

Appendix

(All amounts are in millions of Indian Rupee)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flows from operating activities		
Loss before tax	(428,465)	(17,318)
Adjustments for:		
Depreciation and amortisation expense	276,896	213,475
Finance costs	137,261	110,134
Finance income	(16,098)	(14,240)
Share of profit of joint ventures and associates (net)	(6,524)	(3,556)
Exceptional items (net)	401,619	(32,792)
Employee share-based payment expense	357	345
Loss / (profit) on sale of property, plant and equipment	10	(175)
Other non-cash items	5,132	11,909
Operating cash flow before changes in working capital	370,188	267,782
Changes in working capital		
Trade receivables	(8,925)	8,427
Trade payables	(2,477)	21,580
Inventories	(522)	(191)
Provisions	(128,107)	(107)
Other financial and non-financial liabilities	19,064	(20,955)
Other financial and non-financial assets	(44,997)	(64,128)
Net cash generated from operations before tax	204,224	212,408
Income tax paid (net)	(22,937)	(11,706)
Net cash generated from operating activities (a)	181,287	200,702
Cash flows from investing activities		
Purchase of property, plant and equipment and capital work-in-progress	(191,902)	(260,971)
Proceeds from sale of property, plant and equipment	1,317	1,225
Purchase of intangible assets	(15,266)	(33,804)
Payment towards spectrum - Deferred payment liability*	(15,424)	(11,720)
Net movement in current investments	(85,236)	18,158
Sale of non-current investments	2,950	44,976
Purchase of non-current investments	-	(57,067)
Consideration / advance for acquisitions, net of cash acquired	(1,345)	(5,083)
Sale of tower assets	-	3,051
Investment in Associates	(4,761)	(60)
Dividend received	-	11,493
Interest received	4,748	4,793
Net cash used in investing activities (b)	(304,919)	(285,009)

Continued

(All amounts are in millions of Indian Rupee)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flows from financing activities		
Net proceeds from issue of shares (Rights issue)	248,759	-
Net proceeds from issue of shares (QIP)	143,055	-
Net proceeds from issuance of FCCBs	70,456	-
Proceeds from borrowings	377,400	353,141
Repayment of borrowings	(439,813)	(345,359)
Repayment of lease liabilities	(47,740)	(5,077)
Net (repayments) / proceeds from short-term borrowings	(117,140)	98,101
Proceeds from sale and finance leaseback of towers	-	1,688
Purchase of treasury shares	(497)	(248)
Interest and other finance charges paid	(109,993)	(76,171)
Proceeds from exercise of share options	5	10
Dividend paid (including tax)	(18,263)	(46,617)
Net proceeds from issuance of equity shares to Non-controlling interest	57,144	104,341
Net proceeds from issuance of perpetual bonds to Non-controlling interest	71,370	-
Net payment towards derivatives	(41,517)	-
Sale of interest in a subsidiary	-	16,238
Purchase of shares from Non-controlling interest	-	(5,409)
Payment on maturity of forwards	(1,782)	-
Net cash generated from financing activities (c)	191,444	94,638
Net increase in cash and cash equivalents during the year (a+b+c)	67,812	10,331
Effect of exchange rate on cash and cash equivalents	8,934	2,153
Cash and cash equivalents as at beginning of the year	53,793	41,309
Cash and cash equivalents as at end of the year (Note 16)	130,539	53,793

*Cash flows towards spectrum acquisition are based on the timing of payouts to DoT (viz. upfront / deferred).

Figure 1: Analysis of Bharti Airtel Cash Flow Statements

Source: Bharti Annual report (2020)

Cash Flow Statement Analysis of Bharti Airtel

Vertical analysis of cash flow

Cash Flow					
Rs (in Crores)					
Particulars	Mar'20	Mar'19	Mar'18	Mar'17	Mar'16
Profit Before Tax	-51020.90	-5243.90	-681.20	-8509.50	10254.40
Net Cash Flow from Operating Activity	4026.40	10812.10	15954.30	21165.50	19449.90
Net Cash Used in Investing Activity	-22271.50	-20455.90	-19441.60	-24283.20	-21989.30
Net Cash Used in Financing Activity	21114.10	9397.60	3867.70	3455.70	1898.40
Net Inc/Dec In Cash and Cash Equivalent	2869.00	-246.20	380.40	338.00	-641.00
Cash and Cash Equivalent - Beginning of the Year	170.70	416.90	82.20	-255.80	385.20
Cash and Cash Equivalent - End of the Year	3039.70	170.70	462.60	82.20	-255.80

Figure 2 Vertical analysis of cash flow of Bharti Airtel

Source- The Economic Times, 2021

Horizontal analysis of cash flow

BHARTI AIRTEL Cash Flow Statement 2019-20

Particulars	No. of months	12	12	% Change
	Year Ending	Mar-19	Mar-20	
Cash Flow from Operating Activities	Rs m	200,702	181,287	-9.7%
Cash Flow from Investing Activities	Rs m	-285,009	-304,919	-
Cash Flow from Financing Activities	Rs m	94,368	191,444	102.9%
Net Cash Flow	Rs m	12,214	76,746	528.3%

Figure 3 Horizontal analysis of cash flow of Bharti Airtel

Source- equitymaster, 2021

	Notes	As of March 31, 2020	As of March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	5	877,573	815,228
Capital work-in-progress	5	39,972	88,433
Right-of-use assets	35	259,049	-
Goodwill	6	346,192	332,562
Other intangible assets	6	809,741	860,525
Intangible assets under development	6	2,851	7,909
Investment in joint ventures and associates	7	96,808	88,937
Financial assets			
- Investments	9	20,278	21,941
- Derivative instruments	10	41	3,105
- Security deposits	11	8,728	16,452
- Others	12	14,696	9,242
Income tax assets (net)		21,088	17,694
Deferred tax assets (net)	13	270,160	89,379
Other non-current assets	14	74,181	71,511
		2,841,358	2,422,918
Current assets			
Inventories		1,569	884
Financial assets			
- Investments	9	137,679	46,232
- Derivative instruments	10	2,792	426
- Trade receivables	15	46,058	43,006
- Cash and cash equivalents	16	135,507	62,121
- Other bank balances	16	23,420	18,519
- Others	12	210,523	20,343
Other current assets	14	208,884	137,111
		766,432	328,642
Total assets		3,607,790	2,751,560
Equity and liabilities			
Equity			
Equity share capital	17	27,278	19,987
Other equity		744,170	694,235
Equity attributable to owners of the Parent		771,448	714,222
Non-controlling interests (NCI)		249,847	135,258
		1,021,295	849,480
Non-current liabilities			
Financial liabilities			
- Borrowings	19	910,792	824,901
- Lease liabilities		243,678	47,553
- Derivative instruments	10	292	826
- Others	20	67,399	62,131
Deferred revenue	24	25,033	17,986
Provisions	21	7,548	6,823
Deferred tax liabilities (net)	13	16,877	11,297
Other non-current liabilities	22	-	429
		1,271,619	971,946
Current liabilities			
Financial liabilities			
- Borrowings	19	167,034	310,097
- Current maturities of long-term borrowings	19	98,364	71,732
- Lease liabilities		62,413	-
- Derivative instruments	10	568	12,742
- Trade payables		250,199	263,138
- Others	20	168,354	175,139
Deferred revenue	24	55,004	43,993
Provisions	21	451,093	6,701
Current tax liabilities (net)		13,519	8,228
Other current liabilities	22	48,328	38,364
		1,314,876	930,134
Total liabilities		2,586,495	1,902,080
Total equity and liabilities		3,607,790	2,751,560

Figure 4: Balance Sheet of Bharti Airtel

Source: Airtel annual report (2020)

Balance Sheet Analysis of Bharti Airtel

Vertical analysis of balance sheet

BalanceSheet - Bharti Airtel Ltd.					
Rs (in Crores)					
Particulars	Mar'20	Mar'19	Mar'18	Mar'17	Mar'16
Liabilities	12 Months	12 Months	12 Months	12 Months	12 Months
Share Capital	2727.80	1998.70	1998.70	1998.70	1998.70
Reserves & Surplus	98347.20	96307.20	100862.20	99208.60	109730.40
Net Worth	101075.00	98305.90	102860.90	101207.30	111729.10
Secured Loan	82717.40	83752.50	-5244.90	-3483.00	.00
Unsecured Loan	.00	.00	67781.00	60372.90	42156.90
TOTAL LIABILITIES	183792.40	182058.40	165397.00	158097.20	153886.00
Assets					
Gross Block	233712.00	200317.00	180754.60	163428.00	137060.80
(-) Acc. Depreciation	72032.70	66505.10	58145.20	51905.20	45135.30
Net Block	161679.30	133811.90	122609.40	111522.80	91925.50
Capital Work in Progress	1258.70	5636.50	5542.70	9600.20	3830.30
Investments	38726.80	37579.80	48128.20	45959.00	69897.30
Inventories	3.10	1.00	6.30	3.90	5.30
Sundry Debtors	3810.00	3840.30	4319.60	3211.80	3172.40
Cash and Bank	3397.60	235.30	545.10	173.40	46.60
Loans and Advances	91497.30	41802.70	23786.00	21166.50	16150.60
Total Current Assets	98708.00	45879.30	28657.00	24555.60	19374.90
Current Liabilities	75629.50	40547.60	39231.10	33178.30	30800.80
Provisions	40950.90	301.50	309.20	362.10	341.20
Total Current Liabilities	116580.40	40849.10	39540.30	33540.40	31142.00
NET CURRENT ASSETS	-17872.40	5030.20	-10883.30	-8984.80	-11767.10
Misc. Expenses	.00	.00	.00	.00	.00
TOTAL ASSETS(A+B+C+D+E)	183792.40	182058.40	165397.00	158097.20	153886.00

Figure 5 Vertical analysis of balance sheet of Bharti Airtel

Source- The Economic Times, 2021

Horizontal analysis of balance sheet

No. of Mths Year Ending		12 Mar-19*	12 Mar-20*	% Change
Networth	Rs m	714,222	71,448	-90.0
Current Liabilities	Rs m	930,134	1,314,876	41.4
Long-term Debt	Rs m	824,901	910,792	10.4
Total Liabilities	Rs m	2,751,560	3,607,790	31.1
Current assets	Rs m	328,642	766,432	133.2
Fixed Assets	Rs m	1,772,095	1,989,186	12.3
Total Assets	Rs m	2,751,560	3,607,790	31.1

Figure 6 Horizontal analysis of balance sheet of Bharti Airtel

Source- equitymaster, 2021

- The company's current liabilities during FY20 stood at Rs 1,315 billion as compared to Rs 930 billion in FY19, thereby witnessing an increase of 41.4%.
- Long-term debt stood at Rs 911 billion as compared to Rs 825 billion during FY19, a growth of 10.4%.
- Current assets rose 133% and stood at Rs 766 billion, while fixed assets rose 12% and stood at Rs 1,989 billion in FY20.
- Overall, the total assets and liabilities for FY20 stood at Rs 3,608 billion as against Rs 2,752 billion during FY19, thereby witnessing a growth of 31%.

(All amounts are in millions of Indian Rupee; except per share data)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Income			
Revenue from operations	24	875,390	807,802
Other income		3,248	3,463
		878,638	811,265
Expenses			
Network operating expenses	25	197,685	225,132
Access charges		107,395	93,521
License fee / Spectrum charges		72,561	69,426
Employee benefits expense	26	38,072	37,975
Sales and marketing expenses	27	34,325	41,568
Other expenses	29	59,257	82,542
		509,295	550,164
Profit from operating activities before depreciation, amortisation and exceptional items			
		369,343	261,101
Depreciation and amortisation expense			
Depreciation and amortisation expense	28	276,896	213,475
Finance costs	30	139,918	106,222
Finance income	30	(16,098)	(10,328)
Non-operating expenses (net)		1,272	1,894
Share of profit of associates and joint ventures (net)	7	(6,524)	(3,556)
Loss before exceptional items and tax			
		(26,121)	(46,606)
Exceptional items (net)			
	31	402,344	(29,288)
Loss before tax			
		(428,465)	(17,318)
Tax expense / (credit)			
Current tax	13	23,738	19,391
Deferred tax	13	(145,561)	(53,584)
(Loss) / profit for the year			
		(306,642)	16,875
Other comprehensive income ("OCI")			
Items to be reclassified subsequently to profit or loss :			
Net gains / (losses) due to foreign currency translation differences		4,814	(15,739)
Net losses on net investment hedge		(10,856)	(1,754)
Net losses on cash flow hedge		(109)	(833)
Net losses on fair value through OCI investments		(108)	(45)
Tax credit on above	13	2,883	5,428
		(3,376)	(12,943)
Items not to be reclassified to profit or loss :			
Re-measurement (losses) / gains on defined benefit plans	26.2	(76)	47
Tax charge on above	13	(41)	(62)
Share of OCI of associates and joint ventures	7	15	(12)
		(102)	(27)
Other comprehensive loss for the year			
		(3,478)	(12,970)
Total comprehensive (loss) / income for the year			
		(310,120)	3,905
(Loss) / income for the year attributable to :			
		(306,642)	16,875
Owners of the Parent		(321,832)	4,095
Non-controlling interests		15,190	12,780
Other comprehensive loss for the year attributable to :			
		(3,478)	(12,970)
Owners of the Parent		(11,748)	(10,216)
Non-controlling interests		8,270	(2,754)
Total comprehensive (loss) / income for the year attributable to :			
		(310,120)	3,905
Owners of the Parent		(333,580)	(6,121)
Non-controlling interests		23,460	10,026
(Loss) / earnings per share (Face value: ₹ 5/- each)*			
Basic	32	(63.41)	0.96
Diluted	32	(63.41)	0.96

Figure 7 Bharti Airtel Income Statement

Source: Airtel annual report (2020)

Income Statement Analysis of Bharti Airtel

Vertical analysis of Income statement

INCOME:					
Sales Turnover	54317.10	49606.00	53663.00	62276.30	60300.30
Excise Duty	.00	.00	.00	.00	.00
NET SALES	54317.10	49606.00	53663.00	62276.30	60300.30
Other Income	2242.5000	2632.7000	235.6000	184.3000	172.9000
TOTAL INCOME	56559.60	52238.70	53898.60	62460.60	60473.20
EXPENDITURE:					
Manufacturing Expenses	27958.30	29321.40	27408.60	29528.10	28776.00
Material Consumed	.00	.00	.00	.00	.00
Personal Expenses	1520.20	1471.00	1720.90	1738.50	1864.80
Selling Expenses	479.10	537.40	578.70	720.00	748.50
Administrative Expenses	4225.90	5989.80	6149.90	6596.80	6599.80
Expenses Capitalised	.00	.00	.00	.00	.00
Provisions Made	.00	.00	.00	.00	.00
TOTAL EXPENDITURE	34183.50	37319.60	35858.10	38583.40	37989.10
Operating Profit	20133.60	12286.40	17804.90	23692.90	22311.20
EBITDA	22376.10	14919.10	18040.50	23877.20	22484.10
Depreciation	20392.10	15120.20	13048.60	12203.40	9575.30
Other Write-offs	.00	.00	.00	.00	.00
EBIT	1984.00	-201.10	4991.90	11673.80	12908.80
Interest	11463.10	7847.70	5069.00	2912.50	1974.50
EBT	-9479.10	-8048.80	-77.10	8761.30	10934.30
Taxes	-14932.70	-3374.70	-760.40	1416.10	2474.10
Profit and Loss for the Year	5453.60	-4674.10	683.30	7345.20	8460.20
Non Recurring Items	-41548.80	2814.50	-598.40	-17273.30	-683.30
Other Non Cash Adjustments	.00	.00	.00	.00	.00
Other Adjustments	7.00	-9.60	-5.70	2.50	3.40
REPORTED PAT	-36088.20	-1869.20	79.20	-9925.60	7780.30
KEY ITEMS					
Preference Dividend	.00	.00	.00	.00	.00
Equity Dividend	.00	1998.80	463.60	253.80	887.20
Equity Dividend (%)	.00	100.00	23.20	12.70	44.39
Shares in Issue (Lakhs)	54555.57	39974.00	39974.00	39974.00	39974.00
EPS - Annualised (Rs)	-66.15	-4.68	.20	-24.83	19.46

Rs (in Crores)

Figure 8 Vertical analysis of Income statement of Bharti Airtel

Source- The Economic Times, 2021

Horizontal analysis of Income statement

BHARTI AIRTEL Income Statement 2019-20

No. of Mths Year Ending		12 Mar-19*	12 Mar-20*	% Change
Net Sales	Rs m	807,802	875,390	8.4%
Other income	Rs m	3,463	3,248	-6.2%
Total Revenues	Rs m	811,265	878,638	8.3%
Gross profit	Rs m	269,628	387,445	43.7%
Depreciation	Rs m	213,475	276,896	29.7%
Interest	Rs m	106,222	139,918	31.7%
Profit before tax	Rs m	-46,606	-26,121	-44.0%
Tax	Rs m	-34,193	-121,823	256.3%
Profit after tax	Rs m	16,875	-306,642	-1,917.1%
Gross profit margin	%	33.4	44.3	
Effective tax rate	%	73.4	466.4	
Net profit margin	%	2.1	-34.9	

Figure 9 Horizontal analysis of Income statement Bharti Airtel

Source- equitymaster, 2021

- Operating income during the year rose 8.4% on a year-on-year (YoY) basis.
- The company's operating profit increased by 43.7% YoY during the fiscal. Operating profit margins witnessed a fall and down at 44.3% in FY20 as against 33.4% in FY19.
- Depreciation charges increased by 29.7% and finance costs increased by 31.7% YoY, respectively.
- Other income declined by 6.2% YoY.
- Net profit for the year declined by 1917.1% YoY.
- Net profit margins during the year declined from 2.1% in FY19 to 34.9% in FY20.

Balance Sheet Analysis of Reliance Jio

Vertical analysis of balance sheet

Rs (in Crores)

Particulars	Mar'20	Mar'19	Mar'18	Mar'17	Mar'16
Liabilities	12 Months	12 Months	12 Months	12 Months	12 Months
Share Capital	6340.00	6339.00	6350.00	3255.00	3248.00
Reserves & Surplus	418244.00	398983.00	308297.00	285058.00	236936.00
Net Worth	424584.00	405322.00	314647.00	288313.00	240184.00
Secured Loan	36949.00	15231.00	2153.00	10461.00	4524.00
Unsecured Loan	193078.00	141964.00	94682.00	90842.00	87832.00
TOTAL LIABILITIES	654611.00	562517.00	411482.00	389616.00	332540.00
Assets					
Gross Block	433835.00	324049.00	313666.00	259724.00	229250.00
(-) Acc. Depreciation	127364.00	120861.00	112702.00	105146.00	97840.00
Net Block	306471.00	203188.00	200964.00	154578.00	131410.00
Capital Work in Progress	27965.00	111557.00	99483.00	132741.00	106879.00
Investments	489103.00	331683.00	225222.00	192450.00	152059.00
Inventories	38802.00	44144.00	39568.00	34018.00	28034.00
Sundry Debtors	7483.00	12110.00	10460.00	5472.00	3495.00
Cash and Bank	8443.00	3768.00	2731.00	1754.00	6892.00
Loans and Advances	90645.00	69295.00	39097.00	25733.00	28951.00
Total Current Assets	145373.00	129317.00	91856.00	66977.00	67372.00
Current Liabilities	311819.00	209962.00	202920.00	153744.00	122521.00
Provisions	2482.00	3266.00	3123.00	3386.00	2659.00
Total Current Liabilities	314301.00	213228.00	206043.00	157130.00	125180.00
NET CURRENT ASSETS	-168928.00	-83911.00	-114187.00	-90153.00	-57808.00
Misc. Expenses	.00	.00	.00	.00	.00
TOTAL ASSETS(A+B+C+D+E)	654611.00	562517.00	411482.00	389616.00	332540.00

Figure 10 Vertical analysis of balance sheet Reliance Jio

Source- The Economics Times, 2021

Horizontal analysis of balance sheet

RELIANCE IND. Balance Sheet as on March 2020

No. of Mths Year Ending		12 Mar-19*	12 Mar-20*	% Change
Networth	Rs m	3,871,120	4,533,310	17.1
Current Liabilities	Rs m	3,140,230	4,129,160	31.5
Long-term Debt	Rs m	2,075,060	1,976,310	-4.8
Total Liabilities	Rs m	10,024,060	11,659,150	16.3
Current assets	Rs m	2,260,880	2,582,600	14.2
Fixed Assets	Rs m	5,778,370	6,417,640	11.1
Total Assets	Rs m	10,024,060	11,659,150	16.3

Figure 11 Horizontal analysis of balance sheet Reliance Jio

Source- Equitymaster, 2021

- The company's current liabilities during FY20 stood at Rs 4,129 billion as compared to Rs 3,140 billion in FY19, thereby witnessing an increase of 31.5%.
- Long-term debt down at Rs 1,976 billion as compared to Rs 2,075 billion during FY19, a fall of 4.8%.
- Current assets rose 14% and stood at Rs 2,583 billion, while fixed assets rose 11% and stood at Rs 6,418 billion in FY20.
- Overall, the total assets and liabilities for FY20 stood at Rs 11,659 billion as against Rs 10,024 billion during FY19, thereby witnessing a growth of 16%.

				(₹ in crore)
Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019	
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	1	1,02,864	74,633	
Capital Work-in-Progress	1	21,176	30,965	
Intangible Assets	1	60,563	59,367	
Intangible Assets Under Development	1	82	3,643	
Financial Assets				
Investments	2	1,108	1,108	
Other Financial Assets	3	3	2	
Deferred Tax Assets (Net)	4	1,546	3,427	
Other Non-Current Assets	5	25,920	9,111	
Total Non-Current Assets		2,13,262	1,82,256	
Current Assets				
Financial Assets				
Investments	6	1,381	155	
Trade Receivables	7	1,609	873	
Cash and Cash Equivalents	8	7,066	17	
Other Bank Balances	9	414	412	
Other Financial Assets	10	1,067	534	
Other Current Assets	11	16,906	11,533	
Total Current Assets		28,443	13,524	
Total Assets		2,41,705	1,95,780	
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	12	45,000	45,000	
Other Equity	13	1,25,956	(4,600)	
Total Equity		1,70,956	40,400	
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	14	-	65,613	
Other Financial Liabilities	15	13,490	9,998	
Deferred Payment Liabilities	16	18,839	18,839	
Total Non-Current Liabilities		32,329	94,450	
Current Liabilities				
Financial Liabilities				
Borrowings	17	23,242	3,601	
Trade Payables Due to	18			
Micro and Small Enterprises		38	11	
Other than Micro and Small Enterprises		4,662	3,245	
Other Financial Liabilities	19	4,957	48,523	
Deferred Payment Liabilities	16	-	1,370	
Other Current Liabilities	20	5,462	4,075	
Provisions	21	59	105	
Total Current Liabilities		38,420	60,930	
Total Liabilities		70,749	1,55,380	
Total Equity and Liabilities		2,41,705	1,95,780	
Significant Accounting Policies				
See accompanying Notes to the Financial Statements				

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Figure 12: Balance Sheet of Reliance Jio
Source: Reliance Jio annual report (2020)

INCOME:					
Sales Turnover	365202.00	401583.00	315357.00	265041.00	251241.00
Excise Duty	29224.00	29967.00	25315.00	23016.00	18083.00
NET SALES	335978.00	371616.00	290042.00	242025.00	233158.00
Other Income	14541.00000	8822.00000	8220.00000	8709.00000	7582.00000
TOTAL INCOME	350519.00	380438.00	298262.00	250734.00	240740.00
EXPENDITURE:					
Manufacturing Expenses	16214.00	18495.00	13565.00	10150.00	12563.00
Material Consumed	249921.00	276627.00	207441.00	169607.00	165946.00
Personal Expenses	6067.00	5834.00	4740.00	4434.00	4260.00
Selling Expenses	.00	.00	.00	.00	8261.00
Administrative Expenses	11923.00	11806.00	12555.00	14578.00	1989.00
Expenses Capitalised	.00	.00	.00	.00	.00
Provisions Made	.00	.00	.00	.00	.00
TOTAL EXPENDITURE	284125.00	312762.00	238301.00	198769.00	193019.00
Operating Profit	51853.00	58854.00	51741.00	43256.00	40139.00
EBITDA	66394.00	67676.00	59961.00	51965.00	47721.00
Depreciation	9728.00	10558.00	9580.00	8465.00	9566.00
Other Write-offs	.00	.00	.00	.00	.00
EBIT	56666.00	57118.00	50381.00	43500.00	38155.00
Interest	12105.00	9751.00	4656.00	2723.00	2454.00
EBT	44561.00	47367.00	45725.00	40777.00	35701.00
Taxes	9413.00	12204.00	12113.00	9352.00	8284.00
Profit and Loss for the Year	35148.00	35163.00	33612.00	31425.00	27417.00
Non Recurring Items	-4245.00	.00	.00	.00	.00
Other Non Cash Adjustments	.00	.00	.00	.00	.00
Other Adjustments	.00	.00	.00	.00	.00
REPORTED PAT	30903.00	35163.00	33612.00	31425.00	27417.00
KEY ITEMS					
Preference Dividend	.00	.00	.00	.00	.00
Equity Dividend	3120.00	2826.00	2594.00	.00	2490.00
Equity Dividend (%)	49.22	44.58	40.95	.00	76.85
Shares in Issue (Lakhs)	63392.68	63386.94	63346.51	32512.78	32403.76
EPS - Annualised (Rs)	48.75	55.47	53.06	96.65	84.61

Figure 13 Vertical analysis of income statement Reliance Jio

Source- The Economic Times, 2021

Horizontal analysis of income statement

RELIANCE IND. Income Statement 2019-20

No. of Mths Year Ending		12 Mar-19*	12 Mar-20*	% Change
Net Sales	Rs m	5,716,550	5,768,760	0.9%
Other income	Rs m	83,860	139,560	66.4%
Total Revenues	Rs m	5,800,410	5,908,320	1.9%
Gross profit	Rs m	841,670	882,170	4.8%
Depreciation	Rs m	209,340	222,030	6.1%
Interest	Rs m	164,950	220,270	33.5%
Profit before tax	Rs m	551,240	579,430	5.1%
Tax	Rs m	153,900	137,260	-10.8%
Profit after tax	Rs m	398,370	398,800	0.1%
Gross profit margin	%	14.7	15.3	
Effective tax rate	%	27.9	23.7	
Net profit margin	%	6.9	6.7	

Figure 14 Horizontal analysis of income statement of Reliance Jio

Source- equitymaster, 2021

- Operating income during the year rose 0.9% on a year-on-year (YoY) basis.
- The company's operating profit increased by 4.8% YoY during the fiscal. Operating profit margins witnessed a fall and down at 15.3% in FY20 as against 14.7% in FY19.
- Depreciation charges increased by 6.1% and finance costs increased by 33.5% YoY, respectively.
- Other income grew by 66.4% YoY.
- Net profit for the year grew by 0.1% YoY.
- Net profit margins during the year declined from 6.9% in FY19 to 6.7% in FY20.

Cash Flow Statement Analysis of Reliance Jio

Vertical analysis of cash flow statement

Rs (in Crores)

Particulars	Mar'20	Mar'19	Mar'18	Mar'17	Mar'16
Profit Before Tax	40316.00	47367.00	45725.00	40777.00	35701.00
Net Cash Flow from Operating Activity	76560.00	29191.00	62000.00	51450.00	.00
Net Cash Used in Investing Activity	-142652.00	-53949.00	-59109.00	-54949.00	.00
Net Cash Used in Financing Activity	70767.00	25795.00	-1914.00	-1639.00	.00
Net Inc/Dec In Cash and Cash Equivalent	4675.00	1037.00	977.00	-5138.00	-4679.00
Cash and Cash Equivalent - Beginning of the Year	3768.00	2731.00	1754.00	6892.00	11571.00
Cash and Cash Equivalent - End of the Year	8443.00	3768.00	2731.00	1754.00	6892.00

Figure 15 Vertical analysis of cash flow statement of Reliance Jio

Source- The Economic Times, 2021

Horizontal analysis of cash flow statement

RELIANCE IND. Cash Flow Statement 2019-20

Particulars	No. of months	12	12	% Change
	Year Ending	Mar-19	Mar-20	
Cash Flow from Operating Activities	Rs m	423,460	980,740	131.6%
Cash Flow from Investing Activities	Rs m	-951,280	-757,170	-
Cash Flow from Financing Activities	Rs m	559,060	-25,410	-
Net Cash Flow	Rs m	37,450	198,390	429.7%

Figure 16 Horizontal analysis of cash flow statement of Reliance Jio

Source- equitymaster, 2021

Particulars	Notes	(₹ in crore)	
		2019-20	2018-19
INCOME			
Revenue from Operations	22	54,316	40,663
Other Income	23	87	6
Total Income		54,403	40,669
EXPENSES			
Network Operating Expenses	24	16,930	11,338
Access Charges	25	5,795	6,032
License Fees/Spectrum Charges		5,720	4,159
Employee Benefits Expense	26	1,463	1,658
Finance Costs (Net)	27	6,617	4,148
Depreciation and Amortisation Expense	1	7,396	6,398
Selling and Distribution Expenses		1,277	1,150
Other Expenses	28	1,564	1,230
Total Expenses		46,762	36,113
Profit Before Exceptional Items & Tax		7,641	4,556
Exceptional Items (Net of Tax)	38	146	-
Profit Before Tax		7,495	4,556
Tax EXPENSES			
Current Tax		-	982
Deferred Tax		1,933	610
Profit for the year		5,562	2,964
OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to Profit or Loss		(8)	6
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		2	(2)
Total Other Comprehensive Income for the year (Net of tax)		(6)	4
Total Comprehensive Income for the year		5,556	2,968
EARNINGS PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH			
Basic (in Rupees)	29	1.24	0.66
Diluted (in Rupees)	29	0.59	0.27
Significant Accounting Policies			

Figure 17: Reliance Jio Income Statement

Source: Reliance Jio annual report (2020)

Cash Flow Statement for the year ended 31st March, 2020

	2019-20	(₹ in crore) 2018-19
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Exceptional Items & Tax as per Statement of Profit and Loss	7,641	4,556
Less: Exceptional Item (Refer Note 38)	(195)	-
Profit Before Tax as per Statement of Profit and Loss	7,446	4,556
Adjusted for:		
Depreciation and Amortisation Expense	7,396	6,398
Effect of Exchange Rate Change	58	9
Interest Income	-	(4)
Gain on Investments (Net)	(83)	-
Loss on Sale/Discard of Property, Plant and Equipment (Net)	1	5
Finance Costs (Net)	6,617	4,148
Operating Profit before Working Capital Changes	21,435	15,112
Adjusted for:		
Trade and Other Receivables	(6,805)	(8,836)
Trade and Other Payables*	3,119	1,350
Cash Generated from Operations	17,749	7,626
Taxes Paid (Net)	(1,167)	(968)
Net Cash flow from Operating Activities	16,582	6,658
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment and Intangible Assets*	(51,771)	(43,845)
Proceeds from disposal of Property, Plant and Equipment	967	6
Upfront Fibre Payments	(16,439)	-
Purchase of Investments	(1,02,638)	(47,905)
Proceeds from Sale of Investments	1,01,503	48,030
Investment in Subsidiaries	-	(93)
Interest Income	10	15
Fixed Deposits/Escrow account with Banks	(2)	(384)
Net Cash flow (used in) Investing Activities	(68,370)	(44,176)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Preference Share Capital	1,25,000	-
Proceeds from Borrowings- Non-Current	8,343	68,012
Repayment of Borrowings- Non-Current	(14,770)	(11,472)
Payment towards transfer of Borrowings-Non-Current*	(66,987)	-
Borrowings- Current (Net)	19,641	(9,661)
Repayment of Deferred Payment Liabilities	(1,370)	(870)
Repayment of lease Liabilities	(672)	-
Finance Cost Paid	(10,348)	(9,165)
Net Cash flow from Financing Activities	58,837	36,844
Net Increase/(Decrease) in Cash and Cash Equivalents	7,049	(674)
Opening Balance of Cash and Cash Equivalents	17	691
Closing Balance of Cash and Cash Equivalents (Refer Note 8)	7,066	17

* Includes cash outflows aggregating ₹ 104,365 crore being consideration paid to Reliance Industries Limited (Ultimate Holding Company) for transfer of identified liabilities pursuant to Scheme of Arrangement approved by National Company Law Tribunal (NCLT) (Refer Note 39).

Figure 18: Analysis of Reliance Jio Cash Flow Statements

Source: Reliance Jio (2020)