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TELECOM REGULATORY AUTHORITY OF INDIA

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

"Indian Telecom Services Performance Indicator Report" for the Quarter ending March 2010.

The TRAI today released the **"Indian Telecom Services Performance Indicator Report"** for the Quarter ending March 2010. 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 January-March 2010, 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 (ER), 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.

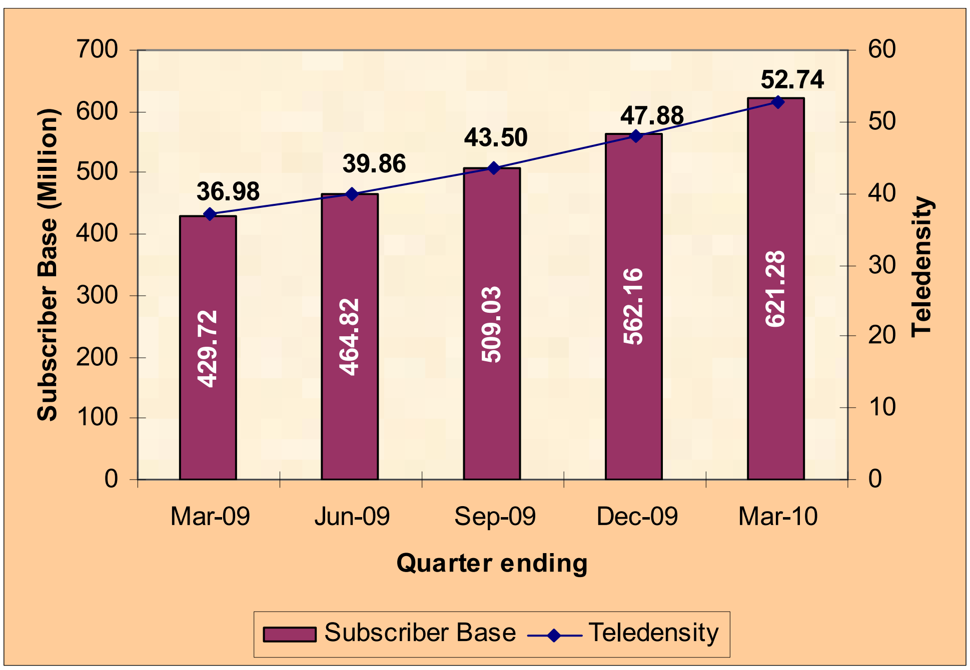
(Raj Pal)
Advisor (ER)

The Indian Telecom Services Performance Indicators
January - March 2010

Executive Summary

1. The number of telephone subscribers in India increased from 562.16 Million at the end of Dec-09 to 621.28 Million at the end of Mar-10, registering a sequential growth of 10.52% over the previous quarter. This reflects year-on-year (Y-O-Y) growth of 44.58% over the same quarter of last year. The overall Teledensity in India has reached 52.74 as on 31st March 2010.

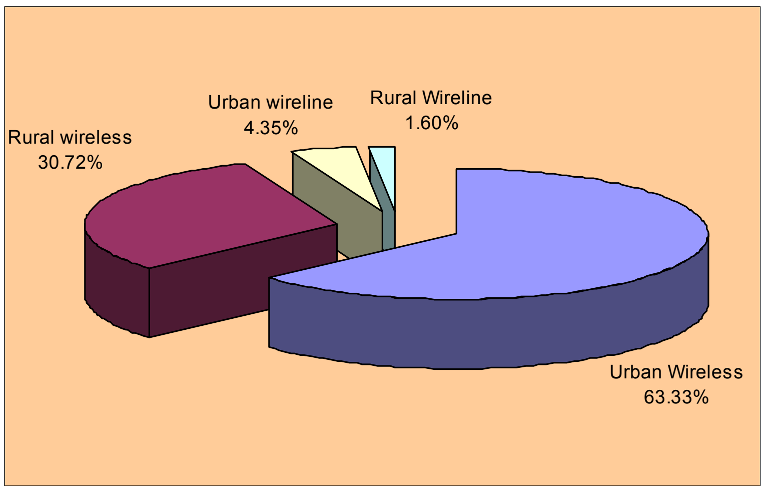
Trends in Telephone subscribers and Teledensity in India



2. Subscription in Urban Areas grew from 387.63 Million at the end of Dec-09 to 420.47 Million at the end of Mar-10, taking the urban Teledensity from 110.96 to 119.73. Rural subscription increased from 174.53 Million to 200.81 leading to increase in Rural Teledensity from 21.16 to 24.29, during this period.

3. About 56% of the total net additions have been in urban areas as compared to 57% in the previous quarter. This, in other words implies a rapid increase in rural subscriptions during the quarter. However, this uptake in rural subscription is in wireless segment. The share of rural subscribers has increased to 32.3% in total subscription from 31% in Dec-09.

Composition of Telephone Subscribers



4. With 59.23 Million net additions during the Quarter, total wireless (GSM + CDMA) subscriber base increased to 584.32 Million at the end of Mar-10, and wireless Tele-density reached 49.60.

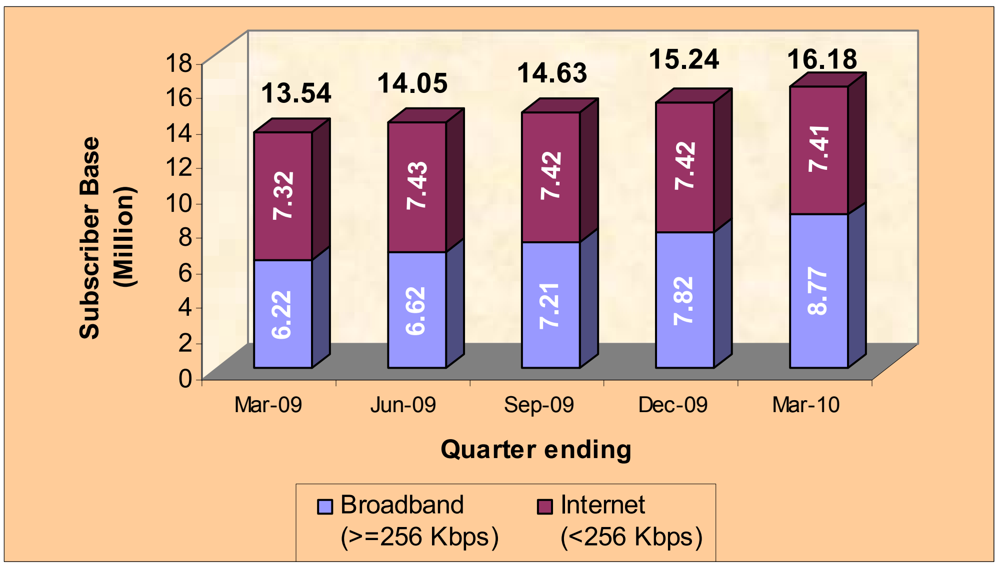
5. Wireline subscriber base further declined from 37.06 Million at the end of Dec-09 to 36.96 Millions at the end of Mar-10, bringing down the wireline teledensity to 3.14 from 3.16 in Dec-09.

6. Internet subscribers increased from 15.24 million at the end of Dec-09 to 16.18 Millions at the end of Mar-10, registering a quarterly growth rate of 6.17%. Top 10 ISPs together hold 95.41% of the total Internet subscriber base.

7. Number of Broadband subscribers increased from 7.82 million at the end of Dec-09 to 8.71 million at the end of Mar-10, registering a quarterly growth of 12.15% and Y-O-Y growth of 41.05%.

8. Share of Broadband subscription in total Internet subscription increased from 51.3% in Dec-09 to 54.2% in Mar-10. 86.6% of the Broadband subscribers are using Digital Subscriber Line (DSL) technology.

Trends in Internet/Broadband subscription



9. Average Revenue Per User (ARPU) for GSM-Full Mobility service declined by 8.6%, from Rs. 144 in QE Dec-09 to Rs. 131 in QE Mar-10, with Y-O-Y decrease of 36.1%.

10. MOU per subscriber for GSM – Full mobility service almost remained at the same level as in the previous quarter, with a decline of just 1 minute, from 411 in QE Dec-09 to 410 in QE Mar-10. Although, there has been significant decrease in MOU per subscriber from Mar-09 to

June-09, at present the level of MOU seems to have more or less stablised.

11. ARPU for CDMA – Full mobility service declined by 7.4%, from Rs. Rs. 82 in QE Dec-09 to Rs. 76 in QE Mar-10. ARPU for CDMA has declined by 22.9% on Y-O-Y basis.

12. MOU per subscriber for CDMA-full mobility service declined by 3.7% from 318 (QE Dec-09) to 307 (QE Mar-10). The Outgoing MOUs declined by 3.2% and Incoming MOUs by 4.2%.

13. Gross Revenue (GR) and Adjusted Gross Revenue (AGR) of Telecom Sector for the QE Mar-10 has been Rs 40,265.12 Crore and Rs. 28,829.53 Crore respectively. There has been an increase of 1.28% in GR as compared to previous quarter and AGR declined by 1.02%. Pass-through charges accounted for 28.4% of the GR for the quarter ending Mar-10.

14. Average licence fee as percentage of AGR is 8.34% in Mar-10 as against 8.35% in previous quarter.

15. The performance of wireline service providers improved as compared to the previous quarter, in respect of all the parameters of Quality of Service (QoS), except for the parameters “metering and billing credibility – postpaid”.

16. The performance of the Basic Telephone Service (Wireline) Service Providers is at same level as compared to the previous quarter in respect of the parameter of “Answer to Seizure Ratio (ASR)” and “Period of applying credit/waiver/adjustment to customer’s account from the date of resolution of complaints”.

17. The performance of the wireless service providers improved in this quarter in respect of the following parameters of QoS:

    a. BTSs Accumulated downtime (not available for service)
    b. Worst affected BTSs due to downtime
    c. Call Set-up Success Rate (within licensee's own network)
    d. SDCCH/ Paging Chl. Congestion
    e. TCH Congestion
    f. Call Drop Rate
    g. Worst affected cells having more than 3% TCH drop (call drop) rate
    h. Metering and billing credibility - post paid
    i. Metering and billing credibility - pre paid
    j. Resolution of billing/charging/validity complaints
    k. %age of calls answered by the operators (voice to voice) within 60 sec.
    l. %age requests for Termination / Closure of service complied within 7 days
    m. Time taken for refund of deposits after closures

18. The performance of the wireless service providers has deteriorated in this quarter as compared to the previous quarter in respect of the following parameters of QoS:-

    a. Connection with good voice quality
    b. Point of Interconnection (POI) Congestion (No. of POIs not meeting the benchmark)
    c. Period of applying credit/ waiver/ adjustment to customer's account from the date of resolution of complaints
    d. Accessibility of call centre/ customer care

19. Total Number of channels registered with Ministry of I&B increased from 485 in Dec-09 to 503 in Mar-10. There are 147 pay TV channels in existence as reported by 24 broadcasters/their distributors at the Quarter ending Mar-10.

20. Maximum number of TV channels being carried by any of the reported MSOs is 259 whereas in the conventional analogue form, maximum number of channels being carried by the reported MSOs is 100 channels.

21. The number of private FM Radio stations in operation remained as 248 at the end of Mar-10.

22. Besides the free DTH service of Doordarshan, there are 6 private DTH licensees. All the 6 DTH licensees are offering pay DTH services to the customers as on 31.3.2010 and their reported subscriber base is 21.3 million.

23. Number of Set Top Boxes (STBs) installed in CAS notified areas of Delhi, Mumbai, Kolkata and Chennai increased from 7,45,953 in Dec-09 to 7,62,238 in Mar-10.

Snapshot

(Data As on 31st March 2010)	
Telecom Subscribers (Wireless +Wireline)	
Total Subscribers	621.28 Million
% change over the previous quarter	10.5%
Urban Subscribers	420.47 Million (67.7%)
Rural Subscribers	200.81 Million (32.3%)
Teledensity	52.74
Urban Teledensity	119.73
Rural Teledensity	24.29
Wireless Subscribers	
Total Wireless Subscribers	584.32 Million
% change over the previous quarter	11.28%
Urban Subscribers	393.45 Million (67.3%)
Rural Subscribers	190.88 Million (32.7%)
GSM Subscribers	478.68 Million (81.9%)
CDMA Subscribers	105.64 Million (18.1%)
Teledensity	49.60
Urban Teledensity	112.03
Rural Teledensity	23.08
Wireline Subscribers	
Total Wireline Subscribers	36.96 Million
% change over the previous quarter	-0.29%
Urban Subscribers	27.03 Million (73.1%)
Rural Subscribers	9.93 Million (26.9%)
Teledensity	3.14
Urban Teledensity	7.70
Rural Teledensity	1.20
Village Public Telephones (VPT)	0.58 Million
Public Call Office (PCO)	4.59 Million
Internet & Broadband Subscribers	
Total Internet Subscribers	16.18 Million
% change over the previous quarter	6.17%
Broadband Subscribers	8.77 Million

Broadcasting & Cable Services	
Total Number of Registered Channels with I&B Ministry	503
Number of Pay Channels	147
Number of private FM Radio Stations	248
DTH Subscribers	21.3 Million
Number of Set Top Boxes in CAS areas	762,238
Telecom Financial Data (for the QE Mar-10)	
Gross Revenue during the quarter	Rs. 40,265.12 Crore
% change in GR over the previous quarter	1.28%
Share of Public sector undertaking's in GR	19.68%
Adjusted Gross Revenue (AGR)	Rs. 28,829.53 Crores
% change in AGR over the previous quarter	-1.02%
Revenue & Usage Parameters (for the QE Mar-10)	
Average Revenue Per User (ARPU) GSM	Rs. 131
Average Revenue Per User (ARPU) CDMA	Rs. 76
Minutes of Usage (MOU) GSM	410 Minutes
Minutes of Usage (MOU) CDMA	307 Minutes
Minutes of Usage for Internet Telephony	122.96 Million