

PROJECT REPORT (17MBAPR407)

**“A Study on Comparison of Actual expenditure with budget at BSNL,
Tumkur”**

BY

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1IA17MBA54**

Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI



In partial fulfillment of the requirements for the award of the degree of
MASTER OF BUSINESS ADMINISTRATION
Under the guidance of

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March 2019



Connecting India

BHARAT SANCHAR NIGAM LIMITED

(A Govt. of India Enterprise)

O/o the General Manager Telecommunications,
BSNL Bhavan, Ashoka Road, Tumkur – 572 101.

NO: E-399/II/137

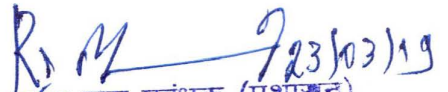
Dated at Tumkur the 23.03-2019.

CERTIFICATE

*This is to certify that **Ms.Sowmyashree.H.K.** IV Semester MBA student of ACHARAYA INSTITUTE OF TECHNOLOGY, BENGALURU-107 afflicted to Visvesvaraya Technological University bearing USN 1LA17MBA54 has undergone Internship Project Work of “**Study on Comparison of actual expenditure with Budget at BSNL, Tumakuru**” during the period from 03-01-2019 to 23.02.2019.*

The project report should be used only for academic purposes. During the period, we found her sincere, hardworking and inquisitive.

We wish her all the best in her future endeavor.


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तुमकूर/TUMKUR-572 101



ACHARYA INSTITUTE OF TECHNOLOGY

(Affiliated to Visvesvaraya Technological University, Belagavi, Approved by AICTE, New Delhi and Accredited by NBA and NAAC)

Date: 05/04/2019

CERTIFICATE

This is to certify that **Ms. Sowmyashree H K** bearing USN **11A17MBA54** is a bonafide student of Master of Business Administration course of the Institute 2017-19 batch, affiliated to Visvesvaraya Technological University, Belagavi. Project report on “**A Study on Comparison of Actual Expenditure with Budget at BSNL, Tumkur**” is prepared by her under the guidance of **Prof. Shashi Kumar C R.** in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, Karnataka.

Signature of Internal Guide

Signature of HOD

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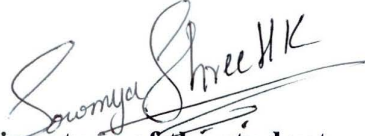
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DECLARATION

I, **Sowmya Shree HK** hereby declare that the Project report entitled "Actual expenditure and Budget" with reference to "Bharath Sanchar Nigama Limited, Tumkur" prepared by me under the guidance of **Prof. Shashi Kumar C R**, Assistant Professor, Department of M.B.A, Acharya Institute of Technology, Bengaluru and external assistance by **Mr. Girish Accounts officer BSNL, TUMKUR**. I also declare that this Project work is towards the partial fulfilment of the university regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone a summer project for a period of six weeks. I further declare that this Project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University / Institution.

Place: Bengaluru
Date: 08/04/2019


Signature of the student

ACKNOWLEDGEMENTS

I wish to express my sincere thanks to our respected Principal, **Dr. Prakash M R**, beloved Dean-Academics, **Dr. Devarajaiah R M**, and deep sense of gratitude to **Dr. M M Bagali**, HOD, Acharya Institute of Technology, Bengaluru for their kind support and encouragement in completion of the project Report.

I would like to thank **Prof. Shashi Kumar C R**, Asst. Professor, Department of MBA, Acharya Institute of Technology, Bengaluru and external guide **Mr. Girish**, Accounts officer, **BSNL** Tumkur who gave me golden opportunity to do this wonderful Project in the esteemed organization, which helped me to learn various concepts.

Finally, I express my sincere thanks to my parents, friends and all the Staff of MBA department of AIT for their valuable suggestions in completing this Project Report.

Place: Bengaluru

Sowmya Shree HK

Date:

1IA17MBA54

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Executive summary

Bharat Sanchar Nigam Limited is well known for its communications industry in India. BSNL is the oldest communications industry in India. Satisfied customer needs. The study is in the "Comparison of Actual Spending and Budget" report. This study was conducted to analyze the difference between current and budget.

The report includes the company's profiles, vision, mission, PEST analysis, company profile and other documents related to the company, history of the company. Information sources are provided via secondary data. This information is collected in the company's annual reports, budgets, and company websites. The analysis of data and interpretation of data is based on variance - the difference between budget and reality.

This project was created to understand the budgeting and budgeting process. This tells you about your budget system. Use 4-year data to evaluate company performance.

The scope of research is limited to Tumkur's BSNL Limited. This study is mainly focused on the cost of BSNL Limited. According to this study, we understand that positive things will result in profit.

The market today is very difficult to compete with. As a result, companies must reduce costs and satisfy customers. Then the company can survive in the market.

Chapter -1
Introduction And
Industry profile

1.1 Introduction

India is currently the world's huge extant in telecommunication business division's furthermore essential enrolled hard development in the earlier period what's more regularly. Indian telecommunication sector mainly focusses on consumer demand and satisfaction due to this there is increase in GDP (Gross Domestic Product).

The government has authorized simple market communication to telecom equipment and a reasonable and practical organizational arrangement that has definite convenience of telecom organization to consumer at a reasonable cost. Malaysia's telecom sector is one of the fastest growing sectors of the deregulation of foreign direct investment (FDI). And they also provide great employment opportunity in the country. Telecommunication is a vast and varied fastness of technologies, companies, services and politics that is actually comprehensive in nature.

India's telecommunication network:

The foundation of the communications network was established by the British someday in the nineteenth century. India is the second largest country on the planet with the total number of phones (fixed cell phones and mobile phones). It has one of the lowest call responsibilities on the earth permitted by the great phone schemes and hyper-rivalry with them. It has the world's third biggest internet customer base. The development towards network, which contacts the promoter of the centre, is very developed with different copper-combine, optic-fibre and remote innovations. DTH, a reasonably new connecting invention has achieved vast occurrence in the television portion.

Telecommunication has supported the financial revolution of India and has supposed a critical portion to agreement down the country urban progressive gap to some amount. It also has raised up the honesty of the organization with the performance of the organization in India.

1.2 Industry Profile:

Transmission of signals, signals, messages, words, writings, images, sounds and information is sent via wired, radio and other electronic systems. In simple words the exchange of the information through electronic device.

History

- India is the world's fastest developing industry on the earth as far as number of distant memories after china, with 811.59 million cell phone supporters.
- In 1792, Claude Chappe is a French engineer who built the fixed visual telecommunication sector.
- Sir Charles Wheatstone and William Fothergill Cooke built a commercial electric telegraph that began on April 9, 1839. Then they mainly focused on transformation and improvement of telegraphic
- In 1851, the government near Calcutta launches its first operational landline.
- Alexander Graham Bell introduced the conventional telephone in March 1876 & other great inventions like radio, television, & digital computer.
- Alexander Graham Bell and Gardiner Greene Hubbard both founded Bell Telephone Company, the first US telephone operator, and then American Telephone and Telegraph (AT & T).
- The first commercial telephone service was introduced in 1878 and 1879,
- By merging with the postal system in 1883, a wireless telecommunications company in India was established in 1923.

Telecommunication in India :

The Indian continent sheltered the city's civilization in the Indus Valley for three millennia before our era. Over the next few thousand years, the most venerable sacred writings on Hinduism have begun to be written. In class terms, social classification increased during the millennium BC and Buddhism and Jainism emerged. Initial policy.

Today, India's telecommunications system is the second largest in the world, as its communications network provides the lowest mega caller traffic and calculations,

and has 1 billion users per user . In June 2018, India was the second largest Internet user in the world with 52.6 million users.

The Indian telecom industry during the future days is expected to generate 4 million jobs in India which as estimated by Randstad India. In this sector employment carer or expected to created due to mutual combination on government efforts to rise the penetration in rural areas as well as urban areas and also increase in the smart phone scales and increasing in the internet usage.

The government of India rise the fund of rupees 10000 crore for the optical fibre based broadband network across 150000gram panchayats and rupees 30000 crore for the optical fibre cable and also equipment for the network for spectrum project.

In 2017, the Indian economy was the sixth largest economy in the world and the third largest economy reached parity. After the financial changes in the business sector in 1991, India has significantly damaged one of the fastest growing economies and is now considered an industrialized country. As long as it remains possible, it continues to identify difficulties without poverty, without discouragement, without health insurance and without social security.

Communication sector:

This refinement is significantly simpler for most by far of stocks in the media communications division because of its significance in the world wide economy effective common patter in the economy is the expanding measure of information substance being devoured and made on remote gadgets, for examples, telephones, tablets and PCs.

In this manner, the assignment is streamlined for esteem speculators who can concentrate more on valuation instead of the suitability of the business. Also most media communication stocks pay a solid profit, giving speculators pay while they sit tight at the offer cost to make strides.

Esteem contributing requires an impetus to change observations abut a stock. This requires persistence and is one factor that makes esteem contributing troublesome regardless of its long haul track record in paying and consistently raising profits makes the holding up period more pleasant.

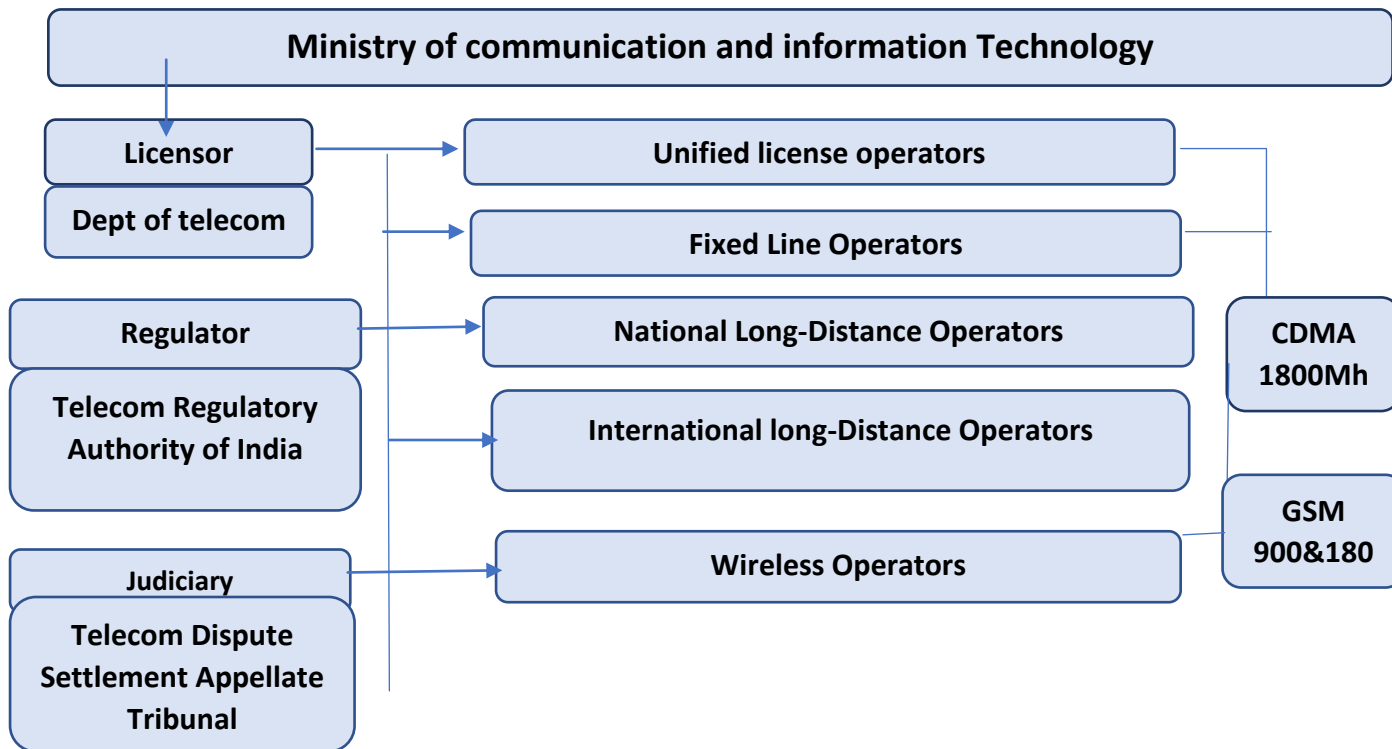
2018 Telecommunication industry trends

Senior administrators at media communication organizations around the globe have heard for quite a long while that their industry is moving toward a tipping point. When it hits, they are told their business won't not survive the disturbance. But then they keep on doing business. They may well think the notice from telecom industry authorities (counting us) is exaggerated. Telecom clients are regularly bolted into a long-haul design many are faithful to their bearer. Doesn't this propose the business will proceed as it is for quite a while.

Certainly, business change frequently happens more gradually than individuals expect, and nobody can anticipate precisely when the snapshot of the truth will strike for any given organization. Be that as it may, to judge from a few patterns that have bothered the arrangement is finished. You should now pick the organizations where you have an aggressive edge and concentrate your system on them. Regardless of whether you think your present plan of action has quite a long while of life left, you can't make sure and key concentration will help you, regardless of how far away the season of progress.

How have we reach the conclusion that tipping points is sufficiently close to warrant change? By watching the condition of the business today. To a substantial degree, telecom organizations have not prevailing in their endeavours to adopt the surge of information going through their systems.

Structure of telecom sector in India:



Market size of Indian telecom industry:

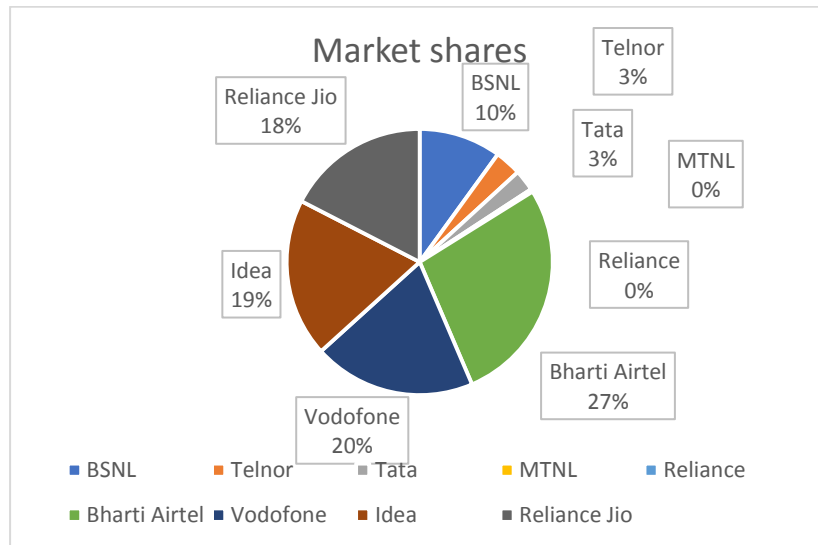
The strong data consumption of mobile devices in the market is expected to lead to a combined annual growth rate of 84.4% over the forecast period, from \$ 46.8 billion in 2023 to \$ 939.3 billion in 2018 .

According to research carried shows that the smart phone users in India will grow at a four-fold to 810 million subscribers by 2021.

By the study of GSMA shows that the smart phones taken for account for to out of every 3 mobile connection in the world by 2020 which makes India 4th largest industry in the market. The total number of smart phones sales in India stands at 30 million units. And also broadband subscribers including wired, in India is reached to 419.79 million by the end of the April 2018.

Market share of Indian telecom industry:

WIRLESS OPERATEORS



Major players in Indian telecom industry:

- BSNL
- Telenor
- Tata
- MTNL
- Reliance
- Bharti Airtel
- Vodafone
- Reliance Jio
- Idea

PEST analysis of Indian telecommunication industry:



The development of PEST analysis made b efficient management and knowledgeable persons like Nigel M Healy and P Powel fore their research works.

The PEST analysis is the tool helped to analysis the market and business environment and also help to understand market growth and fall. The PEST analysis help us to thinking rather then relying on incentives reaction. It helps to understand the present market situation and hence gives inputs to analyse the future things and direction for a business. And also it helps to make the decision making in the business entity.

Pest analysis of the telecommunication business is one f the great approaches that has facilitate to know the industry for several complex shareholders. The main groups that described the PEST analysis are political, economic, social and technological elements.

Political factors:

Political variables that require the media communication business are ways amid which the legislatures negotiate on the telecom industry. Administration laws have regularly put obstructions on the telephones and the taxes that the media programed business can principally produce. Every innovative improvement requirement to

stick to these legislative methods. Goods and projects arranged manageable by the media program business would equally fit the safety and security administration instructions.

- Liberalised FDI by the government help to mobilising capital investment which is increased from 49% to 74%. Which is helpful for private players.
- Tariff policies by the government which influence the functioning of Indian sector.

Economic factors:

Expansion, economic development and finance costs are recognized to influence move the media program business. Limiting the management's requirement to continue above water into the corporate particularly among international decline. Superior organizations will make a decent challenge to continue important compensating minute attention to the activities and assumptions they want to practice.

- The growth in the services industry i.e. in the IT sector and its consequent which influence the other sector like business process outsourcing (BPO) helps to huge growth in a telecom sector.
- The favourable investment climate i.e. declining interest which promising the huge growth in Indian telecom industry.

Social factors:

The overall public workings that are linked with media program industry are around work temperament and safety. A few institute depends on telecom business to receive out phone calls, quick informing, and messaging and for day by day telephone calls.

- Age circulation.
- Variation in the perception and preferences.
- Public value.
- Consumer purchasing designs.

Technical factors:

There has been outstanding development in the technical segment. New phone models and statement are presence formed on regular source and this explains that all business are aware on innovative skills in the marketplace.

- Replacement technology.
- Research funding.
- Invention potential.

1.3 Company Profile:

Bharat Sanchar Nigam Limited (BSNL) is a public sector corporation wholly administrated by the Indian Government. BSNL is the oldest and largest company in India. She followed the "Build It and Come" to provide the best service to our customers and satisfy our customers. BSNL is one of the largest telecommunications providers. The BSNL is divided into several management units, called operators, metropolitan areas, project circles and special peripherals. There are 24 operators, 2 major cities, 6 project circles, 4 maintenance areas, 5 communication factories, 3 educational institutions and 4 professional telecommunication units.

History of BSNL:

BSNL is an Indian state owned by telecom industry and it headquarter is in New Delhi. BSNL telecom was founded in 19th century and it was incorporated in 15th September 2000. BSNL has formed on 1ST October 2000 with almost above 36000 telephone exchanges. The company celebrates National Telecom Backbone (the BSNL formation day) on 1st October of every year. BSNL Telecom was the largest and largest wireless service provider with more than 14.54% of fixed and broadband telephony facilities, ranking sixth with a 9.67% market share. In India, BSNL ranked fifth among Indian telephone operators. With the growth of competition in the telecommunications sector in India, sales and market share of BSNL have decreased.

BSNL is the oldest provider of communication services in India. In addition to Mumbai and New Delhi, telecommunication services are provided by Mahanagar Telephone Nigam (MTNL). The bases of the Indian communication network were determined by the Englishman of the 19th century. The story of BSNL is related to the opening of telecommunications in India. BSNL has established a high quality telecommunication network in Korea and is now focusing mainly on improving services such as the introduction of new telecommunication services as well as ICT applications, the extension of the urban network and the improved customer confidence. BSNL currently has a base telephone capacity of approximately 36.62 million lines, 7.1 million WLL, 9596 million GSM, 34,727 fixed connections, 1,17090 BTS GSM, 9,594 CDMA towers, 102 slots satellites and 7,793,976 RK m there. OFC, 4751 Rkm. Microwave network linking 646 districts, 4519 towns / villages, 6.25 lakh villages.

1.4 Vision, Mission and objectives

Vision

- Be one of the leading providers of telecommunication services in India.
- Create customer-centric organizations with outstanding results in the areas of customer service, sales and marketing.
- • Use technology to provide inexpensive and innovative communication services / products to the customer segment.
- It remains a market leader in providing world-class telecommunication and computing services at an affordable price and becomes a global player.
- Become a global telecommunications company and establish a Fortune 500 company.

Mission:

- Explore global markets for global markets.
- Create value for all stakeholders - employees, shareholders, suppliers and business partners.
- Develop a marketing and sales culture tailored to your needs.
- Excellence in customer service - "Friendly and reliable time, convenient and courteous service".

- Policy and process changes that enable rapid and effective decision making.
- Provide reliable communication services for your money.

Objectives:

- Become a leading telecommunications service provider with higher growth rates to become a profitable company.
- Provide our customers with high quality, reliable fixed communication services and enhance the trust of our customers.
- Focus on value-added services and data services, offer easy-to-use mobile services and play a leading role as a GSM operator in operations.
- To facilitate research and development activity in the country.
- Immediately provide interconnection points to other service providers based on your needs.

Benefits to customers

- BSNL mobile subscribers will soon be able to enjoy free calls on their landline phones as the state-owned company will present a convergence platform to synchronize subscribers' mobile and wired connections.
- "We are preparing Diwali to modify the mobile convergence platform.
- This will allow consumers to use free value-added services on their mobile phones if they are demanding fixed telephony and other modern facilities. "The president of BSNL and the general manager Anupam Srivastava have entrusted PTI.
- This deployment allows consumers to associate a mobile account with a wired account.
- "The synchronization between the two accounts allows subscribers to receive fixed calls from their mobile phones." A spokesman for Srivastava said.
- BSNL has invested more than 40 billion rupees in the modernization of landline phones.
- The company ranked 6th in April for all subscribers. At the end of August, BSNL had about 7.8 crores of subscribers. In the long term, BSNL ranked first among the

top five mobile operators in July and August 2015, with an additional monthly subscriber base.

- However, BSNL loses clients on its wired connection. If mobile convergence starts in the coming months, our fixed line will become positive. We have already benefited mobile subscribers as part of the mobile number portability program. "
- The company launched the free roaming method. With free roaming, subscribers can make free phone calls and travel anywhere in the country at no additional charge.
- "Free roaming has become one of the main drivers of growth in the number of mobile subscribers," added Srivastava.
- In addition, the company has partnered with the Hitachi ATM sector, which allows wireline customers to pay their bills at any time of the day.
- Many wired users still charge on the counter. The country is open for a limited time and during peak hours (10:00 - 14:00). We have a partnership with Hitachi. Install an automated teller machine to receive money.
- BSNL customers can pay their bills at ATMs for convenience. "Srivastava said.
- According to him, Hitachi ticket machines will enter small towns by March 2016.
- BSNL also obtains revenue sharing from each ATM transaction installed on the site.

1.5 Products profile and Service by BSNL Tumkur:

❖ BSNL MOBILE



The company's cell one network launched in 2002. The company has achieved to protect major cities and also towns in India. BSNL Mobile offers prepaid and postpaid GSM and CDMA services. Cell 1 was renamed BSNL Mobile in 2007. Originally, this company offered free roaming charges across the country. As of March 31, 2018, BSNL had 100 million subscribers.

- Prepaid tariff
- GPRS/WAP/MMS
- SMS and bulk SMS

❖ BSNL LANDLINE:



In India BSNL landline plays major role in telecom sector. Because various types of telecom service are announced, but still the demand of BSNL landline has not

decreased. They offer stable service and value added services. And the cost of landline is affordable for common people.

The services provided by the BSNL landline are:

- Permanent connection.
- New telephone connection.
- Prepaid landline tariff.
- Unlimited free voice calls from BSNL landline to any network mobile.
- Temporary connections and extensions.

❖ WILL:



Wireless Local Loop Service is the greatest dependable and affordable services for both telephone and mobile. BSNL connects customers via BSNL using RF signals instead of existing copper lines for full and partial connections between subscribers and exchanges. It offers excellent voice quality and high-speed data transmission capability. More than 100 subscribers use this service which is increasing day by day.

The BSNL WILL provides various value added services to the customers they are:

- Voice mail service.
- Call waiting, call waiting, call transfer.
- Three-way conference call.
- CLIP (Caller ID)
- Telephone Line Identification Restriction (CLIR)
- Dynamic STD/ISD Locking
- Data/Fax Transmission.

AUDIO CONFERENCING:

Audio conferencing services allow various members to communicate with each other via a regular landline or mobile phone. Customers can schedule audio conferences via the Web and IVR. Audio conference subscribers can add two or more audio members to a specific conversation.

BSNL BROADBAND:



BSNL
BROADBAND
2Mbps Speed
Get Your WiFi Zone
@ Rs.1500/-

www.apbsnl.net

ADSL WiFi Broadband Modem

BSNL Broadband service is leading in the telecommunication services. Broadband is a service which transport multiple signals and the traffic types. BSNL Broadband is a state-of-the-art Internet contact service available in India since January 14, 2005. It was known as Data No. 1 until September 30, 2007. Broadband services offer speeds ranging from 256 Kbs at 8 Mbps via broadband internet access. The present purchaser base is 3.56 million. More than 3800 cities & 83000 villages are enjoying the benefits provided by the BSNL Broadband.

Broadband Services include like,

- High speed cable
- 3G mobile broadband
- GSM Wi-Fi
- Maximum broadband Wi
- Dial-up Internet (DIAS)

- Broadband Fiber (FTTH)
- CDMA broadband services include services such as Prepaid Prepaid EVDO EVDO and EVDO Router.

VIDEO CONFERENCING:

The video conferencing service accepts that customers can connect to each other via video terminals or personal computers, regardless of their location. This includes audio and video communications. It can be used by any worker via an IP or ISDN interface. This service is only available to BSNL subscribers.

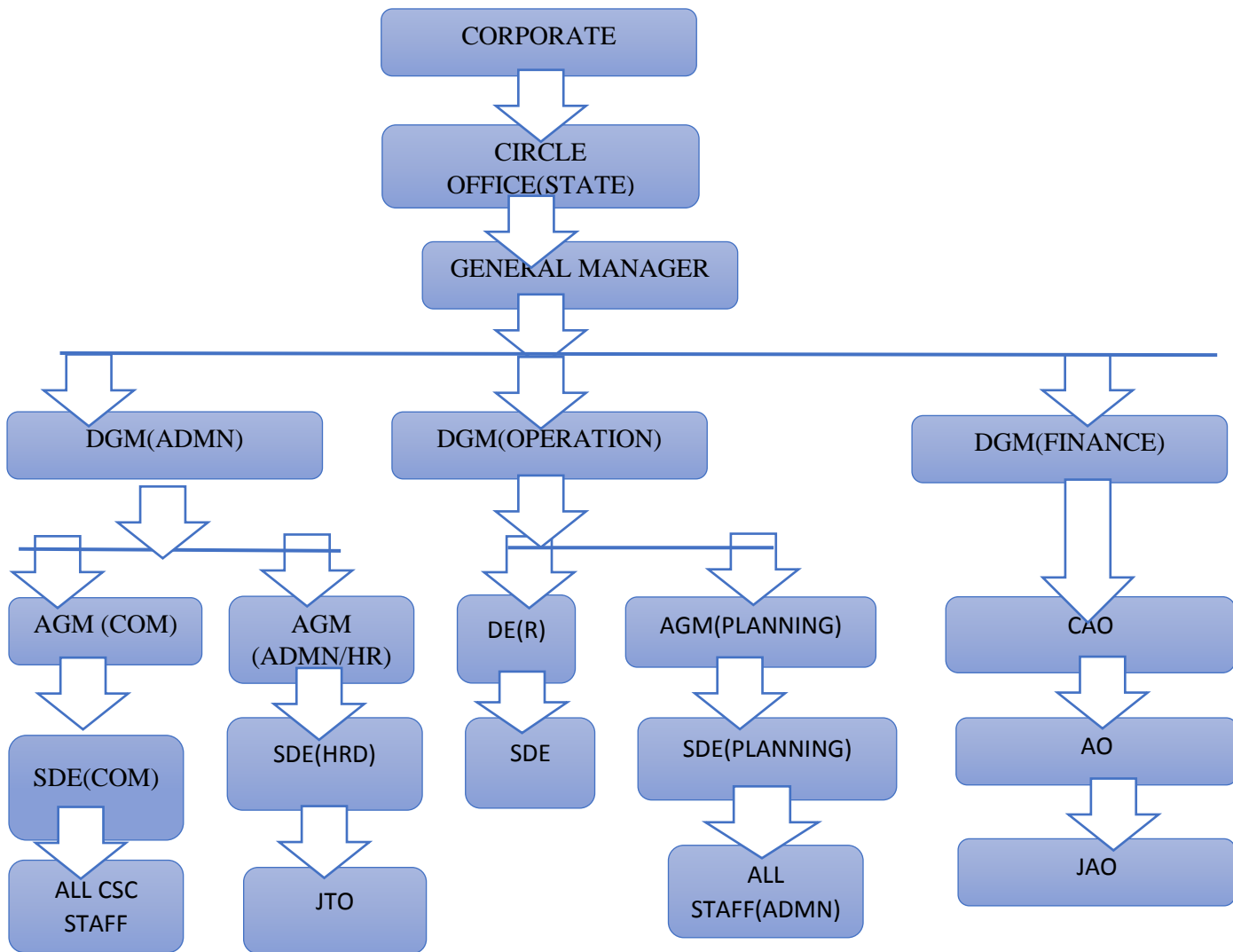
1.6 Area of Operations:

- Tumkur Head Office Branch
- Tiptur Branch
- Chikanayakanhalli Branch
- Koratagere branch
- Sira branch
- Pasargadae Branch
- Turvekere branch
- Madhugiri branch
- Kunigal Branch
- Gubbi Branch

1.7 Infrastructure facilities provided by BSNL:

- It uses the analogue addressable fire detection system in the company.
- It provide minimum N+1 central air condition facility.
- It provide good computerised systems for day to day work to their employees.
- It provide good vehicle parking facility to their customer as well as for its employees.

Organizational Structure followed by the BSNL Tumkur:



Board of directors of BSNL:

Chairman and Managing Director

Shri. Anupam Srivastava

Directors

Shri. N. K. Gupta

Smt. Sujata Ray

Shri. N. K. Mehta

Shri. N. Sivasailam

Smt. Padma Iyer Kaul

STAFF's in Tumkur:

Types of department cadre in BSNL Tumkur:

- Administration Department.
- Sales and Marketing.
- Human Resource Department.
- Operational i.e. planning & Development.
- New connection procurement and processing department.

Designation of Staff	Number of Employees
General manager (GM)	01
Deputy General Manager (DGM)	03
ASSISTANT General Manager (AGM)	06
Sub Divisional Engineer (SDE)	28
JUNIOR TECHNICAL Officer (JTO)	17
Junior Assistant officer (JAO)	08
Assistant engineer Officer (AEO)	02
Chief Assistant officer (CAO)	01
PA to GM	01
Group C Officer	220
Group D officer	20
Total	307

1.8 Competitors of BSNL Tumkur:

- Vodafone
- Airtel
- Jio
- Aircel
- Reliance Communication
- Tata DoCoMo
- Idea

1.9 SWOT ANALYSIS:

"SWOT" stands for "Strengths, Weaknesses, Opportunities and Threats." Strengths and weaknesses are within companies where opportunities and threats are external factors.

STRENGTHS

- Total telecom service provider.
- Selling capacity of 25 million per annum.
- Transparency in billing.
- Pan India reach.
- Experienced telecom service provider.
- High resources (financial and technological pools).
- a large clientele.
- The most reliable communication mark.
- The new services can be developed easily.
- Copper in the last mile can be used to facilitate the development of broadband.
- Huge fiber optic networks and the associated bandwidth.

WEAKNESS

- Limited number of value-added services.
- Low brand visibility and low brand loyalty.
- Poor marketing strategy.
- Legacy of poor service image.

- Bureaucratic organization
- Inflexibility of attitudes (end of DOT)
- Poor franchise network.
- Non-optimization of network capabilities.
- Procedural delays.

OPPRUNITY

- Adoption The Next Generation Network (NGN) is global.
- Strong strategic alliances with network companies can help BSNL's communications focus on marketing their services.
- Unused Broadband Service
- An intact international market.
- The image of the public sector can be used to secure the founder of government ICT.
- Diversification of activities for turnkey projects.
- Use branding as a source of funding.
- More complete use of available resources.
- market expansion expected by the convergence of the broadcasting and entertainment industries.

THREATS

- Mobile number portability.
- Market maturity in basic telephone segment.
- Complete with personal operations.
- react quickly to rapid technological change.
- Indian multinational telecommunications market.
- Individual carriers have a request to share the last mile.
- Revenue reduction per line due to competitive prices.
- Private operators need extremely effective revenues to eliminate CDAs.
- Populist government policies such as "Indian origin".

1.10 Achievements and Awards:

- In 2015 the company was awarded as “ The Best PSU Awards” for highest turnover in PSU (PUBLIC Sector Responsibility) in Mini Ratna which is non-manufacturing category.
- On 03rd July 2015 the company launched BSNLBUZZ & Mobile Wallet services.
- On 14th June 2015 the company stated that, they are providing that National Roaming from 15th June 2015
- The BSNL states there would be reduction in the Roaming tariff by 75% on 8th May 2015.
- Mobile telephony posted a growth of of 116.78 million telephone connections during the period from April 2016 to January 2017. It was 1034.11 million on 1st April 2016 & 1150.89 on 31st January 2017.
- From April 2016 to December 2016, there was increase of 86.34 million in broadband connections. This was increased from 149.756 million as on 31st December 2016.
- There is increase in the Internet connections during April to September of 48.85% million.
- The mobile number of portability (MNP) of BSNL become positive during the period of April 2016 to January 2017. The number of connections ported in is 0.74 million more than the number of connection ported out during April 2016 to January 2017.

1.11 Financial Statement of Bharath Sanchar Nigama Limited:

Balance Sheet of Bharath Sanchar Nigama Limited:

Particulars	Current Year	Fiscal
I. EQUITY AND LIABILITIES		
Share holders Fund		
Share Capital	1250000	
Reserves and Surplus	17,13,67,699.06	
Deffered Government Grant		
	17,26,17,699.06	
NON-CURRENT LIABILITIES		
Long term borrowings		
Other Long-Term Liabilities	13,40,165.98	
Long term provisions		
	13,40,165.98	
CURRENT LIABILITES		
Short term borrowings		
Trade payables	830175.87	
Other current labilities	1660351.74	
Short term provisions		
	24,90,527.61	
TOTAL	17,64,48,392.65	
II. ASSETS		
Non-current assets		
Fixed assets		
-Tangible assets	1,56,43,433.87	
-Intangible assets		

-Capital work in progress	25,22,631.82
-Intangible assets under development	
	1,81,66,065.69
Non-current investment	
Deferred tax assets (Net)	
Long term Loans and Advances	5,11,094.00
	5,11,094.00
Current assets	
Inventories	1,72,21,946.48
Trade receivables	16,81,32,579
Cash and Bank balance	7,34,612.85
Short term loans and advances	38,62,957.87
Other current assets	-4,99,37,879.09
Intra/Inter circle remittances	1,77,57,015.85
	14,55,16,804.7
TOTAL	17,64,48,392.65

Chapter – 2
Conceptual Background and
literature Review

Chapter – 2: Conceptual Background and Literature Review

2.1 THEORITICAL BACKGROUND

MEANING OF BUDGET:

A budget is an estimate of costs, revenues, and resources over a period of time and reflects the readings of future conditions and objectives.

It describes the financial position of the government over a period of time, based on estimated expenditures and funding options during that period.

Why is the budget important?

To run a business, you need to establish and review your financial plan. This is by the owner of the organization. Some organizations use accounting forms to identify, analyze, measure, and report financial statements, forecasts, and so on. A budget usually represents a detailed analysis of how the company spends money in the future. Some companies prepare their budgets each year and think about how much each department of the business department needs. Using a business budget has the advantage of being able to limit the amount of money you spend on a particular project. Preparing this budget will help you reduce the amount you need to spend unnecessarily. Capital is not wasted on useless items, but companies must not pay more for the economic resources used in their activities. A large organization may hire an accountant to create a corporate budget, but a small agency owner usually takes over the entire function.

Real cost:

The amount is paid to acquire a product or asset, and the costs associated with the payment are referred to as actual costs. This cost is one of the historical, past or current costs of the product. This also applies to manufactured products. The actual cost is equal to the budget cost. But in reality, there can be a change that makes the difference between the real and the budget. The final result is called Real Cost. This can be positive or negative for your budget or your estimated cost.

Who uses the budget?

In fact, everyone uses the budget in a way. The budget is inherently attractive because it is used in the business and household sectors. Many companies and

organizations use budgets and some companies use static budgets. Budget changes are called static budgets and do not depend on volume changes.

Benefits of budgeting:

- It's an "expense plan" that is an important way to monitor your business's income and expenses.
- Management policies and objectives are periodically evaluated in the budgeting tool. This will be verified and recognized according to the procedures given throughout the organization.
- This will help increase the profits of the company. Monitor capital and other resources.
- Coordinate and correlate members in all business activities. And helps to develop a "cost conscious" attitude.
- Solutions to problems are systematically provided to the organization.

Limitations of budgeting:

- Your budget needs more time. The minimum number of months required to prepare a budget is four to five months.

The budgeting process requires more staff to cost employees. I need almost 20-30 people. Senior management and financial officers are required to prepare the budget.

- The value of the budget is low. The techniques and methods used in budgeting vary from person to person.
- The budget can not focus on shareholder value. It focuses primarily on the internal trading objectives. Individual shareholders are not concentrated.
- Your budget is too flexible.
- The budget does not reduce costs but defends them.
- The main goal of budgeting is to reduce costs, which reduces consumer engagement.
- Nearly 70% of companies do not implement their budget strategies. Lack of skills.

Type of budget:

Budgets are categorized by time, functionality and flexibility.

Depending on the weather:

1. Long-term budget.
2. Short-term budget.
3. Current budget.
4. Budgetary seizures.

Depending on the function:

1. Sales budget.
2. Production budget.
3. Cost of production.
4. Purchase budget.
5. Human Resources Budget.
6. R & D budget.
7. Capital Budget.
8. Cash budget.
9. Main budget.

Depending on the efficiency:

1. Fixed budget.
2. Flexible budgets.

Depending on the nature of the economic activity:

1. Operating Budget or Revenue Budget.
2. Capital expenditure budget.

Some of them are defined as follows:

- Long-term budget: Long-term budgets are based on long-term forecasts. The budget is prepared for 5 to 10 years. Therefore, it is prepared in a relatively physical amount rather than a RS value.

- Short-term budget: Based on short-term forecasts, short-term budgets are prepared for one to five years. Short-term budgets are prepared in monetary units.

- Sales budget: The sales budget is an estimate of the company's total sales and cost of sales. The sales budget is called the nerve center of society. Sales forecast for quantity and price period.

- Production budget: the production budget is created according to the sales budget. The preparation of the budget produced differs from one company to another. Inventory and production levels based on sales forecasts are adjusted according to production budgets.

- Fund budget: You can provide sufficient funds regularly at the right time. Cash budgets, capital budgets and expenditure budgets are among the most important elements of the financial budget. The main advantage of a cash budget is that it deduces the probability of exceeding it in the business. It includes receipts and cash payments to help in the future.

- Overhead: Overhead is the estimate of overhead, overhead and overhead costs for the plant. Total cost control is controlled and prepared for each department. Plant overhead costs are divided into three parts: fixed, variable and semi-variable. This helps to establish a general budget for each department.

- PERSONAL BUDGET: Individual managers can transfer or assign new employees to provide the number of employees required by each service. This shows the need for manpower in terms of time, costs and manpower.
- Fixed budget: prepare the fixed volume activity. As a result, the amount of activity is unchanged and is getting ready.

- Flexible budgets: The main objective of this budget is to gradually modify the output value of the budget to adapt it to actual performance.

Budgeting process:

Changes in the administrative style, objectives of the association, competitive structure and comparative components affect how an organization allocates expense commitments. As you can see, a lot of connections use a set of rules as part of the planning process. These basic advances can be registered as follows:

- Obtain estimates of sales, production levels, estimated costs, and resource availability for each sub-unit or service. Service administrators or service managers need to assess future situations and practices affecting your organization.

- Adjustment estimates: In many organizations, the overall enthusiasm of the organization is assessed by the planned organization. Assets used in the office are valued by the Expenditure Committee. It will also be presented to other departments of the association.

- **Transfer of budget to departments and departments responsible:** Financial planning should be communicated to the office and the responsible supervisor once the personal expenditure plan has been approved, taking into account the authoritative objectives and accessibility of the assets. The changes and changes that contributed to the last spending plan should be referred to as the winning chapter (s) of cooperation and support for financial planning.

- Execution of the budget plan: the final budget is presented to the responsible party and adopted as an operational plan for the next budget period.

- **Intermediate Progress Reports on Budget Objectives:** To inform the planning process, implementation reports are prepared to advise service managers and ensure optimal management of execution up to the expected numbers. These tests may need to be revised throughout the year. The input of this data can be used for financial planning purposes for the following year.

Budgeting techniques:

Budgeting includes personal financial planning. Key technologies used in budgeting include:

- **Zero budgeting:** A budgeting method that re-evaluates all activities when budgeting and all budget items are fully justified. Each year, the budget is prepared as a new budget. Each department and each member is involved in this method. All costs must be justified as a result of cost control. This type of budget helps reduce unnecessary costs and wasted business. This budgeting technique is mainly useful in services because it is difficult to identify services. The main disadvantage of this budgeting technique is that it spends more time, which is too expensive. Each person participates in the budgeting process and plays another.

- **Phased budgeting:** This is also known as traditional budgeting. The budget is based on the actual costs of the previous year. The budget is not justified by this technology. In other words, what is already used means that he is fired regularly. The increment is added to the current year when calculating the budget. The challenges of last year will be taken into account in the allocation of resources. This method is easy to prepare, easy to understand and affordable. However, this does not provide a complete and accurate budget.

- **Downward budgeting:** the company prepares a senior budget for senior budgets. The objectives of the company are explained by senior managers. The list of members is created in the top-level management. The budget is detailed by assigning individual members to each department.

Spent

The costs associated with an organization that helps to generate revenue are called costs.

Salaries and wages are costs paid to the business by the amount paid to the business. Some assets are depreciated and there may also be bad debts. Costs are recorded and summarized in your income statement. Before calculating the income tax, this

expense will be deducted from the income statement. All costs of the business are considered expenses. However, all expenses related to income generation are not expenses.

Cost is the cost of monetization. All costs incurred by the organization are recorded in the account books. If the expense is a production process or a marketing process

2.2 Literature Review

Pete Richardson, Deborah Rosebery and Paul van der Nord.

This report examines the methodology used to estimate potential output in OECD countries and how to use production blanks to calculate the structural budget balance. The so-called "partial time trend" method, previously used to calculate the structural balance, is the best way to estimate the output gap and to calculate the structural budget balance by leveling real GDP using the Hodrick Prescott filter. and the production function.

Omorieinwa (1989)

He stressed that the budget was a dominant individual plan within the organization, represented by constraints and denominations imposed by the participants and the environment, by how the available resources could be used and by the fact that dominant individual had agreed priorities. What is impressive in this definition is that you must be aware of the budget constraints imposed by other participants and achieve the goals and objectives set out in the budget.

Pandey (2003)

A budget is defined as a short-term financial plan that directs managers towards the achievement of the company's objectives. Lucey (2003) defines qualitative queries over a given period that may include "revenues, expenses, assets, liabilities and projected cash flows". Budgets are controlled by comparing real and elastic budgets. Provide advice to the organization to facilitate coordination of activities and facility management.

From Hudson and Andrew (1996)

Controls include decisions based on relevant information that lead to plans and actions to improve the use of assets and production services available to the management of the organization. Effective controls are based on standards comparing actual performance. Without a standard, this may not be an effective measure of performance. Hudson and Andrew have identified and developed five categories of standards: quality, quantity, lead time, dissatisfaction and value.

Egan (1997)

Budgeting at the administrative and operational levels defines the future and direction of action. Make sure the plan is established and take corrective action if there is a gap or a loss of profit. Egan pointed out that without effective control, society would benefit from the benevolence of internal and external forces that hinder effectiveness, and that it does not know if it can combat these forces. When a budget and control system is used, the tax policy establishes a budget that defines the responsibilities of the manager with respect to the general requirements of the corporate strategy.

Morgan (1997)

Ongoing comparisons between actual results and budget results are made to ensure policy objectives through the actions of the manager or to provide the basis for the policy review. He thought the budget was beyond the scope of financial tools. By default, this tool is an administrative tool. It is therefore preferable to ensure that the main resources, especially the performance, are allocated to priorities and results. Administrators can decide when to revise and modify plans based on different results and no longer fit due to environmental, economic, market or technical conditions. Morgan emphasized that the budget should be used as a planning and control tool.

According to Achin

"A budget is a planning document that contains a lot of financial and non-financial information that represents future activities."

Hornsgren et al.

Check the budget to help coordinate the quantitative presentation of action plans proposed by management over a period of time and to coordinate actions to implement the plan.

Welsh (2003)

The budget preparation and approval process transforms the overall objectives of the organization into a detailed and achievable action plan. When used with sophistication and discretion, budgeting is the only compression management method that fully recognizes the dominant role of managers and provides a framework for the implementation of these fundamental aspects. Management Objectives More effective scientific management. , Participation management, dynamic control, continuous feedback, accountability, exception management and management flexibility.

Tennessee Board of Directors (2006)

A budget is the process of translating an agency's plan into a detailed, authoritative and structured operational plan, expressed in all currencies over a given period.

Glautier (1987)

The emergence of a science-based management philosophy emphasizing details as the basis for decision making is an important stimulus for the development of management accounting and budgeting technologies.

According to an article published in the European Journal of Economics

Ishola rufus Akintoye (2008) Performance Improvement Budget Management and Budget Management: Some Food and Beverage Sector Firms in Nigeria, "Budget and Budget" Considerations Are Precisely Joseph's Considerations in Egypt . It was

reported that the Treasury had not provided anything without a written order. Joseph had famine for seven years to save and store crops that continued to Egypt.

According to lambe

Currency value rises and falls, input prices suddenly fluctuate, structural imbalances and rigidity generally exist in the global economic system. In such a situation, managers must perform limited assessments and make important decisions about the future of other organizations as an aggressive, results-oriented company. According to Lambe, one of the most effective ways to prepare for changing conditions is to provide a specific plan to the framework. It is flexible enough to accommodate unexpected changes. Budgeting is a complete process that enables this type of work. It consists of setting goals and effectively controlling actual results to fit your budget.

Achim 2009

The overall purpose of the budget is to control the activities of the enterprise by presenting a roadmap for future activities, establishing a set of goals to be achieved and providing the means to achieve them.

According to Ali Uyar and Necdet Bilgin

Planning budgets in order of importance includes expenditure control, profitability, long-term aid planning, operational coordination, short-term support planning, performance evaluation, executive motivation, employee motivation, employee communication planning.

Hansen 2011

From an organizational point of view, each alternative increases the benefits and incorporates three important budgetary functions: forecasts, operational planning and performance evaluation.

Neely and 2003

Budgeting and forecasting are approaches and technologies that help improve the budgeting and planning process. Non-budgetary objectives will guide the operations and performance of the company.

Michel Caura

Budgeting is used in all types of organizations and is an important topic in accounting research. In order to expedite the discussion of the strengths and weaknesses of budgeting, future budget research will be helpful if a comprehensive review of the theory used by previous budget researchers.

Su de lao

Developers should use the budget to design and manage the budget program. The study identified budget-related assessments, research, and knowledge products.

Mara Rodriguez

Budgeting represents the estimated costs and resources for a planned action plan over a period of time. You can set budgets for your business units, departments, products, teams, or your entire organization.

Chapter-3

Research Design

RESEARCH DESIGN:

Title of the study:

“A Statement Of comparison between Actual expenditure and Budget at BSNL”.

3.1 Statement of the Problem:

Research on actual and projected budgets in the telecommunications sector is essential. The main objective of this project is to compare the actual budget with the budget forecasts. This budget is designed to strike the right balance between expenses and savings. Budgets are useful for identifying entrances and exits throughout the year.

3.2 Objective of the study:

The main goal of the telecommunications industry is to maximize performance by providing the best service to consumers. Budgeting increases the balance of revenue in a given environment. Other key goals of the budget include:

- Provide realistic cost estimates.
- Analyze actual results, compare them against these budgets, and interpret gaps.
- Provides a sound basis for forecasting during the budget period so executives can make routine decisions.

3.3 Scope of the study:

A comparative analysis of the budget analysis is conducted at the Tumkur BSNL. The cost is necessary for the service of the debt in the company. A budget study ensures a balance between estimated total earnings and surpluses. This study only concerns Tumkur BSNL and not BSNL Whole Company. The scope of this study is limited to the cost of BSNL.

3.4 METHADODOLOGY:

3.4.1 DATA COLLECTION:

Assistive methods are used to gather information.

Auxiliary data is not direct data. Published data. These auxiliary data are published data. Data collected by a second or third user other than you

The collected data,

- Budget for the years 2014-2015, 2015-2016, 2016-2017, and 2017-2018.
- Audited balances for fiscal year 2014-2015, 2015-2016, 2016-2017 and 2017-2018.
- Annual Report 2017-2018
- Business website.

www.bsnl.in.

Calculation of differences:

Variance = Budget - Actual

- If the actual amount exceeds the budget, there are negative differences. This distribution of sounds is considered an undesirable distribution.
- If the actual amount is less than the budget, the difference is positive. This difference in amount is considered an advantageous difference.

1. To calculate the percentage:

$$\text{Percentage} = \frac{\text{Variance}}{\text{Budget}} * 100$$

3.5 Limitations of the study:

- This study covers only non-business expenses.
- This study did not take into account everything that happens in the state.
- Data is limited. Only the budget and the trial balance are collected.

- This study deals only with variance calculations and does not cover studies that increase this variance.

3.6 Chapter scheme

Chapter 1: It includes the introduction of the internship. It covers the information of introduction to internship, profile of the industry and the company. The information of the company covers company's vision, mission, and quality policy, details regarding the products and services offered by the company, it's areas of operation, information regarding the competitors of the company, SWOT analysis, future plans of the company and analysis of the financial statement of the company.

Chapter 2: It contains the background of the study or the basis on which the study was conducted and the various literature which were reviewed.

Chapter 3: It covers the details of the methodology adopted for the research which includes the samples considered for the study and the tools used. It contains the statement of the problem, need for the study and the scope within which the project is done. It also contains the main objectives which the study aims at achieving.

Chapter 4: It includes the analysis of the samples and the data collected.

Chapter 5: It includes the findings, conclusion and suggestion based on the study.

Chapter 4
Analysis and Interpretation

Analysis of Variance for the year of 2014-15:

	Actual	Budget	Variance	Favourable/Variance	Percentage Variance
Salaries	2,22,042.64	1,92,280.00	-29,763.64	Adversative	-15.47%
Wages	351.67	264	-86.67	Adversative	-32.70%
OA	5.12	00	-5.12	Adversative	
Transport Allowance	1,597.75	00	-1,597.75	Adversative	
Honorarium	5.87	00	-5.87	Adversative	
Othermisc. reimbursements	299.36	00	-299.36	Adversative	
Pension Contribution	17,984	16,583	-1,404.13	Adversative	-8.46%
Leave salary contribution	8.92	82	71.06	Favourable	88.85%
Leave salary encashment on Retirement	13,967.12	4,354.01	-9,613.11	Adversative	-220.78%
Employee contribution towards EPF	2,732.84	2,270.03	-462.84	Adversative	-20.38%
Medical Expenses	4,267.54	00	-4,267.52	Adversative	
Rent and Building	2,164.95	865	-1,300.97	Adversative	-150.56%
Rates and Taxes	633.04	00	-633.04	Adversative	
Water	4.07	04	-0.07	Adversative	-1.51%
Electricity	19,221.20	15,287	-3,933.22	Adversative	-25.72%
Fuel Charges	5,950.01	2,614	-3,337.01	Adversative	-127.70%
Insurance	00	00	00	Favourable	
vehicle expenses	2220.04	1,280	-939.06	Adversative	-73.32%
Repairs and Maintenance	22,160.51	10,510.01	-11,650.51	Adversative	-110.84%
Expenditure on services taken from professional	00	24	24.00	Favourable	100%
Travel Expenditure	632.93	91	-542.94	Adversative	-603.27%
Printing and Stationery	579.26	00	-579.26	Adversative	
Lease charges	00	00	00	Favourable	
Commission	192.53	56	-137.55	Adversative	-250.06%
Bank Charges	8.62	23	13.40	Favourable	60.85%
Advertisement	112.38	00	-112.38	Adversative	
Postal Expenses	1,020.37	1,020	0.63	Favourable	0.05%

Police escort charges and security	127.63	2,060.01	1,932.38	Favourable	93.81%
Meeting	4.64	1.00	-3.64	Adversative	-365%
Hospitality given to employees	3.81	00	-3.81	Adversative	
General Expenses	1897.72	3,674.03	1,776.31	Favourable	48.34%
Expenditure on Passive Infra hired	00	1493	1,493	Favourable	100%
License fee	00	00	00	Favourable	
L. Fee. Royalty and Spectrum charges other than AGR	00	112	112	Favourable	100%
Interest –Others	4.47	00	-4.47	Adversative	
Housekeeping charges	00	00	00	Favourable	
Total	3,20,203.27	2,54,943.12	65,260.24	Favourable	

Analysis of Variance for the year of 2015-16:

	Actual	Budget	Variance	Favourable or adverse	
Salaries	2,15,834.44	2,61,789	45,954.56	Favourable	17.55%
Wages	253.38	273	19.62	Favourable	7.19%
OA	5.31	0	-5.31	Adverse	
Transport Allowance	1,365.10	0	-1,365.10	Adverse	
Honorarium	25.92	0	-25.92	Adverse	
Other misc. reimbursements	0	0	0.00	Favourable	
Pension Contribution	18,087.33	22,845.00	4,757.67	Favourable	20.83%
Leave salary contribution	0	0	0.00	Favourable	
Leave salary encashment on Retirement	23,370.35	40,128.00	16,757.65	Favourable	41.76%
Employee contribution towards EPF	3,219.49	3,244.00	24.51	Favourable	0.76%
Medical Expenses	2,578.55	2,653.00	74.45	Favourable	2.81%
Rent and Building	1,687.56	1,515.00	-172.56	Adverse	-11.39%
Rates and Taxes	696.36	117	-579.36	Adverse	-495.18%
Water	10.73	20	9.27	Favourable	46.35%
Electricity	21,589.62	20,939.00	-650.62	Adverse	-3.11%
Fuel Charges	6,922.87	7,903.00	980.13	Favourable	12.40%
Insurance	0	0.00	0.00	Favourable	
vehicle expenses	4,459.65	0	-4,459.65	Adverse	
Repairs and Maintenance	25,158.61	8,923.00	-16,235.61	Adverse	-181.95%
Expenditure on services taken from professional	0	46	46.00	Favourable	100.00%
Travel Expenditure	699.06	800	100.94	Favourable	12.62%
Printing and Stationery	375.24	553	177.76	Favourable	32.14%
Lease charges	0	0	0.00	Favourable	
Commission	60.84	44	-16.84	Adverse	-38.27%
Bank Charges	8.36	10	1.64	Favourable	16.40%
Advertisement	42.21	70	27.79	Favourable	39.70%
Postal Expenses	937.55	940	2.45	Favourable	0.26%
Police escort charges and security	1,311.53	1,234.00	-77.53	Adverse	-6.28%
Meeting	11.2	0	-11.20	Adverse	
Hospitality given to employees	0	0	0.00	Favourable	

General Expenses	2,988.81	0	-2,988.81	Adverse	
Expenditure on Passive Infra hired	0	0	0.00	Favourable	
License fee	0	0	0.00	Favourable	
L. Fee. Royalty and Spectrum charges other than AGR	0	0	0.00	Favourable	
Interest –Others	0.5	0	-0.50	Adverse	
Housekeeping charges	0	0	0.00	Favourable	
Total	3,31,700.57	3,74,046	-42,345.43	Adverse	

Analysis of Variance for the year of 2016-17:

	Actual	Budget	Variance	Favourable or Adversative	Percentage of Variance
Salaries to the employee	2,17,057	2,63,883.22	46,827.22	Favourable	17.74%
Wages	1,367.08	150.84	-1,216.25	Adversative	-806.25%
Transport Allowance	1,388.06	00	-1,388.06	Adversative	
Leave salary contribution	00	00	00	Favourable	
Employee contribution towards EPF	3,238.51	3,244	5.07	Favourable	0.16%
Medical Expenses	5,789.71	5,210.53	-579.17	Adversative	-11.13%
Honorarium	36.46	00	-36.46	Adversative	
Commission	256.16	11,009.56	10,752.93	Favourable	97.66%
Pension Contribution	17,155.14	22,845.06	5,689.15	Favourable	24.92%
Leave salary encashment on Retirement	13,144.12	40,128.5	26,983.86	Favourable	67.25%
Rates and Taxes	696.38	53	-643.38	Adversative	-1213.90%
Water	37.17	22	-15.17	Adversative	-75.91%
Electricity	32,516	39,075.98	6,559	Favourable	16.77%
Fuel Charges	4,935.46	00	-4,935.46	Adversative	
Insurance	00	63	63	Favourable	100%
General Expenses	5,485.03	9,309	3,823.03	Favourable	41.06%
Repairs and Maintenance	32,026.51	13,635.43	-18,391.07	Adversative	-134.89%
Printing and Stationery	503.03	553	49.02	Favourable	8.85%
Advertisement	73.42	71	-2.42	Adversative	-4.86%
Travel Expenditure	714.14	954	240.84	Favourable	25.21%
Postal Expenses	731.86	939	208.86	Favourable	22.14%
Interest -Others	2.76	00	-2.76	Adversative	
Total	3,45,598	4,16,631.25	-71,033.16	Adversative	

Analysis of Variance for the year of 2017-18

	Actual	Budget	Variance	Favourable or Adversative	Percentage of Variance
Salaries	208297.97	252020	43722.03	Favourable	17.34%
Wages	1404.388	166	-1238.388	Adversative	-746.01%
OA	0	0	0.00	Favourable	
Transport Allowance	1296.08	0	-1296.08	Adversative	
Honorarium	32.45	0	-32.45	Adversative	
Pension Contribution	13933.128	19886	5952.872	Favourable	29.93%
Leave salary encashment on Retirement	9845.37	28836	18990.63	Favourable	65.85%
Employee contribution towards EPF	3869.62	3776	-93.62	Adversative	-2.48%
Medical Expenses	4396.8	3777	-619.8	Adversative	-16%
Rent and Building	3135	2098	-1037	Adversative	-49.42%
Water	23	0	-23	Adversative	
Electricity	26826.50	32357	5530.5	Favourable	17.09%
Fuel Charges	9345.42	6183	-3162.42	Adversative	-51.14%
Insurance	124	100	-24	Adversative	-24%
vehicle expenses	7259.09	3180	-4079.09	Adversative	-128.27%
Repairs and Maintenance	28606.25	12605	-16001.25	Adversative	-126.94%
Travel Expenditure	358.47	470	111.53	Favourable	23.72%
Printing and	430.218	494	63.78	Favourable	12.91%

stationary					
Commission	310.02	12830	12519.98	Favourable	97.58%
Bank Charges		8	8	Favourable	
Advertisement	22.97	20	-2.97	Adversative	-14.85%
Postal Expenses	643.77	814	170.23	Favourable	20.91%
Police escort charges and security	146	1292	1146	Favourable	88.69%
Meeting	12	40	28	Favourable	70%
General Expenses	1278	2200	922	Favourable	41.9%
Housekeeping charges		11750	11750	Favourable	
Total	321596.514	394902	73305.486	Favourable	

Analysis and Interpretation:

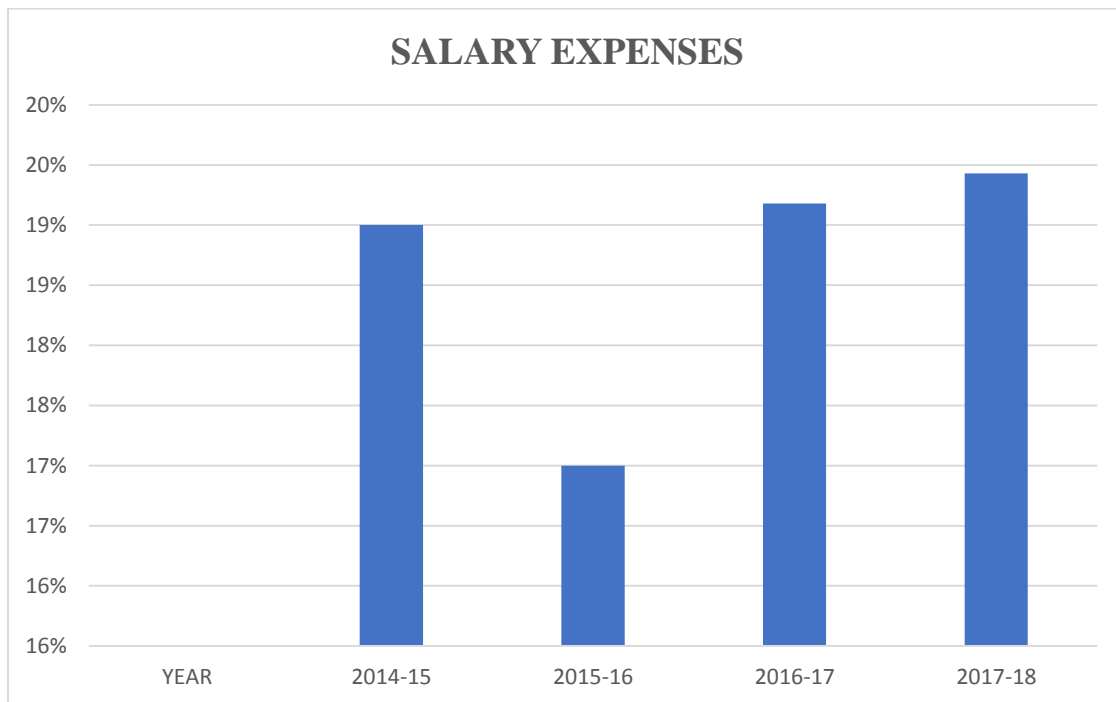
	2014-15	2015- 16	2016-17	2017-18
Salary Expenses				
Salaries to the employee	-15%	17.55%	17.75%	17.34%
Wages	-33%	7.19%	-806.26%	-746.01%
Transport Allowance				
Leave salary contribution	89%			
Employee contribution towards EPF	-20%	0.76%	0.17%	-2.48%
Medical Expenses		2.81%	-11.12%	-16%
Honorarium				
Commission	65%		97.67%	97.58%
Operating Expenses				
Pension Contribution	-8.47%	20.83%	24.91%	29.93%
Leave salary encashment on Retirement	-221%	41.76%	67.24%	65.85%
Rates and Taxes		-495.18%	-1213.89%	
Water	-1.50%	46.35%	-75.90%	
Electricity	-25.73%	-3.11%	16.78%	17.09%
Fuel Charges	-127.71%	12.40%		-51.14%
Insurance			100%	-24%
General Expenses	94.83%		41.07%	41.9%
Repairs and Maintenance	-110.85%	-181.95%	-134.88%	-126.94%
Printing and Stationery		32.14%	8.86%	12.91%
Advertisement		39.70%	-4.87%	-14.85%
Travel Expenditure	29.68%	12.62%	25.22%	23.72%
Postal Expenses	90.01%	0.26%	22.15%	20.91%

Interest -Others				
Other Expenses				
OA				
Other misc. reimbursements				

Table-4.1: Table showing Salary Expenses of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Salaries Expenses	19 .00%	17. 00%	19. 18%	19. 43%

Graph-4.1: Graph showing Salary Expenses of the BSNL for the year 2014-15, 16, 17,18



Analysis and Interpretation:

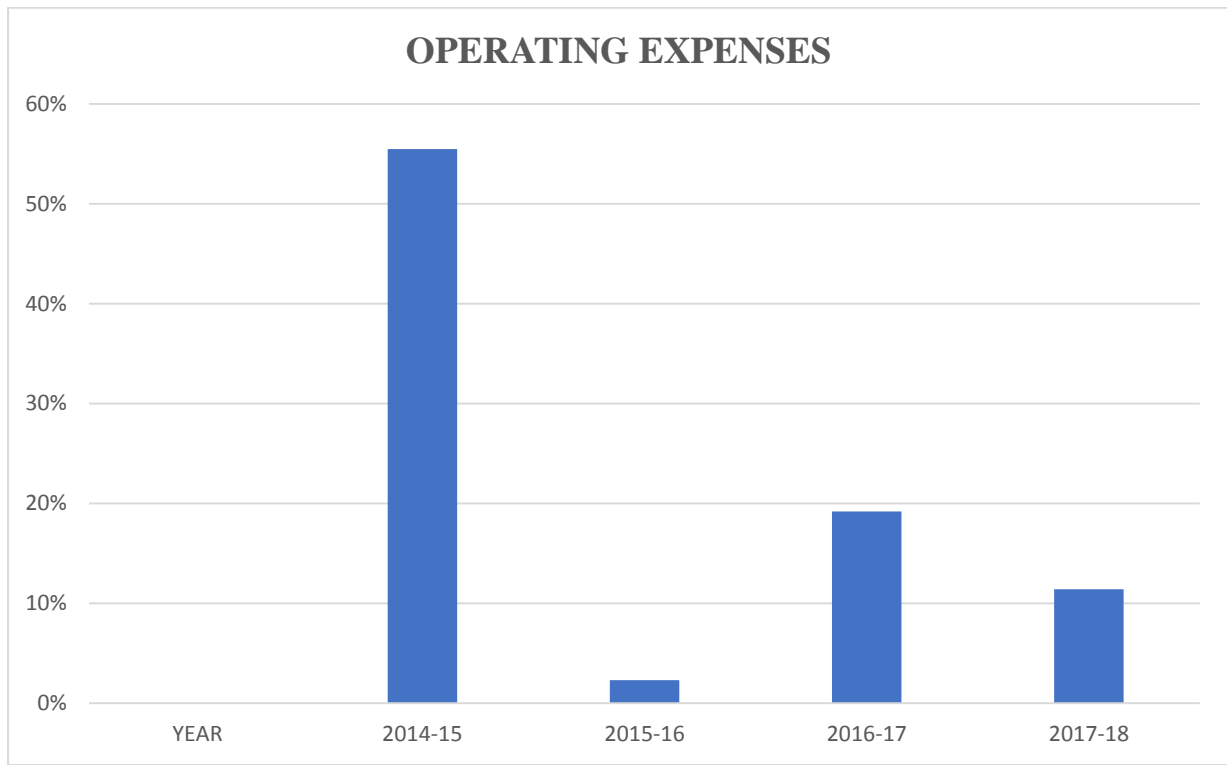
- In 2014-2015, the company paid more salaries. Your actual spend is greater than your budgeted spend. So this is an unfavorable difference.
- In 2015- 16, actual salary expenditure is lower than budget salary expenditure. As a result, the company is doing well by saving money.

- Compared to the year 2015-2016, salaries increased by 2.18% in 2016-2017. Deviations are favorable in 2016-2017. An increase in the wage of an employee results in an increase in salary.
- Compared to 2014-15, the company spent more pay in the years 2015- 16 and 2016-17. Employees are paid more and more skilled workers are appointed to motivate and train them.
- As from the calculating using the data given of 2017-2018 the salary expenses is raise of point of percentage higher than the previous year 2016-2017 where it brief that there is no decrease on the expenses incurred for salary to the employees is more over high in percentage of value.

Table -4.2:Table showing Operating Expenses of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Operating Expenses	55.48%	2.28%	19.18%	11.40%

Graph- 4.2: Graph showing Operating Expenses of the BSNL for the year 2014-15, 16, 17,18



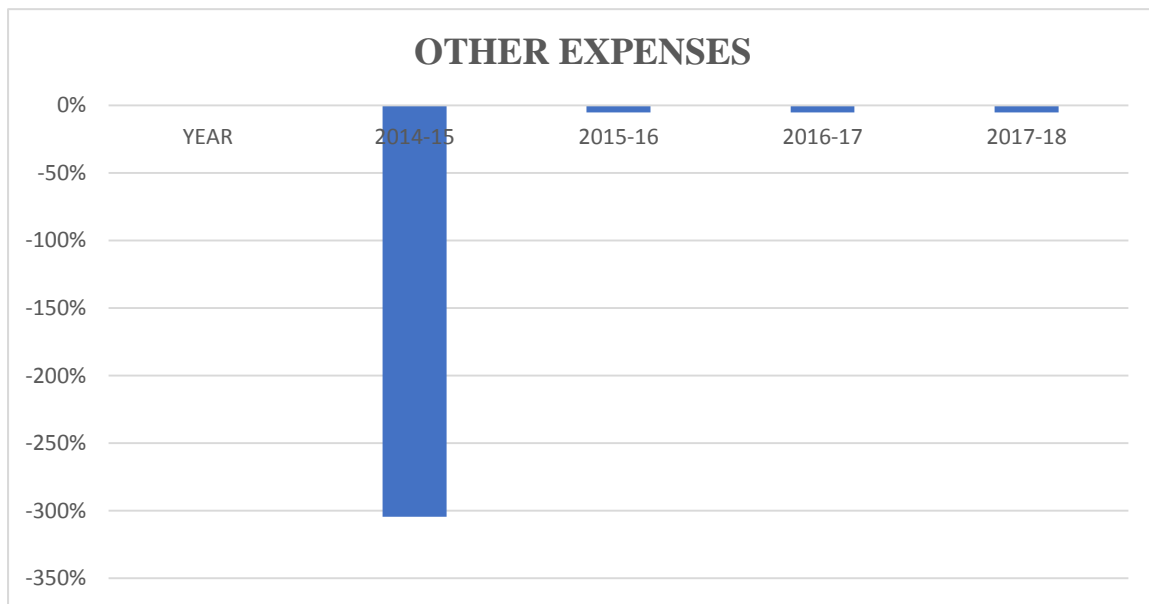
Analysis and Interpretation:

- Operating costs in 2014-15 represent undesirable deviations. Budget spending is more than real cost. I actually spent more money than I expected.
- In 2015-2016, the company saved Rs 23,588,760. They budgeted to spend 10, 32, and 38,000 but actually spent 10, 08, 79, and 240.
- Operating costs increased to 15.37% in 2016-17 compared to 2014-15. Repairs and maintenance are increasing, but pension cashing is decreasing
- Where the operating expenses in the year 2017-2018 is decreased by 7.48% compare to the previous year which shows that the operating expenses incurring has been reduced by adopting a updated technology.

Table -4.3: Table showing Other Expenses of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Other Expenses	-304.5	-5.31	-5.31	-5.31

Graph- 4.3: Graph showing Other Expenses of the BSNL for the year 2014-15, 16, 17,18



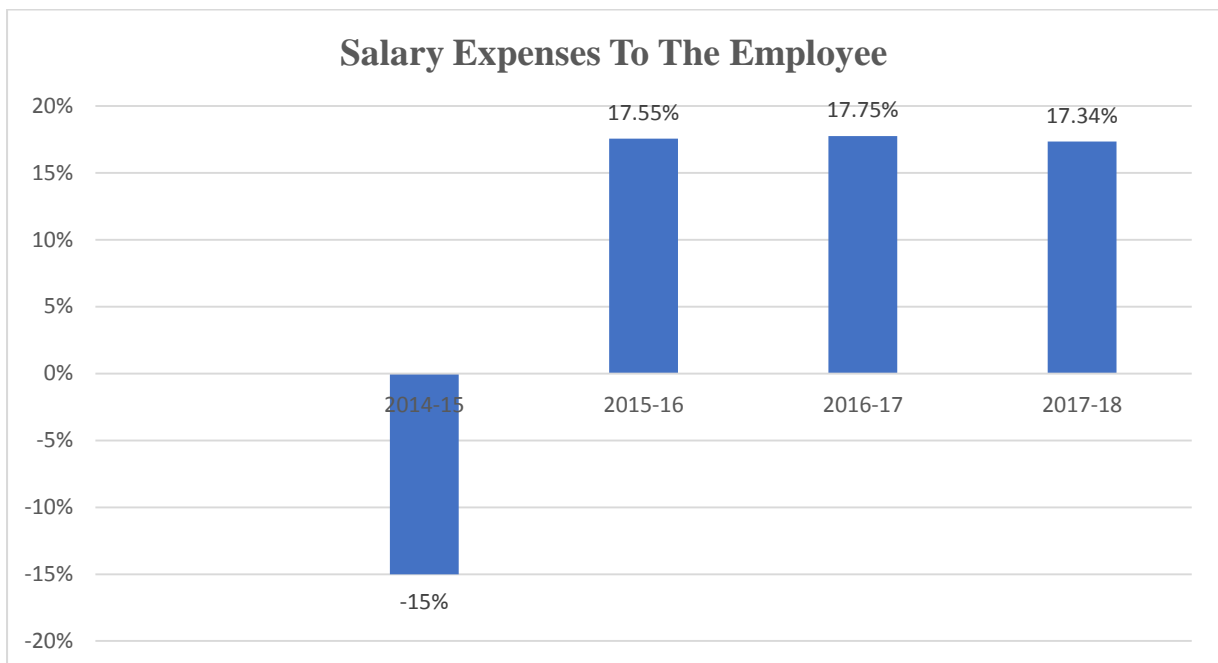
Analysis and Interpretation:

- The company has not spent any other expenses for three years.
- However, realistic spending occurs.
- Other actual expenses in 2014-2015 are Rs.304.5.
- Other actual costs incurred at Rs.5.31 in 2014-15 and 2016-17
- There is other expenses incurred in the fiscal financial year of 2017-2018

Table -4.4 : Table showing Salary Expenses of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Salaries to the employee	-15%	17.55%	17.75%	17.34%

Graph -4.4: Graph showing Salary Expenses of the BSNL for the year 2014-15, 16, 17,18



INTERPRETATION:

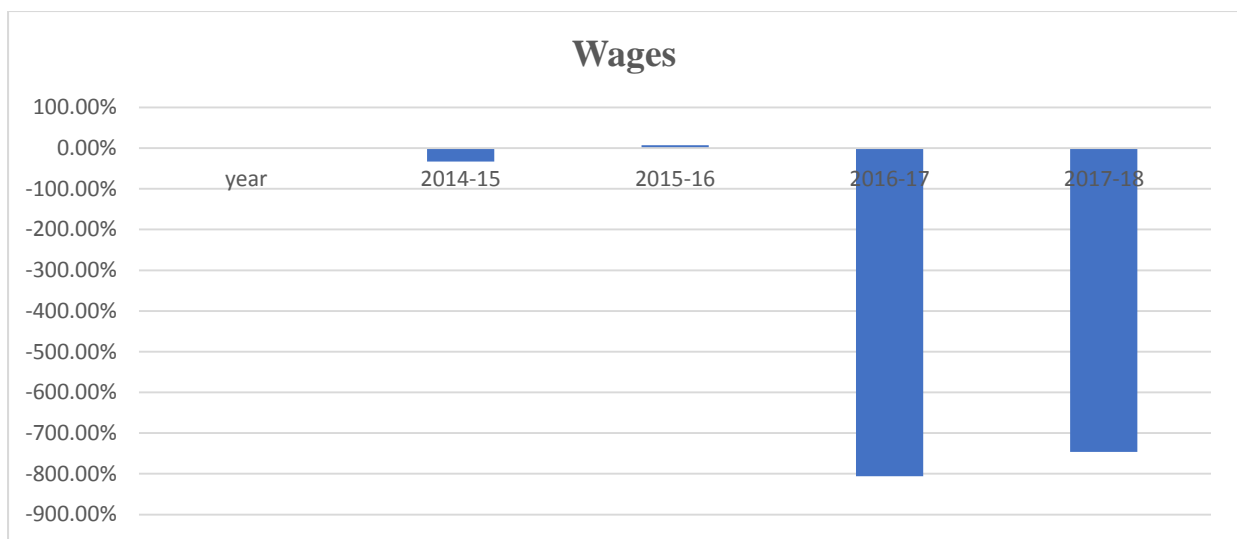
- In 2014-2015, variance is negative.
- The company grew favorably during the 2015- 16 and 2016-17 budget preparations.

- There is no significant difference between 17.55% in 2015- 16 and 17.55% in 2016-17. His salary has increased with his performance and his contribution to the company..
- The company has hired a new skilled labour and also pay has be raised up to certain percentage to motivate the employees to work with more efficiency.
- And also the company has provided an opportunity to the peoples who can also take the voluntary retirement at the age of 58 in the year 2018, where many of the senior employees take the VRS so the salary to those employees are left with the company and the percentage has been decreased in the year 2017-2018.

Table -4.5: Table showing Wages of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Wages	-33%	7.19%	806.26%	-746.01%

Graph -4.5: Graph showing Wages of the BSNL for the year 2014-15, 16, 17,18



INTERPRETATION:

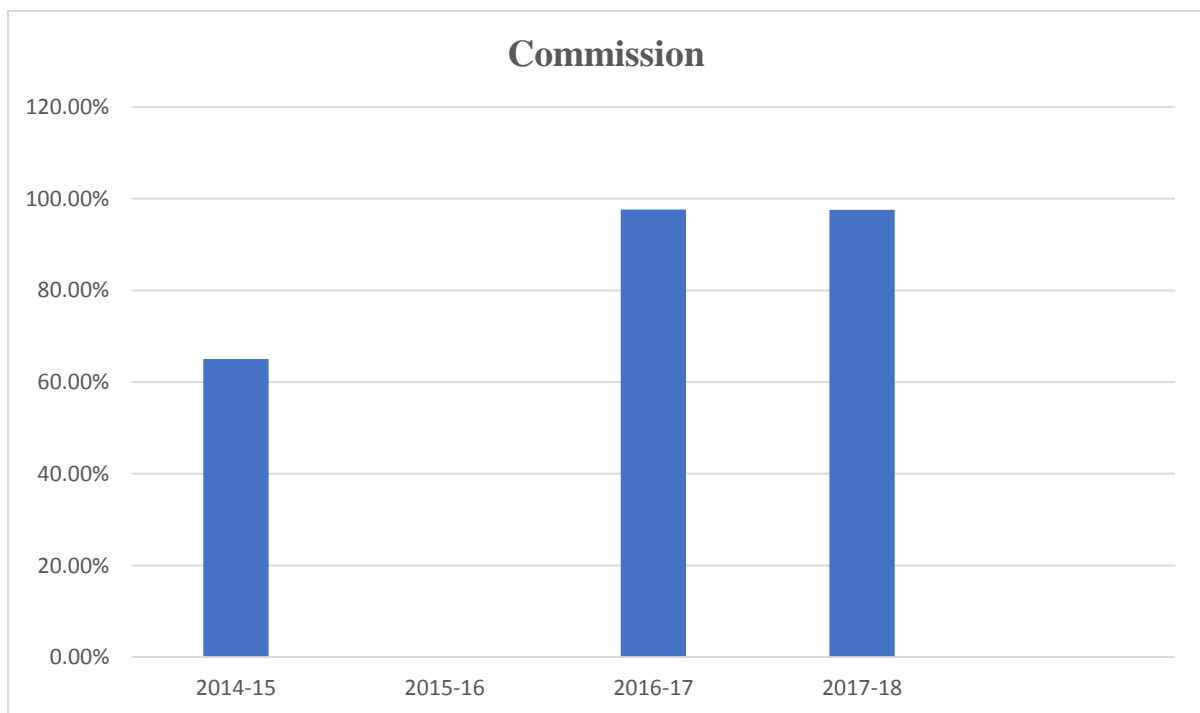
- There is a disadvantage of 33% and 806.26% between 2014-2015 and 2016-2017.
- There is a favorable deviation of 7.19% in 2015-2016. Compared to 2014-15, however, the company paid workers to work in 2016 and 2017.
- In 2017, the difference is larger than your budget. Therefore,% is equal to 806.26%.In the year 2017-2018 the wages is showing the adverse because the work done by the employee is more based on the work and position the wages are been given by evaluating the current standard of living.

Table- 4.6:

Table showing Commission of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Commission	65%		97.67%	97.58%

Graph- 4.6: Graph showing Commission of the BSNL for the year 2014-15, 16, 17,18



INTERPRETATION:

Commission payments increased in 2016-17 compared to 2014-15. Commissions increased significantly in 2016-17. In 2016-17, we paid more for other commission services, but commission brokerage was reduced and fee commissions were higher between 2014-15 and 2015- 16. So, 3 is an increase in commission payments. The percentage of commissions paid in 2017-2018 is reduced, which is advantageous for the company.

Table- 4.7 :

Table showing Leave salary encashment on retirement of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Leave salary encashment on Retirement	-221%	41.76%	67.24%	65.85%

Graph- 4.7: Graph showing Leave Salary Encashment of the BSNL for the year 2014-15, 16, 17,18



INTERPRETATION:

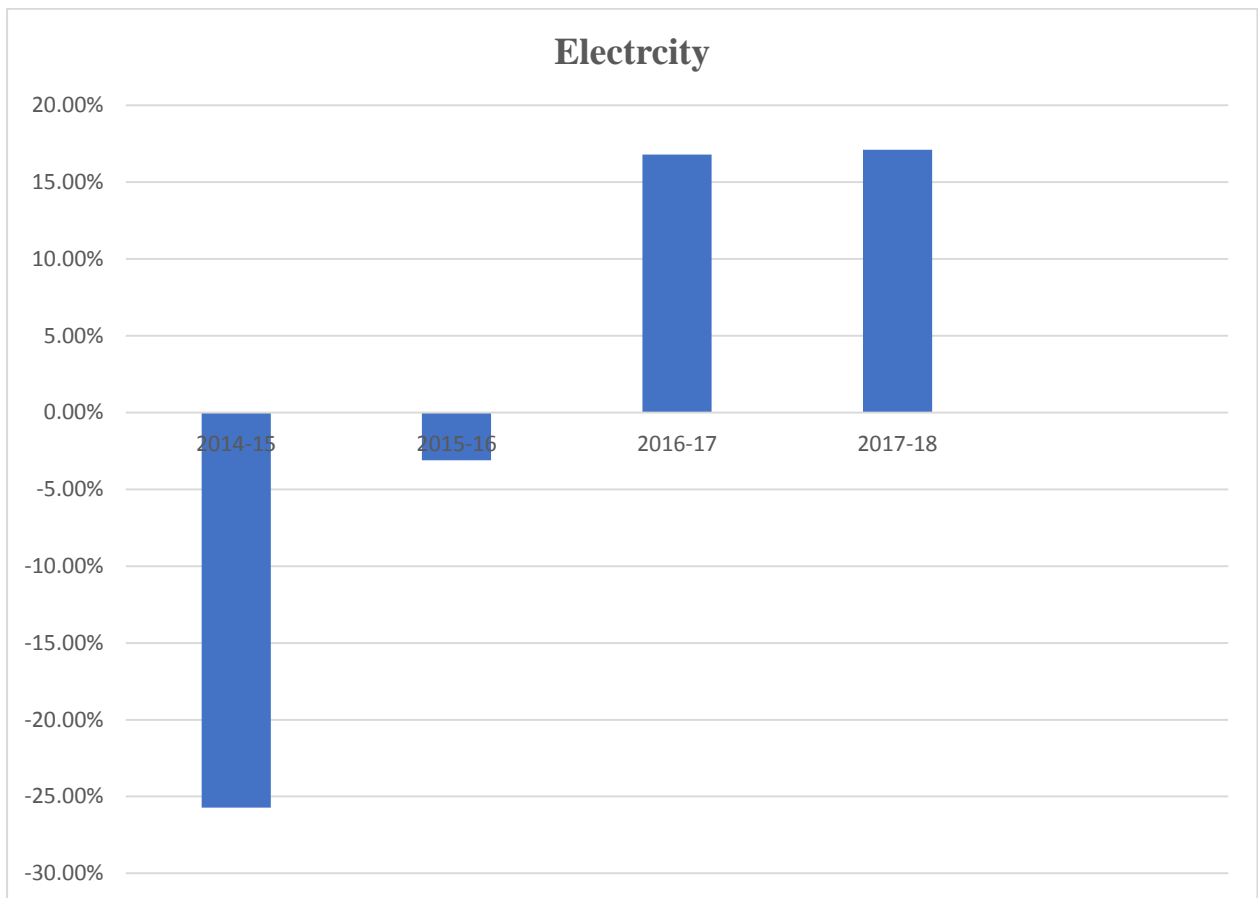
4% increase in 2017 compared to 2016 and 2% decrease in 2017-2018. The company pays more for retirement benefits. These retirement benefits are part of employee salaries. If you aim for these benefits, your staff will have to spend more time and technology on your organization or company. And to achieve the company's goals of profit and increase.

Table- 4.8

Table showing electricity charges of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Electricity	-25.73%	-3.11%	16.78%	17.09%

Graph- 4.8: Graph showing Electricity Expenses of the BSNL for the year 2014-15, 16, 17,18



INTERPRETATION:

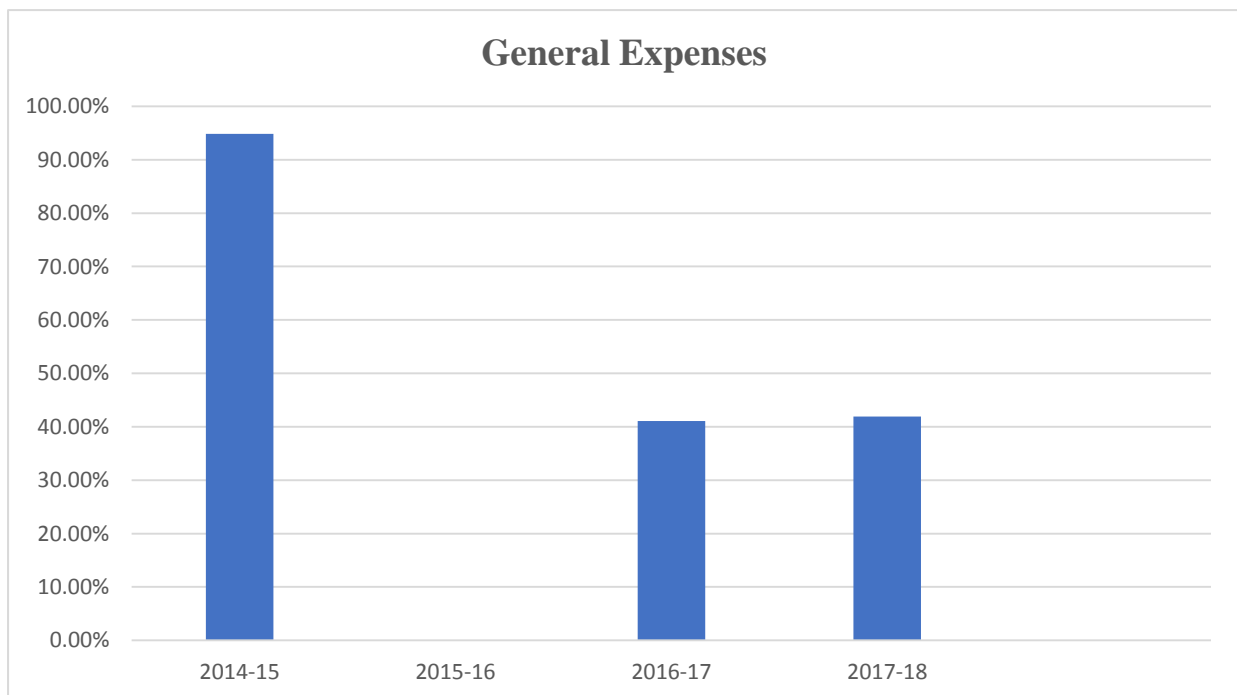
Electricity charges increased to 16.78% in the last year of 2017. This technology has enabled the company to use new technologies. Reduction of paper work costs. The work is done using the system, which increases energy consumption. If there is a problem with your system and feed, some of your work will be suspended. You can adopt new equipment and use electronic systems to solve problems or tasks, but the power consumption is comparable to last year because the paperwork is less than digitized.

Table- 4.9

Table showing General expenses of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015-16	2016-17	2017-18
General Expenses	94.83%		41.07%	41.9%

Graph- 4.9: Graph showing General Expenses of the BSNL for the year 2014-15, 16, 17,18



INTERPRETATION:

Overall spending declined in 2016-17 compared to 2014-15. 48% to 41%. Overhead costs have a favourable bias, which is relatively good. Overhead also includes legal costs. When the expense is not disadvantageous, the expense will be bigger, it will affect the profit of the company.

Table- 4.10

Table showing Travel expenditure of the BSNL for the year 2014-15, 16, 17,18

Year	2014-15	2015- 16	2016-17	2017-18
Travel Expenditure	29.68%	12.62%	25.22%	23.72%

Graph- 4.10: Graph showing Salary Expenses of the BSNL for the year 2014-15, 16, 17,18



INTERPRETATION:

There is an unfavorable difference between 2014 and 2015. However, there is an advantageous difference between 2015- 16 and 2016-17, which clearly indicates an increase in travel costs.

From 2017 to 18, the country is fueling a lot of fuel. As a result, travel expenses to employees have increased.

Chapter 5
Finding, Conclusion
and Suggestions

5.1 FINDINGS:

- BSNL has suffered continuous losses since 2011.
- The general trend of BSNL's business profile shows that sales are declining and spending is increasing every year.
- Annual salary increases.
- Medical costs increase. The company has spent a considerable amount on the employee's medical problems. This medical fee occurs both indoors and outdoors.
- Benefits are concentrated.
- All operating expenses are favorable in 2015- 16. It is better to have a favorable deviation.
- Other costs are not high. So the company did not focus more on other costs.
- BSNL will soon lose the operation by maintaining the same steps.
- The study found that each company was different from its competitors in the use of new technologies.
 - BSNL is more expensive to sustain losses over the last eight years.

5.2 SUGGESTIONS:

BSNL ranked first in market share

Are there any recommendations to mention?

- This study has shown that customers are very capable.

In particular, it depends on the quality of the communication service

BSNL improves the quality of value added services.

- Costs increase annually.
- Reduce the cost of your company. So they can focus on benefits.
- Budget preparation must be accurate and appropriate. This increases the goodwill of the company.
- Each department must maintain communication.
- Businesses must focus on customer satisfaction. This helps to overcome the competitors.

- The company focuses on new technologies. This increases the demand for products.

- The general public has fixed phone and

The call to BSNL is high. This is one of the main reasons for the transition.

To avoid this position, BSNL should reduce free turnaround time
And call speed.

- Wired users are often impressed that BSNL is disconnected.

service. Therefore, the BSNL must take steps to eliminate the intrusion.

In particular, connections in fixed telephony services.

- Respondents generally prefer prepaid and postpaid plans

Cost control and unlimited talk value. Costs and costs

Tariffs are considered a major factor in customer appeal; then

BSNL will review costs and tariffs and reduce monthly rents.

Fixed telephony services.

- BSNL has introduced more telephone facilities. That is, telephone searches, hot lines,

M-Commerce, multimedia messaging service, news alerts, etc.

BSNL will make these facilities popular,

Public for public facilities.

- BSNL must issue a duplicate SIM card for each service center.

- The company must maintain the availability level of the recharging card as follows:

All stores.

- BSNL needs to focus on marketing strategy.

You can handle competitors and frame innovation strategies.

- BSNL's "Connected Conference" is expected to be held in all regions of the country.

Especially in the rear and rural areas. You need the right ad.

Given to Mela. It encourages all subscribers of fixed telephony.

Please reconnect.

- BSNL regularly accepts valuable feedback from customers

Satisfy and maintain your customers.

- BSNL should focus its crew on existing subscribers.

I added a new customer to my shopping cart.

- A key strength of BSNL is customer availability and trust. on

Companies must strive to take the leading position on the same platform.

Because the field of communication is very competitive today

Entry of strong players and new players.

5.3 CONCLUSION:

After analyzing BSNL's 4-year test balance and budget statement, you can conclude that:

BSNL faces competition issues. This reduces the profit of the company. BSNL pays more salaries to employees and workers. The company also paid more fees in 2017 than in the past two years. The company's main goal is to lead the telecommunications sector. And we focused mainly on consumer satisfaction. BSNL staff respond better to customers. I lack marketing ability. This reduces the demand for products. The company has extended product levels and services. Broadband, 3G, telephone line, cable connection, etc. Indeed, the individual competitor entered the market. They embrace new technologies and offer satisfying customer benefits. Fifty years ago, the communications department focused on communication and provided a variety of services.

Services provided by BSNL add brand image.

Liberalization, privatization and globalization paved the way for entry.

A new player in the field of communications. Technology development brings.

Extensive revolution in this industry. BSNL competes with competitors
The state-of-the-art technology is available thanks to a prominent management
configuration. center
BSNL for rural areas and national development
mountain. Even if there is competition mushroom growth entry,
BSNL faces intense competition by introducing value-added services.
As a result, competition makes BSNL bigger, stronger, and sharper. no
BSNL is on the path of US economic development.
Through effective service

LEARNING OUTCOME:

- I learned the difference between actual budget and budget through research.
- I understood the importance of budgeting in my business.
- You need to know the profile of BSNL.
- I supported the calculation of variance. And the ratio of dispersion.
- Difference between favorable bias and undesirable bias.

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ACHARYA INSTITUTE OF TECHNOLOGY

DEPARTMENT OF MBA

PROJECT (17MBAPR407) -WEEKLY REPORT

NAME OF THE STUDENT: Sowmya Shree H K

INTERNAL GUIDE: Mr.Shashi Kumar

USN: 11A17MBA54

COMPANY NAME: Bharath Sanchar Nigama Limited (BSNL), Tumkur

WEEK	WORK UNDERTAKEN	EXTERNAL GUIDE SIGNATURE	INTERNAL GUIDE SIGNATURE
3 rd Jan 2019 – 9 th Jan 2019	Industry Profile and Company Profile		
10 th Jan 2019 – 17 th Jan 2019	Preparation of Research instrument for data collection		
18 th Jan 2019 – 25 th Jan 2019	Data collection		
26 th Jan 2019 – 2 nd Feb 2019	Analysis and finalization of report		
3 rd Feb 2019 – 9 th Feb 2019	Findings and Suggestions		
10 th Feb 2019 – 23 rd Feb 2019	Conclusion and Final Report		

Company Seal
Accounts Officer (Cash)
Bharath Sanchar Nigam Limited
Telecom District,
TUMKUR



College Seal

HOD Signature

Head of the Department
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