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An Analytical Study on Financial Statements of Telecom Companies in India

Jyoti Nagdev
Asst. Prof. Seva Sadan College of Arts Science and Commerce, Ulhasnagar

Dr. CA. Kishore pishori.
I/C Principal of MMK College of Commerce and Economics, Bandra (W)

Abstract:- Telecommunications companies are essential for different sectors of society, as telecom company provides quality service and also helps to achieve objectives especially of business firms and enterprises. Telecommunications industry has observed many challenges and problems from different phases of growth such as maintainence of consistency in profit earning, competitive advantage, and many internal challenges like upgrading to accounting standards, cost of maintainence of quality service providing, taxes payments etc and other expenditures incurred.

Telecommunications sector are active agents for various banks, government organisation, and various other private sectors which help them to adopt different variations in changing technology and upgrade accordingly. Whereas telecom company income earning has taken big turn with different changing policies of government, ICAI guidelines for adopting upgraded accounting standards which lien burden of financial crisis on them. Telecommunications has always played vital role in development of growth of different countries of the world.

Keywords:- *Telecommunication Companies, Financial Performance, Changes In Accounting Standard.*

I. INTRODUCTION

Telecommunication has made the whole world a small village making life of people easy and fast moving, telecommunication has being major sector contributing for revenues, employment, and infrastructure development of the country.

Telecommunication also plays an essential role in the economicdevelopment of the country. Not only it has indicated Strong trading relations with other countries but also helps inraising the standard of living and their life style behaviours.

The Indian Accounting Standards (Ind AS) are bringing about a paradigm shift in financial reporting which is going to potentially affect many key metrics of performance.

The growth in demand for telecom services in India is not limited to basic telephone services but expanded in many service areas. India has witnessed rapid growth and development in internet services, wireless connections, mobile services and many more. There has been tremendous growth in telecom industry with the growing need in banking sector, industrial areas , corporate sector , educational field, and in various other areas but this growing need has created competition intensely between performance of their services in public as well private sectors.

Today's telecom market is full of services providers with varied range of networks and its coverage areas, although public sector and private sector play important role in hand in hand satisfaction of user's requirements. For example companies providing telecom services like reliance, Tata teleservices Ltd,Airtel, Bsnl, Aircel, etc.The intensity of competition is experienced between private and public telecom sectors and accordingly performance efficiency of respective industries are affected along with their profitability.

II. IMPORTANCE OF TELECOMMUNICATION COMPANIES SERVICES

- Telecommunications operators are mastering the demands of technological and regulatory changes while illustrating transparency, customer innovation and bringing new services to the market
- At present Privacy remains a significant issue for many telecommunications operators and poses ever-increasing challenges. This should come as no surprise; operators capture and hold enormous amounts of data on their customers. Therefore telecom service providers has to closely with governments to clarify their responsibilities in areas such as anti-terrorism and content for children, and collaborate with suppliers and partners to tackle privacy and security issues in new service areas
- Telecom services provide the network for information to be exchanged electronically, through wired or wireless methods. This information is shared from room to room or across the country. Examples include telephone, Internet-connected computers, fax machines and handheld communication devices. Smartphones and tablets have increased capabilities through mobile communication. Employees can use these devices to access information and applications, work on documents, send and receive emails and join conversations via teleconference.
- Nowadays consumers think of telecommunications in terms of both products and services. In modern times it has become permissible and increasingly common

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for consumers to buy telecommunications applications or equipment as products as well as services. For example, a customer-owned and customer-installed WiFi local area network may be the first access link supporting a voice over Internet Protocol (VoIP) service, and a consumer may purchase a VoIP software package and install it on his or her personally owned and operated personal computer that connects to the Internet via an Internet service provider.

- Telecommunication services has increased as such According to Global Workplace analysis, 3.3 million people work for an organization from home, and this number has grown drastically in the last ten years. If you have remote employees in your organization, or your employees are required to travel frequently for training and client meetings, the appropriate telecom services can help them stay connected.
- With increase in efficient use of telecommunication one can remove various constraints of all the sectors in the economy resulting into increased productivity and better administration. Effective controlling mechanism can be possible only through better communication and with better use of telecommunication equipments. In the developing countries earlier telecommunication was a big problem because all the means of communications were confined to the rich people only. But with the revolution in this sector now all the means are also available to middle and lower class people who play vital role in the growth of economy of any country.
- At present government alsouse of telecommunications have been in the area of document handling, to make it easier for agencies to process the paperwork associated with issuing regulations, granting permits, recording transfers of property, improving the use of information to collect taxes or assessments, and processing claims for benefits. Many of these applications of telecommunications allow agencies to deliver services to clients in a matter of minutes rather than hours and by telephone rather than in person.
- Telecommunication devices can also be most useful during natural calamity in any part of the country. At the time of earthquakes, floods and cyclones valuable lives can be saved with the help of telecommunication devices.
- With the changes in accounting policies regulatory changes like the new revenue recognition standard are prompting organizations to assess their current financial architecture and many are using this opportunity to refresh and make key changes to their core finance processes.
- 10.The next generation of telecommunications companies has to maintain the ability to respond with need and requirements of customer, regulatory and market changes.

III. AIMS AND OBJECTIVES OF STUDY

- To study revenue recognition practises of telecom companies
- To study the employee benefit schemes and problems related to it
- To study financial performance of telecom companies cost efficiency
- To study innovative accounting adopted by telecom companies
- To study of close down cdma process of telecom companies

IV. REVIEW OF LITERATURE

- KPMG LLP (2016), publication “Revenue for telecoms issues in depth” study of comparatives of current IFRS and US GAAP requirement and relevant
- AdjeiBoadi R. &Gause S.A 2006- in research paper publication ”Telecommunication is a significant source of revenue not only for its business operators but also to government through taxes paid by income earners in the mobile telecom industry
- Nodh&Nodh 2007, in research publication ”Telecommunication is cheap means of communication and therefore cost efficient and effective since it helps in reduction of cost of travel”
- Nigel scott et al..,2004- in research publication “ one might expect most call to be related to economic issues, research confirms that at present in India, it is socially used that helps usage of phone even among the poor people”
- S.GNimako 2009 in research publication “An assessment and analysis of customer satisfaction with service delivery of mobile telecommunication in Ghana” the study highlights mobile telecommunication plays a major role in updated information and knowledge to the business world
- Deloitte & aptitude revstream, 2018 in their publication, “ assisting clients of various sizes across the globe to ensure compliance with IFRS15 revenue standard” study makes us understood the impact on overall program of cost relevancy in illustrative manner
- Kai wong& Christopher Millikon, (Revstream),2017, in their publication, “Two transition methods that are acceptable to implement as per new revenue standards” the study reveals significance of changes in existing deferred revenue concept which may never be recognized as revenue as per changes in new accounting norms.
- KPMG 2018, Publication issues no. 19, “Accounting and auditing update” highlights an organization is a business model which is a vehicle through which it creates value, and the said values are adopted for capital impairment, organization are likely to increase or decrease the capital funds which may results into sustainable development growth
- EY limited, 2015 in their Publication ”The new revenue recognition standards- telecommunications” the said study reveals that IFRS15 specifies

accounting treatment for all revenue of telecommunication industry from contract with customers, the standards also helps in providing a model of recognition and also measurement of gains and losses on sale of certain assets like property, plant and equipments and also for intangible assets

- Andrea Pannone, 2001, Vol-10, pg no. 453-480, "Accounting and pricing for telecommunication industry, an operational approach" the said publication makes us understand the contradictory approach of problems arising during production and cost analysis models as such models are incapable of solving specific issues related to network services activities on one side and on other side it also it leads to incorporating tools to organize and keep accounting records for performing production activities.
- GRAPHA-Telecom audit advisory board,2012, publication, "Accounting for revenue in the telecommunications industry" the following study reveals that GRAPHA has studied set of guidelines and best practices which have proven to be helpful in revenue accounting, managerial accounting, to increase their efficiency and effectiveness
- Dravid Griffin and Clare Tebbenham, Deloitte 2010, publication, "Accounting in the telecommunications industry: A new view of revenue emerges" the study states the different types of issues like modifying revenue, accounting for cash or equipment incentives, contract cost consistency, losing control on long term contracts resulting bad debts, etc. as such requirement of revenue accounting in telecommunication industry needs disaggregation and its categorization in respect to products and geographies.
- Joseph Mbawuni, 2014, vol-3, pg. no. 4, in their Journal of Accounting and finance research, published paper "exploring management accounting practices in emerging telecommunication market in Ghana" the study states illustrative analysis of a leading telecommunication company i.e. MTN Ltd. in Ghana, which uses management accounting practices as strategic policy analysis with higher usage rate, as such MTN uses traditional budgeting techniques, costing methods which were based as low activity based costing, the reason evaluated for adoption of such management accounting practices are due to global competition, increasing cost and economic crises
- SP Kothari,2004, "Accrual accounting process Part -1, in this book, it states in details of basic accounting functions like classifying, preparation of T- accounts, T-accounts uses and purposes, recording of assets and liabilities, recording of expenses and revenues in an illustrative manner, which is basically applicable to all types firms for their accounting practices.
- Rai Technology University, in their book "Financial Accounting" the book states basic accounting standards, framework of financial accounting, basic principles of final accounting preparation, basic of management accounting and also various tools of financial analysis which is applicable and useful to all types of firms in their routine function of mechanics of accounting
- Institute of Cost accounting of India (ICAI)2016,publication,"Accounting and costing aspects in telecom" which highlights summary of Indian telecom market with reference to airtel, Vodafone, and Ideal Ltd., having 60% customers and 70% revenue share, study also reveals basic accounting practices like revenue for pre-paid and post paid transactions, profit and loss account preparation, relationship between revenue and cost, cost allocation methods, and also highlights guidelines and impact of TRAI on Indian telecommunication industry.

V. ANALYSIS OF FINANCIAL STATEMENTS OF TELECOM COMPANIES-

BSNL and MTNL are public owned telecom company income and revenue status have faced a changes whereas BSNL & MTNL share accounted for 13.6% and other private telecom companies accounted for 86.4% as per 2011 analysis of market share done

❖ *BSNL*

Years	Revenue (Rs. lacs)	Provisional Loss (Rs. lacs)	Employee benefits expense (Rs. lacs)	Depreciation and amortisation expense (Rs. lacs)	Trade receivables (Rs. lacs)	Trade payables (Rs. lacs)
2017	32,41,132	(4,85,916)	15,36,915	7,20,560	261515	268
2018	31,53,344	(4,79,321)	15,71,545	6,33,042	309881	592993
2019	2,507,064	(799,285)	1,483,724	583,158	392538	782989

Table 1

❖ *MTNL (Including Delhi and Mumbai Telecom Markets)*

Years	Revenue (Rs. Lacs)	Provisional Loss (Rs. Lacs)	Employee benefits expense (Rs. Lacs)	Depreciation and amortisation expense (Rs. Lacs)	Trade receivables (Rs. Lacs)	Trade payables (Rs. Lacs)
2017	3693	1947.54	2639.32	1151.59	492.01	388.53
2018	3552.46	2941.08	2647.81	1087.63	491.58	429.75
2019	3116.42	2973.03	2445.79	1028.68	424.27	428.80

Table 2

➢ *Review-*

Reason for provisional losses for BSNL and MTNL are as follows-

- Revenue for all services is recognized when earned and are realizable at the time of billing. Unbilled revenues from the billing date to the end of the year are recorded as accrued revenue during the period in which the services are provided
- Low tariff's due to competition in mobile segment
- High staff maintenance expenditure
- Absence of 4G services for customers in telecom market
- Great set back in year 2016 due entry of reliance Jio
- BSNL had 50% more expenditure than revenue
- MTNL has 70% more expenditures than its revenue earned
- BSNL & MTNL failed to build up brand building and also market building
- BSNL& MTNL had also lost most of its mobile subscriber base
- BSNL & MTNL also faced structural problems
- BSNL & MTNL also lacked the professional and skilled employees
- Anupam Shrivastav, BSNL chairman and managing director said " that bsnl is cutting cost in terms of electricity, administrative expenses and freezing the employee benefits in relation to leave travel concession and also other medical expenses are controlled
- BSNL 's Depreciation is provided based on the Written Down Value method at the rates prescribed in Schedule XIV to the Companies Act, 1956 except for Subscriber Installation. The Subscriber Installation is depreciated over the useful life of 5 years on Written Down Value method.
- BSNL's Intangible assets such as Entry License Fee for Telecom Service operations are amortized over the license period (i.e. 20 years) and standalone computer software applications are amortized over the license period subject to maximum of 10 years as per straight line method.
- BSNL Company did not have appropriate internal controls for reconciling and obtaining balance confirmation from sundry debtors, sundry creditors and other parties. This could potentially result in the Company materially misstating the trade payables and trade receivables.
- MTNL Depreciation is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of Apparatus & Plant (including Air Conditioning System attached to exchanges), which is depreciated at the rates based on technical evaluation of useful life of these assets i.e. 9.5%, which is higher than the rates prescribed in Schedule XIV to the Companies Act, 1956.
- 100 % depreciation is charged on assets of small value in the year of purchase, other than those forming part of project, the cost of which is below Rs.0.01 Millions in case of Apparatus & Plants, Training Equipment & Testing Equipment and Rs.0.20 Millions for partitions.
- MTNL's credit risks related to trade receivables are mitigated by taking bank guarantees from customers where credit risk is high. The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts.
- MTNL's all the receivables and payables including amount receivable/payable from/to Department of Telecommunication (DOT), ITI Limited, inter unit balances, bank balances including unlinked credits, and subscriber's deposits pertaining to Delhi wireless unit are subject to confirmation and/or reconciliation. Further, The Company is not making any provision for old un-reconciled outstanding balances from DOT, Govt. Agencies and dues from operators

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❖ *Reliance Jio-*
Reliance jio are privately owned Telecom Company has shown changes positively as shown below-

Years	Revenue (Rs. In cr.)	Profit & loss (Rs. In cr.)	Employee benefits expenses (Rs. In cr.)	Depreciation and amortisation expenses (Rs. In cr.)	Trade receivables (Rs. In cr.)	Trade payables (Rs. In cr.)
2017	1	-31	6	5	-	5923
2018	20158	723	963	3577	912	13263
2019	38844	2964	1658	6398	735	3601

Table 3

➢ *Review*

- A wholly owned subsidiary of Reliance Industries headquartered in Mumbai, Jio provides wireless 4G LTE service network (without 2G/3G based services) and is the only 'VoLTE-only' (Voice over LTE) operator in the country which lacks legacy network support of 2G and 3G, with coverage across all 22 telecom circles in India.
- The services were first beta-launched to Jio's partners and employees on 27 December 2015 on the eve of 83rd birth anniversary of late Dhirubhai Ambani, founder of Reliance Industries.
- It was commercially launched on 5 September 2016. Within the first month of commercial operations, Jio announced that it had acquired 16 million subscribers. This is the fastest ramp-up by any mobile network operator anywhere in the world.
- In October 2015, Jio announced that it would be launching its own mobile handset brand named LYF. In January 2016, it launched its first set of 4G-enabled smartphones named after the four elements: Earth, Flame (Fire), Water, and Wind.
- Reliance jio started since 2015-16 and accumulated profits as well as losses and presently it lead the market by 8million subscribers
- Reliance Jio has created a strong data network with infrastructure and backhaul for offering wireless services, wire line services, FTTH, Enterprise offering, IoT services and other digital services. These will lead to sustained growth in data consumption on the network
- JioGigaFiber services for Homes and Enterprise is being rolled out across 1,600 cities and customer feedback during the trials has been very encouraging. Jio is currently optimizing its service offerings across fixed broadband, entertainment and IoT based smart home solutions.
- Reliance Jio Industries' telecom arm, on Thursday reported 64.7 per cent increase in its net profit to Rs 840 crore in the March quarter of 2018-19
- The Company continues to invest in augmentation of the wireless network capacity and setting up wireline telecommunication project.
- Reliance Jio reported steady growth in subscribers with net addition of 26.6 million during the March quarter. The total subscriber base, as on March 31, 2019, was at 306.7 million.
- The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.
- The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation
- Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value
- The depreciation / amortisation method is selected so as to reflect the pattern in which future economic benefits of different assets are expected to be consumed by the Company
- The application of Accounting Standard on Revenue Recognition involves complexity and use of key judgments with respect to multiple elements deliverables, timing of revenue recognition, accounting of discounts, incentives, etc
- The accounting policy followed by the company. “Jio says that currently its depreciation and interest costs are calculated on the basis that it is only utilising 20 per cent of its assets. As utilisation level increases, so will the expenses," which is again aggressive accounting policy but as per accounting standards that is uniqueness of reliance jio accounting policies.
- Trade and other receivables are initially recognised at fair values plus transaction costs and subsequently measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term balances when the effect of discounting is immaterial.
- Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis, except for short-term payables when the effect of discounting is immaterial.

❖ *Bharti Airtel Limited*

Years	Revenue (Rs. cr)	Profit & loss (Rs. cr)	Employee benefits expenses (Rs. In cr.)	Depreciation and amortisation expenses (Rs. In cr.)	Trade receivables (Rs. In cr.)	Trade payables (Rs. In cr.)
2017	62460	-99256	17385	12203.4	3211.8	14696.8
2018	53898	79.2	1720.9	13048	4319.6	17699
2019	49858	-1829	1471	15087.6	3849	19168

Table 4

➢ *Review*

- Bharti Airtel Limited also known as Airtel is an Indian global telecommunications services company based in Delhi, India
- Bharti airtel got losses due dramatic entry of reliance jio and its free cost service
- The company's customer base marginally fell to 282 million in India from 284 million in the December quarter. Its monthly churn rate fell to 2.8 per cent from 7.3 per cent in the previous quarter.
- Bharti Airtel also had taken steps for passive infrastructure pertaining to telecom operations
- Bharti Airtel has about **303.08 million subscribers** worldwide—264.58 million in India and South Asia and 50.949 million in Africa as of December 2011. The numbers include mobile services subscribers in 19 countries and Indian Tele media services and Digital services subscribers.
- Sunil mitthal founder member of Bharti airtel limited has put proposal for 5g subscibtion rights for25000 crores from digital tv,broadband services etc.
- The Companys employee benefits mainly include wages, salaries, bonuses, defined contribution to plans, defined benefit plans, compensated absences, deferred compensation and share-based payments, The employee benefits are recognized in the year in which the associated services are rendered by the company employees.
- The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance, Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances
- Depreciation on tangible assets is provided on the straight line method based on useful lives of respective assets as estimated by the management or at the rates prescribed under Schedule XIV of the Companies Act, 1956, whichever is higher. The assets" residual values and useful lives are reviewed at each financial year end or whenever there are indicators for review, and adjusted prospectively. Freehold Land is not depreciated.
- The carrying value of trade payables and trade receivables at their fair value due to short term maturities of these instruments subject to floating rates.

❖ *Vodafone Idea Limited-*

Years	Revenue (Rs. cr)	Profit & loss (Rs. cr)	Employee benefits expenses (Rs. In cr.)	Depreciation and amortisation expenses (Rs. In cr.)	Trade receivables (Rs. In cr.)	Trade payables (Rs. In cr.)
2017	35475	-831	16256.38	7700.02	12580.95	3992.13
2018	28126	-4780	13968.10	8316.12	887.3	3560.45
2019	37932	-14056	2120.9	14409.8	3308.10	12674.30

Table 5

➢ *Review*

- The company's operating profit decreased by 40.8% YoY during the fiscal. Operating profit margins witnessed a fall and stood at 21.4% in FY18 as against 28.7% in FY17.
- Depreciation charges increased by 7.4% and finance costs increased by 20.9%
- Vodafone Idea, which is in the phase of leveraging merger synergies, has advanced the target of realisation of these by two years to FY21
- The company also said though headline tariffs remained stable during the quarter, with customers moving to lower bundled offers, leading to fall in revenue

- Both companies — which are making losses amid huge revenue pressure and combined debt of some Rs 1,20,000 crores
- Trade receivables represent amounts owed by customers where the right to payment is conditional only on the passage of time. Trade receivables that are recovered in installments from customers over an extended period are discounted at market rates and interest revenue is accredited over the expected repayment period
- Trade payables mainly consist of amounts owed to suppliers that have been invoiced or are accrued and contract liabilities relating to consideration received from customers in advance
- It continues to focus on progressive employee relations policies, creating an inclusive work culture and building a strong talent pipeline

5. CDMA business closed down by many telecom companies due to emergence of 4G services to the subscribers as a result subscribers need led to close down of CDMA services in many areas as followed-

They are different types of cellphone technology.
1G was analog voice. Huge brick phones.
2G was digital = voice + text. Nice small phones with long battery life but no internet.
2.5G adds internet: slow, text only. Similar to dial-up
3G = voice + reasonably good data. First smartphones & of today's phones.
4G = broadband wireless data, with voice as VoIP. Fast data, and smartphones in the future.

They are different technologies:

- CDMA is a standard used in USA and a few other places for 2G & 3G eg by Verison
- GSM was a rival standard for 2G, that is used in most of the world
- WCDMA and HSPA are the follow-on technology for 3G
  (but in America some people still called it GSM to emphasize its roots and just to confuse people) LTE is the 4G technology used everywhere

CDMA, Code Division Multiple Access, uses advanced mathematical techniques to allow multiple wireless devices to transmit simultaneously on the same frequency. Every device, such as a mobile phone, is assigned a unique mathematical signature. It applies this signature to the original signal and transmits the modified signal. A receiver applies the inverse of the mathematical operation to recover the original signal.

BSNL offers variety of services on CDMA technology like CDMA fixed, limited mobile &mobile services. BSNL also offeres CDMA data VPN for enterprises customers using CDMA 2000 technologhy. WI-FI router are also available for home/office usage.

Fixed CDMA service is a service provided using fixed wireless Terminal and a telephone instrument or integrated fixed wireless terminal (IFWT). The Fixed Wireless Terminal (FWT)/IFWT will be connected with an indoor type or outdoor type antenna depending on the location of the premises keeping in view the strength of the radio signal to be transmitted and received.

MTNL was refunded Rs 458.04 crore and BSNL Rs 169.16 crore on account of surrender of CDMA (Code Division Multiple Access) spectrum, as a procedure to provide financial benefit to MTNL and BSNL
Reliance Jio-

- RCOM had apparently already informed its subscribers in early April about migration of its CDMA services to 4G. For this transition, RCOM had paid Rs 5383.84 crore as a liberalization fee to the telecom department under the 800 Mhz band in 16 circles in January.
- **JIO** works on **GSM** 4G VoLTE technologies. If your are considering **GSM** as 2G, then you cannot use it. **JIO** only supports 4G devices. It doesn't work on 2G, 3G devices.

Reasons of Failure of CDMA in India-

- CDMA failed because it doesn't give choice and freedom to users. Unlike in US where customers are in contract with mobile operators in India customers are free to choose any operator and hence CDMA brings a mental roadblock for the customers where they are tied up with the operators.
- In market right now there are very less manufacturer for CDMA handsets as well as except TATA , Reliance and MTS none of other operator is providing CDMA services. So Due to lack of availability of CDMA handsets and CDMA service provider, customers always prefer to use GSM networks only.
- he higher frequencies of 3G mean that are greater density of base stations is needed to provide coverage as good as GSM, so this is a technological factor. CDMA is attractive for cellcos as it allows them simpler radio planning and no fixed limits on users per base station. Advantages for users are often not so clear.
- A disincentive for operators has been the regulatory uncertainty (more than in GSM) for 3G CDMA spectrum.
- There is simply not enough spectrum to allocate a dedicated frequency between the handset and the base station to every individual user by CDMA technology
- Limited data rates, difficult to support demand for internet and e-Mail Real works fail to match type, failure for internet access also led to decline in CDMA based technology
- In India, CDMA handsets and equipment are not easily available and vendors have also stopped supplying these. Further, technological advances such as the emergence of 4G and 5G, which are newer and better technologies, have also added to its woes

- he total number of CDMA users in the country stood at 12.59 million on March 31, 2017, a drastic fall from its peak of 114 million in June 2011
- GSM is used mostly across Europe, Asia and West Asia, while CDMA is available only in a few Asian countries and the US.
- In 2017 TATA Telecom closed down with debt of Rs.30000 crores due to Failure of joint venture with NTT docomo 3years ago, and again consolidation with other telecom led to debt raising and great effect with the entry of reliance Jio services in September 2016, competition led to closure of TATA telecom services, therefore in March2017,with the Net Loss of 4617 crores closure was announced
- Tata Teleservices which operates mobile services under the Tata DOCOMO brand with its sister company Tata Teleservices Maharashtra Ltd (TTML), has completed the proposed surrender of 20MHz of CDMA spectrum to the Department of Telecommunications (DoT) in december 2013.

VI. CONCLUSION OF STUDY

- Through this study customer relationship of selected telecom companies can be revealed along with future prospects can be traced for long term relationship of the customer loyalty programme and the telecom company policies for the future growth and development
- Through this study the revenue expenditures of selected telecom companies along with the comparison in its efficiency can be identified which can be helpful for justifying profit earninf efficiency of the telecom companies
- Through this study the different cost accounting estimations of selected telecom companiesand also cost benefit advantages enjoyed by the different telecommunication companies by pooling together their networks and contract policy resources for providing competitive quality services in the market
- Through this study plans and policies of selected telecom companies can be understood with reference to contract modifications in providing services for the existing contracts and also for the new connection contracts with the banking operations, security systems, business dealings etc.
- The study can also focus on contribution towards society by tax payments policies by the selected telecom companies as such services sector is comparatively ahead in payment of various taxes as such tax deduction at source, professional taxes, banking regulations taxes wealth tax, and any other direct tax as per applicability resulting in contribution in growth and developments in the welfare of the society
- The study also gave importance to the changes and up gradation on accounting standards adopted by the various telecommunication services providers as such adoption of IND AS as earlier GAAP regulations was followed which will also show positive growth and accountability in the transactions, their contract policy, revenue recognition, customer loyalty points and many more developments as per standards.
- The study helps in understanding the usage of capital reserves and also allocation of overheads in capital utilisations with the help of cash flow statement of different telecommunication companies
- The also helps in gaining the knowledge regarding amortisation and other non – cash expenditure policy and their adjustment in the revenue statements and cash flow statements
- Through this study the deferred government grants and its utility can be understood for the different telecommunication companies
- The helps to understand the role of telecommunication as agent of banks and stock markets for providing different transfer services to keep pace with delighting the customers

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