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TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, the 11th January, 2013

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

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

TRAI today released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending September, 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 July to September 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.

Contact details in case of any clarification:

Raj Pal
Advisor (F&EA), TRAI
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg,
New Delhi – 110002
Ph: 011-23230752
Fax: 011-23236650
E-mail: adveco@trai.gov.in

Authorised to issue.

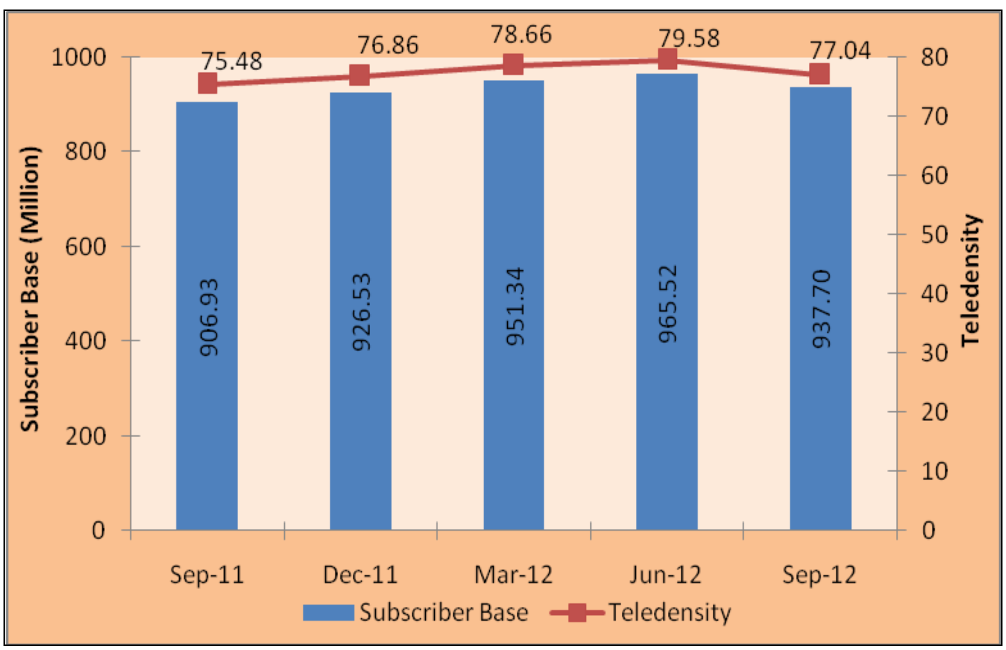
(Raj Pal)
Advisor (F&EA)

The Indian Telecom Services Performance Indicators
July - September, 2012

Executive Summary

1. The number of telephone subscribers in India declined from 965.52 million at the end of Jun-12 to 937.70 million at the end of Sep-12, registering a negative growth of -2.88% over the previous quarter as against positive growth of 1.49% during the QE Jun-12. This reflects year-on-year (Y-O-Y) growth of 3.39% over the same quarter of last year. The overall Tele-density in India has declined from 79.58 as on 30th June, 2012 to 77.04 as on 30th September, 2012.

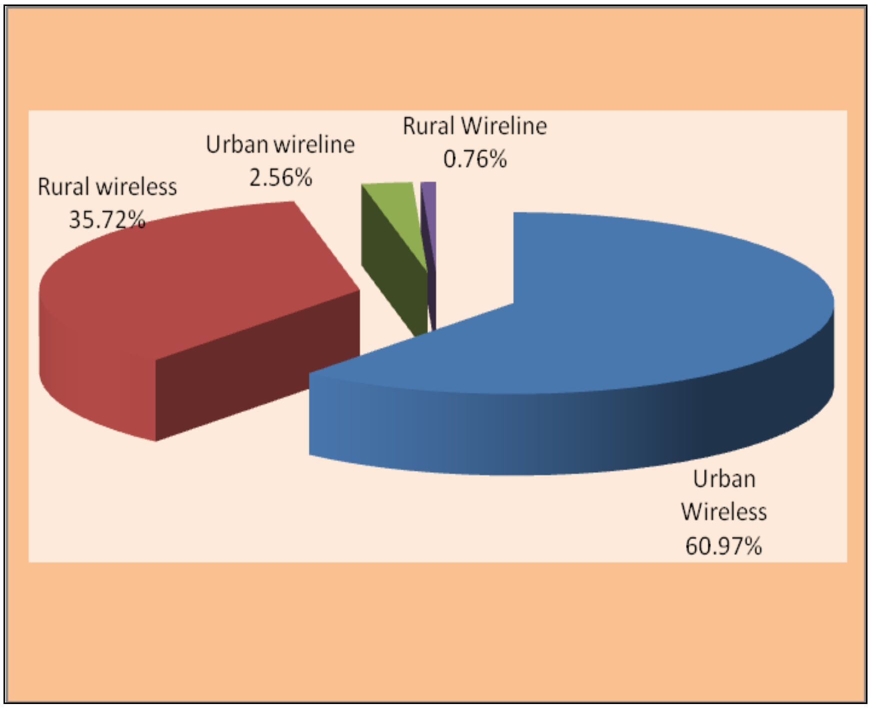
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas decreased from 621.76 million at the end of Jun-12 to 595.69 million at the end of Sep-12, and Urban Teledensity declined from 169.03 to 161.13. Rural subscription decreased from 343.76 million to 342.01 million, and Rural Teledensity

also slightly declined from 40.66 to 40.36. Share of subscription in Rural areas out of total subscription increased from 35.60% at the end of Jun-12 to 36.47% at the end of Sep-12.

Composition of Telephone Subscribers



3. With a decline of 27.48 million subscribers during the quarter, total wireless(GSM+CDMA) subscriber base registered a negative growth of 2.94% over the previous quarter and subscriber base declined from 934.09 million at the end of Jun-12 to 906.82 million at the end of Sep-12. The year-on-year (Y-O-Y) growth rate of Wireless subscribers for Sep-12 is 3.78%. Wireless Teledensity decreased from 76.99 at the end of Jun-12 to 74.49 at the end of Sep-12.

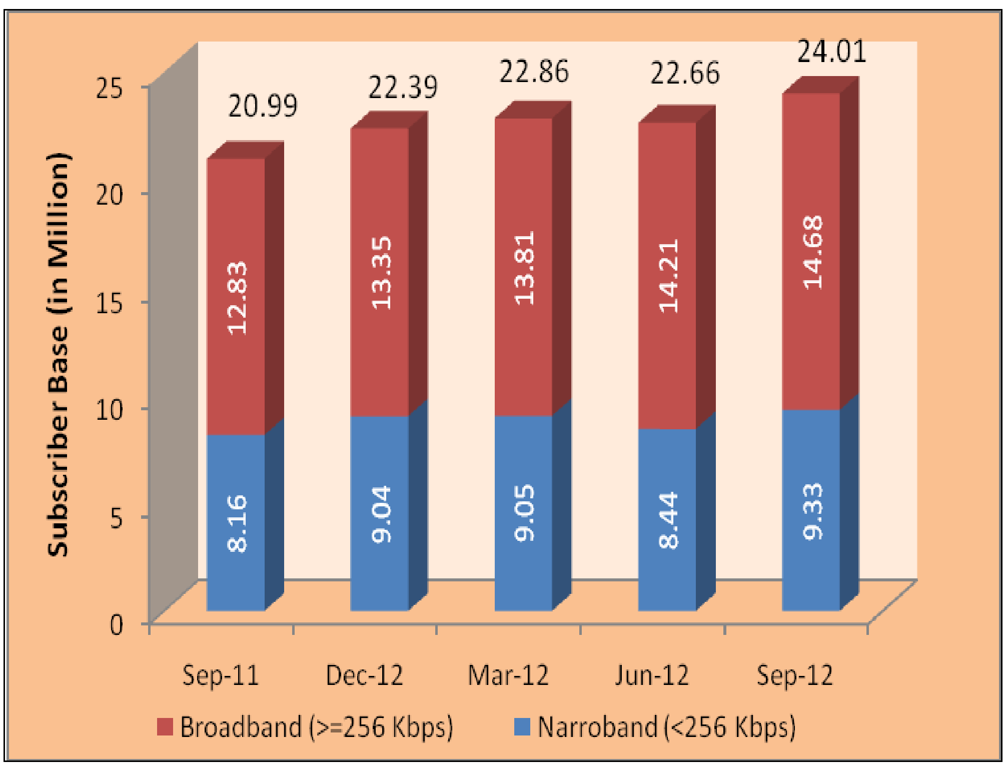
4. Wireline subscriber base further declined from 31.43 million at the end of Jun-12 to 31.08 million at the end of Sep-12, bringing down the wireline Teledensity from 2.59 at the end of Jun-12 to 2.55 at the end of Sep-12.

5. Internet subscribers increased from 22.66 million at the end of Jun-12 to 24.01 million at the end of Sep-12, registering a quarterly growth rate of 5.97%. Top 10 ISPs together hold 95% of the total Internet subscriber base.

6. Number of Broadband subscribers increased from 14.21 million at the end of Jun-12 to 14.68 million at the end of Sep-12, registering a quarterly growth of 3.31% and Y-O-Y growth of 14.42%.

7. Share of Broadband subscription in total Internet subscription decreased from 62.74% at the end of Jun-12 to 61.16% at the end of Sep-12. 84.60% of the Broadband subscribers are using Digital Subscriber Line (DSL) technology.

Trends in Internet/Broadband subscription



8. Monthly Average Revenue Per User (ARPU) for GSM service declined by 0.45%, from ₹95.47 in QE Jun-12 to ₹95.05 in QE Sep-12, with Y-O-Y decrease of 2.15%.

9. On an all India average, the overall MOU per subscriber per month for GSM service decreased by 1% from 346 in QE Jun-12 to 342 in QE Sep-12. Prepaid MOU per subscriber decreased by 1.27% (from 325 to 321) and the postpaid MOUs decreased by 0.72% (from 967 to 960)

10. Monthly ARPU for CDMA – full mobility service increased by 3.80%, from ₹74.91 in QE Jun-12 to ₹77.76 in QE Sep-12. ARPU for CDMA has increased by 10.20% on Y-O-Y basis.

11. The total MOU for CDMA per subscriber per month declined by 1.49%, from 228.63 in QE Jun-12 to 225.22 QE Sep-12. The Outgoing MOUs (114) declined by 1.25% and Incoming MOUs (112) decreased by 1.73%.

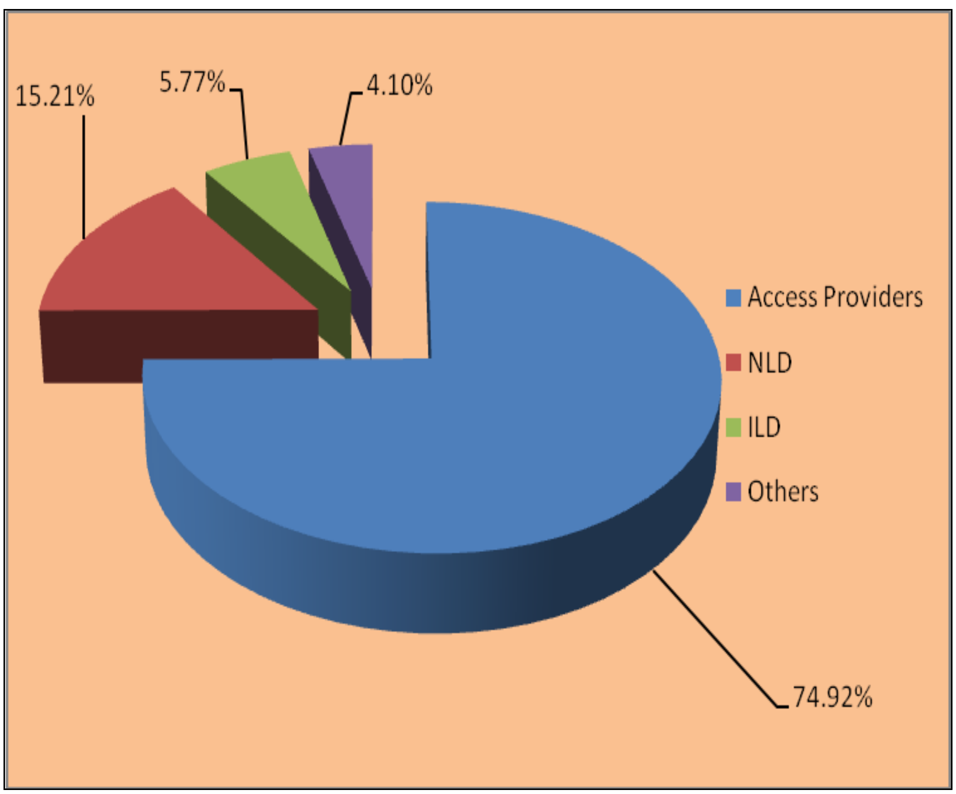
12. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Sep-12 has been ₹52937.32 Crore and ₹35473.16 Crore respectively. There has been an increase of 0.81% in GR and a decrease of 0.07% in AGR as compared to previous quarter. The year-on-year (Y-O-Y) growth in GR and AGR over the same quarter in last year has been 6.00% and 6.01% respectively. Pass-through charges accounted for 32.99% of the GR for the quarter ending Sep-12. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Sep-12 are 2.65% and 5.96% respectively.

13. Average license fee as percentage of AGR is 8.13% in QE Sep-12. The quarterly and the year-on-year (Y-O-Y) growth rates of the average license fee for QE Sep-12 are -1.93% and 3.91% respectively.

14. Access services contributed 74.92% of the total revenue of telecom services. In Access services Gross Revenue, AGR, License Fee & Spectrum Charges decreased by 0.62%, 1.60%, 6.36% & 0.41% respectively in the quarter ending Sep-12 vis-à-vis previous quarter.

15. Monthly Average Revenue per User (ARPU) for Access Services based on AGR increased from ₹ 98 in QE Jun-12 to ₹ 99 in QE Sep-12.

Composition of Gross Revenue



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**	**Parameters showing no change in QoS**
• SDCCH/Paging Chl. Congestion • Worst affected cells having more than 3% TCH drop (call drop) rate • Point of Inter-connection (POI) Congestion (No. of POIs not meeting the benchmark) • Accessibility of call centre/customer care.	• Worst affected BTSs due to downtime. • TCH Congestion. • Connection with good voice quality • Metering and billing credibility - postpaid • Resolution of billing/ charging/ validity complaints. • Period of applying credit/ waiver/ adjustment to customer's account from the date of resolution of complaints. • %age requests for Termination /Closure of service complied within 7 days • %age of calls answered by the operators (voice to voice) within 60 sec. • Time taken for refund of deposits after closures.	• BTSs Accumulated downtime (not available for service) • Call Set-up Success Rate (within licensee's own network) • Call Drop Rate • Metering and billing credibility - prepaid.

17. 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 repaired by next working day • % faults repaired within 3 days • % faults repaired within 5 days	• Faults incidences (No. of faults/100 Subs. /month) • Metering and billing credibility - prepaid • Resolution of billing/ charging/ validity complaints	• Call Completion Rate (CCR) • Answer to Seizure Ratio (ASR) • Metering and billing credibility - postpaid • Point of Interconnection (POI) Congestion

• Mean Time to Repair (MTTR)	• Accessibility of call centre/customer care	• % of calls answered by the operators (Voice to Voice) within 60 Sec • %age requests for Termination / Closure of service complied within 7 days. • Period of applying credit/waiver/ adjust-ment to customer's account from the date of resolution of complaints • Time taken for refund of deposits after closures.

18. Total number of permitted private satellite TV channels registered with Ministry of I&B, as obtained from its website, is 843. There are 184 pay TV channels in existence, as reported by 26 broadcasters/their distributors, as on QE Sep-12.

19. Maximum number of TV channels (Pay, FTA and Local) being carried by any of the reported MSOs is 350 whereas in the conventional analogue form, maximum number of channels being carried by any of the reported MSOs is 100 channels.

20. Apart from All India Radio, Prasar Bharti – a public broadcaster, there are 242 private FM Radio stations in operation at the end of Sep-12.

21. Besides the free DTH service of Doordarshan, there are 6 private DTH licensees, offering their services to the DTH subscribers. As on 30.09.2012, 50.91 million subscribers are registered with these 6 private DTH operators.

22. Number of Set Top Boxes (STBs) installed in CAS notified areas of Delhi, Mumbai, Kolkata and Chennai increased from 10,01,033 at the end of Jun-12 to 10,48, 445 at the end of Sep-12.

Snapshot

(Data As on 30th September, 2012)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	937.70 Million
% change over the previous quarter	-2.88%
Urban Subscribers	595.69 Million (63.53%)
Rural Subscribers	342.01 Million (36.47%)
Market share of Private Operators	86.16%
Market share of PSU Operators	13.84%
Teledensity	77.04
Urban Teledensity	161.13
Rural Teledensity	40.36
Wireless Subscribers	
Total Wireless Subscribers	906.62 Million
% change over the previous quarter	-2.94%
Urban Subscribers	571.70 Million (63.06%)
Rural Subscribers	334.92 Million (36.94%)
GSM Subscribers	808.80 Million (89.21%)
CDMA Subscribers	97.82 Million (10.79%)
Market share of Private Operators	88.43%
Market share of PSU Operators	11.57%
Teledensity	74.49
Urban Teledensity	154.64
Rural Teledensity	39.52
Wireline Subscribers	
Total Wireline Subscribers	31.08 Million
% change over the previous quarter	-1.10%
Urban Subscribers	23.99 Million (77.17%)
Rural Subscribers	7.10 Million (22.83%)
Market share of Private Operators	20.16%
Market share of PSU Operators	79.84%
Teledensity	2.55
Urban Teledensity	6.49
Rural Teledensity	0.84
Village Public Telephones (VPT)	0.585 Million
Public Call Office (PCO)	1.551 Million

Internet / Broadband Subscribers	
Total Internet Subscribers (excluding Internet Access by Wireless Phone Subscribers)	24.01 Million
% change over the previous quarter	5.97%
Broadband Subscribers	14.68 Million
Broadcasting & Cable Services	
Number of private satellite TV channels registered with Ministry of I&B	841
Number of Pay Channels	184
Number of private FM Radio Stations	242
DTH Subscribers registered with Pvt. SPs	50.91 Million
Number of Set Top Boxes in CAS notified areas	10,48,445
Telecom Financial Data (for the QE Sep-12)	
Gross Revenue during the quarter	₹ 52937.32 Crore
% change in GR over the previous quarter	0.81%
Share of Public sector undertaking's in GR	15.75%
Adjusted Gross Revenue (AGR)	₹35473.16 Crore
% change in AGR over the previous quarter	-0.07%
Monthly Average Revenue Per User (ARPU) for Access Services	₹99
Revenue & Usage Parameters (for the QE Sep-12)	
Monthly ARPU GSM Service	₹ 95
Monthly ARPU CDMA Full Mobility Service	₹ 78
Minutes of Usage (MOU) per subscriber per month GSM Service	342 Minutes
Minutes of Usage (MOU) per subscriber per month CDMA Full Mobility Service	225 Minutes
Minutes of Usage for Internet Telephony	269.71 Million

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