Information Note to the Press (Press Release No. 08/2014)

TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, the 11th February, 2014

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

"Indian Telecom Services Performance Indicator Report" for the Quarter ending September, 2013.

TRAI today released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending September, 2013. 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 April to September, 2013, 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:

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

Authorised to issue.

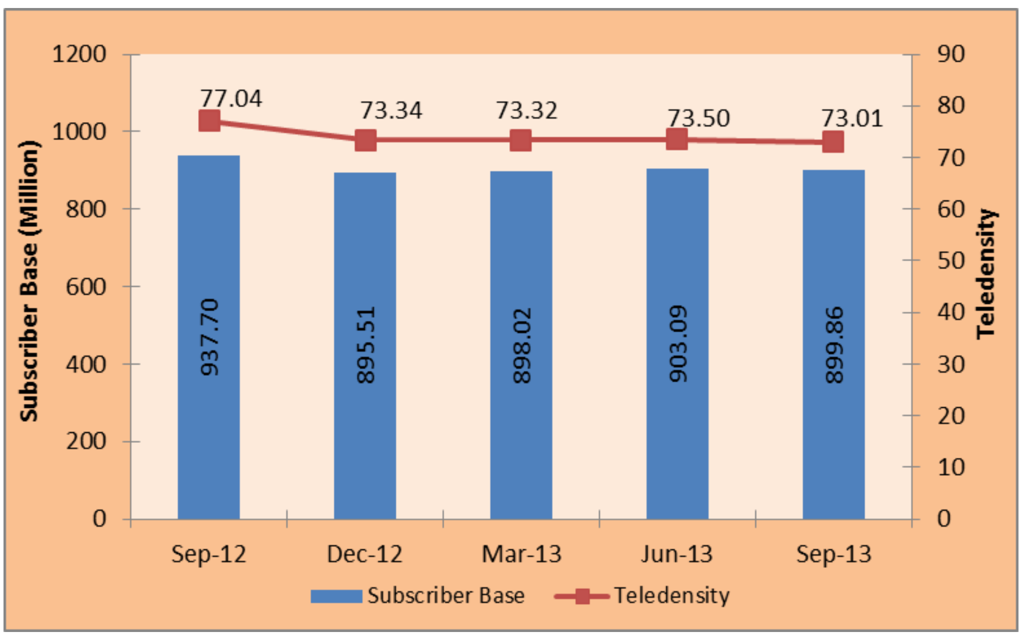
(M. P. Tangirala)
Advisor (F&EA)

The Indian Telecom Services Performance Indicators
July – September, 2013

Executive Summary

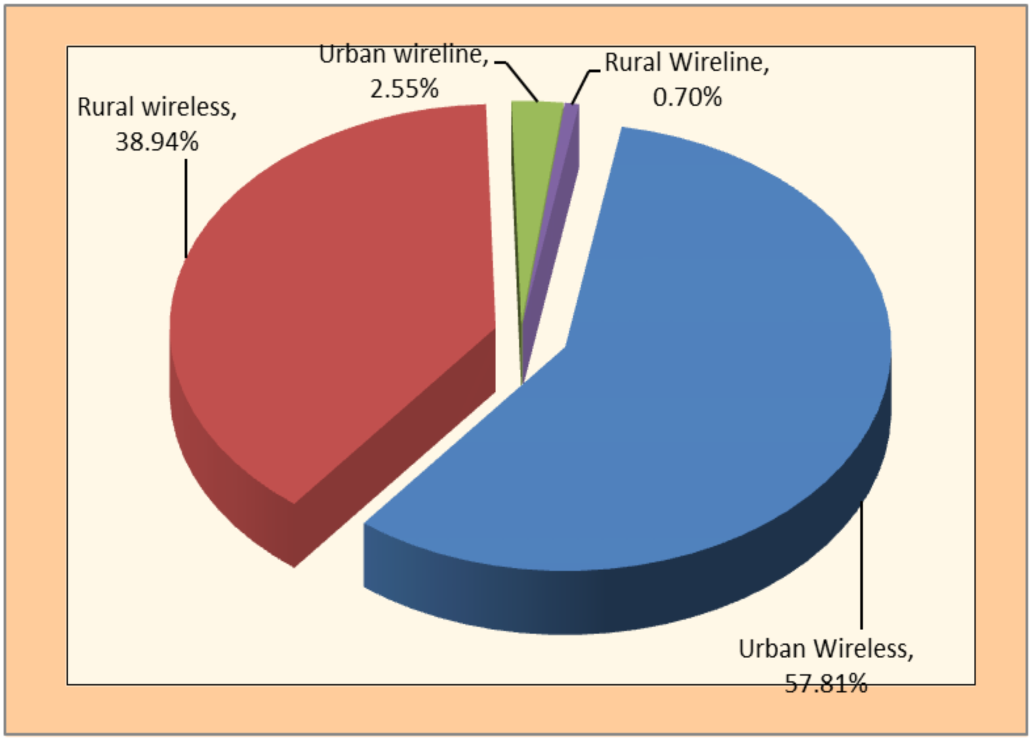
1. The number of telephone subscribers in India decreased from 903.09 million at the end of Jun-13 to 899.86 million at the end of Sep-13, registering a negative growth of 0.36% over the previous quarter. This reflects year-on-year (Y-O-Y) negative growth of 4.03% over the same quarter of last year. The overall Tele-density in India declined from 73.50 as on 30th June, 2013 to 73.01 as on 30th September, 2013.

Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas decreased from 545.48 million at the end of Jun-13 to 543.18 million at the end of Sep-13, and Urban Tele-density also declined from 145.35 to 144.02. Rural subscription declined from 357.61 million to 356.68 million, and Rural Tele-density also declined from 41.90 to 41.70. Share of subscription in Rural areas out of total subscription increased from 39.60% at the end of Jun-13 to 39.64% at the end of Sep-13.

Composition of Telephone Subscribers



3. With a net decline of 2.78 million subscribers during the quarter, total wireless(GSM+CDMA) subscriber base decreased from 873.36 million at the end of Jun-13 to 870.58 million at the end of Sep-13, registering a negative growth rate of 0.32% over the previous quarter. The year-on-year (Y-O-Y) negative growth rate of Wireless subscribers for Sep-13 is 3.97%. Wireless Tele-density declined from 71.08 at the end of Jun-13 to 70.63 at the end of Sep-13.

4. Wireline subscriber base further declined from 29.73 million at the end of Jun-13 to 29.28 million at the end of Sep-13, registering a negative growth rate of 1.50%. Wireline Tele-density also declined from 2.42 at the end of Jun-13 to 2.38 at the end of Sep-13.

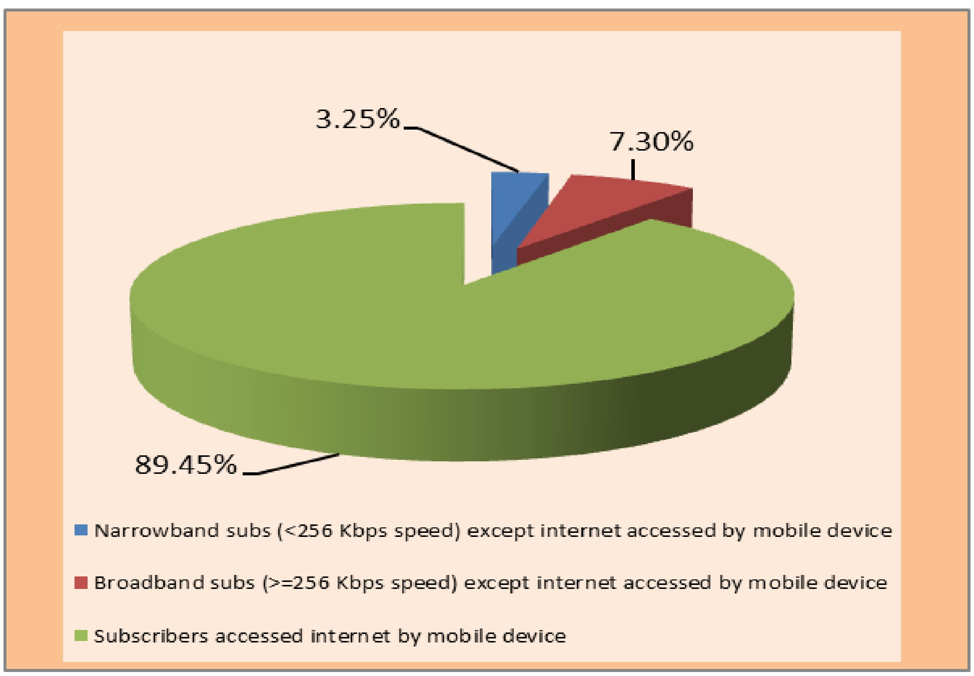
5. Number of subscribers who accessed internet by mobile devices is 188.20 million during QE Sep-13.

6. Number of internet subscribers (except internet access by mobile devices) increased from 21.89 million at the end of Jun-13 to 22.19 million at the end of Sep-13, registering a quarterly growth rate of 1.38%.

7. Number of Broadband subscribers (as per pre-revised definition) increased from 15.20 million at the end of Jun-13 to 15.35 million at the end of Sep-13, registering a quarterly growth of 0.99% and Y-O-Y growth of 4.52%.

8. Number of Narrowband subscribers (except internet access by mobile devices) increased from 6.69 million at the end of Jun-13 to 6.84 million at the end of Sep-13, registering a quarterly growth of 2.25%

<u>Composition of internet subscription</u>



9. Monthly Average Revenue Per User (ARPU) for GSM service decreased by 2.12%, from ₹111 in QE Mar-13 to ₹109 in QE Sep-13, whereas Y-O-Y increase of 14.52%.

10. On an all India average, the overall MOU per subscriber per month for GSM service decreased by 3.23% from 388 in QE Jun-13 to 375 in QE Sep-13. Prepaid MOU per subscriber decreased from 364 to 351 and postpaid MOUs decreased from 990 to 981 in this quarter.

11. Monthly ARPU for CDMA full mobility service decreased by 0.13%, from ₹98.35 in QE Jun-13 to ₹98.22 in QE Sep-13. ARPU for CDMA has increased by 26.30% on Y-O-Y basis in this quarter.

12. The total MOU for CDMA per subscriber per month decreased by 5.74%, from 278 in QE Jun-13 to 262 QE Sep-13. The outgoing MOUs decreased from 146 to 137 and incoming MOUs decreased from 132 to 125 in this quarter.

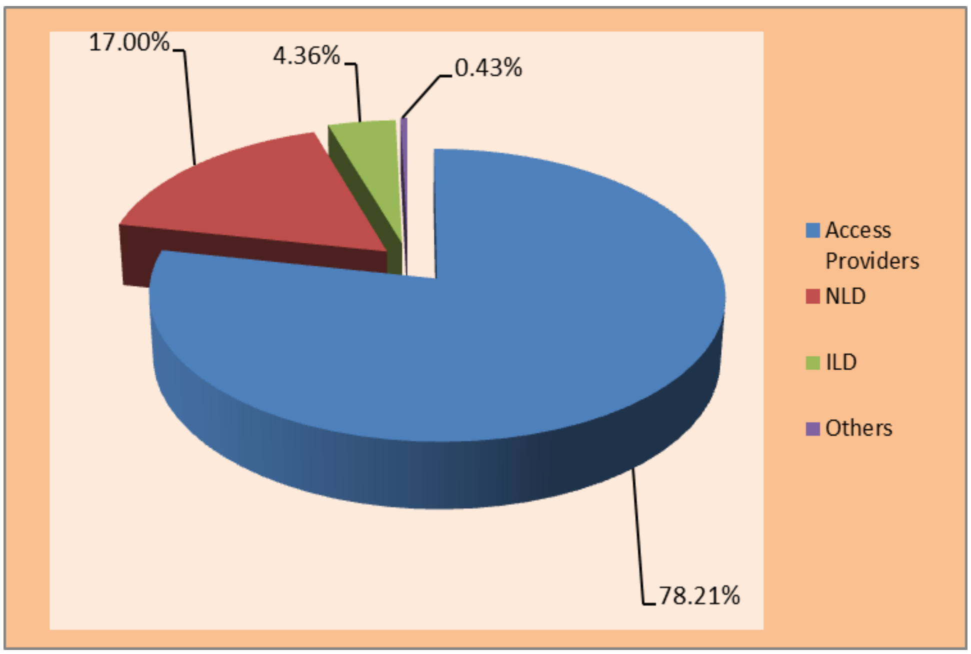
13. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Service Sector for the QE Sep-13 has been ₹57452.56 Crore and ₹38810.56 Crore respectively. There has been an increase of 0.33% in GR and 0.44% in AGR as compared to previous quarter. The year-on-year (Y-O-Y) growth in GR and AGR over the same quarter in last year has been 8.53% and 9.41% respectively. Pass-through charges accounted for 32.45% of the GR for the quarter ending Sep-13. The quarterly and the year-on-year (Y-O-Y) growth rates of pass-through charges for QE Sep-13 are 0.11% and 6.74% respectively.

14. The quarterly and the year-on-year (Y-O-Y) growth rates of license fee are 0.41% and 7.66% respectively for the QE Sep-13.

15. Access services contributed 78.21% of the total Adjusted Gross Revenue of telecom services. In Access services, Gross Revenue, Adjusted Gross Revenue (AGR), License Fee and Pass Through Charges decreased by 1.55%, 0.46%, 0.46% and 4.17% respectively, whereas Spectrum Usage Charge increased by 0.46% in QE Sep-13.

16. Monthly Average Revenue per User (ARPU) for Access Services based on AGR decreased from ₹113 in QE Jun-13 to ₹112 in QE Sep-13.

Composition of Adjusted Gross Revenue



17. 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**
• BTSs Accumulated downtime (not available for service) • 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 the benchmark) • Resolution of billing/ charging/ validity complaints. • Accessibility of call centre/customer care • %age requests for Termination/ Closure of service complied within 7 days.	• Metering and billing credibility - post paid • Metering and billing credibility - pre paid • 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 • 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 unchanged in QoS**
• 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.	• Point of Interconnection (POI) Congestion.

19. 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
• % of faults repaired within 3 days (for urban area) • % of faults repaired within 5 days (for rural & hilly areas) • Call Completion Rate (CCR) • Metering and billing credibility - post paid • Metering and billing credibility - pre paid • %age requests for Termination/ Closure of service complied within 7 days.	• Faults incidences (No. of faults/ 100 Subs./month) • % Fault repaired by next working day • Mean Time to Repair (MTTR). • Resolution of billing/ charging/ validity complaints • Accessibility of call centre/customer care • % of calls answered by the operators (Voice to Voice) within 60 Sec. • Time Taken for refund of deposits after closures

20. Total number of private satellite TV channels permitted by the Ministry of I&B, as obtained from its website, are 784. There are a total of 187 pay channels, as reported by the broadcasters/ distributors for which the rates have been taken on records at the QE Sep-13.

21. Maximum number of TV channels (Pay, FTA and Local) being carried by any of the reported MSOs is 218 whereas in the conventional analogue form, maximum number of channels being carried by any of the reported MSOs is 100 channels.

22. Apart from All India Radio, Prasar Bharti a public broadcaster, there are 242 private FM Radio stations in operation at the end of Sep-13.

23. Besides the free DTH service of Doordarshan, there are 6 private DTH licensees, offering their services to the DTH subscribers. As on 30.09.2013, 60.71 million subscribers are registered with these 6 private DTH operators.

Snapshot

(Data As on 30th September, 2013)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	899.86 Million
% change over the previous quarter	-0.36%
Urban Subscribers	543.18 Million
Rural Subscribers	356.68 Million
Market share of Private Operators	86.16%
Market share of PSU Operators	13.84%
Teledensity	73.01
Urban Teledensity	144.02
Rural Teledensity	41.70
Wireless Subscribers	
Total Wireless Subscribers	870.58 Million
% change over the previous quarter	-0.32%
Urban Subscribers	520.21 Million
Rural Subscribers	350.37 Million
GSM Subscribers	807.68 Million
CDMA Subscribers	62.91 Million
Market share of Private Operators	88.33%
Market share of PSU Operators	11.67%
Teledensity	70.63
Urban Teledensity	137.93
Rural Teledensity	40.96
Wireline Subscribers	
Total Wireline Subscribers	29.28 Million
% change over the previous quarter	-1.50%
Urban Subscribers	22.97 Million
Rural Subscribers	6.31 Million
Market share of Private Operators	21.76%
Market share of PSU Operators	78.24%
Teledensity	2.38
Urban Teledensity	6.09
Rural Teledensity	0.74
Village Public Telephones (VPT)	0.59 Million
Public Call Office (PCO)	1.09 Million

Internet / Broadband Subscribers	
Total Internet Subscribers	210.38 Million
Narrowband subscribers (excluding subscribers who accessed internet through mobile devices)	6.84 Million
Broadband subscribers (excluding subscribers who accessed internet through Mobile devices)	15.35 million
Subscribers who accessed internet through Mobile Devices	188.20 Million
Broadcasting & Cable Services	
No. of private satellite TV channels registered with Ministry of I & B	784
Number of private FM Radio Stations	242
DTH Subscribers registered with Pvt. SPs	60.71 Million
Telecom Financial Data (for the QE Sep-13)	
Gross Revenue(GR) during the quarter	₹ 57452.56 Crore
% change in GR over the previous quarter	0.33%
Adjusted Gross Revenue (AGR) during the quarter	₹38810.56 Crore
% change in AGR over the previous quarter	0.44%
Share of Public sector undertaking's in Access AGR	13.10%
Monthly Average Revenue Per User (ARPU) for Access Services	₹112
Revenue & Usage Parameters (for the QE Sep-13)	
Monthly ARPU GSM Full Mobility Service	₹ 109
Monthly ARPU CDMA Full Mobility Service	₹ 98
Minutes of Usage (MOU) per subscriber per month GSM Full Mobility Service	375 Minutes
Minutes of Usage (MOU) per subscriber per month CDMA Full Mobility Service	262 Minutes
Minutes of Usage for Internet Telephony	297.15 Million

******