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STUDY OF FINANCIAL AND HR PERSPECTIVE OF A FAILED JOINT VENTURE (NTT DOCOMO AND TATA TELESERVICES)

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ABSTRACT

As India's Telecommunication industry is the world's second largest industry which contribute a major portion in GDP. Telecommunication sector has turned up as a substantial performer in the Indian services demesne. Telecom industries have opted for Joint Ventures and Acquisitions as a strategic tool to elevate their performances. This study aims to investigate the impact of "Joint Venture and M&As (Mergers and Acquisitions)" in the Indian Telecom sector by basically comparing the performance of the corporate involved in M&A and joint venture before and after. M&As is the basic tool used for restructuring the corporate financially and strategically and the researchers found it desirable to analyze the affect of M&A and Joint Venture on financial performance as a value creation tool in Indian firms. The objective of the paper is to investigate several dimensions of joint venture by throwing some light on the financial and HR perspective related to Indian telecom sector in particular.

To highlight the impact of "joint venture" a case study on NTT DoCoMo with Tata Teleservices has been taken into consideration. In this paper we basically compared the status of the firm during the pre and post joint venture period with the help of financial parameters like ratio analysis such as Return on Total Assets (ROTA), Return on Capital Employed (ROCE), Return on Equity (ROE), Gross Profit Margin, Net Profit Margin, and Debt-Equity Ratio. Several studies have also highlighted that Companies pay ample amount of attention to financial and strategic issues during joint ventures and M&As, but they often ignore human

resource affairs. The role of personnel is oftentimes stationed in a marginal stance. Therefore, this study will try to address all the financial and HR issues generated out of M&As and joint ventures.

KEYWORDS

Telecom in India, Merger and Acquisition, joint venture, Financial and HR Perspective

INTRODUCTION

The telecommunication industry is the fastest developing industry in every country. Over the last decade and particularly over the last five years, a remarkable development has been registered by India in the telecommunications sector. India's tele-density has reached 76.55%, with the total subscriber base reaching 957.61 million that comprises of 569.56 million in urban and 388.05 million in rural territory (TRAI, Market Research). India today has the world's second largest network which is developing at a notable rate which is incomparable by any other country in the world. In today's information era, the telecommunication sector plays a very essential role.

Indian Telecommunication industry is more than 165 years old. Telecommunications was first introduced in 1851 in India. The first operational land lines were laid by the government near Kolkata (then Calcutta), although telephone services were formally introduced in India much later in 1881. In 1947, after India attained independence, all foreign telecommunication companies were nationalized to form the Posts, Telephone and Telegraph (PTT), a body that was governed by the Ministry of Communication. The government exemplifies its previous efforts towards the growth R&D in the sector by setting up an autonomous body – Centre for Development of Telematics (C-DOT) in 1984 to expand state-of-the-art telecommunication technology to meet the developing needs of the Indian telecommunication network. The actual development of the industry commenced after the Government divided the Department of Post and Telegraph in 1985 by setting up the Department of Posts and the Department of Telecommunications (DoT).

CONCEPT OF JOINT VENTURE

Joint Venture is a kind of business arrangement in which two or more parties come to an agreement to pool their resources with an intention to attain a specific task. This task can be a new project or any other business activity. In a joint venture, each party is accountable for profits, losses and costs related with it. However, the venture is its own entity, separate and apart from the participants' other business interests. In a joint venture, the parties agree to expand, for a limited period of time, a new entity and new assets by dispensing equity. They exercise control over the enterprise and consequently share revenues, expenses and assets.

The definition of a joint venture is a business deal in which two or more people combine their competence and impart the risk, profits and liabilities. Joint Ventures Companies are formed under Indian Companies Act. These Companies may be a private limited or a public limited. A joint venture has the following advantages:-

- more resources
- increased capacity
- rise in technical competence
- entry to recognized markets and the medium of distribution

JOINT VENTURE IN TELECOM SECTOR

If we talk about overseas joint venture, General Electric and Ericsson Company in recent times have entered a joint venture for the production of cellular telephone and mobile radio systems for the U.S. and Canadian markets.

Recently British Telecom Vodafone is looking forward for the 100 percent parent stake in Indian joint venture by its Indian partners, including Ajay Piramal-led Piramal Healthcare and Analjit Singh.

IMPORTANCE OF THE STUDY

Financial restructuring is the basic and the most important tool to gain synergy in this competitive scenario and in the past decade financial restructuring tools have created major impact in the corporate sector....Joint venture is the important form of corporate restructuring which do a create a great synergy for the companies involved in the event. Lots of researchers have studied on mergers and acquisitions but still there are very less studies which basically emphasize on joint ventures. This area of financial restructuring is still untouched taking into consideration these important facts, the researchers have undertaken this study to highlight the impact and significance of the not too touched form of financial restructuring that is “Joint venture”. In this particular research we have taken into consideration the case study method so that we can have an in-depth knowledge of the factor which is creating impact during the event.

LITERATURE REVIEW ON FINANCIAL RESTRUCTURING TOOLS

OBJECTIVES OF THE STUDY

The study has been done to make some significant contribution towards the following broad objectives-

- To find out the major impact of financial restructuring like “Joint venture” in Indian telecom Sector with the help of a case study.
 - (a) To investigate the impact of joint-venture with the help of comparative analysis of financial ratio.
 - (b) To study the impact of joint-venture with the help of comparative analysis of HR perspectives

HYPOTHESES OF THE STUDY

The following hypotheses have been formulated and tested to draw the conclusions:

H0: There is no considerable difference between pre and post joint venture financial performance.

- (a) There is no significant difference between pre and post joint venture “**Gross-Profit Ratio**”
- (b) There is no significant difference between pre and post joint venture “**Net-Profit Ratio**”
- (c) There is no significant difference between pre and post joint venture “**ROI**” Ratio
- (d) There is no significant difference between pre and post joint venture “**Debt –Equity Ratio**”
- (e) There is no significant difference between pre and post joint venture “**Dividend Pay-out Ratio**”
- (f) There is no significant difference between pre and post joint venture “**EPS Ratio**”

DATA AND METHODOLOGY

DATA

During past decade financial restructuring has emerged as an impact creating tool for the companies. In this particular research we have taken into consideration a case study on “Joint venture of NTT DOCOMO and TATA TELE SERVICES” for the period 2004-05 to 2011-12. And to maintain the authenticity of the research we have basically collected the data on annual basis from secondary source of information such as financial website, annual reports, journals, newspapers & magazines. To compare the pre and post joint venture financial performance of the company various influencing variables like “Gross-profit, Net profit, EPS, ROI, Debt equity ratio etc have been taken into consideration. For HR perspective we have collected the content from annual reports, newsletters, editorial expert views etc.

RESEARCH METHODOLOGY

To maintain the authenticity of the research we have applied difference of mean technique on the variables taken into the consideration. The independent sample t –test is used to check the significance which the event has created and the result was checked on the significance level of 95%. As referred in several papers the Independent sample T-test is the appropriate methodology used for the comparison among the average value of two groups, “**Nidhi Nalwaya and Rahul Vyas**” have also used independent sample t –test to compare the Pre and Post “M&A” in telecommunication sector. For HR perspective we have applied the content analysis methodology.

TATA TELESERVICES AND NTT DOCOMO

SAMPLE SIZE AND SAMPLE SELECTION

To make this study more precise researchers have selected a convenient sample of 01 company.

Acquirer Company	Year	Targeted Company	Deal Value
Tata Teleservices	November, 2008	NTT DoCoMo	\$ 2.7 Billion

TOOLS AND TECHNIQUES

For the analysis of the available financial information of the sample company, several techniques of applied research and accounting like comparative ratios have been employed. We have tried to calculate the following 6 major financial ratios which play a very important role in comparing the pre and post financial performance and their means were calculated for analyzing the accurate financial performance of the companies:

- Gross Profit Ratio (GPR)
- Net Profit Ratio (NPR)
- Return on Investment (ROI)
- Earnings Per Share (EPS)
- Debt -Equity Ratio (DER)
- Dividend Payout Ratio (DPR)

To maintain the authenticity and reliability of the analytical result these average ratios were further compared using **Paired Sample 't' test**. And **confidence interval of 95%** has been set for difference in means.

ANALYSIS OF THE FINANCIAL RESULTS

We have broadly divided our result of the research in two main section the first section mainly emphasizes on the financial ratios in this section we have compared the pre and post event ratios and have highlighted the discovered facts and figures in the next section to be more precise and accurate with our findings we have applied the "Independent sample "T- test "and have presented the significance which the event has created.

In the below mentioned table a comparative analysis of pre and post joint venture Ratios has been presented.

PRE AND POST JOINT VENTURE FINANCIAL PERFORMANCE OF SAMPLE CASE

CASE STUDY: TATA TELESERVICES AND NTT DoCoMo

(YEAR OF JOINT VENTURE: 2007-08)

TABLE 1: FINANCIAL RESULTS OF TATA TELESERVICES AND NTT DOCOMO DURING PRE AND POST JOINT VENTURE PERIOD

RATIOS	PRE MERGER PERIOD									
	NTT DOCOMO					TATA TELE SERVICES				
	2004-05	2005-06	2006-07	2007-08	AVER AGE	2004-05	2005-06	2006-07	2007-08	AVER AGE
Gross Profit Ratio (%)	61.55	60.98	58.53	58.37	59.8575	47.03	50.6	55.16	57.56	52.5875
Net Profit Ratio (%)	15.43	12.81	9.55	10.42	12.0525	-65.37	-49.41	-22.08	-7.37	-8.73
Return on Investment (%)	15.69	12.71	9.6	10.37	12.0925	-14.95	-14.66	-7.67	-2.69	-9.9925
Earnings per Share	158.11	134.58	103.74	114.11	127.635	-3.29	-3.17	-1.71	-0.62	-2.1975

Dividend Payout Ratio (%)	29.60 %	38.50 %	42.00 %	43.00 %	38.28 %	—	—	—	—	
Debt-Equity Ratio	0.2	0.15	0.11	0.09	0.1375	1.14	1.22	0.91	1.06	1.0825

RATIOS	POST MERGER PERIOD									
	NTT DOCOMO					TATA TELE SERVICES				
	2008-09	2009-10	2010-11	2011-12	AVERAGE	2008-09	2009-10	2010-11	2011-12	AVERAGE
Gross Profit Ratio (%)	61.77	62.68	60.09	60.52	61.265		54.85	51.97	48.88	38.925
Net Profit Ratio (%)	10.61	11.55	11.61	10.94	11.1775	-8.73	-15.16	3.54	-20.95	-10.325
Return on Investment (%)	9.76	9.75	9.39	8.79	9.4225	-3.11	-5.19	1.18	-8.52	-3.91
Earnings per Share	111.72	118.64	117.97	111.87	115.05	-0.79	-1.48	0.37	-2.41	-1.0775
Dividend Payout Ratio (%)	44%	44.1	50.1	50.2	36.21	—	—	—	—	
Debt-Equity Ratio	0.14	0.09	0.05	0.04	0.08	1.35	1.59	1.88	—	1.6

SECTION 1-: ANALYSIS ON THE BASIS OF COMPARISION OF FINANCIAL RATIOS

Based on the explanations from the above parameters which determine the profitability of the company, it can be concluded that both the company have suffered losses after this particular joint venture, NTT DoCoMo was performing much better before this joint venture while Tata Teleservices was already facing losses before this joint venture and this venture didn't helped both the companies in any sense.

Gross Profit Ratio (GPR)

When we compare the average of Gross Profit Ratio (GPR) for NTT DoCoMoCompany **before joint venture** it was **59.8%** while that of the Tata Teleservices was 59.6%. After joint venture the average gross profit ratio of NTT DoCoMohaas increased to 61.26% and that of Tata Teleservices has declined to 38.925%. This shows that the company NTT DoCoMo has increased its gross profit margin to some level after the joint venture, but Tata Teleservices was not able to make profit out of this joint venture but as this was a joint venture there might be some other reasons also for the increase in Gross profit ratio of NTT DoCoMoand vice versa.

Net Profit Ratio (NPR)

When we compare the average of Net Profit Ratio (NPR) for NTT DoCoMoCompany before joint venture it was 12.05% while that of the Tata Teleservices was -8.73%. After joint venture the average net profit ratio of NTT DoCoMo has decreased to 11.177% and that of Tata Teleservices has declined to -10.32%. This shows that after the joint venture both the companies have faced declination in their profits. Tata Teleservices was already facing losses and this particular joint venture didn't help the company to overcome these losses.

Return on Investment (ROI)

When we compare the Return on Investment (ROI) forNTT DoCoMoCompany before joint venture it was 12.09% while that of the Tata Teleservices was -9.99%. After joint venture the ROIof NTTDoCoMo has

decreased to 9.42% and that of Tata Teleservices has slightly increased to -3.91%. This shows that after the joint venture NTT DoCoMo was even not able to overcome its investments while Tata Teleservices which was before joint venture not in a condition to overcome its investment has started reducing the margin after the joint-venture. But as this was a joint venture there may be some other reasons also for this reduction in the margin like positive market sentiments or due to some other operations of Tata Teleservices.

Earning per Share (EPS)

When we compare the Earning per Share (EPS) for NTT DoCoMo Company before joint venture it was 127 while that of the Tata Teleservices was -2.19. After joint venture the EPSI of NTTDoCoMo has decreased to 115 and that of Tata Teleservices has slightly increased to -1.077. This shows that after the joint venture NTT DoCoMo was even not able to earn sufficient on its shares as compared to its previous performance while Tata Teleservices which was before joint venture not in a condition to earn sufficient on its share has started reducing the margin after the joint-venture.

Dividend Payout Ratio (DPR)

When we compare the Dividend Payout Ratio (DPR) for NTT DoCoMo Company before joint venture it was 38.22% while that of the Tata Teleservices was nil as it was facing losses and was not paying any dividend to its shareholders. After joint venture Dividend Payout Ratio of NTTDoCoMo has decreased to 36.25%. The reason is obvious as the company is not making any profit from this particular joint venture and was not even able to overcome its investments it has started paying less to its share holders.

Debt Equity Ratio

When we compare the Debt Equity Ratio for NTT DoCoMo Company before joint venture it was 0.137 while that of the Tata Teleservices was 1.08 this shows that NTT DoCoMo was working more on owner's money and was preferring less debt in its capital structure, while Tata Teleservices was using more debt and less owner's equity after the joint venture NTT DoCoMo Debt Equity ratio has changed to .08 indicating that company has now started taking more debt in comparison to pre joint venture the reason might be the losses which company has suffered after the joint venture while Tata Teleservices Debt equity ratio has increased to 1.6 indicating that company has started taking more debt after joint venture .

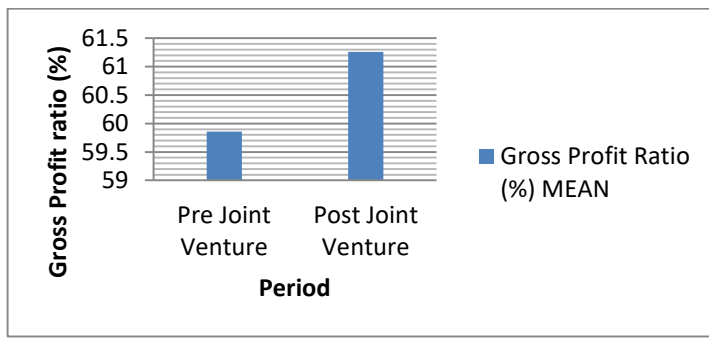
SECTION2:- FINANCIAL INDICATOR-WISE ANALYSIS (INDEPENDENT SAMPLE T-test)

(A) Gross Profit Ratio of NTT DoCoMo

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Joint Venture	4	59.8575	1.64	-1.39	6	Not Significant
Post Joint Venture	4	61.26	1.18			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=.1068$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 1: Pre & Post Merger Gross Profit Ratio Position of NTT DoCoMo

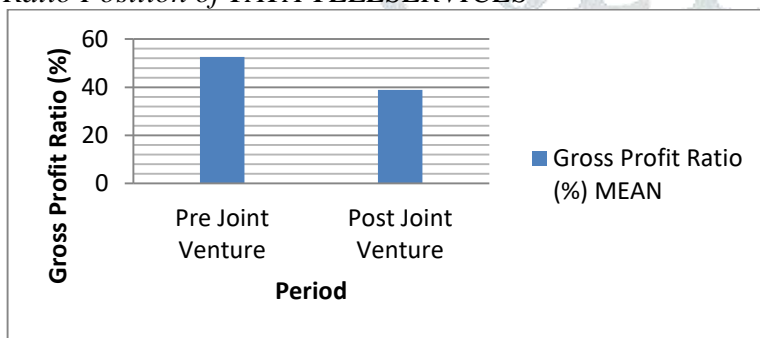


(B) Gross Profit Ratio of TATA TELESERVICES

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Joint Venture	4	52.5875	4.69	.219	6	Not Significant
Post Joint Venture	4	38.925	2.98			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=.4172$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 2: Pre & Post joint venture Gross Profit Ratio Position of TATA TELESERVICES



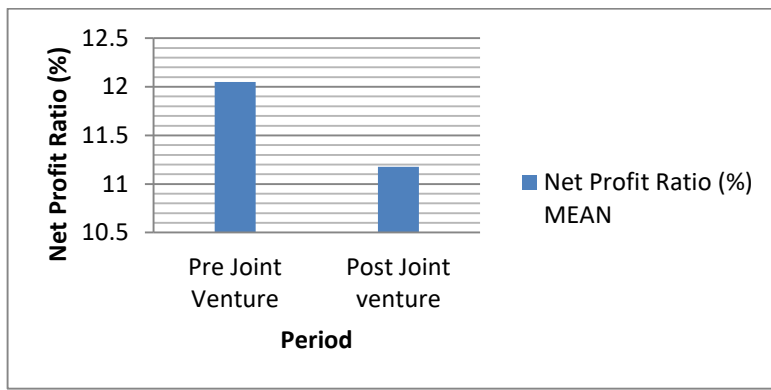
(C) Net Profit Ratio of NTT DoCoMo

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Joint Venture	4	12.05	2.64	.651	6	Not Significant
Post Joint Venture	4	11.177	.484			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=.0.269283771$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 3: Pre & Post joint venture Net Profit Ratio Position of NTT DoCoMo



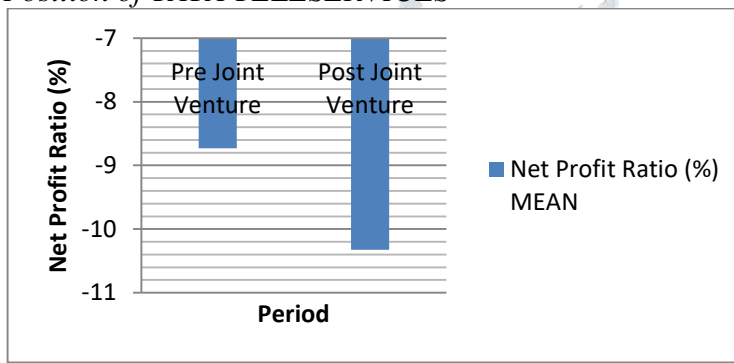


(D) Net Profit Ratio of TATA TELESERVICES

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	-8.73	26.177	-1.8	6	Not Significant
Post Merger	4	-10.325	10.504			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=.058938$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 4: Pre & Post joint venture Net Profit Ratio Position of TATA TELESERVICES

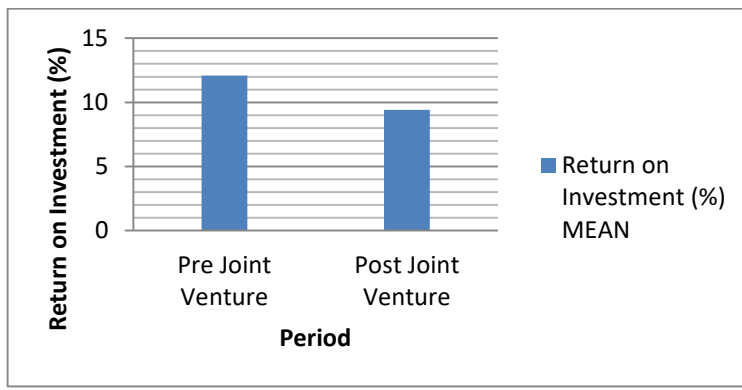


(E) Return On Investment of NTT DoCoMo

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	12.09	2.73	1.923	6	Not Significant
Post Merger	4	9.42	.455			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=.051938$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 5: Pre & Post joint venture ROI Ratio Position of NTT DoCoMo

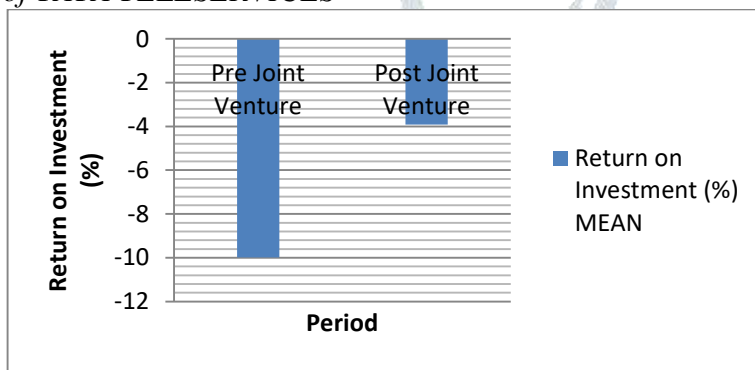


(F) Return On Investment of TATA TELESERVICES

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	-9.99	5.91	-1.6	6	Not Significant
Post Merger	4	-3.91	4.05			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=0.070501$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 6: Pre & Post Merger ROI Ratio Position of TATA TELESERVICES

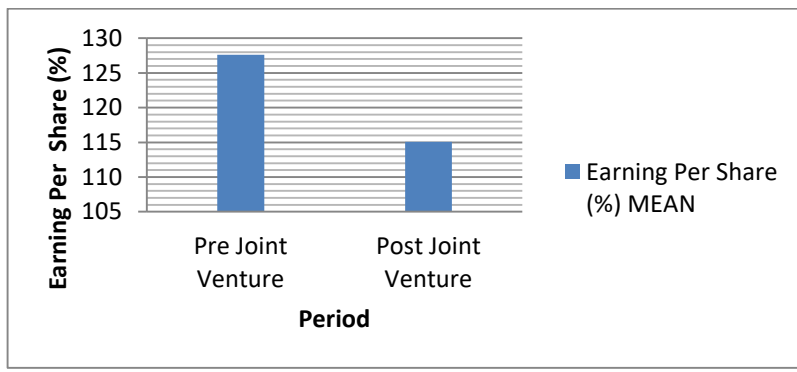


(G) Earnings Per Share of NTT DoCoMo

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	127.635	24.01	1.035	6	Not Significant
Post Merger	4	115.05	3.76			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=0.170238$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 7: Pre & Post joint venture EPS Ratio of NTT DoCoMo

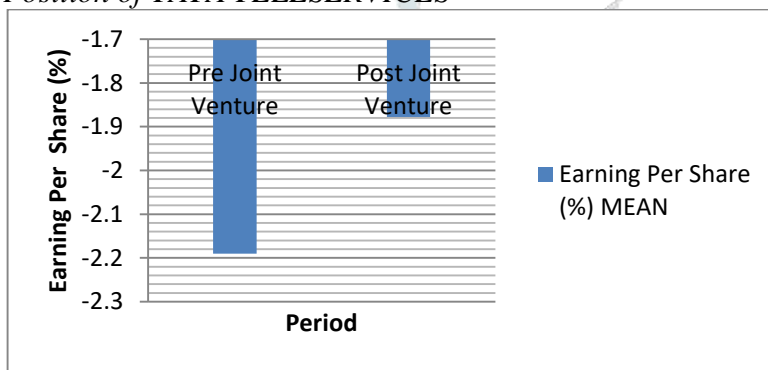


(H) Earning Per Share of TATA TELESERVICES

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	-2.19	1.27	-1.2	6	Not Significant
Post Merger	4	-1.8775	1.17			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=0.121517$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 8: Pre & Post joint venture EPS Ratio Position of TATA TELESERVICES

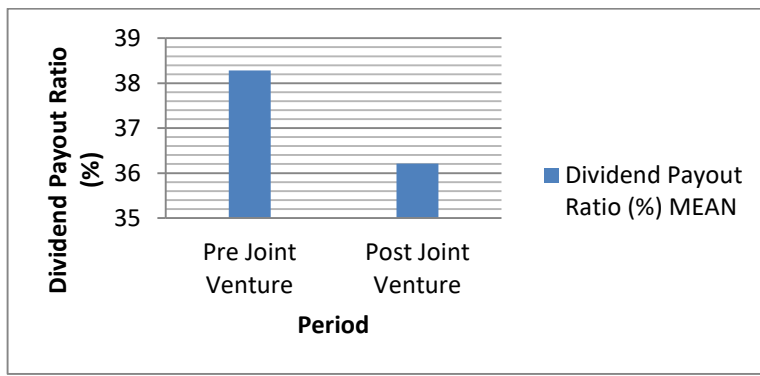


(I) DIVIDEND PAYOUT RATIO of NTT DoCoMo

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	38.28	.06	-2.98	6	Not Significant
Post Merger	4	36.21	24.01			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was significant ($p=.012262$ at 5% level of significance). Hence the hypothesis taken '**There is no considerable difference between pre & post merger financial performance**' is proved to be rejected

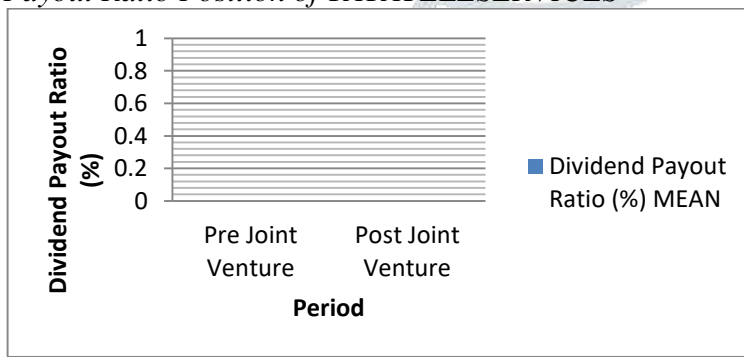
Graphical representation of the above the above position- Figure 9: Pre & Post Merger Dividend Payout Ratio Position of NTT DoCoMo



(J) DIVIDEND PAYOUT RATIO of TATATELE SERVICES

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	-	-	-	6	*
Post Merger	4	-	-			

Graphical representation of the above the above position- Figure 10: Pre & Post Joint venture Dividend Payout Ratio Position of TATATELESERVICES

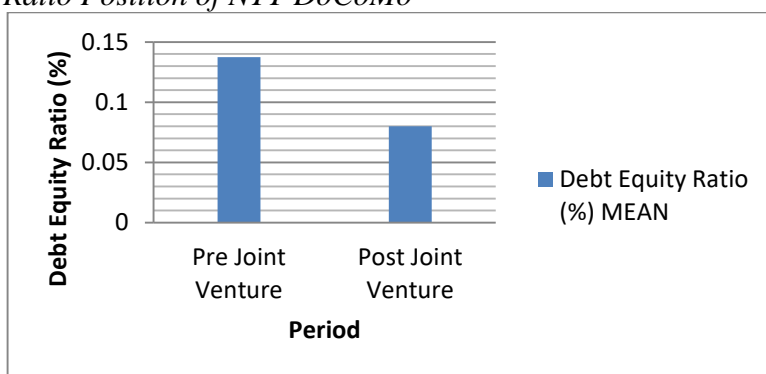


(K) DEBT EQUITY RATIO of NTT DoCoMo

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	0.1375	.485	1.72	6	Not Significant
Post Merger	4	0.08	.414			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=0.06729$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected.

Graphical representation of the above the above position- Figure 11: Pre & Post joint venture Debt Equity Ratio Position of NTT DoCoMo

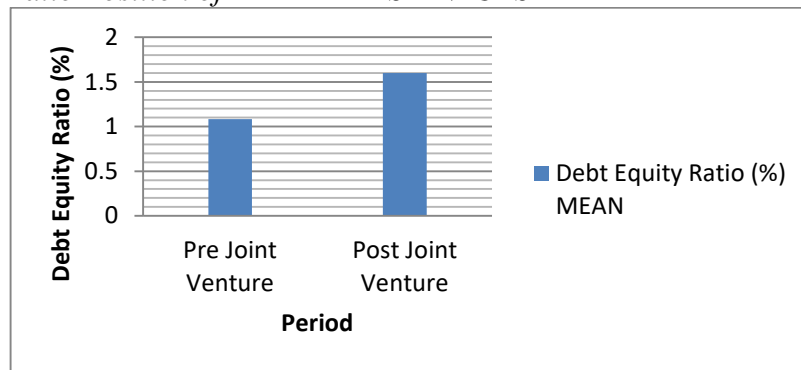


(L) DEBT EQUITY RATIO of TATA TELESERVICES

PERIOD	N	MEAN	SD	t	Degree of freedom	Result
Pre Merger	4	1.082	.132	-2.908	6	Not Significant
Post Merger	4	1.6	.265			

The test for difference of mean was applied to check whether the difference in the pre merger and post merger was significant or not. The test results show that the difference in the pre joint venture and post joint venture period was non-significant ($p=.390496$ at 5% level of significance). Hence the hypothesis taken '**There is a considerable difference between pre & post merger financial performance**' is proved to be rejected

Graphical representation of the above the above position- Figure 12: Pre & Post joint venture Debt Equity Ratio Position of TATA TELESERVICES

**ANALYSIS OF HR PERSPECTIVE PRE AND POST JOINT VENTURE OF SAMPLE CASE**

Some duplication of tasks is likely to arise depending upon the type of joint venture and M&As and the volume of alliance between the two firms, resulting in the termination of few employees and managers. Other employees are oftentimes enforced to pick up the slack and do these faithfully because they are afraid of being the next to receive get the termination letter. The amplified tasks in hand and the prospective threat of layoff bring about extensive stress for employees, particularly in the acquired firm.

LIMITATIONS OF THE STUDY

Although in the research we have tried whole heartedly to encompass the pre and post joint venture performance of the selected case but still the study contain lots of limitation and area of improvements, As restructuring event bring a lot of changes in many perspectives of the involved entities but the research only touch the financial and HR perspectives. Secondly as this is a case study the result concluded can't be generalized so to have the more generalized result. There is a need to broaden the area of study .Thirdly many financial indicators are still untouched which can be responsible for major changes. Finally the limitation of the availability of HR related data.

CONCLUSIONS

To analyze the financial performance of sample case during pre & post joint venture period, six major financial ratios were used as financial indicators. On the basis of analytical study of the sample case, the following conclusions have been drawn which are perfectly in the line of objectives predetermined:

- The results of independent Sample-t test were not significant which further proves that this particular joint venture was not fruitful for the Tata Teleservices and NTT DoCoMo. The hypothesis has also been proved as null. The sample-t test was undertaken to calculate the difference between the mean values. But, the difference between pre and post joint ventures was not much which further signifies that the company was earning losses.
- Although this particular case study shows that this joint venture was not successful but still there can be another reasons also which plays an important role such as the HR related issues, government policies, decrease in the shareholder's wealth.

- Tata Teleservices was already suffering from loss but after the joint venture NTT DoCoMo also started suffering loss. Due to this very reason NTT DoCoMo has moved from this particular joint venture.

SUGGESTIONS

After concluding the results of this study, the following suggestions have been laid out:

- To have more generalized result the area of the study need to more broaden and diversified.
- In this sample study we have observed that economic environment like limited resources, obsolete technology, poor management pattern, inadequate marketing efforts and weak government policies etc. are the basic reason of lesser growth of telecommunication sector. It is therefore suggested to re-organize this sector through financial restructuring but in financial restructuring supportive and flexible government policies are must..
- In order to make sense of HRM challenges in the different types of joint ventures a strategic fit should be built between joint ventures and HRM strategies.
- More case study can be taken to be compared with each other so that we can have more precise factors for the failure and success of the restructuring events.

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