Information Note to the Press (Press Release No. 67/2015)

TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, the 23rd November, 2015

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

"Indian Telecom Services Performance Indicator Report" for the Quarter ending June, 2015

TRAI today released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending June, 2015. 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 April to 30th June, 2015 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:

Ms Vinod Kotwal
Advisor(F&EA), TRAI
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg,
New Delhi – 110 002
Ph : 011-23230752
Fax: 011-23236650
E-mail: advfea1@trai.gov.in

Authorized to issue

Kotwal

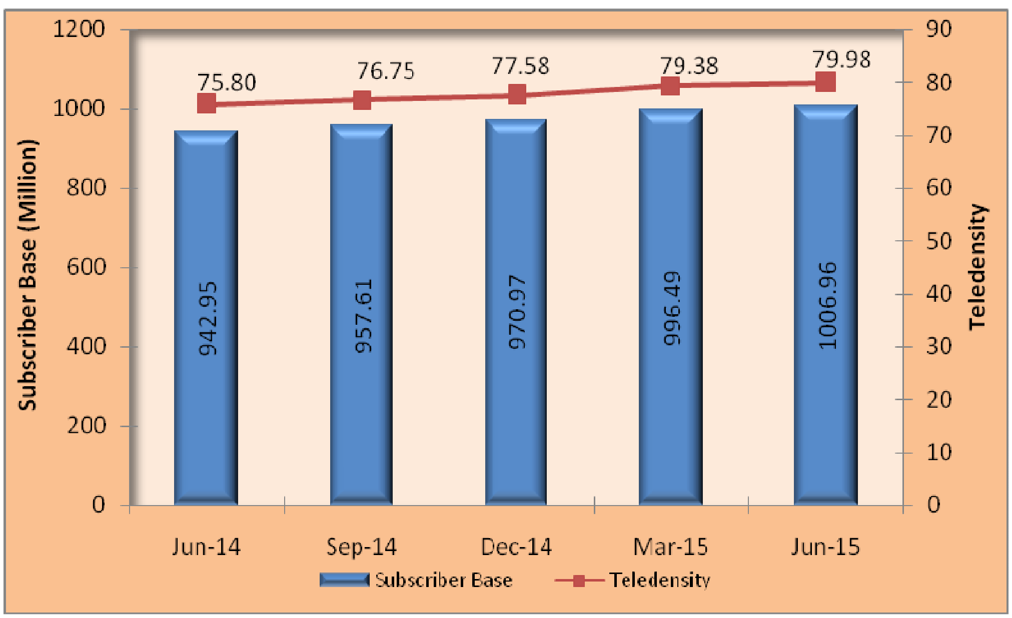
(Vinod Kotwal)
Advisor(F&EA)

The Indian Telecom Services Performance Indicators
April – June, 2015

Executive Summary

1. The number of telephone subscribers in India increased from 996.49 million at the end of Mar-15 to 1006.96 million at the end of Jun-15, registering a growth of 1.05% over the previous quarter. This reflects year-on-year (Y-O-Y) growth of 6.79% over the same quarter of last year. The overall Teledensity in India increased from 79.38 as on 31st March, 2015 to 79.98 as on 30th June, 2015.

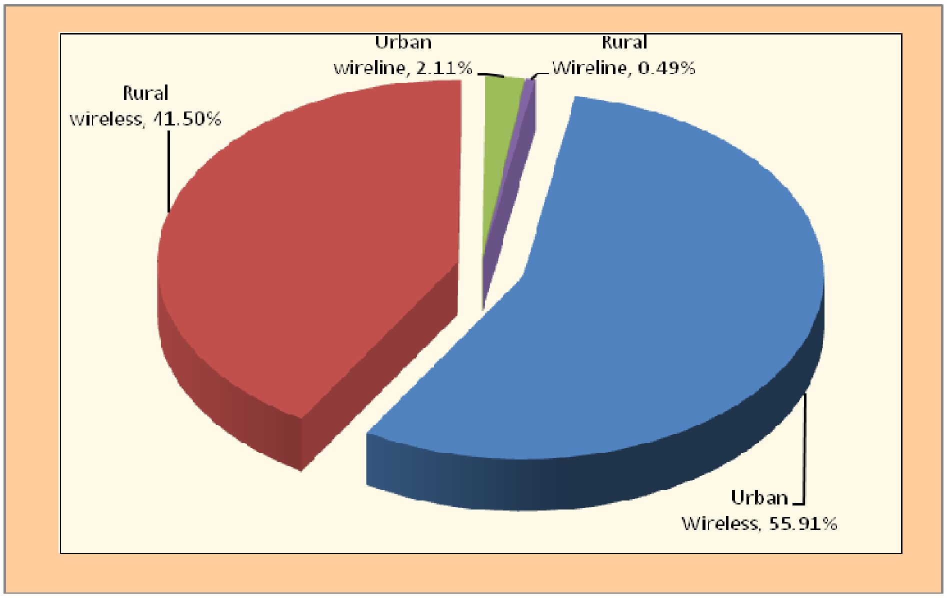
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas increased from 577.18 million at the end of Mar-15 to 584.21 million at the end of Jun-15, and Urban Teledensity increased from 148.61 to 149.70. Rural subscription increased from 419.31 million to 422.75 million, and Rural Teledensity also increased from 48.37 to 48.66 during the same period.

3. Out of the total subscription, the share of the Rural areas declined from 42.08% at the end of Mar-15 to 41.98% at the end of Jun-15.

<u>Composition of Telephone Subscribers</u>



4. With a net addition of 10.91 million subscribers during the quarter, total wireless (GSM+CDMA) subscriber base increased from 969.89 million at the end of Mar-15 to 980.81 million at the end of Jun-15, registering a growth rate of 1.13% over the previous quarter. The year-on-year (Y-O-Y) growth rate of wireless subscribers for Jun-15 is 7.20%.

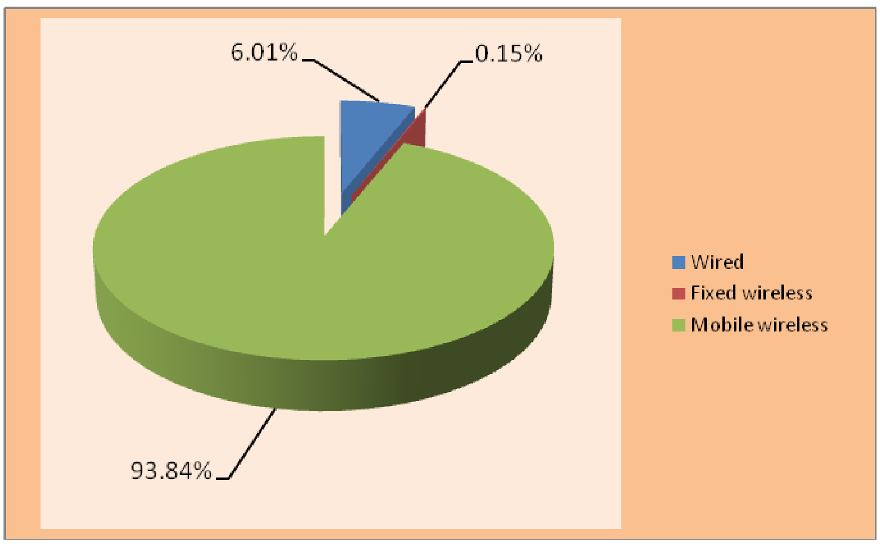
5. Wireless Teledensity increased from 77.27 at the end of Mar-15 to 77.90 at the end of Jun-15.

6. Wireline subscriber base further declined from 26.59 million at the end of Mar-15 to 26.15 million at the end of Jun-15, registering a decline of 1.66%. The year-on-year (Y-O-Y) decline in wireline subscribers for Jun-15 is 6.69%.

7. Wireline Teledensity declined from 2.12 at the end of Mar-15 to 2.08 at the end of Jun-15.

8. Total number of Internet subscribers has increased from 302.35 million at the end of Mar-15 to 319.42 million at the end of Jun-15, registering a quarterly growth rate of 5.65%. Out of 319.42 million, Wired Internet subscribers are 19.21 million and Wireless Internet subscribers are 300.22 million.

Composition of internet subscription



9. Number of Broadband Internet subscribers increased from 99.20 million at the end of Mar-15 to 108.85 million at the end of Jun-15 showing quarterly growth rate of 9.73%.

10. The number of Narrowband Internet subscribers increased from 203.15 million at the end of Mar-15 to 210.57 million at the end of Jun-15 with quarterly growth rate of 3.65%.

11. Monthly Average Revenue Per User (ARPU) for GSM service increased by 4.35%, from ₹121 in QE Mar-15 to ₹126 in QE Jun-15. Monthly ARPU for GSM service grew by 5.88% on Y-O-Y in this quarter.

12. Prepaid ARPU for GSM service per month increased from ₹105 in QE Mar-15 to ₹109 in QE Jun-15, and Postpaid ARPU per month increased from ₹474 in QE Mar-15 to ₹501 in QE Jun-15.

13. On an all India average, the overall MOU per subscriber per month for GSM service increased by 1.30% from 383 for QE Mar-15 to 388 in QE Jun-15.

14. Prepaid MOU per subscriber for GSM service increased from 358 in QE Mar-15 to 363 in QE Jun-15, and postpaid MOUs increased from 923 in QE Mar-15 to 937 in QE Jun-15.

15. Monthly ARPU for CDMA full mobility service decreased by 1.10%, from ₹108 in QE Mar-15 to ₹107 in QE Jun-15. Monthly ARPU for CDMA full mobility service declined by 4.02% on Y-O-Y basis in this quarter.

16. The total MOU for CDMA per subscriber per month declined by 0.80%, from 265 in QE Mar-15 to 263 in QE Jun-15. The outgoing MOUs increased from 144 in QE Mar-15 to 145 in QE Jun-15, whereas incoming MOUs decreased from 121 in QE Mar-15 to 118 in QE Jun-15.

17. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Jun-15 has been ₹65030 Crore and ₹47134 Crore respectively. GR declined by 0.30%, whereas AGR increased by 4.38% in QE Jun-15 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 3.36% and 7.49% respectively.

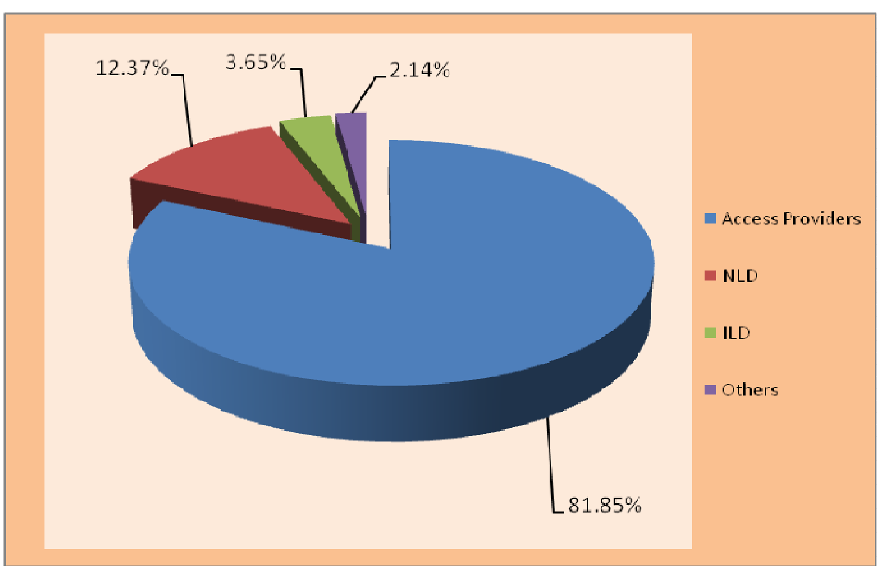
19. Pass-through charges accounted for 27.52% of the GR for the quarter ending Jun-15. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Jun-15 are -10.83% and -6.14% respectively.

20. The License Fee increased from Rs.3617 Crore for the QE Mar-15 to Rs.3783 Crore for the QE Jun-15. The quarterly and the year-on-year (Y-O-Y) growth rates of license fee are 4.58% and 7.98% respectively in this quarter.

21. Access services contributed 81.85% 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) increased by 1.10%, 7.35%, 7.21% and 8.07% respectively and Pass Through Charges declined by 15.72% in QE Jun-15.

22. Monthly Average Revenue per User (ARPU) for Access Services based on AGR increased from ₹121.81 in QE Mar-15 to ₹128.45 in QE Jun-15.

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 the previous quarter is given as below:

Parameters showing improvement in QoS	**Parameters showing deterioration in QoS**
• Call Set-up Success Rate (within licensee's own network) • Standalone Dedicated Control Channel (SDCCH)/ Paging Channel Congestion • Resolution of billing/charging/ credit & validity complaints (98% within 4 weeks) • Accessibility of call centre/ customer care • %age of calls answered by the operators (voice to voice) within 90 sec • Time taken for refund of deposits after closures	• Traffic Channel (TCH) Congestion • 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 benchmark) (averaged over a period of quarter) • Metering and billing credibility – Postpaid • Metering and billing credibility - Prepaid • 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

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	**Parameters showing deterioration in QoS**
• Call Set-up Success Rate (within licensee's own network) • Connections with good voice quality and Circuit Switch Voice Quality (CSV quality) • Point of Interconnection (POI) Congestion	• BTSs and Node-B's accumulated downtime (not available for service) (%age) • Worst affected BTSs and Node-B's due to downtime (%age) • Call Drop and Circuit Switched Voice Drop Rate (%age)

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
• Point of Interconnection (POI) Congestion (No. of POIs not meeting benchmark) • Resolution of billing/ charging/ credit & validity complaints (98% within 4 weeks & 100% within 6 weeks) • Accessibility of call centre/ customer care	• % Fault repaired by 5 days (for urban areas) • Mean Time to Repair (MTTR) • %age of calls answered by the operators (voice to voice) within 90 sec • Termination/ Closure of service 100% within 7 days

26. A total of 826 private satellite TV channels have been permitted by the Ministry of Information and Broadcasting (MIB) for uplinking only/downlinking/uplinking, as on 30.06.2015.

27. There were a total of 251 Pay channels as reported by the broadcasters as on 31.03.2015. During the quarter ending June 2015, four new pay channels i.e (i) Sony KIX, (ii) AXN HD, (iii) ETV News Odia and (iv) Star Movies Select HD were launched. During the quarter three channels namely (i) Fox Crime, (ii) 9X and (iii) Zee Premier were discontinued. Now, there are 252 pay TV Channels at the quarter ending June, 2015.

28. In areas served by non-addresable systems, the maximum number of TV channels carried in digital form, as reported by a cable operator (M/s Hathway Cable & Datacom Limited), amongst those who have reported, is 397. The maximum number of TV channels carried in analog form, as reported by a cable operator (M/s Ortel Communications Ltd), amongst those who have reported, is 100.

29. The digitization, with addressability of cable TV sector is in progress, in a phased manner. It is planned to be completed in four phases. The cut-off date for migration to "Digital Addressable Cable TV Systems" for the first phase, covering four metropolitan cities, was 31.10.2012 and for second phase, covering 38 cities having population more than 1 million, was 30.03.2013. The cut-off date for third phase was 30.09.2014 and for the fourth and final phase was 31.12.2014. However, the cut-off date for third phase & fourth phase was further extended up to 31.12.2015 & 31.12.2016 respectively.

30. As on 30.06.2015, there are a total of 211 Multi System Operators (MSOs), who have been granted Permanent Registration (for 10 years) by Ministry of I&B, for providing Cable TV services through Digital Addressable Systems.

31. Apart from the Radio Stations operated by All India Radio, Prasar Bharati – a public broadcaster, there are 243 operational private FM Radio stations as on 30th June, 2015. The information therein is as received from MIB.

32. At present, apart from the free DTH service of Doordarshan, a public broadcaster, there are 6 private DTH Operators. All these private DTH operators are offering pay DTH services.

33. As per the information submitted by the DTH operator through quarterly PMR for DTH services, total number of registered subscribers and active subscribers being served by these six private DTH operators, as reported to TRAI, are 78.74 million & 39.74, million respectively as on 30th June 2015.

34. As per data received from MIB, as on 30th June, 2015, out of the 230 community radio licenses issued so far, 186 stations are operational.

Snapshot

(Data As on 30th June, 2015)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	1,006.96 Million
% change over the previous quarter	1.05%
Urban Subscribers	584.21 Million
Rural Subscribers	422.75 Million
Market share of Private Operators	90.03%
Market share of PSU Operators	9.97%
Teledensity	79.98
Urban Teledensity	149.70
Rural Teledensity	48.66
Wireless Subscribers	
Total Wireless Subscribers	980.81 Million
% change over the previous quarter	1.13%
Urban Subscribers	562.95 Million
Rural Subscribers	417.85 Million
GSM Subscribers	930.92 Million
CDMA Subscribers	49.89 Million
Market share of Private Operators	91.75%
Market share of PSU Operators	8.25%
Teledensity	77.90
Urban Teledensity	144.25
Rural Teledensity	48.10
Wireline Subscribers	
Total Wireline Subscribers	26.15 Million
% change over the previous quarter	-1.66%
Urban Subscribers	21.25 Million
Rural Subscribers	4.90 Million
Market share of Private Operators	25.54%
Market share of PSU Operators	74.46%
Teledensity	2.08
Urban Teledensity	5.45
Rural Teledensity	0.56
No. of Village Public Telephones (VPT)	5,87,280
No. of Public Call Office (PCO)	7,01,941

Internet/Broadband Subscribers	
Total Internet Subscribers	319.42 Million
Narrowband subscribers	210.57 Million
Broadband subscribers	108.85 Million
Wired Internet Subscribers	19.21 Million
Wireless Internet Subscribers	300.22 Million
Urban Internet Subscribers	204.98 Million
Rural Internet Subscribers	114.44 Million
Total Internet Subscribers per 100 population	25.37
Urban Internet Subscribers per 100 population	52.52
Rural Internet Subscribers per 100 population	13.17
Broadcasting & Cable Services	
No. of private satellite TV channels registered with Ministry of I&B	826
Number of private FM Radio Stations	243
Registered DTH Subscribers	78.74 Million
Active DTH Subscribers	39.74 Million
Telecom Financial Data (QE Jun-15)	
Gross Revenue (GR) during the quarter	₹ 65,030 Crore
% change in GR over the previous quarter	-0.30%
Adjusted Gross Revenue (AGR) during the quarter	₹ 47,134 Crore
% change in AGR over the previous quarter	4.38%
Share of Public sector undertaking's in Access AGR	10.17%
Monthly Average Revenue Per User (ARPU) for Access Services	₹ 128
Revenue & Usage Parameters (QE Jun-15)	
Monthly ARPU GSM Full Mobility Service	₹ 126
Monthly ARPU CDMA Full Mobility Service	₹ 107
Minutes of Usage (MOU) per subscriber per month - GSM Full Mobility Service	388 Minutes
Minutes of Usage (MOU) per subscriber per month - CDMA Full Mobility Service	263 Minutes
Total Outgoing Minutes of Usage for Internet Telephony	272 Million
Data Usage of Mobile Users (for the QE Jun-15)	
Data Usage per subscriber per month - GSM	99.36 MB
Data Usage per subscriber per month - CDMA	304.50 MB
Data Usage per subscriber per month – Total(GSM+CDMA)	110.10 MB