

RIL Q1 2025 - 2026

Media & Analyst Call Transcript

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Call Participants:

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- Sh Srinivas Tuttagunta, COO – Refining & Marketing, Reliance Industries Limited
- Sh Amit Chaturvedi, President – Petrochemicals, Reliance Industries Limited
- Sh Anshuman Thakur, Head of Strategy, Reliance Jio Infocomm Limited
- Sh Dinesh Taluja, CFO & Corporate Development, Reliance Retail
- Sh Kevin Vaz, CEO – Entertainment, JioStar
- Sh Karan Suri, Senior Vice President – New Energy, Reliance Industries Limited

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- **Sh V Srikanth** 00:00:01 – 00:14:00 **(Group Performance)**
- **Sh Sanjay Barman Roy** 00:14:16 – 00:20:55 **(Oil & Gas)**
- **Sh Srinivas Tuttagunta** 00:21:04 – 00:31:21 **(Refining & Marketing)**
- **Sh Amit Chaturvedi** 00:31:27 – 00:39:26 **(Petrochemicals)**
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Transcript:

PRESENTATION

Sh V Srikanth 00:00:01 – 00:14:00 **(Group Performance)**

So, thank you, thank you for being here. And we will keep the same format, a very quick introduction of the consolidated level, and then followed by each of the businesses. And like last time, we will do the Q&A at the end.

We have quite a few slides, so I am asking my team to be focused 10 minutes so that we complete it on time, and then we have the time for the Q&A.

So, this is the order with consol and then Jio, Retail, Jio Star, E&P, Oil to Chemicals and New Energy also. So yeah, the purpose was that before doing a jump into the numbers, it's good to put in one place the businesses that we have, diversified portfolio that we have, and really how they are multi-decadal growth opportunities. And starting with EBITDA.

We will start with Jio, actually. And here, the emphasis is on the deep tech digital services. And here what I mean is that we have proprietary technology and as far as the tech stack is concerned, the core is concerned, the hardware, the software, the infrastructure, the OSS, BSS, all of them is something that we have built on our own. And it is all translating now when you look at it and see that what is the traffic.

We are the largest carriers of traffic in the world. If you look at the number of customers close to 500 million or the number of homes, we are in. All that is facilitated because that is pretty unique and importantly, it allows us to do and offer product and services which are really not offerable by others, especially when you look at it as what the standalone 5G stack does for all this.

And when you talk about digital platforms capability, be it on the gaming part of it, the AI cloud part of it, and so on. So, a lot of opportunities coming because of what we have set out to do. And all this is translating in terms of when you see the performance. It is a 19% growth in revenue, a 24% growth in EBITDA.

Same thing when you look at it from a retail standpoint, from India's largest retailer, if you see, it is a multi-category, it is a multi-format, omni-distribution, and again, when you see from a size point of view, our assessment is that we would be at least three times, if not more, than the next nearest biggest retailer.

When I look at it from a listed company space, we would be easily five times bigger. And importantly these are multi-decade opportunities given all the big trends that you are seeing in terms of consumption growth and so on. So, this business delivered 11% growth in revenues and 13% in terms of EBITDA.

And if you think about it this quarter is seasonally not the strongest when you look at all the four quarters it tends to be that way but I think the driving blocks and when Dinesh goes through in each of them you will see why we remain very constructive of the coming back to the growth trajectory which we had in the past.

And moving to FMCG, this is an absolutely new category but very impressive numbers. Last year's numbers you saw 11,500 but even this quarter it is 4,400 Crores which is 2x bigger. And the leadership is across all categories. Beverages people identify because of Campa, and it is interesting to know that in many of the geographies we have even close to 14% market share. So these numbers are building up very fast and it is just not the beverages but as you know it has got the staples the discretionary consumption, you have home and personal care, all categories and that is something that we are very excited about in terms of the opportunity.

Media, clearly is one of the best integrations when you think about what this Jio Star one is and with becoming the second largest OTT platform globally and it is impressive to see how big this has essentially become and with 460 million MAUs and the fact that during IPL we had about 287 million paid and even after IPL the fall is hardly meaningful. So therefore, this is getting good traction.

And while IPL is hogging the headlines, but actually what this portfolio is across both sports and entertainment. And we must not forget linear. Linear also, we have a 36% market share. So, this is in a good place. Almost 9,900 Crores of turnover, almost close to 1,000 Crores of EBITDA is what this business has delivered.

On the energy side, this portfolio is one of the most integrated portfolios, global scale, size, and what it does in terms of offering materials and fuel. And same thing in terms of what we have built for upstream capability. So all of them, when you look at it, this quarter specifically we benefited from improvement in fuel cracks for sure and polymer and even actually elastomers was also good but I think the key highlight was the distribution through Jio-bp and subsequently we will talk about the volumes. It is up almost 36% across the main fuel categories. So very impressive numbers and when I look at standalone, I mean these numbers for fuel distribution is at least three times bigger than what it was in the previous quarter.

And for upstream, it has been more sideways, little bit of reduction in the more natural decline of from the KGD6. On new energy, again, we have got more specific slides we will talk about. Again, here I do want to highlight that this is pretty unique in terms of what we are trying to do. I do not think it has been attempted in any other place in terms of building the giga factories.

And when you are talking about the whole solar chain, and then when you talk about the battery chain and electrolyzer, and you will see some of the photographs in terms of progress. It is very unique because it is one of the most advanced, integrated manufacturing facilities, I may say, outside China for sure, and very, very large. And the thing is, it is not about giga factories, it is the integration with Kutch, where we have access to 700,000 acres of land,

which means that technically you are in a position to have 125 gigawatts of production. So that one and importantly, the link back to using new energy for captive purposes, as you know, that is a demand which is going to keep going up. And also, for green chemicals, which is where hydrogen and the whole, green ammonia and so on.

So this kind of unique integration and therefore what it does in our mind from a cost competitiveness is that we believe that it provides attractive return at the manufacturing stage, it provides attractive return at the electricity generation stage and also if you were to consume the round the clock energy, it is very attractive vis-a-vis even the fossil fuel cost that we are using currently. So it is a win-win in multiple ways and this I think why in some ways this becomes a perpetual business because as you will see that once the projects are de-risked the idea for us is to then find the right partners to come in and also find the right take or pay to ensure that these are not continuously getting added up on the balance sheet.

So, it becomes in a way very, very self-fulfilling and importantly self-development because the next set of 10, the next set of 20 gigawatts that you manufacture is self-funded in that sense. So, with this at the backdrop, and because I am saying this because every time we just come in, jump into the numbers and you guys harass us for why is it two percentage points less or more? Never more, less.

So, this just a whole set of numbers, revenues up 6%, but here, the point here is Jio was 19% higher, retail was 11%, OTC was about 1.5% lower, but then you saw that crude prices were really low. EBITDA, very strong numbers, 58,000 Crores, 36%, and I will come to it.

From the business side, digital services about 23%, retail 13%, O2C 11%, all these three we had a gain on the rising from sale of Asian Paints. And that number was about 8,924 Crores. As you know, Reliance was always the economic owner of these shares and once it is sold, it has come back to us as dividend from Siddhant, which is also Siddhant Enterprises, which is also something which is economically owned by us. So that has come in, so that gain and the capital gains has already been paid and the dividend has come in. So, there is no more tax to be paid on this amount that is the point I wanted to highlight.

If you look at the effective tax rate, you will come to 17 and a half and you will be wondering why is it that there is no tax because tax is paid and importantly because it is dividend, we will set it off against the dividend that we will distribute from Reliance. So that is really what it is and that is why when if I take out this 8,924 both from the EBITDA as well as at the PAT line even then what I would call recurring EBITDA and PAT is up 15% and 25%.

So, what I am saying is you back out the sale, it is still very strong set of numbers when you look at EBITDA and Pat. So, this just summarizes the individual businesses and the growth that I talked about but importantly, what are the drivers for these businesses to do well.

And from the O2C side, of course, we have talked about the business model, but I think also we need to note that global refinery adds are definitely very limited. And the fact that, oil demand is not working out the way people were thinking in terms of shall fall, peaking out and so on and so forth, there are views on that but I am just saying that there is an extreme,

very low adds on refinery capacity and therefore demand for oil were to behave differently than the outlook can be fundamentally different but for us.

That apart, downstream chemicals you always know we are very focused on the Indian markets. That is a big benefit coming. And we are also adding capacities in these products. So, we are taking care of the volume growth that comes for the downstream. E&P and Sanjay will talk about it, but the clear focus is, how do you ensure that reserves, the natural decline of the fields are reversed out in a manner of speaking or adding newer capacities. That is the focus to ensure that these kind of EBITDAs are maintained.

Digital services, the 5G network, the standalone that we talked about, that is a huge market when you look at it from homes, when you look at enterprises is just I think the beginning, especially because today the type of services which are required by an enterprise are very high. I think you will see a very strong traction when it comes to enterprises.

Digital platforms are about the gaming, the Jio Games, the AI Cloud, I mean, then you are talking about the operating systems, which can be now put directly on PCs instead of having to have set-top boxes so, a big expansion there.

Media and consumer products, and Dinesh will talk about it, a very, very strong set of performance that we have, more importantly, this consumption will only grow as we talk about the broader demographics, the younger population, disposable income, and so on.

In short, all this, we're trying to also highlight the fact that therefore, with these kind of construct in place and the inflection point that we are in. We are on track to double our value by the end of the golden decade. This is something the Chairman has consistently reiterated in 2022 and even as later in the last AGM he talked about. So, we are very confident about where we will end.

And last, just a slide on net debt to EBITDA. So comfortable, we talked about our current one is about 0.59 and the capex about 30,000 crores. So, if you are wondering why is it that you are not reducing the net debt, we have used this cash to essentially repay some of the supplier extensions of credit they had. That was a more better way to manage cash than to run the investment book up. And our ratings continue to be strong.

Sh Sanjay Barman Roy 00:14:16 – 00:20:55 (Oil & Gas)

Good evening, everyone.

Just to do a recap of the quarter gone by, and as you can see, revenues have been more or less flat, and EBITDAs have been slightly lower and when we just to characterize the revenue.

There has been decline in KGD6 more in the order of natural decline, but there's also another component we had to take some planned shutdowns for maintenance activities and that is

what was contributed to the lower production but there has been a natural decline but this natural decline is lower than what we had envisaged at the time of commissioning these fields. So, we still see that we are doing better than what we had envisaged earlier.

In terms of EBITDA margins again because of these planned shutdowns and maintenance activities that the optics was a little higher in this quarter, so you see the EBITDA margins slightly lower. In terms of prices again year on year quarter on a quarter wise comparison we've seen prices being higher. Now currently the ceiling price is \$10.04.

So, we are realizing quite close to that despite some pressures on crude oil prices which affects a certain round of auction in which the last round of auction which is linked to created Brent. But otherwise, we are pretty much maxing out towards the ceiling price in terms of realizations in D6.

In CBM again, since it is linked to the crude prices, we are seeing lower than expected prices. Just to give you an overall perspective on the production, we are still producing on a combined basis around 27 and a half million standard cubic meters more like one BCF a day. Condensate production is around 19,300, more or less close to the 20,000 barrels per day, because this is average. The CBM, we continue to do the multilaterals. They will continue to augment the production as we go on but just as Srikant mentioned, what is on the anvil, what is gonna happen from here.

So, we have a rig coming by next year, and despite the tight supply chain, we could lock in the rig for a few years going forward. And we expect to undertake exploration, and this is going to be largely infrastructure-led exploration in and around the KG basin deepwater infrastructure, because that is the fastest way we can augment production.

We are also looking at some work with jobs in one of our fields, which is currently producing and that should give additional incremental production. Thereafter we have identified upsides in these reservoirs for which we are going to do additional wells. And the engineering has already been done. The commitments have been made for that. And the work is already underway. And we expect that to come in by the second half of 2028, incremental production in the fields.

And meanwhile, we continue to pursue collaborative exploration, which means we are looking at further expanding exploration across the east coast particularly. Just to give you an overall perspective of the markets, again, all of us are aware of the capacities that are expected to come on stream, but about 150 million tonnes to 200 million tonnes of capacities were, LNG capacities projects were expected to come on stream and they were expected to come on-line about now. And that would have put pressure on the prices. But what we have seen is there have been delays in the execution of the projects.

We expected that in this period, around 2025, 2026, 2027, we could see pressures, but projects are delayed, and it will take some more time for them to impact prices. It may be more moderated than what we had envisaged earlier.

Some of the projects have come online, that is in Canada they have come online but as such in the near term, we still see prices hovering around \$11 to \$13 per MMBtu. This is the LNG prices. And despite some sluggish demand from China, demand has picked up from EU and as well as remain robust in India. So overall we just see this to continue, which implies that our ceiling prices are slightly in KGD6, where the bulk of the gas production is from. We expect that we will get closer to ceiling prices and the ceiling prices are around \$10.04.

So, we do not see any backward pressure right now on that. There have been some outages and so on, but those are short term effects. But largely we see the prices in this range going forward. In terms of Indian gas market, we did see a pullback in the demand again. It was more due to a seasonal aspect and the power offtake was much lower.

Again, there was an early monsoon and that also had an impact. As such, some of the positive things that we see happening right now is the number of zones for tariff coming down to two versus three. And what we are seeing is a convergence towards one unified price tariff. Now what that means is, rather than focus on where it is. The gas is getting sourced from, evening out the playing field, and the focus will be on gas-on-gas competition. So even if it is LNG landing in the west coast where the customers are getting the gas, it is more proximal to the customers, east coast gas will not be disadvantaged. So that is one important thing.

Like I said, ceiling price is something which continues on KGD6, and we hope with the new reforms and the ORDA Act and all the aspects that are coming in right now, and PNG rules, and we are hoping that the government will review this. So, this is essentially an overview of where we are. The focus will be, we are trying to look at how to sustain the EBITDA and going forward, take initiatives to augment that. Thank you.

Sh Srinivas Tuttagunta 00:21:04 – 00:31:21 (Refining & Marketing)

Covered the financial numbers but quickly, revenues year on year changes about 1.5% but the EBITDA is up by a pretty strong number of 10.8%. We are talking of total EBITDA of 14,511 crores. So, what contributed to this is of course the decline is because of the flat price but cracks have improved and also the domestic placement has been pretty strong we will just cover it in a while.

So, we currently have close to about 2000 retail outlets but if you see the volume growth in diesel we are up by 34% and gasoline by 39%. So impressive numbers on the retail side. We will cover a little more details on this.

Transportation fuel cracks are up by between 7% and 17%.

On the petrochemical side, polymers and elastomers, PVC, PP, PBR, SBR, all up by let us say 4% and 14%, that is the kind of numbers. And we could have perhaps done a little better in terms of the EBITDA, but we had a planned M&I shutdown of one of the crude units and one diesel hydrotreater unit. This contributed slightly coming down. While the cracks have

gone up significantly, the fuel oil crack also went up, which means that the heavy crude oils get costlier because of which slight pull down on the feedstock side. So those contributed.

Freight also has been pretty volatile. I think all of you know that April, May, June has been one of the very volatile quarters from \$60 to \$80 almost, that is the kind of range for crude oil.

Cracks also from \$12 we have seen gas oil low to about touching \$20. So, it has been a pretty volatile quarter but most of the pickup has happened towards middle of June. So that is when the recovery came and it is sustaining now, the cracks.

So, in terms of the physical parameters, if you look at the throughput, very good, 19.1 of course because of shutdown we are lower than what we were in the previous year for the same quarter.

Transportation fuel about production wise 11.4 against 11.6. So, these are the various numbers for polymers, fiber, intermediates and all. We have done quite well because the shutdown was mainly in the crude unit. So, the secondary units which are reasonably the ones which generate most of the profit for the refinery, they have run at max throughput and there was some feedstock requirement which we managed to get advantageous feedstock for the secondary units. So, all these contributed to a strong performance both from a physical perspective as well as a financial perspective.

Another important thing I would like to cover is that the fuel cost also we have been able to manage pretty efficiently, that is because the gasifier runs have been pretty strong, and we also did some external power purchase because of the economics. So, this is a little more colour on the Jio-bp performance that we have seen.

If you look at the volume growth, like I was mentioning for diesel and petrol put together was 35%. We also market ATF, we are at about 172,000 KL.

E-mobility wise, the impressive growth of 134% of course coming on a slightly lower base but yes that is impressive growth as well and CBG and CNG also they have grown quite strongly at 190%. So, the market share of gasoline or petrol is 3.6%, diesel is about 5.84%, close to 6% and ATF is about 5.9%. So, we have done very well on MS and diesel.

ATF, all of you would know that during Operation Sindoor lot of flights were cancelled, then also the Middle East crisis lot of flights got cancelled, so because of that ATF demand is slightly down, so this number is a little lower, but I think we are sustaining it.

Retail outlets wise we are close to 2000, and charge points are 6300 almost and CBG stations 100 and convenience stores are about 136. So innovative pricing and products when we say we have done some campaigns to increase the domestic sales.

So, one is we gave some discounts for a while and also some lucky draw and things like that. So, all this helped us achieve the numbers that you see on the screen.

Now a little more about the market, we have seen the price of Brent actually fall, it is down to about 67.8 as you see. Actually, if you look at the quarter, it had various factors initially in April it was quite bearish because of the tariffs being the major concern but later in May when we were talking about the IAEA, towards the end, May 31st they announced that there is this nuclear enrichment, uranium enrichment happening by Iran but actually unofficially it was known by May 15th and actually there were rumors in the market that Israel is going to attack the Iranian nuclear facilities anytime.

So that actually helped the market a little up in mid-May and in June of course we know that the attacks actually happened, the US joined so because of which the cracks actually opened up. While there was a lot of concern and that is the reason why the cracks went down in April significantly and picked up later, actually we see it is in the second half of June that you get the major kind of improvement in the cracks that has happened. So, it is a good runway, I hope.

And if you look at the particular margins, they are sustaining. That is because actually the supply demand. If you look at in the West is reasonably strong. And like Srikanth already mentioned, in terms of refinery capacity addition in 2025, while the gross addition is about 1.3 million barrels, announced closures are about 1.1 million, so 0.2-0.3 million barrels of net addition only. So, this is what is contributing to reasonably good margins, and we hope that this is something which will favour refining companies in the months to come.

Even next year it is like that, I will cover a little more. Then coming to the oil demand generally, of course, we are saying that the demand is up to about 103.4, that is about 0.7 to 0.8 million as compared to the previous year, that is the kind of growth that we are seeing. So, little less than a million, earlier we were seeing about a million, million and a half, 1.2 million, but now it is about 0.7, 0.8 because of all this tension of tariffs and all that. And out of this, if the refinery capacity addition is only about 0.2, 0.3, you can well imagine what it portends for the future.

The global transportation fuel wise, gasoline has picked up from all the COVID and all that, now it is up by 0.2. Diesel is up by 0.3 million barrels in the globe and jet kero 0.3 but here again importantly India has been a pretty bright spot one would say because you see the growth of the world's growth almost 29% came from India for petrol and for diesel about 20%. So impressive numbers for India generally. I think I have covered this but just to highlight a couple of things while the price of crude has come down.

If you look at gas oil, gasoline and ATF, year on year the growth has been pretty strong and the reasons of course gas oil is the conflict which we have mentioned, gasoline of course the US driving season has been strong and exports from China were lower. And then there was a lot of maintenance and delay in startup of the refineries after maintenance in the Middle East. So, all those contributed to a strong gasoline crack and ATF cracks normally move in tandem with the diesel cracks, so that is what is a picture that we have seen.

Talking more about gasoline cracks, what exactly did we do and how did we benefit from this rise in the tax? So, we have seen that Singapore light distillate cracks were low, the US demand was strong and then India's demand was strong, almost 7%, that is a pretty strong demand to see in petrol, so we did that. And what actions we took was that we have kind of increased our domestic sales, that really helped us. And of course, we also export some critical components of what the US needs, which are high value components. So, all these contributed to benefiting from this gasoline crack. And of course, the conflict that caused a bit of panic and cracks were up because of that also.

And again, in India, 3% robust growth on diesel. What we did was again maxim maximize the domestic placement and besides that we have also placed volumes into various markets across the globe, be it Africa, be it West Africa, Europe as well as into the African market. So, all these were things that we have done consciously from our side to improve the margins.

Jet fuel, I mentioned to you it is moving more or less in tandem and what we did was of course because of the headwinds we kind of had to only do about 172 in the domestic market but we are holding on to the domestic market to the extent possible and we expect that in the next quarter as the seasonal demand picks up and people travel, we should have again a good opportunity to increase our sales. Amit, would you like to cover this part?

Sh Amit Chaturvedi 00:31:27 – 00:39:26 (Petrochemicals)

I will now talk about the oldest business of Reliance. So we had quite an exciting quarter last one while there was a war in the Middle East which is the source of all our feed stocks going on in the quarter and there was a tariff war going on in the world where the two largest economies of the world were refusing to talk to each other, which created an absolute mess in terms of supply chain disruptions.

There were, of course, a lot of hindrances. The freight rates were moving all over the place. There were certain opportunities also. I will talk about them which we rightfully utilize them. So, this is ethane price in the quarter, it was lower by the previous quarter, but compared to Y-O-Y, it was slightly higher 24.1 CPG, this is one of our major feed stocks that goes into our plants. Naphtha price of course declined by 14% year on year which was mimicking the crude oil price trend. The operating rate in ethylene markets was 78.3% which is probably one of the lowest which can have. However, our operating rates in all our crackers was 100%. So, we ran our plants full flat out and thanks to the disruptions which were happening in supply chain all over the world, we were able to place all of our product in the domestic market. We kept our focus on domestic, which has always been traditionally also been the best net back market for us. It was pretty safe.

Fortunately for us, it has been growing pretty well. So, we use that opportunity and strength of our business to place all the product in the domestic market. Talking about the absolute prices and margins, naphtha price as I said went down by 14%, ethane price was up 25% year on year. In terms of deltas, polyethylene delta was down by about 1% but polypropylene

and PVC we saw good rise of 13% and 4%. Polyester chain was down, the delta was down by 9% primarily because of the weakness in the paraxylene, thanks to huge over capacities which have come up in China. EDC prices of course were very soft because of the very strong caustic in the last quarter and that helped us in our PVC business.

Talking about the feedstock margins, nothing surprising in this, ethane margins, ethane cracking margins were the best followed by Naphtha and LPG was the most inferior feed to crack. In terms of going talking a little bit in detail about some of the critical products in our portfolio, polyethylene delta was down by about 1% year on year due to slightly weak demand plus some over capacity which has come up in the region.

The China has started two crackers in Q1 and another two in Q2, they continue to build merrily irrespective of, and they are focusing on their own captive self-sustainability or self-reliability on their side, but it is putting a lot of pressure on the global operating rates.

Domestic demand was down a little bit 1%, however what I would like to say is that this basically does not reflect the end consumption status that continues to that engine continues to grow. This is basically a reflection of some of the inventory movements which happened.

So, the pipeline inventories are right now almost empty, whether it is plastics and that has happened because there was uncertainty in last quarter and the customers were taking a position in terms of being a little cautious in terms of their buying. Near-term dynamics, as I said, because the pipeline needs is pretty blank right now and the festival season is around the corner, so we believe the next coming up quarter should be pretty healthy for sale.

Polypropylene delta was up 13%, of course it was led mainly by weakness in the naphtha price. PP demand is up 7.2% thanks mainly to automotive sector which had a great run in last quarter, at least on the factory production side. Appliances, infrastructure, packaging and hygiene, all these sectors were in pretty good shape.

In fact, BOPP sector used the disturbance, I mean the trade war which was going on, they used that opportunity and they exported hell of a lot of volumes from India to US because those supplies were kind of getting disrupted from China for a while plus there was a stock build up which was also happening in anticipation of the tariffs which were going to come. So, that sector saw a good growth and these deltas were, PP was better.

PVC improved as I said because of the EDC weakness, EDC prices were very soft, and we are a net short of EDC by almost like 400,000 tonnes of EDC every year and they were weak because the cost was pretty strong. Of course, the end sector demand in PVC remains pretty robust, the infrastructure continues to do well, so is wire and cables, that sector is booming at a very, very healthy rate.

Agriculture also was doing very well. Of course, the early rains have means that there will be a little bit of slowdown this quarter, but very, very low levels of inventory at the end of last quarter would mean that we will sail off this quarter also pretty neatly.

Talking about polyester chain, deltas were down 9% as I said mainly because of extremely weak paraxylene prices, mainly because of huge capacities that have come up with China. This was partly compensated by strength in MEG. However, the polyester demand remains very healthy, 9% up on Y-O-Y and staple was up 3%. What we did was basically because paraxylene margins were pretty squeezed, we used the optimization, and we had the opportunity of switching the reformat between gasoline and paraxylene and we used that to the full extent to generate maximum value.

Upcoming festival season of course has a huge impact on the polyester demand, and we are already seeing the early signs of it. Talking about the dynamics, the market was of course as I said it was extremely volatile. Refinery outlook was stable, we had a healthy demand growth of 0.7 million barrels a day. Downstream chemical margins continue to remain, global margins continue to remain under constraint.

Domestic demand is likely to pick up in the quarter to come. Our priorities, we keep looking for competitive feed stocks. As I said, the last quarter when the tariff war was at its peak and the US disallowed movement of ethane to China, we used that opportunity to get some of those vessels into our system.

As you know that infrastructure is pretty rigid and only those who have the full chain capability can use that. So, and we are the only ones in the world who can handle the kind of ships which the Chinese customers had. So, we use that opportunity to get some of that cheap material into our system.

Jio-bp continues to expand as Srini said earlier, their offerings, not only in the traditional but even in the new environment friendly mobility solutions. And we will continue to focus on our expansion projects also, the two of them which we are working on, the polyester expansion and the PVC expansion. That is it for me.

Sh Anshuman Thakur 00:39:35 – 01:02:26 (Jio Platforms)

So, an update on the results for Jio, but before that, just, some comments around what we are trying to do at Jio, which, we have spoken about this in the past as well over the last several years.

Just wanted to reiterate some of these points for better understanding of people around this room and elsewhere. Jio was born as a deep tech company. So, while the results, it is important to see how the connectivity business and the telecom business is doing. But we should not lose sight of the fact that it is really a deep tech company that we built here. It is one of the leading deep tech companies in India with enormous amount of innovation and technology development that we have done over the years.

We have created unparalleled tech infrastructure in the country. And with most of this, with our own technology stack. We, the largest greenfield deployment of LTE that we did in 2016 before we launched, or the VoLTE deployment. This was the world's largest VoLTE

deployment. Even today, our assessment says that Jio carries more VoLTE traffic than all of the other operators globally put together. And this has worked at scale with completely our own tech stack.

We did the world's fastest 5G deployment last year or the year before last, once again with our own tech stack, with our own core software, hardware, and a whole bunch of infra management.

The OSS, BSS that we deployed is completely now in-house, and it is ready to be deployed in other places. We are the first to deploy UBR for UBR-based connectivity at scale. This is a technology that operators worldwide have tried to work on and have not had much success. We have now demonstrated this on the ground with several million homes connected that this works. And we can make it work in an efficient manner.

And I am going to spend some time on that. We hold the highest number of patents on 6G technology already. So that is something that we are doing a fair bit of work already. Most of these are telecom related tech stacks that we have developed, but this is not the only area that, as you are aware and we have spoken about this in the past.

We have developed best in class platform services as well, be it enterprise and consumer cloud offerings. We are now one of the largest cloud players in the country for enterprises. And with our own Jio Cloud for consumers that we launched, and with over 35 million active users there. We are now a force to reckon with when it comes to consumer cloud services as well. And we have been able to provide quality of services, in fact, at par, I would say better than what is being offered today. And of course, we provide it free of cost.

We have cloud PC, gaming, media stack, a whole bunch of things that we have developed. And these are technologies that will take to support us in the next phase of growth of our company when we take these outside of India.

So, we saw the first phase of Jiotisation in 2016, now we are seeing the Jio 5G effect and hence going forward we are going to see the technology effect of everything that we have built up.

With that as background, some of the key highlights of the results for this quarter and what that technology and our commitment to developing innovative technologies and low-cost technologies is helping us to achieve. We are the number one in connectivity, 498.

million subscribers at the end of the quarter. That was a net addition of 9.9 million during the quarter. So more or less the pace of subscriber addition has come back to what we used to have earlier, and it is fairly stable, in fact growing.

More than 20 million homes connected by the end of last quarter and this number is also growing fairly rapidly, 2.6 million net ads for the quarter last year. This was a milestone for the quarter. We crossed 200 million 5G subscribers. So once again, by the end of the quarter, we were at 210 million 5G users, 20 million additions during the quarter. And this number

has also been growing. As a device ecosystem has evolved, now we see more than 90%, 93 to 94% of all devices, smartphones are coming in with 5G enabled. And we are seeing that impact, our ability to ramp up our 5G subscriber base there.

Sorry, I went in the wrong order but now again, coming back to homes, air fiber, out of the 20 million plus that we connected by the end of the quarter, 7.4 million air fiber homes, which makes us by far the largest company globally on-air fiber.

. Now, part of this was using the 5G network that we had, but a substantial chunk also is using UBR. And I will cover that in subsequent slides but 82% market share, the largest FWA service provider globally.

On the tech side, once again, the 5G SA network that we have deployed, the ability to slice our network to offer better services, and now some of the services that we are already offering, and I will again cover that in subsequent slides, is getting enabled because of the network that we have deployed.

On the platform side, digital enterprise solutions, which again, we are seeing a pickup with some of the new services being taken up quite well by enterprises, consumer-taking initiatives. UBR, a very important piece, and this again we are going to cover in a subsequent slide, but the fact is that we are the world leaders in this.

Today this technology, this tech stack, the entire value chain, the whole software, hardware stack is only available with us and has been deployed at scale. This is something that all the global operators are looking at us to see how we have done this so successfully. And then a whole bunch of initiatives on AI. Translating into sustained market leadership, we ended the quarter with over 35,000 Crores revenues in JPL.

I will give you the exact numbers in a bit, more than 45% connectivity revenue market share and an EBITDA margin of over 52% where our operating leverage is playing out quite well and it is been growing. So strong quarter with 24% year-on-year EBITDA growth and sustained leadership in most of our businesses but yeah, connectivity definitely.

So, on the connectivity side, this slide just shows the entire tech stack for offering or deploying 4G, LTE, 5G, and the air fiber services that we have done. All of this, all of the components of the tech stack that you see on the right, be it the core, be it the automation platforms, OSS, BSS, everything has been done in-house. So, we may have started with using some of the vendor services or platforms, but over a period we have transitioned completely to our core.

Now this is a network of half a billion users with over 200 million 5G consumers, which is running on a stack completely developed in-house. This is the kind of technology, this is the kind of network that globally companies are looking for. This is a big opportunity for us.

On our network, we have omni cloud support. We can do the deployments on premise, public or private cloud. We have the ability to slice our network, so dedicated network slicing, advanced secure 5G core, which again is unique, fairly unique. This is on our network. We

have been able to deploy this with quantum safe encryption. And then the whole 5G in a box for enterprises and private 5G deployments. This is standalone 5G deployment that we have done.

We have spoken about this in the past, wanted to reemphasize that this is something that only we have been able, or we can do in the way that we have configured our 5G network. We are able to provide differentiated 5G experience with the network slicing that we can do. And the one network can be sliced into so many different ways and so many different ways to offer differentiated services. And different use cases have different requirements. So, we do not need to give the same service to everybody.

People doing mission critical work may need much more prioritized services, which is something that we are able to offer, and we offer today. Our home broadband requires a different kind of bandwidth than some of the other use cases that you see here. We have dynamic slicing, so the route selection, the way it works is fairly dynamic and we can do this on real-time basis, based on where the traffic is coming from, based on user requirements.

Today, we are not offering or differentiating customers based on pricing. We are not trying to do that but for specific use cases, we will come up with plans that people can use and really get differentiated services.

Coming to some of the numbers to report, during the quarter we reached a milestone of 20 million connected premises. As I said, 7.4 million on fixed wireless, many of which are using the UBR technology now. And end-to-end control on the full value chain. And this is an important point. The whole deployment is being done by our own tech stack, our own, in fact, now most of the hardware is being manufactured by us only and manufactured locally in India. So, this gives us enormous ability to scale up our business.

The 20 million now, over the last quarter, there were months when we did more than 1 million net adds in a month. And that scale is picking up. And we have the ability to keep scaling it because once again, the network is fully scalable. The tech stack is completely owned by us, can be scaled up. And the hardware is also being produced by us. Also, commercially, we did a few things during the last quarter, given it was a fairly active cricket season. And a lot of people wanted to have access to high-quality cricket in their homes and on their mobile devices. So, in their homes, we gave unlimited offers, and which helped us get customers and get a lot of traction on the network.

So, this is something I wanted to cover in today's presentation because we have been prioritizing this UBR a global first offering at scale. This is not something new a lot of

operators have tried doing this a lot of companies have tried working on this and people have been a little bit successful, but nobody has really been able to scale this now given the quantum of demand in this country when we are talking about almost 300 million homes, more than that, 330 odd million homes, which at some point in time will require high quality broadband services at their homes or at their premises, the SMBs, fiber, last mile fiber is difficult. And you all know this, we all know this. Where possible, we would still do it, but

otherwise it is costly, it is time consuming. And this is a constraint that people have felt world over.

The solution that they have gone with to the market has been the 5G-based fixed wireless access, which has its own limitations, coverage and cost constraints because you are using the same network, you are putting much more pressure on the same network, you cannot really do too much of modification in the way you offer the home services. There is going to be constrained capacity and scalability because the network is limited. Imagine in the Indian context with the amount of spectrum that we get, that we have, and we have a fair bit, still how much can you really scale up just using 5G?

Some of the specific comparison points, if you look at spectrum limited availability for 5G, because those are the bands that the government auctions and there is limited availability whereas with UBR, on the unlicensed band radio, there is much more spectrum available, which the government also provides to encourage Wi-Fi services and home broadband services.

Because of the nature of the 5G network and because of the nature of the mobility use cases, normally the uplink, downlink would be asymmetrical in the 5G fixed wireless but here you can configure the network in the way that consumers want. So, it can be completely one is to one. It can be 70-30 based on what the consumers really want. And it can be fairly dynamic again.

So, if I have use cases at home where I am watching content all the time, I possibly need a lot more download but there may be use cases. There may be users who may need a lot more upload. And we can dynamically configure the network for each specific customer. The throughput varies with load. In the case of 5G, the more the number of users, there will be constraints about how much capacity you can give. There will be contention will come in. Whereas here, you can dedicate, in the case of UBR, dedicate bandwidth to a customer. Can we stay well? We are today offering 1 Gbps plus plans for our UBR-based customers, which is at par with fiber. And we are already now delivering up to 2.5 Gbps throughput on the field.

So as good, in fact, better than fiber. Fiber can get cut sometimes even on Jio network, it does get cut sometimes. Very, very rarely, but it does get cut sometimes but spectrum does not get cut. So that is the other big advantage. 5G network would not support very high-end multicast kind of use cases, whereas that can be done with UBR. Scalability is much higher. So, lots of advantages.

Operators globally have tried this. Maybe they have not prioritized this so much because the amount of the demand has not been as high for them to feel pressure on their 5G networks. In India, clearly, that pressure is there. Even with our kind of capacity that we have created, it would not be the most efficient use of our network to use it up completely for home broadband services.

And therefore, UBR is a clear differentiator. We already have operators from all over the world coming and looking at the net service that we are providing. They are finding it quite

interesting. So, we have our own tech ownership for this. Completely in-house, our own teams at Jio Labs and some of our portfolio companies have developed this, the point-to-multipoint solution for UBR. Performance is now proven at millions of homes and premises. The deployment can be fairly modular based on wherever we need it. There is a little bit of a graph, you can see this later, but on how easy the deployment is, where you are installing an A6 with any gNodeB, which already we have, that equipment can go anywhere. It can go anywhere where there is a fiber backhaul. You do not even need the full tower, but for representation purposes, that is what you do. And you install the C6 receiving equipment on top of the customer building and then you connect with fiber, or you can even connect wirelessly to the homes and the premises inside.

Deployment is fairly straightforward, therefore, very little need of any civil work for the deployment. And there is, of course, significant cost advantage. So, this has been a great differentiator. And this is helping us really ramp up the pace of our home deployment. The targets of 100 million seem much more doable and in near time based on the use of this technology.

On the enterprise side we saw some good momentum during the quarter with large enterprises. We have you know effective account management. So, we have been able to increase our wallet share with a lot of large enterprises where in several cases now we are the only service provider. And this is across fairly large companies and especially in the BFSI and the industrial segments.

The connectivity share of overall enterprise pool for Jio has been increasing. It takes time to win the enterprise accounts, but there we are gaining a lot of market share. We're tapping into new age businesses, like bundled connectivity, security, and Wi-Fi stack. This is an interesting area. While it is a specific example given here on quick commerce, dark stores, but a lot of similar use cases where high speed connectivity and security is needed is where our services are being preferred by a lot of enterprises. We are also seeing strong momentum in the IoT portfolio. This is, again, in the BFSI segment, we are seeing a lot of traction here.

Automotive, again, you would have seen many of the automotive companies using our IoT solutions. Those are on the road, so much more visible. And then differentiated product proposition for these enterprises. So, we are seeing good traction here. We are expecting a lot more growth to come in this space as well over the next few quarters. We launched a few consumer services. Now that our 5G has well matured, it is fairly ubiquitous.

Customers are using a lot of the 5G services. So we are now gradually bringing in things that LTE network would have found it difficult to support but given 5G on the mobile device and our home broadband, we are able to launch some of these services now, like Jio Games, which is really a cloud-based gaming platform. And the gamers can get access to all of the high-end games without having to invest, spend money on a console or on high-end devices at home. You are just playing off the cloud. The throughput and the low latency of the network is supporting that.

We already have over 3 million registered users for this service. And this, again, we are seeing very good uptake fairly rapidly. We have tied up with some of the global gaming companies, the IP owners. We have over 500 titles with data voice and SMS. So, we provide all of this in packs to our customers. And we are seeing a good uptake on this service. The other service that we have spoken a quarter ago, or maybe a few months ago, was Jio AI Cloud, which is where we are giving cloud access to all of the users. So, we are basically democratizing AI and cloud storage. We are giving up to 100 GB of cloud space free to every consumer. We are helping them use this better. They are no longer facing constraints at 15 GB or even lesser in some cases, where they are running out of cloud space and they are having to pay for that service. And along with the cloud offering, of course, it is not just the storage, but we are giving them a whole bunch of solutions alongside that. So, starting with the frictionless sign-in, but then photos, digilocker, events. So, a whole bunch of things. This service is as good as any cloud service that a consumer can get, and this is completely free of cost. And it is now being used by over 33 million registered users. It is scaling up quite well. We think we can push this a lot more. This gets us customer loyalty. This gets us customer stickiness.

And of course, this then enables us to offer many more AI-related services, AI-based services to customers who are using this and the feedback from consumers has been very good for our AI cloud-based services. And we plan to keep scaling this up. Jio PC, something that you would have seen in the last few weeks, a fairly straightforward opportunity. India does not have enough computers. Students are not able to get enough good compute where they are. You can now, with our services, with our connectivity, with the bandwidth that we are offering, you can convert any screen into a computer, with all of the processing happening on the cloud. Fairly straightforward solution, but maybe markets outside India have not needed this, because of affordability in India, clearly something that students, the small enterprises, SMBs, they all needed this as a service. And now we are offering this commercially very cost effective. We are giving them flexible pay as you go models.

Cloud native, everything is happening on the cloud. So, you can be much more mobile. You can access these services from any premise. It is really great for students. It is really great for small enterprises where they are able to access all of these things from wherever they are. We have built in the apps, so when you log into the computer and you can try it at your homes if you have the Jio setup box, you log into the computer, you see the full screen and you see with the apps you can use any of that. Mostly people do not have the keyboards, so you will have to just invest in a keyboard to make the usage easier. Using the computer on a remote is difficult. And then it is fully secure. So those are some of the services and products that we have been scaling up.

I wanted to cover in this presentation. And now coming to the results. The third column is what gives for the current quarter. So, we have grown our subscriber base to 498.1 million during the quarter. Net customer addition of 9.9 million. The ARPU grew to almost Rs.209. The very healthy increase in the total data consumption, which has now gone up to 55 billion GBs during the quarter, 18 exabyte, 37 GB per user per month. So, you see a significant increase, a strong 24% YOY increase in data traffic. And this is just continuing to build.

This was the IPL season, so yes, people were consuming a lot of data for watching IPL but we are now with all those other use cases around gaming and computer and home PC, whole bunch of use cases coming in, which is growing the data consumption on the network. Coming to financials for the quarter, we had operating revenues of 30,882 Crores that was a 17% year-on-year increase. EBITDA showed a higher percentage increase, 23%, led by both the revenue growth as well as 300 bps year-on-year margin expansion to 56%. So, the EBITDA for the quarter was 17,300 Crores so very healthy growth on our connectivity business.

For the console Jio Platforms Limited, the gross revenue came in at 41,000 Crores, the operating revenue at 35,032 Crores, which was a 19% growth year on year. EBITDA of 18,135 Crores, again showing higher increase here, 24% year on year growth because of the operating leverage, the EBITDA margin going up by 210 basis points during the quarter. And profit after tax came in at 7,110 Crores at 25% year-on-year increase so that throws a quick summary of all of the financial and key operating results. We will come back for the Q&A later.

Sh Dinesh Taluja 01:02:30 – 01:23:19 (Reliance Retail)

Hi good evening, everyone.

We will cover the overview of the retail business, but before we go into the financials just a quick snapshot of what we are. We have built the largest retail ecosystem in the country, which is driven by not just one cylinder, but it is running on multiple cylinders, whether it is B2B, B2C, online or offline. We have built India's largest digital plus online convergence strategy with a very diversified business model.

We operate across multiple consumption baskets, which is pretty unique to us compared to most of our peers who are operating in a single category or a single format. That gives us a big competitive advantage vis-a-vis others, as well as it has built inherent resilience and diversity into the business model. It also gives us a lot of growth optionality, which is not there for a lot of other people. If we look at our retail ecosystem, it is the only one in India where we are present in the entire value chain from production to doorstep of the customer across multiple categories.

Nobody operates at this level of convergence and intelligence, so we are basically building India's largest, intelligent and connected retail ecosystem. In terms of competition, we are much bigger than anybody else. These are all kind of indicative. If you look at, we are the only diversified player with operating across so many consumption baskets and that has given us resilience and it has given us market leading growth compared to other people who are struggling to grow profitably scale up versus for us we have been able to scale up our business multi fold over the last several years and that is driven by the platform that we have been able to build.

Highlights of Q1, this was another quarter of strong resilient performance where the performance shows the strong metrics that we have been consistently able to deliver quarter on quarter.

Our revenues grew 11% on a YOY basis. All the segments continue to do very well. We have given market-leading performance in grocery and fashion. So, both these verticals are growing exceedingly well. Consumer electronics, there was some impact of the early onset of monsoon rain. So, some of the things like AC sales, which are a significant part of business in the summers, they did get impacted but overall, pretty resilient performance across all consumption baskets, and that is the benefit of diversification.

Our number of transactions increased 16% on a year-on-basis. We continue to expand our network and after the streamlining that we had done last year, we are back on the expansion trajectory. We have added 388 new stores during the quarter, while the closures have been quite small. EBITDA margins continue to expand.

Our EBITDA margins have been steady. We are seeing the benefits of operating leverage. So, while even we continue with the expansion, the costs which come with expansion, as well as some of the cost from last year streamlining that we have been doing which are kind of running into this year and they will run down. In spite of that we have been able to increase our margins by 20 basis points on a Y-O-Y basis. So, if we look at gross revenue was up 11.3%, EBITDA was up 12.7% and EBITDA margin is up 20 basis points to 8.7%.

We have multiple growth levers which are helping us drive the growth of this business. So, as we spoke last time as well, we have been expanding our quick commerce business.

We have the largest coverage across 1000 plus cities, 4300 pin codes and every quarter we will continue to expand this. As a result, our daily orders are up 68% on a quarter-on-quarter basis and 175% on a YOY basis. This is the fastest growing digital grocery platform in the country today. We are also now on the path of growing back our store network. We added 388 new stores, and our total store count has crossed 19,600 now.

Also, our consumer brands business continues to grow very well. It was our revenues were up 2x on a Y-o-Y basis. So, we have multiple growth engines which are driving the growth of our business, and this gives us confidence on our ability to deliver on the vision which our chairman laid down in the last AGM of doubling our business every 3 to 4 years.

Our grocery, it is not just the largest consumption basket, it is also the most resilient. We have been seeing very strong growth in this business. Our play across multiple price points and multiple formats, that gives us a big advantage over conventional players who are only focused on price and offline business. If we look at some of the new age categories, we have been able to grow. We have been able to premiumize our offering, which has continuously helped us increase our gross margins. Some of our big categories, like HPC, home, and personal care, we have seen 15% growth.

As you know that the FMCG industry is not growing at that rate. So, a lot of substitution demand we are able to do and grow much faster than the industry. While the B2C business continues to do well, even B2B business, Metro, had a very strong growth. Again, if you look at HPC there, we had a 25% growth, right? So, we are able to significantly over-deliver compared to what the rest of the industry is doing. We are also encouraging loyalty, subscriptions. In Metro, we launched the loyalty programme in a couple of months we had 100,000 enrollments.

As you know, India's online grocery industry is growing at almost 40% on a YOY basis. It is shaping consumer habits where people are valuing convenience and speed. So, in that context, JioMart is the fastest growing online grocery platform in the country today. Our daily orders have grown on a 68% on a quarter-on-quarter basis. Our mix of, I think what we bring to the table is the mix of technology, infrastructure, leveraging our store network and the local partnerships that we have, it gives us immense advantage and ability to deliver a very strong proposition for the customers, which is significantly above everybody else. Our reach is the widest in the industry.

As you know, most of our competitors are focused on the metro and tier one cities. We are already doing quick commerce in thousand plus cities. We are also focusing on building frequency building categories. So, fruits and vegetables people order, fresh people order every day, every alternate day, right? So those are a big advantage. As you know, we operate the largest fresh supply chain in the country.

Our number of orders which include FNV is a key metric that we measure. 21% of the orders now had FNV compared to 9% six months ago. So, there is a lot of stickiness which is coming in, a lot of repaid behavior which is coming in, which is driving traffic onto the platform.

Our marketplace business continues to ride on the technology and the infrastructure that we have built for our 1P business. It helps us provide a comprehensive offering to the customer so that he does not have to go to any other place. And we are able to service every need that the customer has, even beyond what we offer in our stores. So, to that extent, we continue to add 3P assortment.

We continue to add 3P sellers onto the platform, and that helps create user stickiness. Our marketplace catalog is quite wide, at almost nine million options which are available on the platform, and we continue to grow our seller base as well. Subscription service is another key differentiator. As you know, there is a lot of stickiness. People actually pay for delivery in that service, and the benefit of it is it is silent 7 am. You can keep ordering up to 12 at night and you while you wake up things get delivered in the morning. It also rides on a very different milk run supply chain. So, the supply chain costs are very low. It is a very habit-forming people order milk 15 times a month or 20 times a month, right. So, it is a very habit-forming category where people are willing to pay for convenience. And that is something that creates a lot of stickiness. We have extended the service to 26 cities. And we will continue to expand this. The number of orders have grown on a 45% on a YOY basis.

Fashion and lifestyle business, if we look at what we are building, we are building India's largest digitally-driven fashion ecosystem, which is highly agile and responsive to trends. I think those are very critical, because in the current environment, trends change very frequently. Customer preferences change very frequently.

So, the earlier model of 90-day, 180-day cycles does not work anymore. So, we have been able to use a lot of technology. We have talked about project Impetus in the past. That has helped us build this largest and very agile fashion ecosystem in the country. We have seen last year was a tough year for the entire fashion industry, but we are seeing a strong rebound this year and the business continues to grow with very strong LFLs. We have also taken several initiatives over the last few quarters.

So, on trends we have launched a new store design format which is more trendy, which is more visually appealing to the customers, which is more digitally driven. That is getting us good response footfalls into the customer. We have also shrunk the cycle, the design to shelf cycle to 30 days. So, there is a lot more freshness in our stores. And we are using a lot of AI to come up with designs which are in trend.

So, acceptability for the customer is very high. Also our approach of winning in every price format is working across price points and across formats, so if you look at last 18 months we have launched several new formats, Yousta which is for the younger gen Z customers, Gap which is an international brand which we are scaling in India. Azorte, which is a premium fashion format. All of them continue to show very strong growth. over the last 12 months, we have got almost 170 plus stores, and a lot of expansion is happening in this segment.

In addition to apparel, we are also focusing on building a lot of non-apparel categories like beauty and personal care because that helps build the basket, helps improve the bill value for the customer who is buying apparel. We are also looking to enhance our brand image, and we have executed several high decibel campaigns. We did the Mahesh Babu campaign in South India for Trends last year. We have done a campaign with Khushi Kapoor for Azorte. We have done a campaign for Yousta as well to have a better connect with the gen Z customers. If you look at on the digital side, the youth driven fashion, especially younger people, they are much more digitally savvy, and that fashion is more digitally driven and value conscious.

They are looking for trendy designs, but at a good price. And that is what plays to the strength of Ajio and Shein.

We have been focusing aggressively on acquiring a lot of new customers while we continue to get repeat customers onto the platform. The share of new customers was up 18% on a YOY basis, so we are able to attract a lot of new customers.

Also, consistently, we have been focusing on increasing our average bill values by premiumizing our offering, increasing the share of exclusive brands onto the platform and that has been having good results. Consistently, our average bill values have grown up. They were up 17% on a YOY basis. We also launched Ajio Rush, which is equivalent of a quick

commerce, where basically, in top six cities. We have carved out space in our stores. We are delivering from those stores where the promise is, within four hours, we will be able to deliver to you. That is live in six cities with 130,000 plus options. These are curated options in those stores because we have a lot of data for those pin codes in terms of what is selling. And what we see is initial signs, it is still relatively young but what we see that the average bill values are significantly higher. They are 50% to 60% higher compared to a normal transaction. The acceptability, acceptance is much higher.

So, what we are seeing is almost close to 12% to 15% of bills where we are offering this service, our people are adopting a Ajo Rush. And the returns are significantly lower because it is addressing a need that the customer has. In case of fashion, a lot of returns come because you ordered something from two or three platforms, you got something first and then you return the rest. Here, you needed something, it got delivered to you in a couple of hours, you tried it, it works well, so you keep it, and that is why you see returns which are much lower, which means that with better bill values and lower returns, the unit economics will improve substantially.

We also continue to add more options onto the platform. We already have now almost 2.6 million options available on the platform now. Shein is something early days. We did a commercial launch in February this year. We have already crossed 2 million app downloads. And we have more than 20,000 SKUs which are live on the platform. And we have not done a lot of marketing on this as yet. We will start doing some marketing here to make users aware that Shein is relaunched, but we are seeing very strong traction here.

On the premium side, what we are addressing here is the Aspiring Indian. We are building the largest premium and luxury platform for aspiring customers who travel through the world, who know these brands and aspire for these brands. We have built a platform where there are multiple brands, which means that our customer acquisition cost is quite low, and we are able to offer a platform of brands to these customers. The economics are much better, the bill values are much higher and there is a lot of brand loyalty here, which is there. Hamleys, which is our own brand, we have been taking it while expanding in India. We have also been taking it internationally.

We are doing a bunch of things where it becomes a truly Indian multinational brand. We have also acquired a few IPs, Superdry and Mothercare we own, where we have a lot of flexibility, we can design these products in India. We can manufacture lot of flexibility. We can design these products in India. We can manufacture them in India. We do not have to depend on the parents supply chain or design capabilities. We are launching the Mothercare Everyday range, which will further improve our kidswear proposition. It is completely designed and sourced in India.

Jewels is a segment, as you know, the prices of gold has gone up substantially, because of which the bill values have gone up, but the number of bills have come down. The business is on steady growth, but obviously there is an impact on the significant increase in gold prices. In volume terms, the demand for gold has gone down. Our approach of differentiating through targeted theme-based collections continues to work well.

We launched the Tirupati collection during this quarter. Also, we are offering 18K jewellery as an alternate to 22K jewellery to make it more affordable, especially for everyday wear. Consumer electronics, I think what customers are looking for here is a service-oriented offering with a solution-led approach. People do not know what they want to buy, and it is a bit of discoverability. And service is very important. And while the demand is pretty steady and continues to grow, service is the big pain point of the customers.

And today, other than us, there is no other integrated Pan-India player who approaches with a solution and service mindset. So that gives us a big, big competitive advantage and a lot of stickiness for the customers to continue to do repeat shopping with us. We are also seeing significant increase in average bill values. Gadgets are becoming more powerful, and people are spending more on those gadgets. So, the average bill values are up 26%. Conversions are up 200 basis points on a YOY basis.

ResQ, which is a service arm, it is our biggest differentiator in this in this segment. It continues to be the largest and the most popular service network for people not just for installations or in warranty but even on demand out of warranty services. We continue to expand our service network we are present in almost 1600 plus locations right now.

Along with our stores and services, we also have a pretty strong own brands portfolio and a large B2B distribution business, which has been continuing to grow pretty rapidly. And when you combine all of this, our brands, our distribution network, our service, and our relationships with the global OEMs. That creates a winning proposition for us, and because of which we continue to increase our lead over other peers in the market.

Some of you may have seen the announcement today morning. We have also acquired the Kelvinator brand IP for Indian market. This is part of our own brand where we want to strengthen and expand this brand to much more categories. We were paying royalty earlier, so this becomes very attractive for us. FMCG business, on a very accelerated exponential growth trajectory, Revenue was 4,400 Crores during the quarter, which is almost a 2x growth on a YOY basis.

General trade contributes 70% of the sales. So, while it has a big advantage of being able to sell through our store or our network of stores, both B2C and B2B, but the business has built an own independent distribution network, which is pretty substantial. We did a very high decibel campaign during IPL for Campa, which has a very high recall. And we now have double digit market share in key markets. We are also pretty quickly expanding our supply chain and building pretty robust manufacturing capabilities across the length and breadth of the country. We are using world-class, building world-class manufacturing and R&D facilities with a lot of automation and backward integration, which will give us superiority on product as well as the lowest cost and help us win in the market. This business is being demerged. It is in the process of being demerged out of Reliance Retail into a subsidiary of Reliance Industries. So, it will become sometime this year, once the regulatory approvals are in place, it will become an independent business. And we have, even today we have an arm's length

relationship between our retail business and our FMCG business, but then these two become completely independent. So that is a quick update on the retail business.

We can move on to media, and then we can take questions.

Sh Kevin Vaz 01:23:24 – 01:33:35 (JioStar)

Now on to the newest business in the Reliance family. Jio Star is barely eight months old and our new platform which we launched, Jio Hotstar, is just five months old. The first quarter for us, I think this is our first big quarter, and if you ask me, it is not only the most important quarter for us, it is also our biggest quarter. Important I say because in the end of the day, what we do in this quarter helps set the pace for the entire year. And biggest I say because it is got the biggest cricketing event in India, the IPL, which runs for two months over 74 matches and that is why that makes a big difference for us. So let me just pivot straight into IPL. I divided into three parts, and I will tell you why we are dividing into three parts. It is the opening weekend, which is first, then talks about the entire tournament and the finale. Now for a tournament like this, of this scale, it is really important that we have the biggest opening on day one, on the weekend that is there. And if you look at the numbers that we managed to deliver for this IPL okay we delivered with 1.4 billion digital views on television our reach was 253 million and the total watch time that this tournament lowered for the opening weekend was 49.6 billion minutes. Remember, this is the first time in the past, TV was done by a partner, Disney and Jio Cinema used to do the digital part of it. The first time we got together and coming together, this is what we have seen as outcomes.

With that kind of an opening weekend, it translated for the tournament, if you look at it, it translated to the record viewership, right? The highest reach ever of 652 million on digital and 537 million on TV, giving us a highest cumulative watch time, just short of a billion minutes, right? I mean, this could have been slightly better if we did not have a slight break in the tournament because of the geopolitical scenario. We think we could have done even bigger than what we saw. And lastly, talking about the finale, the finale became the most watched IPL match in its history. The finale actually was the most watched T20.

If I have to make a comparison, the previous T20, which was there, was the India World Cup. When India came into the final of the World Cup, this IPL went and beat those numbers. And it had a peak concurrency of around about 55 million consumers having a seamless viewership experience. What did go into numbers? Jio have paid subscribers of 287 million. If I have to compare it, I am seeing is Netflix in the world is across the entire world is about 300 million. Just in India, we have 287 on digital. We had 6.4 billion hours of watch time which is a 49% growth in CTV and 29% growth year-on-year the live video viewers was 652 million with a 64% growth in CTV and 28% growth year on year and as

I mentioned earlier about the concurrency of 55 million. As much as digital broke the records, we saw huge numbers on television. We had the best opening weekend on television of 7.44 TVR which is 39% year on year growth and the IPL finale reached out to 189 million 12%

over the previous record. Jio Star now is available in 99% of the CTV households. Why do so many people come to watch it on Jio Hotstar?

The reason why they watch on Jio Star is because the unparalleled viewing experience that Jio Hotstar offers. For the first time in the world, we came up with this feature of voice search. Voice search is simple. You want to go and see a Surya Kumar catch, the only thing you need to go is speak on OTV and say, Surya Kumar's catch in so-and-so game and it will play up right away or if you want to see Bumrah's wickets in a game you just need to speak up and Bumrah's wickets will all come to you one by one. Maxview another feature which really changed viewing experience where people got to see it on full vertical screen and could see have the best experience in watching a match. We also launched six fast channels for the hardcore fans, for example, if you are a Mumbai Indian, CSK, or RCB fan, we had fast channels which could give you complete coverage for the entire day. And you could watch the best moments. I am seeing their best games right through the tournament etc for the super fans. And lastly, the Jeeto Dhana Dhan Play and Win, where I am seeing is people nearly double their engagement.

Every user doubled their engagement over the previous year. So that is all about cricket, right but more important is, it is also on the entertainment front, where we really scaled up our entertainment, whether it is movies, whether it is our series, or it is our international content or regional content. Criminal Justice, which launched actually yesterday, was announced by Ormax as the biggest series ever in 2025. No doubt it was the biggest on our platform also. Kesari 2 again the biggest movie ever happened on the platform across all languages. Mufasa which is international dubbed in multiple languages also broke records but even our regional content whether it is in Tamil or in Malayalam had huge viewership and broke records.

Now that IPL is over, what next for us? This quarter has got some of the biggest shows coming on the platform. We will have Big Boss across five to six languages on the platform. We have Special Ops which launches today, and I think if there is something that could be bigger than Criminal Justice it will be Special Ops which launches today, and you must all try and see how you can catch it over the weekend. Jolly LLB the movie, will be releasing on in theatres in this quarter and Trial which is another re-adaptation of an international show which has got Kajol in it.

And lastly, the biggest one that we see for this quarter, something that will resonate in every household, a show that launched 25 years ago, a show that changed television viewing in this country. We will be launching this on the 29th of this month across Jio Hotstar and Star Plus. And we think this show will redefine viewing habits once again.

On an operational point of view, across the three businesses, whether sports, digital or linear TV, IPL25, as mentioned, was the biggest in terms of both viewership and monetization but apart from IPL, we had hosted some of the other bigger marquee events, like the ICC World Test Championship, and we also acquired the digital rights for India and England, which is currently going on.

On the digital front, we averaged 460 million average monthly active users. Two, there was a pivoted change in the digital subscriptions. All this was led by a unique proposition of a hybrid model between A-Ward and S-Ward. Just to elaborate a little bit on it. We believe in if you give people to consume, loyalty will help you build subscribers. So every piece of content on the platform was available to all consumers for four hours free and after they hit the four hours is when they went into pay mode. And we just believe saying that once people are used to it on the channel, they are more willing to come and pay for it and that has what helped us turn out those numbers. Paid subscribers reached 287 million during the IPL.

Lastly, talking about the linear network, we grew our shares on the linear network. We launched Star Utsav in the free-to-air markets and from week one we became the number one channel in the free-to-air markets. Across markets, in 9 out of the 10 markets, we are leaders across languages and in most markets, we have 7 out of the top 10 shows on it. And lastly, I am seeing this for the first time we have seen because of the power of the network we have seen a strong subscription sign-up across all operators in this country. Over to the financials, we had a strong performance which was led by monetization and better control on costs, with revenue from operations at 9,600 Crores. We had a profit before tax at 583, with a margin of 10.6%. We have had a superlative performance both on our subscriptions across TV and digital, and IPL posted its highest revenues with a solid year-on-year growth.

On the TV entertainment ad segment, yes, we have seen softening in the FMCG sector. The last two quarters have seen across the FMCG sectors being slightly soft and we have seen some hit on our revenues on the entertainment. I think things seem to be pulling back and we are hopeful with the season coming up, we shall be able to have stronger numbers even on entertainment. Thank you.

Sh Karan Suri 01:33:55 – 01:44:47 (New Energy)

It is tough to match the excitement of Jio Hotstar, but I will definitely try. I can still say that our business is also new, new energy. I think this is a slide where I will probably spend a few minutes because it presents a snapshot of how we think of our entire new energy ecosystem and probably this is the first time that we are presenting the entire new energy ecosystem of products or solutions.

When we talk about our solar value chain, we are talking about effectively a value chain which converts sand to solar PV modules and it effectively has around 10 giga factories that we are developing, which is metallurgical silicon, which is polysilicon, ingot, wafer, solar modules and glass, effectively converting the sand to solar PV modules. And on battery, again we are setting up all the way from chemicals to battery cells, packs and base as well as mobility batteries. Each of these giga factories for some of the companies is a business in itself and for us this is an ecosystem of the manufacturing.

We are obviously investing a significant in the deep technology, just to point out the HJT modules that we are producing and manufacturing, we have started manufacturing, one of the largest in the size for the utility scale, one of the most efficient and we are not stopping

there, we are still continue to progress on the technology, innovating, increasing efficiency, reducing the cost. The batteries and the solar module that we are going to manufacture will take it up to the captive generation that we are setting up, where intermittent solar energy along with the batteries will be used to get to round the clock power generation.

And we are confident that the round the clock power generation, we can even better the tariffs on the fossil fuel, comparable fossil fuel new generation. Similarly, we are also setting up the manufacturing for electrolyzers, which is TAC, BOS, and BOP. This will be the alkaline technology that we are progressing with. And we'll use the power generation through solar along with electrolyzer to get to green hydrogen production. We are also setting up a number of compressed biogas plants and one of the byproducts of that we will use along with the green hydrogen to get into the business of green ammonia and green chemicals along with the captive round the clock power, power sales to the third parties and sustainable aviation fuel. This is how we think of end-to-end energy ecosystem for Reliance effectively delivering the solutions which includes energy electricity on the round the clock basis, which includes green chemicals, which is ammonia, methanol and SAF.

All of this business when we talk about, obviously this is largest in scale, ever thought of, ever conceptualized and ever delivered, probably the largest outside China. This is the most integrated in value chain. In fact, this is the only end-to-end integrated business owned by a single company across the world, and I can probably say that. This is deep tech. All the factories are smart factories. They are born digital. And we will be using, and we are using our proven skills when it comes to engineering, construction to set this up. Effectively what we call this is a Jio movement for our new energy business. Like how Jio revolutionized, democratized the data for Indian customers, we are looking to effectively provide the same solution and energy revolution for the country, for our country.

Where are we in the progress? We have already started commissioning and completion of number of our plants and rest of the manufacturing is in full swing and I have got few pictures later in the slides and I will walk you through that. As I already mentioned, this will be the world's most advanced in technology and most integrated. It delivers the highest efficiency panels for us, it delivers the highest efficiency batteries for us.

On our energy generation projects, we have started execution, we are mobilizing the resources at the site. And our plan is to do just intime installation of the modules straight from the delivery by from Jamnagar to the foundation at our generation sites. Just to highlight the scale, we will be pretty much installing around 50 megawatt of modules each day, 175-megawatt hour batteries each day at fully operational scale. We are setting up a dedicated captive transmission from Kutch to Jamnagar to get the energy to our Jamnagar requirements as well as the growth businesses that we are doing in Jamnagar.

We are planning a fully integrated green chemicals ecosystem powered to green hydrogen and then converting into green chemicals where we have already got marine.

infrastructure ready at Jamnagar as well as at the land that we have been awarded at Kandla. Well on our target to achieve 55 compressed biogas plants by the end of this year, the

construction is pretty much on full swing and for various plants we are doing commissioning. We believe our entire new energy ecosystem including the manufacturing and starting the generation on the clock and the green chemicals, we will start operationalizing this new energy ecosystem in next four to six quarters on a full-scale basis. What does it mean for us? For us, new energy is effectively our next growth engine for Reliance. One of the key reasons for us to get into new energy is obviously to provide the energy security at affordable cost for our entire group's captive requirements, which are growing as we are speaking and as you have witnessed in various business presentations, as well as for the third party requirements for India's growing energy requirements to sustain its economic growth. We are setting up this at world leading scale, full integration which provides highest efficiency solar panels, ESS batteries, which further reduces the cost, provides latest technology products. All of this translates into attractive return on capital for both manufacturing and generation, but also reduces the power cost and the energy consumption bill for various Reliance Group captive customers by at least 25% and that is a significant saving for our group companies.

And we have already started receiving a number of inbounds from various investors to participate in these projects, manufacturing, growth projects, the generation projects on both electricity, as well as on green chemicals. And once we have operationalized this new energy ecosystem, we will obviously pursue some of these win-win partnerships where we will invite and get investments from some of the partners who also commit on the off-take, especially when it comes to green chemicals. What we see is in the next few years, this new energy platform for us will become self-funded platform through its profitability as well as monetization and it will deliver a perpetual perennial growth for Reliance and our shareholders. And for India we effectively solve India's energy dilemma which is getting an energy which is affordable, sustainable and self-sufficient. Effectively for our shareholders it will offer a multi-decade growth opportunity. I will just walk you through some of the pictures. This is the construction site, bird's eye view.

As you can see, we have already commissioned on the top center site, the module manufacturing, the cell, the module phase two is coming on the right side behind that cell. This is the wafer manufacturing that you see the nearest, all the utility blocks and there somewhere on the right side is the polysilicon manufacturing and battery manufacturing that we are setting up. Just to talk it in numbers, the entire construction is effectively 44 million square feet of the space which is nearly four times of Tesla gigafactory at Nevada. That is the scale that we are talking about. We are talking about 5 million engineering man hours, 50,000 construction workers at the peak. That is the scale of construction and the execution that we are talking about that Reliance has been delivering. We are obviously doing it with our globally leading partners when it comes to engineering, when it comes to construction, when it comes to the technology.

We are setting up skilling schools for operating these models. This is a module giga factory. As you can see, some of the EV Alliance which are currently in operation, we already operationalized our module giga factory. Again, our module giga factory, you can see our HJT panels, the first time HJT manufacturing happening in India. These are the highest efficiency solar panels. These are various stringer machines, again, for the module manufacturing. Some update on our cell giga factory where we have already started

equipment moving both the dry room as well as clean room equipment and in next quarter or so we will start commissioning our cell manufacturing. This is India's largest solar glass manufacturing facility. We are setting up two trains for that. As you can see, it is pretty long in the length, the entire length of the glass factory is 1.3 kilometers. That's the scale of the glass factory that you're seeing on the screen.

Just to mention, even our battery manufacturing factory is one kilometer in length. So, you can imagine the scale of construction that we are delivering. This is our polysilicon factory. What you see on the left side is 48 CVD reactors. Just to highlight the polysilicon factory, we are setting up with the purity of 12N. What that means is it does not only deliver the polysilicon for the wafers for the solar, but we can also manufacture polysilicon which is a feat for semiconductor industry. This is all the entire construction which is happening on the polysilicon.

Sh V Srikanth 01:44:53 – 01:48:24 (Summary)

So, if you go beyond the quarterly performance, we saw a list of all our diversified portfolio and importantly what are the drivers for each one of them. New Energy is a more detailed presentation in terms of where we are in terms of progress and importantly where are the value creation opportunities that you saw. So, when you look at each one of these businesses and we try to say or show why we think that these are multi-decadal opportunities in each one of them. And this Jio effect that Karan talked about actually is applicable for new energy. You can say that the Jio effect in terms of being able to deliver significant value is applicable for FMCG. You can see it in every place. I think there are opportunities for us to create the same kind of Jio movement. So, these were some of the drivers and we wanted to show that.

Of course when we talk about the opportunities and the underpinnings really comes from the fact that the demographics, the population, the fact that consumption will grow and it feeds in every part of our business be it on the materials business, on the transportation, on the fuel business, new energy, electricity is going to be deeply, deeply in demand and these kind of opportunities.

He highlighted the fact as to how even at every stage, be it manufacturing of giga factories or for that matter, electricity generation, where the returns are attractive. And after considering these two, he emphasized the fact that if he then compared the cost of power that comes in, it stands to be attractive vis-a-vis fuel cost for us.

As you know, fuel for us is either gas based or effectively in some way coal and coke based. So, this is attractive. So, the opportunity is very good and importantly the size and scale of the operations that are going on. A 1.3 kilometer long factory that is a lot of work going on and I am sure at some time you will get an opportunity to see that and these are businesses which we talk about perpetual growth in the sense that you are able to continuously feed on what is happening and our strength has been expanding the market, it has been about creating the market and more importantly the disruption part is more coming from what we have seen in Jio and I think every business provides that opportunity and all that leads to

really is again as I said if you go beyond the immediate quarter and performance what it is saying is that, therefore, our confidence in being able to deliver on doubling, which our Chairman talked about in 2022 and also re-emphasized in 2024, is very much on track in our mind.

And importantly, we have the balance sheet strength. We have the cash flow generation that you are seeing, the big part of the capex, especially on Jio all that is over. And we have the balance sheet and the cash flows to sustain this kind of growth and really set up a different value chain and growth is life is what we have always been saying. And I think this is a glimpse of what are the opportunities that are available for us. Thank you.

Q&A SESSION 01:48:25 – 02:17:35

Questioner (Sanjesh Jain, I-sec)

Sir, just wanted to understand the cost differential between an UBR versus FWA. What is the difference in the cost for CPE for us? Is it material difference? Does it make sense for us to be so aggressive on UBR? Is it a long-term solution versus a fiber or still fiber is more preferred over UBR and FWA?

Company Speaker (Sh Anshuman Thakur)

So, the cost difference on the CPE device itself will not be too material, it is kind of similar. But the network equipment is more economical for us. The way we have developed it. Between fiber and UBR, it really is a function of if your fiber is there. So, if I have a connected building with fiber, you will of course want to use that fiber. Well, I should not even say it is long term because UBR is also a long-term solution. That spectrum is there. The equipment work, they have long life. Of course, these are new, but they will have several couple of decades, 20 years, 25 years kind of life these equipments will have. You can continue to use that. And given global allocation of these spectrum bands for Wi-Fi purposes, for unlicensed use, the spectrum is going to be available. So, there is no reason to think it is not long term sustainable. But FWA people had this question that you will run out of capacity on the network, you will have more use cases coming in, there would not be sufficient capacity but with UBR that is not a constraint. Cost wise also it is more economical. Last mile fiber is more expensive. So, in all those regards it is going to be much more sustainable. Fiber if it is already there then of course you still want to go with fiber.

Questioner (Sanjesh Jain, I-sec)

Just one last question. On the 2.6 million addition on FBB, we understand there was an offer, IPL and all. What is the sustainable number in addition are we looking at or post Jio what was the addition we are doing?

Company Speaker (Sh Anshuman Thakur)

It has been fairly steady even after that, even post IPL the run rate has not slowed down really. We are still giving some commercial offers on the ground because we want people to come in and start using these services, but the run rate has been fairly steady, in fact it has picked up. Our exit run rate was higher than the entry run rate. As I said, there are months when we are doing more than a million net add.

Questioner (Sanjesh Jain, I-sec)

Got it. Thank you.

Questioner (Devanshu Bansal, Emkay)

Hi, Devanshu from Emkay. Sir, there is some moderation in retail revenue growth, right? So, there were some strategic changes that we had implemented last year and Q4 saw quite a strong pickup in retail revenue growth, right? So, I just wanted to better understand among categories is this only because of consumer electronics that we are seeing such kind of an impact in growth or was it led by some slowdown in other categories like grocery and fashion as well?

Company Speaker (Sh Anshuman Thakur)

I think as Dinesh said consumer electronics we saw some impact, both grocery and fashion did reasonably well. There was a little bit of impact on devices as well. The device pickup was lesser in this quarter, but that tends to be a bit more bulky because that a lot of supplies happened to Jio, so inventory had been built up, but that is more temporary. So, only consumer electronics is where there was a slight impact and even that was growing, but the growth was lesser than what we were expecting. And remember Q1 is generally seasonally weak, it is the seasonally weakest quarter. Growth will pick up, a lot of new store additions happen in Q2 and Q3 because you try to get a strong start with onset of festive season. So Q1 always is a muted quarter.

Questioner (Devanshu Bansal, Emkay)

And just a small follow up Sir, sequentially we have seen 6-7% drop in revenue, but our margins have remained stable or slightly improved only. So typically, in retail with sort of lower revenues we see a lot of negative leverage, right but we have done a really good job there. So, what are the key things that we have done to sort of deliver such kind of a margin performance? And with sort of pickup in the coming quarters, can we expect a good amount of margin gains this year vis-à-vis last year?

Company Speaker (Sh Anshuman Thakur)

See, there is a lot of optimization that we have been doing over the last year, and those impacts are following up, flowing through quarter and quarter. When you let us say close a store, there is a cost associated, three to six months you run down, you finish the inventory and then you have to pay rental, three months lock in, all of that happens, right. So those benefits flow through over a period of time, right. So, I think the margin is a result of a lot of cost discipline that we have been kind of looking at. And you are absolutely right that as the business grows further in Q2 and beyond as growth picks up, the margin should expand at a segment level. At an aggregate level, it is a mixed impact because different businesses have different margins but absolutely, at each business level, the margin should expand.

Questioner (Manish Adukia, Goldman Sachs)

Manish Adukia from Goldman Sachs. Two questions, one for Anshuman and one for the retail team. So Anshuman, you spent a substantial amount of time in the presentation talking about the in-house technology stack that you have built at the Jio platform level. When you think about translation of that into numbers for the business, one is obviously market share, where on the fixed side you have done very well. But when you think what is the wireless market share, and also margin profile of the business, and then the capex profile of the business, where do you see this in-house stack to reflect in terms of numbers, let us say, in the next two, three, four, five years? And when you think about this quarter where you had substantial improvement in incremental margins in the business, which was missing in the last few quarters, is this now the new normal or would there be still quarterly volatility there?

Company Speaker (Sh Anshuman Thakur)

On the first one, having our own technology and having control over that tech stack and being able to modify it in the way that we need it for our consumer services is going to have benefits across it just about everything. On the revenue side, we can ramp up much faster because all of this is completely in our control versus working with a vendor, where you are dependent on the vendor to do certain actions at the time that you really want to expand services. Here you are not dependent. On the cost side, it is very advantageous because you are not paying some huge license fee to somebody. There are still vendors who want on a per sub basis, when you are thinking about scaling it up from 20 million to 50 and then 100, you do not want to be paying per sub kind of prices. So, on cost side that is a big advantage. I would say one of the very big advantages is the ability to keep improving, keep configuring the stack as per your requirements, which becomes very difficult when you are dependent on an external vendor ecosystem, because then you are completely dependent on what they are able to deliver to you. We are no longer dependent on them. We can prioritize our requirements, and we can really go ahead and work on those. And then there is the additional revenue opportunity. This kind of tech stack and we are increasingly getting that confidence with our conversations with global operators. They all want to use this. And this is fairly deployable in whichever market you talk about. See today what happens is in some of the more developed markets, higher ARPU markets, it does not pinch them much. So if they are making \$40 from home, they have only those many customers, they have sufficient networks, infrastructure,

they do not mind just continuing with the high cost base but if somebody goes and tells them that instead of the \$10 or \$12 that you are spending on every sub, if you can do that at \$3 or \$4, that is additional margin. And that is why all of them are becoming interested. So, this tech stack should yield us a lot of incremental revenue opportunity as well over the next couple of years. So, several advantages and we are seeing that. Our LTE network or our 5G network, we can scale up as and when we want. We started with a core of 120 million. We have already expanded to 250, 300. And we can keep incrementally doing it. It is all in-house. It is all our cost only. So that is a very big advantage of having our own tech stack. On the margin front, again, we have the cost completely in our control. And therefore, the operating leverage, we should be able to control that much better. So hopefully, we do not have too many unexpected kind of expenses. And we should continue to see improvement because as more customers come and more revenues increase, hopefully the operating leverage will play out even more.

Questioner (Manish Adukia, Goldman Sachs)

Thank you. Second question for retail. So quick commerce or JioMart, we saw very strong growth in quarter-on-quarter daily orders. Couple of questions here. When you think about this industry, which has now maybe become \$10 billion plus at an industry level, the quick commerce industry, do you believe at some point in time to really capture the upside, you will have to build a dark store network that will require you to service within 15 minutes because competition is doing that and do you think that incremental 15-20 minutes will make a difference or substantial difference to demand and does it at any point in time given there are so many players in the industry make sense to consider growing inorganically in this business would that bring any kind of advantages or do you think organic growth is the right way to build it with the right cost structure?

Company Speaker (Sh Dinesh Taluja)

So, I think two parts to it. See we are already building dark stores. Now the logic of dark stores it is not that if I have an existing store, if it is within the right radius, you can meet that SLA, right. A lot of our orders actually get delivered within 10 to 15 minutes. 30 minutes is the outer limit. Wherever there are gaps in the network or where there is enough order volume because beyond a certain order volume, it starts impacting the customer experience in the store. So, we are already building dark stores. We are in the process. We have rolled out quite a few in the top 10 cities already. So, the dark stores will come. Our own stores will continue to be the backbone of our model and dark stores will basically supplement the model and help me fill the gaps. That is the strategy that we are following. That is a big advantage. See today if you look at top 40-50 cities, more than 90% of the orders are coming from top 40-50 cities. We are already present in 1,000 cities. Most of the cities where we are doing quick commerce today, they will possibly not reach there in the next three years as well. Why should I give up that advantage? I will continue to leverage my store network. Wherever there are gaps, wherever I need to reduce the delivery radius or wherever there is enough order volume, we are going and setting up dark stores. We are not close to that idea. We are actually setting up quite a few dark stores, especially in city, places like South Bombay, where I do not have a big network. That is a large market. So, we are setting up a lot of dark stores.

We do not want to leave any pocket where we are not competitive. Organic versus inorganic, it is an interesting one. We are as of now focusing, I would say. It makes sense. It is very difficult to integrate somebody with your existing network. We have been focusing on to be honest focusing on building our network organically. And we have a big customer base which is already there with us.

Company Speaker (Sh Anshuman Thakur)

And just to add to that, we have been doing some analysis of the cost structures of some of these other players. I do not think inorganic will make a lot of sense, actually.

Company Speaker (Sh Dinesh Taluja)

For us, see, remember, I only set up a dark store where there is enough order volume, where my store cannot support it, or I do not have a store presence. So, economics are much better for me because I am able to leverage existing infrastructure. And most of my dark stores are in places where the order volumes are high and dark stores are a positive contribution margin from day one.

Questioner (Manish Adukia, Goldman Sachs)

Just a quick follow-up. Are you seeing enough demand in cities outside of top 50 or is it still like a largely top 50 city phenomenon?

Company Speaker (Sh Dinesh Taluja)

No, we are seeing good demand. See, customers have aspirations and customers are looking for convenience, right? That is a learning that we had. Initially, we also were focusing on the next day delivery, but I guess we have realized that customers want convenience, the immediate gratification. You order something, you get it immediately, 10 minutes versus 30 minutes is debatable whether how many people value 10 versus 30 but we offer whatever the market offers. There is a consumer shift which is happening in consumer preferences across the board. In fact, smaller cities, the average basket values are not very different. The cost structure is much lower. So, the unit economics actually ends up, and I have an existing store, the economics works actually even better in the smaller cities. And for the other guys, because they will take time for those order volumes to grow beyond a certain level. For them, it will be difficult.

Questioner (Vikash Jain, CLSA)

So, on retail, at some point of time at the presentation, you said that some follow-up course of the streamlining of operations, which happened last year, is still impacting. So firstly, by when do you think we can get to a clean quarter where those are behind us? And secondly, if we were to look at revenues adjusted for Jio, I mean, broadly the connectivity piece, that is going to be much lower than the reported 11% number that you have reported. So, is that also part of that streamlining thing, which is pending, or it is more in the margins?

Company Speaker (Sh Dinesh Taluja)

So, I think it is more in the margin side. Let us say when you shut down a store, there is some time lag which happens. You have certain commitments. You have certain lock-ins.

Once you stop your operations, it takes time to take out your inventory, and the people remain on the payroll for certain amount of time. So, it is not a very long period, it relates to stores that we closed in end of Q3 and Q4 for which some of the cost would have come in Q1, more or less it is done.

Questioner (Vikash Jain, CLSA)

And FMCG when you mentioned that, you know, now the demerger process is it done or it is not yet?

Company Speaker (Sh Dinesh Taluja)

Not yet, it is under regulatory approvals. So once the regulatory approvals are in place, then the business will get demerged out.

Questioner (Vikash Jain, CLSA)

And so, all the Reliance retail shareholders will be shareholders of exactly same.

Company Speaker (Sh Anshuman Thakur)

Today it is 100% sub of RRVL, it will just move out and shareholding will get replicated.

Questioner (Vikash Jain, CLSA)

And one last thing on new energy, the modules, cells, you said that cell production will possibly, we are one quarter away from that. So, by when will we see the first of the integrated production in how many quarters and by when do you think we will be done with most of our requirements and could start looking to sell outside?

Company Speaker (Sh Karan Suri)

First of all, integrated manufacturing ecosystem. Look, we are not waiting for our wafer or polysilicon to get finished. We will start manufacturing modules, we will start manufacturing cell. As rest of the factories come in, we will start utilizing the entire integrated value chain. With respect to the sale to the external parties, we are already opportunistically looking at it, but our capital requirements are itself so large. And if you look at the entire land parcel that we have got, our capital requirements that we have got, we will be also very opportunistic in what business model works better for us. If selling an energy which is what as a solution provider as Reliance we look at, we will be selling energy rather than selling a product which

is either module or wafer. That will be our focus. Opportunistically if there is an opportunity to sell and make better margins, probably we will look at it, but more as, I would say sporadic pockets rather than a strategy.

Questioner (Sachin Salgaonkar, BofA)

Sachin Salgaonkar from Bank of America. Two questions. First one on JPL. Anshuman, clearly a good amount of investments have been made in tech and we are at a point where we did see connectivity growth being strong for the last many years. When we think about digital services, what are some of the components in that? We do know there is a corporate business, but what are some of the other parts? And when do we see an inflection point where all these businesses will grow up in a meaningful manner? For last few quarters, we clearly see the growth at 30% plus rate. Is this something which is sustainable? What are some of the drivers out here?

Company Speaker (Sh Anshuman Thakur)

So, it is sustainable. I think these are basically tech and platform services that we are offering to enterprise customers mostly who are paying today. Cloud is contributing, cloud services contributing there. Consumer services, we are not really charging a lot for the services that we are offering other than for some of the content driven, you know, Jio TV or those subscriptions but we will gradually start charging. It should, the current run rate should actually improve because we are launching more services now. We do not have an immediate plan to start charging for these services for the consumer, on the consumer end but at some point in time, we will start monetizing those. And the enterprise run rate has been picking up, it has actually been improving over the last few quarters, and the traction is better now. So, you should expect more build up happening there.

Questioner (Sachin Salgaonkar, BofA)

And margins we see on the digital services are slightly lower than connectivity. Is that something those margins will also start improving going ahead?

Company Speaker (Sh Anshuman Thakur)

Should improve with revenues increasing, but currently the margins are lower because we are still in that build phase really. We have a lot of infrastructure and people who are there now something like that AI cloud offering it is an expense today, so it does hit the P&L, but it is creating the market for us. So, we are making reasonable margin that is not an immediate priority building the market is and getting some revenues is and then we will gradually think about that.

Questioner (Sachin Salgaonkar, BofA)

Got it. Second question on retail, I mean the Chairman in last AGM did mention about EBITDA doubling 3 to 4 years. If you look at the performance till now since last year, it has been much

slower than that. Does that mean the implied growth is moving up and we should see more like 18 to 22% growth in terms of EBITDA going ahead?

Company Speaker (Sh Dinesh Taluja)

If you look at last year, right, last year, a lot of streamlining was done, a lot of stores were closed. My net addition was very, very small, right? In spite of that, we had a pretty decent, growth. Now, that streamlining is past us, right? So, you would see acceleration of growth because logically as I am adding more stores, as I am accelerating my B2B and my online quick commerce businesses that will start contributing to meaningful revenue growth. So, you will see an acceleration in the coming quarters.

Questioner (Sachin Salgaonkar)

Good. Thank you.

Questioner (Aditya Suresh, Macquarie)

Hi good evening. Aditya Suresh from Macquarie. It is late in Friday, so I just have one question. Srikanth for yourself, so a lot of different big projects, mega projects, big bets, etc., when you kind of bring it all together at a group level for yourself, and maybe in the next say 12 months, 18 months, what are some of the top three projects, if I may, which you think will drive incremental profit for the group?

Company Speaker (Sh V Srikanth)

I would like to see it in a two, three-year perspective rather than next four quarters. Because if you go down and see the new energy investment.

Absolutely for it to start delivering, I mean it is not that in next four to six quarters you are going to see some big change in terms of the earnings, but what value we will end up creating is going to be very high. So that is obviously an important part of the project. You are in Jio and retail, we talked about, you are going to see this kind of numbers and to the question on retail. When we say that, our own belief is that we will come to that kind of, whether it is a number as what you said or a much higher number that is from where we are, absolutely, that is what we are trying to communicate saying that we do expect when we talked about the doubling of retail and those revenues. We think they are achievable and I think the underlying drivers and the whole idea of putting at this level of detail the components, for example, of retail or for that matter on Jio and you know the emphasis on UBR and a lot of things is to really talk about what are the underpinnings of why we are being confident other than simply getting up and saying we think yes we will potentially double in three years but that is not good enough when we are communicating and that is really the whole idea. And you would have seen that that has been the underlying thrust in each of the presentations. So, it has actually gone beyond a normal explanation of what the quarter was to a more, kind of three-year perspective. So, I mean, it is not a project, our ideas. And I think we have come quite a distance. A lot of the investments have happened, and now as you can see, and even

on new energy, the idea of telling you in advance about how it will happen in terms of spend because the potential question always is, okay, you start developing 50, 60, 100 gigawatts, you do the multiplication, and you say it is running into billions and billions of dollars and so how are you going to do that? The whole idea is to say why it is self-funding and how we will de-risk by getting in investors, both of the financial side and on the take or pay. So, we are trying to give you a roadmap of how this will evolve.

Questioner (Sanjay Mookim, JP Morgan)

Sanjay from JP Morgan. On the refining bit, and I have to follow up on telecom as well, this new European sanctions package will probably make Russian oil cheaper. Is that an option for reliance at all?

Company Speaker (Sh Srinivas Tuttagunta)

Yes, it has just come out. I think we need to read the entire text. We are evaluating that. Firstly, there will be a wind down we hope and second is what is the extent of the sanctions we will have to see, the definitions of that because if you see in the earlier case also while they said you cannot import products and things like that but then the definition of the product was substantially transformed and things like that. So, I personally have not looked at if the text has come out, but we will be evaluating the text and then we will take position accordingly, but we believe that we are pretty diversified. If you look at our basket of exports, the portfolio, the light distillates mostly are going into the US or other places and then our middle distillates go into Europe to some extent but then we have Africa, we have Singapore, we have West Africa as well as East Africa and even some quantities go into the Middle East. So, we have options we need to recalibrate and see this but if there were to be a loss of distillate for Europe, one would expect that the cracks would significantly rise. Actually, that may be disproportionately higher is the experience what it suggests. So, we will wait and see. I think I cannot really tell you because unless we read that text, we do not know but we believe overall margins may actually be constructive like what happened when Russian sanctions happened in 2022. Actually, the cracks have been pretty sustained from there.

Company Speaker (Sh V Srikanth)

Maybe there also volumes. They are volumes which can be attributed to non-Russian crude, it is not that. They are mix of crude as part of your diet so there is always products which are made by non-Russian.

Questioner (Sanjay Mookim, JP Morgan)

You can earmark volumes for export from somewhere.

Company Speaker (Sh Srinivas Tuttagunta)

Because we also have a lot of flexibility in the refineries and things like that, so we have to see that.

Questioner (Sanjay Mookim, JP Morgan)

Thank you. Just to follow up on Sachin's question on the JPL revenue Anshuman, it is 4000 Crores a quarter now, 40% Y-O-Y, the JPL minus connectivity. One, could you talk about the difference between the gross revenue and the operating revenue? What are these two?

Company Speaker (Sh Anshuman Thakur)

In the slides that we presented. That is the GST.

Questioner (Sanjay Mookim, JP Morgan)

And that 4000 Crores, how much is internal versus third party and what are the big drivers of this 4000 Crores?

Company Speaker (Sh Anshuman Thakur)

So, I will not give you the split up, when we started bulk of that was internal and then internal kind of has stayed flat, increases gradually. So, most of the new revenues are coming in from the outside. So that is the way you should think about it. We do not give the split separately of different.

Questioner (Sanjay Mookim, JP Morgan)

If not the split conceptually which is the biggest service in terms of revenue?

Company Speaker (Sh Anshuman Thakur)

In terms of services that we are offering from JPL, where the revenues are coming into JPL, cloud is big. Cloud is growing rapidly. Some of the content services are material. And then enterprise offerings, Wi-Fi enterprise, Wi-Fi offerings, that is becoming bigger. So, when we offer a service to an enterprise, there is an allocation for connectivity and for the other tech-related services. Where Wi-Fi is a popular service, security is picking up. So, there is several of those.

Questioner (Sanjay Mookim, JP Morgan)

Okay, thank you.

Questioner (Ashish Kanodia, Citi)

Hi, Ashish from Citi. So, on the retail part of the business, I understand consumer electronics had some headwinds because of early monsoon. So, between grocery and fashion and lifestyle, if you can just share qualitatively which category have grown faster and also any comments on the like-for-like growth across all the three segments. And on the margins part, you also talked that all the three segments have different mix so margins for that will also

have an impact on how margins plays out. So, if you can just rank, maybe not specific on the numbers, but if you can rank between these three broader categories, how the margins stacks up. Thank you.

Company Speaker (Sh Dinesh Taluja)

So, margins is an easy one. Fashion has the highest margins. EBITDA margins fashion has the highest margins. That is the nature of the industry, right? The gross margins are much higher. And especially a bulk of what we are selling are our own products where we control the entire value chain, right? Grocery and electronics, again, I would not want to rank, but there is relatively thinner margin than fashion. Like for like growth for both fashion and grocery was quite strong mid to high single digits. Grocery has consistently been doing very well, our big box stores have been growing very consistently so we do not count quick commerce revenues within stores, while it gets service from the store it gets counted as part of online channel right. So, our stores like for like has been quite healthy. Fashion has also seen a pretty strong rebound with pretty reasonably healthy like for like growth. So, that business has really turned around and it is positioned for strong growth in the coming quarters.

Questioner (Ashish Kanodia, Citi)

This quarter between grocery and fashion and lifestyle, which one has grown faster?

Company Speaker (Sh Dinesh Taluja)

We do not typically comment on segment level growth.

Company Speaker (Sh V Srikanth)

Thank you, gentleman, anyway there is dinner and please join us for dinner and I am sure the conversation will go on. Thank you so much.