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TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, the 29th January, 2015

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

“Indian Telecom Services Performance Indicator Report” for the Quarter ending September, 2014.

TRAI today released the **“Indian Telecom Services Performance Indicator Report”** for the Quarter ending September, 2014. 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 1st July to 30th September, 2014 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.

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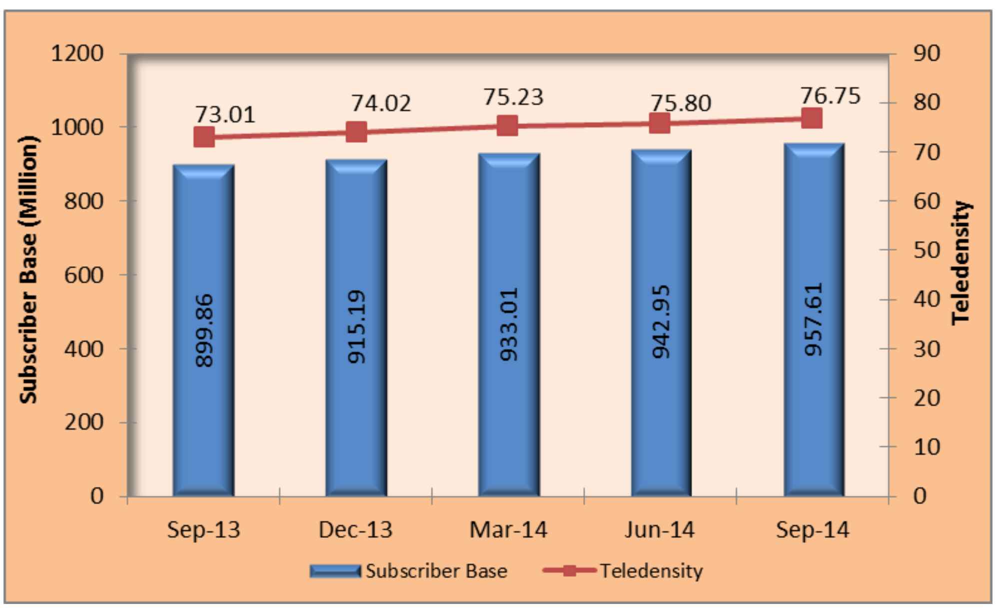
The Indian Telecom Services Performance Indicators
July – September, 2014

Executive Summary

1. The number of telephone subscribers in India increased from 942.95 million at the end of Jun-14 to 957.61 million at the end of Sep-14, registering a growth of 1.55% over the previous quarter. This reflects year-on-year (Y-O-Y) growth of 6.42% over the same quarter of last year. The overall Tele-density in India increased from 75.80 as on 30th June, 2014 to 76.75 as on 30th September, 2014.

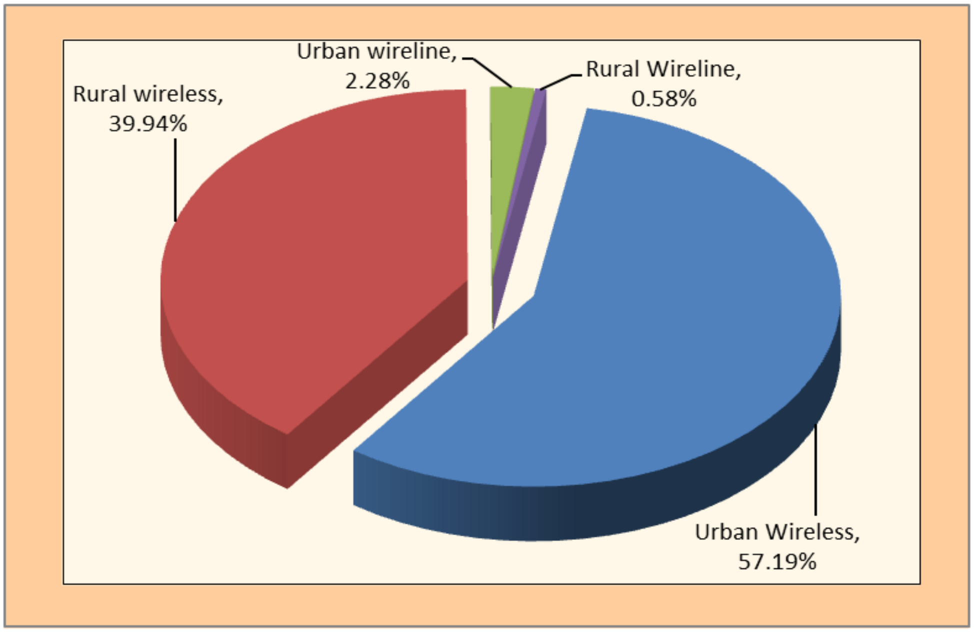
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas increased from 559.77 million at the end of Jun-14 to 569.56 million at the end of Sep-14, and Urban Tele-density also increased from 146.24 to 148.07. Rural subscription increased from 383.18 million to 388.05 million, and Rural Tele-density also increased from 44.50 to 44.96.

3. Share of subscription in Rural areas out of total subscription decreased from 40.64% at the end of Jun-14 to 40.52% at the end of Sep-14.

Composition of Telephone Subscribers



4. With a net addition of 15.28 million subscribers during the quarter, total wireless(GSM+CDMA) subscriber base increased from 914.92 million at the end of Jun-14 to 930.20 million at the end of Sep-14, registering a growth rate of 1.67% over the previous quarter. The year-on-year (Y-O-Y) growth rate of Wireless subscribers for Sep-14 is 6.85%.

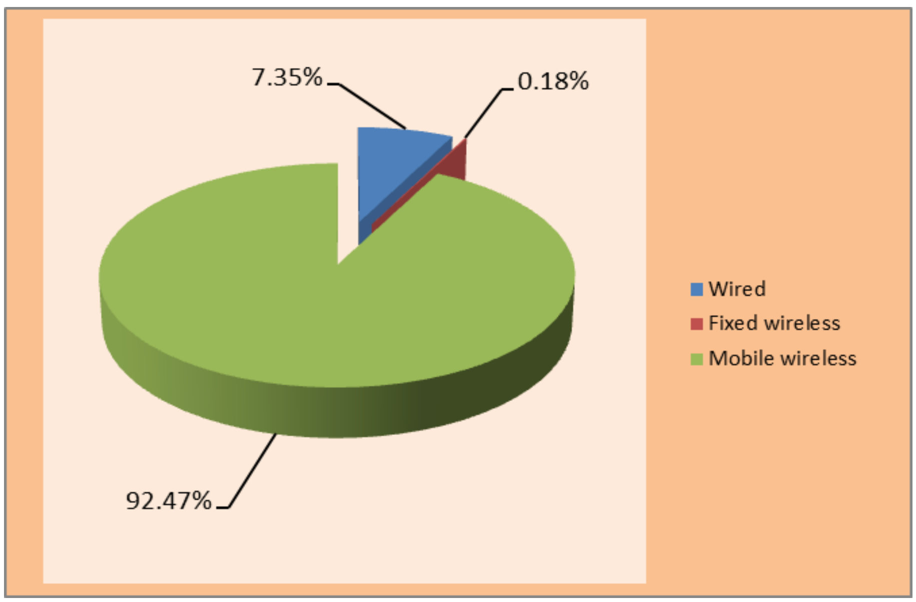
5. Wireless Tele-density increased from 73.55 at the end of Jun-14 to 74.55 at the end of Sep-14.

6. Wireline subscriber base further declined from 28.03 million at the end of Jun-14 to 27.41 million at the end of Sep-14, registering a decline of 2.21%. The year-on-year (Y-O-Y) decline rate of Wireline subscribers for Sep-14 is 6.41%.

7. Wireline Tele-density declined from 2.25 at the end of Jun-14 to 2.20 at the end of Sep-14.

8. Total number of Internet subscribers has declined from 259.14 million at the end of Jun-14 to 254.40 million at the end of Sep-14, there has been a quarterly decline of 1.83%. Out of which Wired Internet subscribers are 18.70 million and Wireless Internet subscribers are 235.70 million.

Composition of internet subscription



9. Number of Broadband Internet subscribers increased from 68.83 million at the end of Jun-14 to 75.73 million at the end of Sep-14 with quarter growth of 10.03%.

10. The number of Narrowband Internet subscribers has declined from 190.31 million at the end of Jun-14 to 178.67 million at the end of Sep-14 with quarterly decline of 6.12%.

11. Monthly Average Revenue Per User (ARPU) for GSM service decreased by 2.71%, from ₹119 in QE Jun-14 to ₹116 in QE Sep-14, whereas Y-O-Y increase of 6.08%.

12. Prepaid ARPU for GSM service per month decreased from ₹104 in QE Jun-14 to ₹101 in QE Sep-14 and Postpaid ARPU per month decreased from ₹469 in QE Jun-14 to ₹459 in QE Sep-14.

13. On an all India average, the overall MOU per subscriber per month for GSM service decreased from 390 in QE Jun-14 to 376 in QE Sep-14.

14. Prepaid MOU per subscriber for GSM service decreased from 366 in QE Jun-14 to 351 in QE Sep-14 and postpaid MOUs also decreased from 961 in QE Jun-14 to 954 in QE Sep-14.

15. Monthly ARPU for CDMA full mobility service decreased by 1.13%, from ₹112 in QE Jun-14 to ₹110 in QE Sep-14. ARPU for CDMA has increased by 12.25% on Y-O-Y basis in this quarter.

16. The total MOU for CDMA per subscriber per month decreased by 5.59%, from 283 in QE Jun-14 to 267 QE Sep-14. The outgoing MOUs decreased from 147 in QE Jun-14 to 141 in QE Sep-14 and incoming MOUs also decreased from 136 in QE Jun-14 to 126 in QE Sep-14.

17. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Sep-14 has been ₹62,447 Crore and ₹43,229 Crore respectively. GR and AGR decreased by 0.75% and 1.42% respectively in this quarter 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 8.69% and 11.39% respectively.

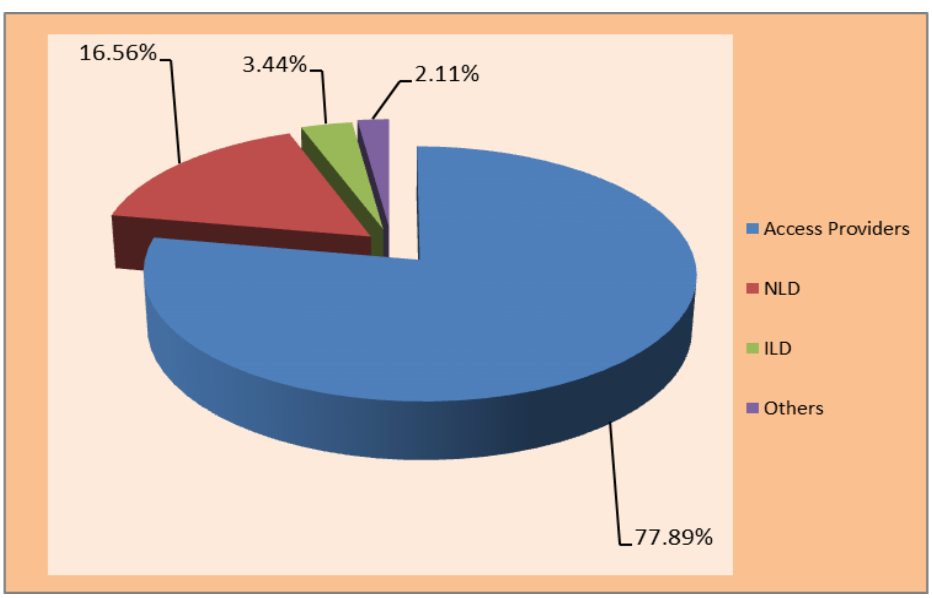
19. Pass-through charges accounted 30.77% of the GR for the quarter ending Sep-14. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Sep-14 are 0.79% and 3.24% respectively.

20. The License Fee decreased from 3,503 Crore for the QE Jun-14 to 3,459 Crore for the QE Sep-14. The quarterly and the year-on-year (Y-O-Y) growth rates of license fee are -1.26% and 11.41% respectively in this quarter.

21. Access services contributed 77.89% 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 decreased by 1.48%, 2.17%, 2.10% and 2.09% respectively, whereas Pass Through Charges increased by 0.35% in QE Sep-14.

22. Monthly Average Revenue per User (ARPU) for Access Services based on AGR decreased from ₹122.39 in QE Jun-14 to ₹118.20 in QE Sep-14.

Composition of Adjusted Gross Revenue



23. The performance of 2G 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
• SDCCH/ Paging Channel Congestion • Connection with good voice quality • Point of Interconnection(POI) Congestion (No. of POIs not meeting benchmark) (averaged over a period of quarter) • Metering and billing credibility - Prepaid • Resolution of billing/ charging/ validity complaints. • 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.	• BTSs Accumulated downtime (not available for service) • TCH Congestion • Worst affected cells having more than 3% TCH drop (call drop) rate • 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 previous quarter is depicted as under:

Parameters showing Improvement in QoS	Parameters showing deterioration in QoS
• Point of Interconnection (POI) Congestion	• Node-B's Accumulated downtime (not available for service) (%age) • Worst affected Node-B's due to downtime (%age) • Worst affected cells having more than 3% TCH drop (call drop) and Circuit Switched Voice Drop Rate - CBBH.

25. 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**
• Accessibility of call centre/ customer care	• % Fault repaired by next working day • Mean Time to Repair (MTTR) • Resolution of billing/charging/credit & validity complaints • % of calls answered by the operator (voice to voice) within 90 sec. • Metering & Billing Credibility – Postpaid

26. There are a total of 187 Pay channels as reported by broadcasters for which the wholesale channels rates have been taken on record. During the quarter ending Sep-14, the rate of "Raj Musix Kannada" Channel was taken on records.

27. In Non CAS areas, maximum number of TV channels being carried by any reporting MSO is 400, whereas in conventional analogue form, the maximum number of channels being carried by any reporting MSO is 100.

28. Apart from All India Radio, Prasar Bharti – a public broadcaster, there are 243 private FM Radio stations in operation at the quarter ending Sep-14, as per the information received from MIB.

29. At present, apart from free DTH service of Doordarshan of Prasar Bharati – a public broadcaster, there are 6 private DTH Operators. All the 6 private DTH Operators are offering pay DTH services. Total numbers of <u>registered</u> and <u>active</u> subscribers being served by these six private DTH operators, as reported to TRAI, are 70.33 million & 39.13 million respectively, as on 30th September, 2014.

Snapshot

(Data As on 30th September, 2014)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	957.61 Million
% change over the previous quarter	1.55%
Urban Subscribers	569.56 Million
Rural Subscribers	388.05 Million
Market share of Private Operators	88.41%
Market share of PSU Operators	11.59%
Teledensity	76.75
Urban Teledensity	148.07
Rural Teledensity	44.96
Wireless Subscribers	
Total Wireless Subscribers	930.20 Million
% change over the previous quarter	1.67%
Urban Subscribers	547.70 Million
Rural Subscribers	382.50 Million
GSM Subscribers	876.15 Million
CDMA Subscribers	54.05 Million
Market share of Private Operators	90.31%
Market share of PSU Operators	9.69%
Teledensity	74.55
Urban Teledensity	142.39
Rural Teledensity	44.32
Wireline Subscribers	
Total Wireline Subscribers	27.41 Million
% change over the previous quarter	-2.21%
Urban Subscribers	21.85 Million
Rural Subscribers	5.55 Million
Market share of Private Operators	23.74%
Market share of PSU Operators	76.26%
Teledensity	2.20
Urban Teledensity	5.68
Rural Teledensity	0.64
No. of Village Public Telephones (VPT)	5,87,269
No. of Public Call Office (PCO)	8,53,730

Internet / Broadband Subscribers	
Total Internet Subscribers	254.40 Million
Narrowband subscribers	178.67 Million
Broadband subscribers	75.73 Million
Wired Internet Subscribers	18.70 Million
Wireless Internet Subscribers	235.70 Million
Total Internet Subscribers per 100 population	20.39
Broadcasting & Cable Services	
No. of private satellite TV channels registered with Ministry of I&B	813
Number of private FM Radio Stations	243
Registered DTH Subscribers	70.33 Million
Active DTH Subscribers	39.13 Million
Telecom Financial Data (QE Sep-14)	
Gross Revenue(GR) during the quarter	₹ 62447 Crore
% change in GR over the previous quarter	-0.75%
Adjusted Gross Revenue (AGR) during the quarter	₹ 43229 Crore
% change in AGR over the previous quarter	-1.42%
Share of Public sector undertaking's in Access AGR	11.49%
Monthly Average Revenue Per User (ARPU) for Access Services	₹118
Revenue & Usage Parameters (QE Sep-14)	
Monthly ARPU GSM Full Mobility Service	₹ 116
Monthly ARPU CDMA Full Mobility Service	₹ 110
Minutes of Usage (MOU) per subscriber per month GSM Full Mobility Service	376 Minutes
Minutes of Usage (MOU) per subscriber per month CDMA Full Mobility Service	267 Minutes
Total Outgoing Minutes of Usage for Internet Telephony	302 Million
Data Usage of Mobile Users (for the QE Sep-14)	
Data Usage per subscriber per month - GSM	68.07 MB
Data Usage per subscriber per month - CDMA	221.26 MB
Data Usage per subscriber per month – Total(GSM+CDMA)	76.97 MB