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TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, the 30th December, 2016

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

"Indian Telecom Services Performance Indicator Report" for the Quarter ending September, 2016

TRAI today has released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending September, 2016. This Report provides a broad perspective of the Telecom Services in India and presents the key parameters and growth trends of the Telecom Services as well as Cable TV, DTH & Radio Broadcasting services in India for the period covering 1st July, 2016 to 30th September, 2016 compiled mainly 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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Authorized to issue

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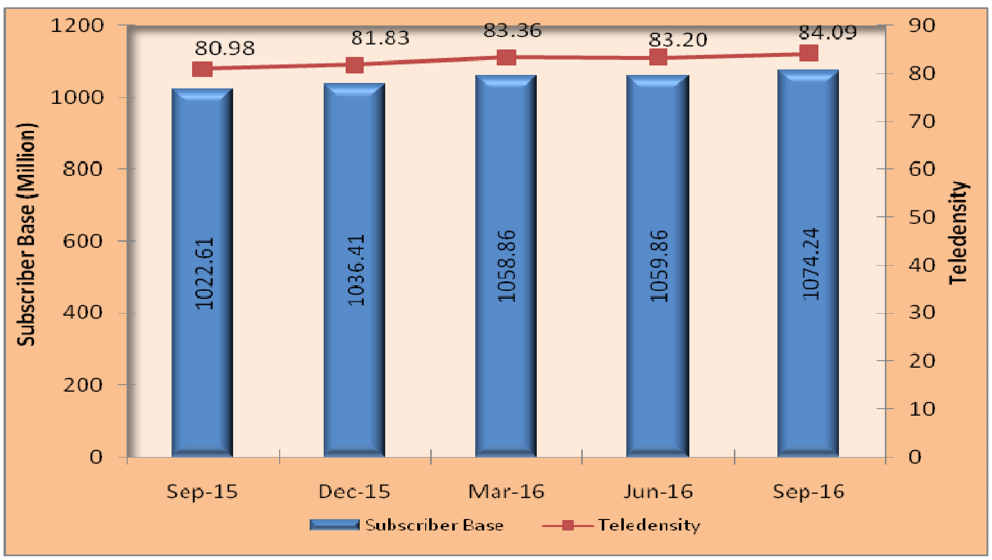
The Indian Telecom Services Performance Indicators
July - Septmber, 2016

Executive Summary

1. The number of telephone subscribers in India increased from 1,059.86 million at the end of Jun-16 to 1,074.24 million at the end of Sep-16, registering a growth of 1.36% over the previous quarter. This reflects year-on-year (Y-O-Y) growth of 5.05% over the same quarter of last year. The overall Teledensity in India increased from 83.20 as QE Jun-16 to 84.09 as on QE Sep-16.

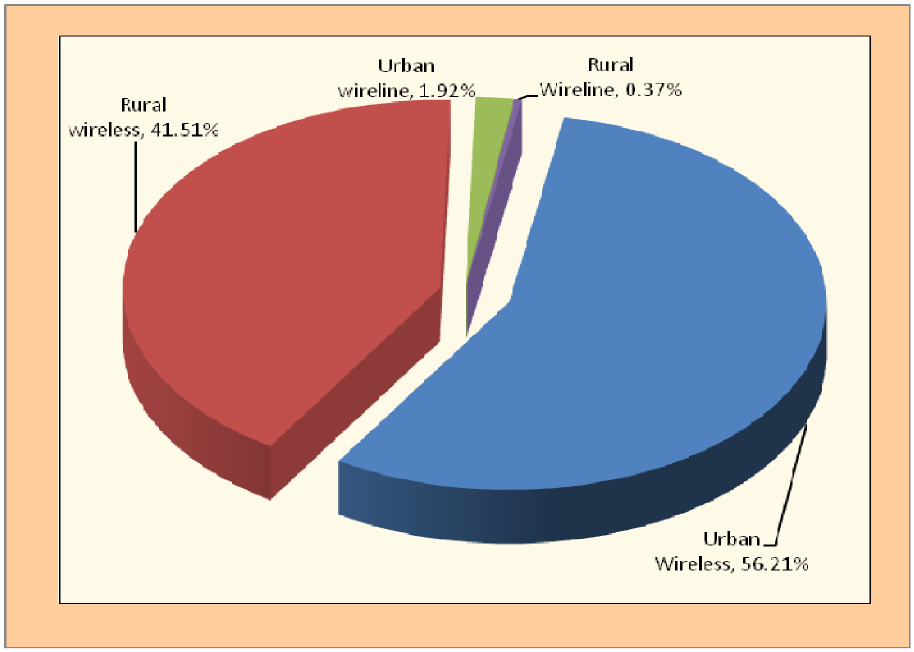
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas increased from 609.45 million at the end of Jun-16 to 624.38 million at the end of Sep-16, and Urban Teledensity also increased from 153.22 to 156.24. However, Rural subscription declined from 450.41 million to 449.86 million and Rural Teledensity also declined from 51.41 to 51.24 during the same period.

3. Out of the total subscription, the share of Rural subscription declined from 42.50% at the end of Jun-16 to 41.88% at the end of Sep-16.

Composition of Telephone Subscribers



4. With a net addition of 14.63 million subscribers during the quarter, total wireless (GSM+CDMA) subscriber base increased from 1,035.12 million at the end of Jun-16 to 1,049.74 million at the end of Sep-16, registering a growth rate of 1.41% over the previous quarter. The year-on-year (Y-O-Y) growth rate of wireless subscribers for Sep-16 is 5.33%.

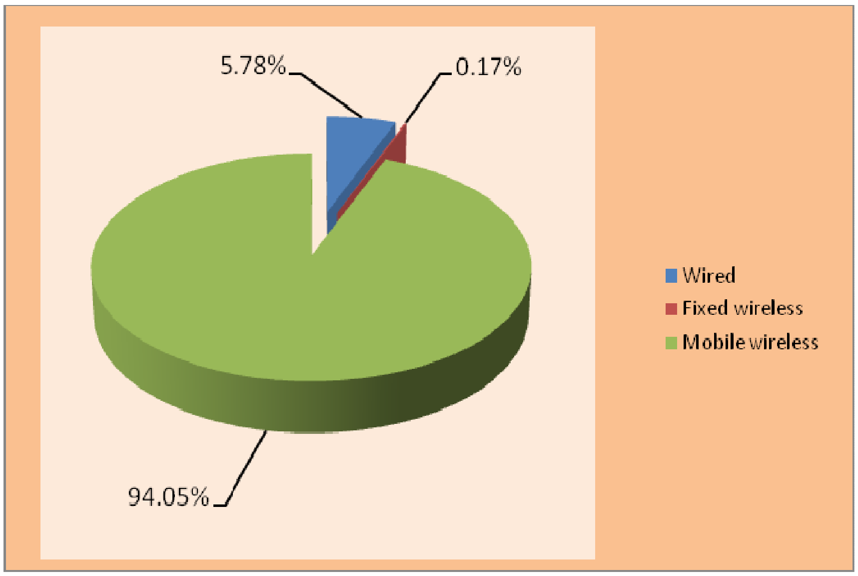
5. Wireless Tele-density increased from 81.26 at the end of Jun-16 to 82.17 at the end of Sep-16.

6. Wireline subscriber base further declined from 25.74 million at the end of Jun-16 to 24.49 million at the end of Sep-16, registering a quarterly decline rate of 1.01%. The year-on-year (Y-O-Y) decline rate in wireline subscribers for Sep-16 is 5.62%.

7. Wireline Teledensity declined from 1.94 at the end of Jun-16 to 1.92 at the end of Sep-16.

8. Total number of Internet subscribers has increased from 350.48 million at the end of Jun-16 to 367.48 million at the end of Sep-16, registering a quarterly growth rate of 4.85%. Out of 367.48 million, Wired Internet subscribers are 21.26 million and Wireless Internet subscribers are 346.22 million.

Composition of internet subscription



9. The Internet subscriber base of 367.48 million at the end of Sep-16 is comprised of Broadband Internet subscriber base of 192.30 million and Narrowband Internet subscriber base of 175.18 million.

10. The broadband Internet subscriber base grew by 18.66% from 162.06 million at the end of Jun-16 to 192.30 million at the end of Sep-16. On the other hand, the narrowband Internet subscriber base declined by 7.03% from 188.42 million at the end of Jun-16 to 175.18 million at the end of Sep-16.

11. Monthly Average Revenue Per User (ARPU) for GSM service declined by 4.02%, from ₹126 in QE Jun-16 to ₹121 in QE Sep-16. Monthly ARPU for GSM service declined by 0.98% on Y-O-Y in this quarter.

12. Prepaid ARPU for GSM service per month declined from ₹108 in QE Jun-16 to ₹103 in QE Sep-16, and Postpaid ARPU per month declined from ₹495 in QE Jun-16 to ₹485 in QE Sep-16.

13. On an all India average, the overall MOU per subscriber per month for GSM service declined by 2.91% from 377 for QE Jun-16 to 366 in QE Sep-16.

14. Prepaid MOU per subscriber for GSM service declined from 351 in QE Jun-16 to 339 in QE Sep-16, and postpaid MOU declined from 889 in QE Jun-16 to 885 in QE Sep-16.

15. Monthly ARPU for CDMA full mobility service increased by 56.38%, from ₹98.51 in QE Jun-16 to ₹154.05 in QE Sep-16. Monthly ARPU for CDMA full mobility service increased by 45.05% on Y-O-Y basis in this quarter.

16. The total MOU per subscriber per month for CDMA full mobility service increased by 18.08%, from 228 in QE Jun-16 to 269 in QE Sep-16. The outgoing MOUs increased from 130 in QE Jun-16 to 145 in QE Sep-16, and incoming MOUs also increased from 98 in QE Jun-16 to 124 in QE Sep-16.

17. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Sep-16 has been ₹71,379 Crore and ₹50,539 Crore respectively. GR and AGR declined by 2.68% and 5.33% respectively in QE Sep-16 as compared to previous quarter.

18. The year-on-year (Y-O-Y) growth in GR and AGR over the same quarter in last year has been 9.82% and 9.26% respectively.

19. Pass-through charges increased from ₹19,961 Crore in Q.E. Jun-16 to ₹20,839 in Q.E. Sep-16. The quarterly and the year-on-year (Y-O-Y)

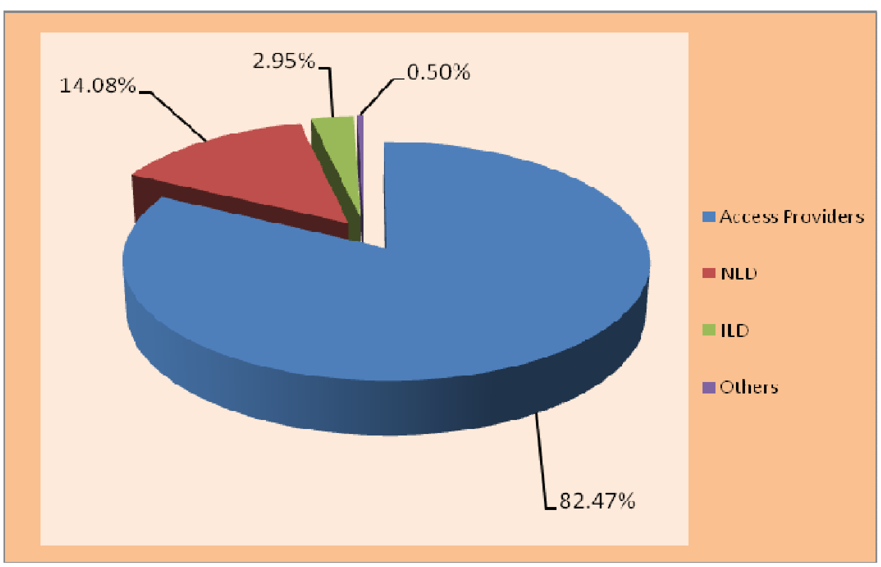
growth rates of pass-through charges for QE Sep-16 are 4.40% and 11.21% respectively.

20. The License Fee declined from ₹4,314 Crore for the QE Jun-16 to ₹4,091 Crore for the QE Sep-16. The quarterly and the year-on-year (Y-O-Y) growth rates of license fee are -5.18% and 10.54% respectively in this quarter.

21. Access services contributed 82.47% of the total Adjusted Gross Revenue of telecom services. In Access services, Gross Revenue (GR), Adjusted Gross Revenue(AGR), License Fee and Spectrum Usage Charges(SUC) declined by 2.68%, 5.33%, 5.18% and 13.05% respectively whereas, Pass Through Charges increased by 4.40% in QE Sep-16.

22. Monthly Average Revenue per User (ARPU) for Access Services based on AGR declined from ₹140.88 in QE Jun-16 to ₹131.10 in QE Sep-16.

<u>Composition of Adjusted Gross Revenue</u>



23. The performance of 2G wireless service providers in terms of QoS during the quarter vis-à-vis that in the previous quarter is given as below:

Parameters showing improvement in QoS	Parameters showing deterioration in QoS
• 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 Channel Congestion • Metering and billing credibility – Postpaid • 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 90 sec • %age requests for Termination/ Closure of service complied within 7 days • Time taken for refund of deposits after closures	• Worst affected cells having more than 3% TCH drop (call drop) rate • Point of Interconnection (POI) Congestion (No. of POIs not meeting the benchmark) • Metering and billing credibility – Prepaid • Resolution of billing/ charging/validity complaints (98% within 4 weeks) • Resolution of billing/ charging/validity complaints (100% within 6 weeks) • Accessibility of call centre/ customer care

24. The performance of 3G wireless service providers in terms of QoS during the quarter vis-à-vis that in the previous quarter is given below:

Parameters showing improvement in QoS
• Worst affected BTSs and Node-B's due to downtime (%age) • SDCCH/Paging Channel and RRC Congestion (%age) • Worst affected cells having more than 3% TCH drop (call drop) rate and Circuit Switched Voice Drop Rate:-CBBH • Connections with good voice quality and Circuit Switched Voice Quality (CSV Quality)

25. The performance of wireline service providers in terms of QoS during the quarter vis-à-vis that in the previous quarter is given below:

Parameters showing improvement in QoS	**Parameters showing deterioration in QoS**
• Resolution of billing/ charging/ credit & validity complaints (98% within 4 weeks) • %age of calls answered by the operators (voice to voice) within 90 sec • Termination/ Closure of service 100% within 7 days	• Fault incidences (No. of faults/100 subs/month • Fault repaired by next working day for urban areas • Mean Time Fault repaired within 5 days (for urban areas) • Response time to the customer for Assistance – Accessibility of call centre/customer care.

26. A total number of 881 private satellite TV channels have been permitted by the Ministry of Information and Broadcasting (MIB) for uplinking only/ downlinking / uplinking, as on 30th September, 2016.

27. As reported by broadcasters, there were 281 pay channels at the quarter ending of September, 2016 as compared to 275 pay channels for the previous quarter. During the quarter, as per the reporting, twelve new pay channels were commenced, five Pay channels were converted to FTA channels and one channel was reported to be discontinued.

28. Since introduction in the year 2003, Indian DTH services have displayed a phenomenal growth. DTH has attained a registered subscriber base of around 94.61 million (including 61.90 million active subscribers). As on 30th September 2016, there are 6 pay DTH service providers catering to this subscriber base. This is besides the viewership of the free DTH services of Doordarshan.

29. Apart from the Radio Stations operated by All India Radio, Prasar Bharati – a public broadcaster, there are 260 operational private FM Radio stations and 84 existing cities with operational FM radio channels as on 30th September, 2016. This is as per the information available on the website of MIB.

30. As per data received from MIB, as on 30th September, 2016, out of the 250 community radio licenses issued so far, 200 stations are operational.

Snapshot

(Data As on Q.E. 30th September, 2016)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	1,074.24 Million
% change over the previous quarter	1.36%
Urban Subscribers	624.38 Million
Rural Subscribers	449.86 Million
Market share of Private Operators	89.32%
Market share of PSU Operators	10.68%
Teledensity	84.09
Urban Teledensity	156.24
Rural Teledensity	51.24
Wireless Subscribers	
Total Wireless Subscribers	1,049.74 Million
% change over the previous quarter	1.41%
Urban Subscribers	603.80 Million
Rural Subscribers	445.94 Million
GSM Subscribers	1,032.77 Million
CDMA Subscribers	16.97 Million
Market share of Private Operators	90.72%
Market share of PSU Operators	9.28%
Teledensity	82.17
Urban Teledensity	151.10
Rural Teledensity	50.80
Wireline Subscribers	
Total Wireline Subscribers	24.49 Million
% change over the previous quarter	-1.01%
Urban Subscribers	20.57 Million
Rural Subscribers	3.92 Million
Market share of Private Operators	29.16%
Market share of PSU Operators	70.84%
Teledensity	1.92
Urban Teledensity	5.15
Rural Teledensity	0.45
No. of Village Public Telephones (VPT)	5,86,774
No. of Public Call Office (PCO)	5,08,236
Telecom Financial Data	
Gross Revenue (GR) during the quarter	₹ 71,379 Crore
% change in GR over the previous quarter	-2.68%
Adjusted Gross Revenue (AGR) during the quarter	₹ 50,539 Crore
% change in AGR over the previous quarter	-5.33%
Share of Public sector undertakings in Access AGR	9.28%
Monthly Average Revenue Per User (ARPU) for Access Services	₹ 131

Internet/Broadband Subscribers	
Total Internet Subscribers	367.48 Million
% change over previous quarter	4.85%
Narrowband subscribers	175.18 Million
Broadband subscribers	192.30 Million
Wired Internet Subscribers	21.26 Million
Wireless Internet Subscribers	346.22 Million
Urban Internet Subscribers	247.69 Million
Rural Internet Subscribers	119.79 Million
Total Internet Subscribers per 100 population	28.77
Urban Internet Subscribers per 100 population	61.98
Rural Internet Subscribers per 100 population	13.65
Broadcasting & Cable Services	
Number of private satellite TV channels permitted by the Ministry of I&B for uplinking only/ downlinking / uplinking	881
Number of Pay TV Channels	281
Number of private FM Radio Stations (excluding All India Radio)	260
Number of Pay Subscribers Registered with Private DTH Operators	94.61 Million
Number of Pay Subscribers Active with Private DTH Operators	61.90 Million
Number of Community Radio Stations licenced (GOPA signed)	250
Number of Operational Community Radio Stations	200
Number of pay DTH Operators	6
Revenue & Usage Parameters	
Monthly ARPU GSM Full Mobility Service	₹ 121
Monthly ARPU CDMA Full Mobility Service	₹ 154
Minutes of Usage (MOU) per subscriber per month - GSM Full Mobility Service	366 Minutes
Minutes of Usage (MOU) per subscriber per month - CDMA Full Mobility Service	269 Minutes
Total Outgoing Minutes of Usage for Internet Telephony	267 Million
Data Usage of Mobile Users	
Data Usage per subscriber per month - GSM	235.91 MB
Data Usage per subscriber per month - CDMA	385.00 MB
Data Usage per subscriber per month – Total(GSM+CDMA)	239.82 MB
Average outgo per MB data for GSM	₹ 0.18
Average outgo per MB data for CDMA	₹ 0.12