a growth of 2.32% over the previous quarter and increased from 873.61 million at the end of Sep-11 to 893.84 million at the end of Dec-11. The year-on-year (Y-O-Y) growth rate of Wireless subscribers for Dec-11 is 18.83%. Wireless Teledensity increased from 72.70 to 74.15.

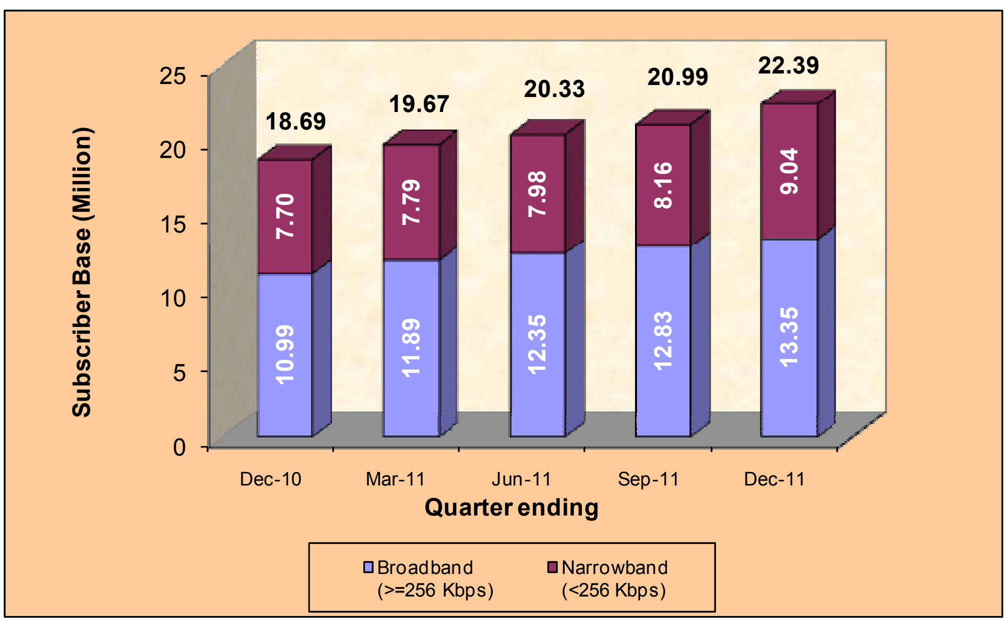
5. Wireline subscriber base further declined from 33.31 million at the end of Sep-11 to 32.69 million at the end of Dec-11, bringing down the wireline Teledensity from 2.77 at the end of Sep-11 to 2.71 at the end of Dec-11.

6. Internet subscribers increased from 20.99 million at the end of Sep-11 to 22.39 million at the end of Dec-11, registering a quarterly growth rate of 6.66%. Top 10 ISPs together hold 95.04% of the total Internet subscriber base.

7. Number of Broadband subscribers increased from 12.83 million at the end of Sep-11 to 13.35 million at the end of Dec-11, registering a quarterly growth of 4.03% and Y-O-Y growth of 21.49%.

8. Share of Broadband subscription in total Internet subscription decreased from 61.1% at the end of Sep-11 to 59.6% at the end of Dec-11. 85.12% 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 2.93%, from ₹93 in QE Sep-11 to ₹96 in QE Dec-11, with Y-O-Y decrease of 8.62%.

10. MOU per subscriber per month for GSM service slightly increased by 0.53%, from 331 in QE Sep-11 to 332 in QE Dec-11. The Outgoing MOUs (161) increased by 1.00% and Incoming MOUs (171) by 0.09%.

11. Monthly ARPU for CDMA – full mobility service increased by 4.09%, from ₹71 in QE Sep-11 to ₹73 in QE Dec-11. ARPU for CDMA has increased by 7.51% on Y-O-Y basis.

12. The total MOU per subscriber per month decreased by 1.98%, from 230 in QE Sep-11 to 226 in QE Dec-11. The Outgoing MOUs (113) declined by 2.32% while Incoming MOUs (112) declined by 1.63%.

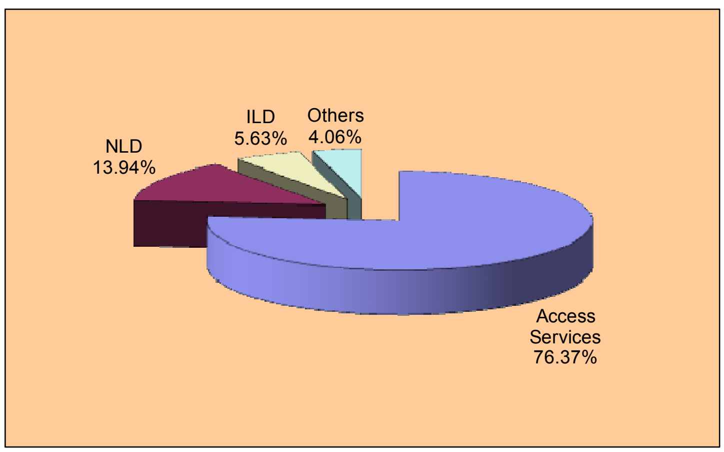
13. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Dec-11 has been ₹49,365.18 Crore and ₹34,081.35 Crore respectively. There has been a decrease of 1.16% in GR and an increase of 1.86% in AGR as compared to previous quarter. The year-on-year (Y-O-Y) growth in GR and AGR over the same quarter in last year has been 15.03% and 13.89% respectively. Pass-through charges accounted for 30.96% of the GR for the quarter ending Dec-11. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Dec-11 are -7.27% and 17.65% respectively.

14. Average license fee as percentage of AGR is 8.31% in QE Dec-11 as against 8.30% in previous quarter. The quarterly and the year-on-year (Y-O-Y) growth rates of the average license fee for QE Dec-11 are 2.08% and 13.34% respectively.

15. Access services contributed 76.37% of the total revenue of telecom services. In Access services GR, AGR, License Fee & spectrum Charges increased by 3.35%, 4.09%, 4.20% & 6.13% respectively in the quarter ending Dec-11 vis-à-vis previous quarter.

16. Monthly Average Revenue per User (ARPU) for Access Services based on AGR increased from ₹98 in QE Sep-11 to ₹100 in QE Dec-11.

Composition of Gross Revenue



17. The performance of wireless service providers has improved in respect of all the Quality of Service (QoS) parameters listed below:
    - BTSs Accumulated downtime (not available for service)
    - Worst affected BTSs due to downtime
    - Call Set-up Success Rate (within licensee'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
- 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
- Accessibility of call centre/ customer care
- Period of applying credit/ waiver/ adjustment to customer's account from the date of resolution of complaints
- %age of calls answered by the operators (voice to voice) within 60 sec.
- %age requests for Termination / Closure of service complied within 7 days
- Time taken for refund of deposits after closures

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 within 3 days • % of faults repaired within 5 days • Mean Time to Repair (MTTR). • Call Completion Rate (CCR). • Period of applying credit/ waiver/ adjustment to customer's account from the date of resolution of complaints. • Percentage of calls answered by	• Metering and billing credibility - post paid • Metering and billing credibility - pre paid	• Answer to Seizure Ratio (ASR) • Point of Interconnection (POI) Congestion • Resolution of billing/ charging/ validity complaints • Accessibility of call centre/ customer care

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.		

19. At the end of Dec-11, total number of permitted private satellite TV channels registered with Ministry of I&B, as obtained from its website, is 825. There are 163 pay TV channels in existence, as reported by 25 broadcasters/their distributors, as on QE Dec-11.

20. Maximum number of TV channels (Pay, FTA and Local) being carried by any of the reported MSOs is 277 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 Dec-11.

22. Besides the free DTH service of Doordarshan, there are 6 private DTH licensees, offering their services to the DTH subscribers. As on 31.12.2011, their reported subscriber base is 44.21 million.

23. Number of Set Top Boxes (STBs) installed in CAS notified areas of Delhi, Mumbai, Kolkata and Chennai increased from 8,19,960 at the end of Sep-11 to 8,53,737 at the end of Dec-11.

Snapshot

(Data As on 31st December 2011)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	926.53 Million
% change over the previous quarter	2.16%
Urban Subscribers	611.19 Million (65.97%)
Rural Subscribers	315.33 Million (34.03%)
Market share of Private Operators	86.09%
Market share of PSU Operators	13.91%
Teledensity	76.86
Urban Teledensity	167.85
Rural Teledensity	37.48
Wireless Subscribers	
Total Wireless Subscribers	893.84 Million
% change over the previous quarter	2.32%
Urban Subscribers	586.26 Million (65.59%)
Rural Subscribers	307.59 Million (34.41%)
GSM Subscribers	785.97 Million (87.93%)
CDMA Subscribers	107.88 Million (12.07%)
Market share of Private Operators	88.54%
Market share of PSU Operators	11.46%
Teledensity	74.15
Urban Teledensity	161.01
Rural Teledensity	36.56
Wireline Subscribers	
Total Wireline Subscribers	32.69 Million
% change over the previous quarter	-1.88%
Urban Subscribers	24.94 Million (76.30%)
Rural Subscribers	7.75 Million (23.70%)
Market share of Private Operators	19.05%
Market share of PSU Operators	80.95%
Teledensity	2.71
Urban Teledensity	6.85
Rural Teledensity	0.92
Village Public Telephones (VPT)	0.58 Million
Public Call Office (PCO)	2.37 Million

Internet / Broadband Subscribers	
Total Internet Subscribers	22.39 Million
% change over the previous quarter	6.66%
Broadband Subscribers	13.35 Million
Broadcasting & Cable Services	
Number of private satellite TV channels registered with Ministry of I&B	825
Number of Pay Channels	163
Number of private FM Radio Stations	245
DTH Subscribers registered with Pvt. SPs	44.21 Million
Number of Set Top Boxes in CAS areas	8,53,737
Telecom Financial Data (for the QE Dec-11)	
Gross Revenue during the quarter	₹ 49365.18 Crore
% change in GR over the previous quarter	-1.16%
Share of Public sector undertaking's in GR	15.41%
Adjusted Gross Revenue (AGR)	₹34081.35 Crore
% change in AGR over the previous quarter	1.86%
Monthly Average Revenue Per User (ARPU) for Access Services	₹100
Revenue & Usage Parameters (for the QE Dec-11)	
Monthly ARPU GSM Service	₹ 96
Monthly ARPU CDMA Full Mobility Service	₹ 73
Minutes of Usage (MOU) per subscriber per month GSM Service	332 Minutes
Minutes of Usage (MOU) per subscriber per month CDMA Full Mobility Service	226 Minutes
Minutes of Usage for Internet Telephony	233.01 Million