



TELECOMMUNICATIONS

INDUSTRY FINANCING GUIDE



Working Capital Management & Strategic Capital Solutions

TELECOM INDUSTRY OVERVIEW



1.25B+

Subscriber Base



35GB+

Data per User



9.5%

Services CAGR



₹3.2L CR

Infra Investment

- ✓ **Market Standing:** World's second-largest market.
- ✓ **Segments:** Wireless, Wireline, Satellite, B2B.
- ✓ **Strategic Oligopoly:** 3 Private Players + 1 PSU.
- ⚡ **Growth Drivers:** 5G/6G, IoT, Digital India Mission.
- 🔧 **Regulatory:** Telecommunications Act (2025).
- 🌐 **Competitive:** Lowest ARPU globally, massive scale.

OPERATIONAL PROCESS LIFECYCLE



01

SPECTRUM

Auctions, regulatory compliance & license management.

02

INFRA

90-180 Days: Tower erection & fiber network integration.

03

DELIVERY

Instant: E-KYC, provisioning & network optimization.

04




BILLING

Monthly: Real-time prepaid & postpaid realization.




KEY RESOURCES & CRITICAL INPUTS



PHYSICAL ASSETS

-  **Passive:** Towers, Fiber Cables, Data Centers.
-  **Active:** BTS, Routers, Core Switches.
-  **Spectrum:** Frequency bands (Sub-GHz to mmWave).

INTELLECTUAL & HUMAN

-  **Talent:** Engineers, Cyber Experts, Retail Nets.
-  **Compliance:** TRAI/DoT norms & security audits.
-  **Systems:** E-KYC and Real-time charging platforms.

WORKING CAPITAL CYCLE DYNAMICS




CASH GAP ANALYSIS

While retail prepaid provides instant cash, heavy B2B contracts and infrastructure maintenance create a gap.

30 – 60 DAYS

Liquidity Gap requiring Financing

-  **Inventory:** 15–30 Days (Minimal SIMs/Handsets).
-  **Receivables:** 30–90 Days (B2B/Govt terms).
-  **Payables:** 45–60 Days (Energy & AMC).

COMMON MISTAKES TO AVOID

HIGH CHURN RATE

Losing customers increases Subscriber Acquisition Cost (SAC) and drains lifetime value.

UNDERFUNDING MAINTENANCE

Ignoring WC for energy (diesel/power) leads to network downtime and penalties.

IGNORING UNBILLED REVENUE

Failing to track WIP on long-term enterprise project installations creates cash leaks.

WEAK FRAUD MGMT

Revenue loss via "SIM boxing" or international bypass fraud impacts margins.

KEY OPERATING RATIOS (2026)



Performance Metric	Industry Standard	Significance
ARPU (Monthly)	₹210 - ₹250	Revenue potential per user
EBITDA Margin	45% - 52%	Operational efficiency
Churn Rate	< 1.5% per month	Customer retention health
Debt to EBITDA	3.5x - 4.5x	Leverage for CAPEX intensity
NPS Score	> 40	Brand advocacy level

REVENUE REALIZATION PERIODS



Strategic Tip: Incentivize "Auto-pay" for postpaid customers to reduce collection costs and improve AR turnover.

INDUSTRY THREATS & CRITICAL CHALLENGES

 **Regulatory Dues:** AGR installments impact free cash flow.

 **Obsolescence:** Rapid 5G to 6G cycle demands massive CAPEX.

 **Data Privacy:** Cyber-attacks on national infrastructure.

 **Energy Volatility:** Running towers 24/7 is a high Opex burden.

HOW TERKAR CAPITAL CAN HELP



UNSECURED WC

Up to ₹5 Cr for spikes in maintenance/op-costs.



EQUIP FINANCE

Funding for 5G/6G radios and fiber machinery.



INVOICE DISCOUNT

Immediate liquidity for B2B/Corporate billing.

7-10 DAYS

Disbursement

9% PA ONWARDS

Interest Rates

15+ YEARS

Industry Expertise



PARTNER WITH US

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