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Media & Analyst Call Transcript

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Call Participants:

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- Sh B Srinivasan, President, Reliance Industries Limited
- Sh Kiran Thomas, President, Reliance Jio Infocomm Limited
- Sh Anshuman Thakur, Head of Strategy, Reliance Jio Infocomm Limited
- Sh Dinesh Taluja, CFO & Corporate Development, Reliance Retail
- Sh Sanjay Barman Roy, President – E&P, Reliance Industries Limited

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- **Sh B. Srinivasan** 00:00:03 – 00:00:41 **(Introduction)**
- **Sh V. Srikanth** 00:00:41 – 00:07:17 **(Consolidated Financials)**
- **Sh Kiran Thomas** 00:07:18 – 00:21:29 **(Digital Services)**
- **Sh Anshuman Thakur** 00:21:30 – 00:26:52 **(Digital Services - Financials)**
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Transcript:

Sh B. Srinivasan 00:00:03 – 00:00:41 **(Introduction)**

Good evening and a very happy new year to all of you.

Very happy to welcome you to the third quarter of financial year 2025 business presentation of Reliance Industries Limited.

As always, we have our Chief Financial Officer (CFO) V. Srikanth walking you through the consolidated numbers first, then we will have Kiran Thomas talk about Jio, we will have Anshuman Thakur talk about Jio numbers, then we will have Dinesh Taluja talk about retail and Sanjay Roy talking about E&P performance, then Srikanth will come back and then summarise. Before summarising, he will also talk about O2C performance.

Sh V. Srikanth 00:00:41 – 00:07:17 **(Consolidated Financials)**

Thank you, Srini, and Happy New Year to everyone.

We had a good operating quarter with strong performances in each of our segments.

Revenue growth, EBITDA growth at close to 8%, and PAT (Profit After Tax) growth close to 12%.

And specifically, the consumer businesses did well and so did O2C. We had strong sequential performance in fact, if you were to look at EBITDA on an aggregate basis, sequentially up 9%, retail was up 17% sequentially, O2C was up 16% sequentially. So, strong improvement there and in each of the businesses, retail and we will go through the slides, but it's on the back of strong festive season and good traction with our customers.

On Jio, the story is about higher ARPU, and the fact that we are adding consumers, especially in FTTH. O2C year-on-year has been steady backed by feedstock optimisation and strong domestic demand and upstream has been a steady performance.

Just a one slide summary of the performance, as you can see revenue and EBITDA almost 19% higher on a year-on-year basis, led by the benefits of the tariff hike. As you can see, ARPU (Average Revenue Per User) at ₹203, which is up 12%, and also us adding almost

3.3 million subscribers during the quarter. Two million of these were home connections, so there has been this whole point about return of customers in a post transient from the sim consolidation concern point of view.

Data traffic very strong 22% higher at about 46.5 exabytes of data. And also, that 5G customer base is now 170 million.

On retail side, revenue, EBITDA and PAT grew between 9-10%, and as I mentioned, very strong sequential performance with revenues up actually on a sequential basis 18% and EBITDA about 17%.

We obviously benefitted from an exceptionally strong festive season demand. And as you may recall, we have been talking about significant efforts over the past few quarters in terms of streamlining our operations and the benefit out of that, and the productivity gains that have come out, especially when you look at grocery, if you look at B2C that’s a 37% growth, and also benefiting from very strong traction in our consumer brands.

In fashion and lifestyle, we saw a very strong rebound with some of our new formats, delivering the highest ever sales. Digital again benefited from the festive and wedding season and EBITDA margin continue to expand at 8.6%. It’s up 20 basis points on a year-on-year basis. This time we started express deliveries pilot in about 4000 pin codes and continuing footprint expansion, 779 stores, overall that we saw.

In O2C segment EBITDA growth was about 2.4% year-on-year, but 16% on a quarter-on-quarter basis, even on a year-on-year basis, I would say it's a steady performance with a lot more focus on, favourable feedstock sourcing. It has also benefited from higher volumes. It's up almost 9% you may recall that last time around, there were large plant shutdowns in the same period and that the rebound and volumes we saw, importantly this time, has also been big push towards in our domestic fuel retailing. And if you see the volumes, volumes have been up 44% for gasoline and 23% for diesel.

The good news also has been the fact that domestic demand has been strong. Oil at almost close to 6% demand growth, Polymer at 11% and polyester at 12%. So, in a way, the mixed trends that we saw in as far as the margin environment was concerned, based on global factors, did get compensated by the push in the domestic side, as well as the higher volumes that we had.

Oil and gas, steady quarter, revenues slightly lower because of lower volumes from KGD6 being there, but there was a bit of in terms of the price was likely higher at about 0.8% higher at $9.74 a million BTU, overall production, you know, still the field produced 28.04 mm CMD.

In these numbers together, overall, you can see that EBITDA up 8% on a year-on-year basis, and almost flowing through from a PAT at 12% so benefit of all the each of the individual businesses doing well, you see that. This is the bridge, pictorially tells you that on a year-on-year basis, the big contribution coming from digital services, which is up Rs.2,400 crores, so did retail, adding Rs.600 crores to the overall EBITDA.

And you know when Dinesh will cover through some of the other operating metrics in terms of footfalls and number of transactions. Quarter-on-quarter, big jump coming from O2C, here it is on the back of higher refining margins, as well as improved PP and PBC deltas that we saw, otherwise even on O2C, marginal improvement in KGD6 gas price realisation, you know, benefited it.

Retail benefited from the festive demand that I talked about and digital on the back of both the you know, ARPU increase, as well as the, you know, continuing migration to 5G as well as the Jio AirFiber connect that we saw. Flat in terms of net debt, you can see that, you know, probably the same as what it was in September, just the same as what it was given in March. So continuing strength of the balance sheet and our capex for the quarter was around Rs.32,000 crores, well below the cash profits of Rs.38,000 that you know, this quarter, we have delivered. With this, I'm going to hand it over to Kiran.

Sh Kiran Thomas 00:07:18 – 00:21:29 **(Digital Services)**

So, we want to start today with an update on the progression of our True 5G services. If you look at the chart on the right, you can see that it has been a story of steady growth. We already had the Pan India network up and running for the past many quarters. And now, thanks to the natural upgradation of devices happening in the market where a lot of the new handsets have 5G capability. And as soon as a customer acquires a 5G device, they automatically are able to enjoy all of the 5G services available through Jio True 5G.

So, the combination of having that Pan India network available and the increasing adoption of 5G devices in our subscriber base has resulted in the number of Jio 5G subscribers crossing 170 million as on December 24th. Moreover, 5G now accounts for a large chunk of the traffic on our network.

Nearly 40% of the wireless traffic of an overall traffic of about 15 exabytes is being contributed by 5G. And this story will continue to unfold into the future. And more interestingly, thanks to the fact that we have this superlative True 5G network, which is a big differentiator vis-à-vis other competitors, also means that any new 5G device that is sold in the market, 70% of them end up becoming a Jio customer and using Jio services.

So literally, I think we are at the cusp where probably in a very short period of time we'll be able to say that probably one of the fastest 5G rollouts, not only 5G rollouts, but 5G adoption anywhere in the world, the total 5G traffic on our network will surpass the 4G traffic very, very shortly.

Now, it is not just in the consumer side. We have also been briefing all of you over the last few quarters about True 5G, also powering something called Jio AirFiber. So, if you look at the pie chart on the left, what is heartening is that the availability of AirFiber has really opened up demand, unlocked demand or pent-up demand from beyond what we call the top thousand cities and towns of India. And what we are seeing is that as you know, nearly 70% of the population of the country is outside of what we call the cities or the urban markets.

And now we are really starting to see that even our addition with respect to AirFiber connections are starting to reflect that mix. And more than 70% of the new connections are now starting to come from beyond the top thousand towns and cities.

We also had more than 2 million connects in a single quarter in the third quarter of FY25, which has really driven the total connected premises to nearly 17 million. And just keeping in mind that this space is accelerating now as the rollout itself is kind of becoming almost a well-oiled machine.

And with new demand getting unlocked from all across the country and not just urban centres, I think the pace of connections will pick up into the future. And we see that this entire greenfield opportunity of connecting 100 million plus homes across India is now getting that additional momentum thanks to AirFiber. And this is an area where we have a significant first mover advantage where essentially, we are going after hitherto unconnected or underserved markets with this offer.

The enterprise business is also picking up momentum. If you look at year on year growth, there is a nearly three times or 280% year on year increase in all the large government tenders which have come out. And of course, if you look at both the national and state government connectivity infrastructure, we are continuing to increase our share in that segment.

Another big segment which is modernizing is all the banks. And if you look at the recent past again, we've been consistently winning a lot of the connectivity tenders coming from cooperative banks. And we believe that there's the potential to get up to 150,000 bank branches across the country that we are well positioned to connect eventually. And of course, large corporates across as some of their traditional contracts are rolling off, we are getting selected as almost near exclusive service provider because most enterprises who have multiple locations and Pan India premise presence, they are looking to have a single solution provider. And Jio is well positioned to be that exclusive service provider on a Pan India basis.

And wherever we have such demand coming in, we are seeing that we are the provider of choice there. In addition to connectivity again we are providing a true developer friendly platform as a service for connectivity. We call connectivity and communication platform as a service.

The brand name is JioCx and in addition to that of course the IoT adoption again which requires Pan India connectivity. And of course, in the government sector through a few of the initiatives and wins that we have had. Also getting into private and hybrid Cloud as a managed service.

So, across the board I think connectivity is obviously getting strengthened. But we are also now starting to see traction for services beyond connectivity. And also talking about communication, we launched recently the SIP business and 50% growth in the installed base in the first quarter itself post launch.

If you look at what is now, I just want to talk about a few themes that we are pursuing into the future. So certainly, we are living in the age of AI. Dramatic transformations starting to happen across industries, across functions, across, even across various use cases. And to enable all of that to happen and making sure that India is emerging as one of the preeminent AI nations anywhere in the world.

Again, we see ourselves having to pursue a few missions to support that ambition. And the first one is of course setting up national AI infrastructure, really looking at creating AI ready infrastructure, hard infrastructure and compute capabilities, not just in the few megawatts or even hundreds of megawatts, but really extending it to the gigawatt scale. Because we believe that this transformation will be across the board, and we need to be ready to ramp up and support the emergence of AI driven use cases in the country.

And not just creating the scale, but also ensuring that we are able to deliver through various innovative partnerships and of course innovative initiatives internally to deliver one of the lowest cost inference capabilities when it comes to AI anywhere in the world. And this is a similar mission as compared to what we were able to do in broadband. So very excited by that.

Internally I think we are seeing already multiple use cases where we are starting to weave that AI story across our operating companies in the Reliance Group. And of course, on the back of whatever we are doing here, eventually we will be then looking to offer this as a platform even for other enterprises in India.

And if you are looking at what other offerings beyond the platform play, what are the offerings we are looking to take to market across the board, all of the consumer and small businesses and enterprise offerings that we're already providing in the market, all of them will see a lift thanks to the adoption of AI within all of those applications as well through multiple use cases.

Looking at some of the AI related, not just AI, but across the board comprehensive suite of offerings that we unveiled in the India Mobile Congress 2024, which happened over the last quarter, I think building on the AI theme, a platform called JioBrain, which is really the plumbing on top of which we are able to rapidly spin up all of these AI use cases that I spoke about that was unveiled and showcased.

We made an announcement and now it is available through a beta offering called AI Cloud, which is again an offering for the consumer. So that was also announced and showcased and now taking compute into the homes, which has always been an underserved market, again partly because homes are not connected, but partly also because of the high cost of having personal computers in the home.

So now we showcased a solution called JioCloudPC which is effectively, and I'll talk about that in a slide shortly, but effectively a very low cost and pay as you go. Capability of having a personal computer, evergreen personal computer never needed to be upgraded, always the latest specs and pay as you go. You only pay for the time for which you are using that PC. Again, services for education again, using AI to power various, I would say personalized education use cases, AI for skill development.

Again, how do you train beyond primary education? But once you get into the workforce, how do you use AI to continuously stay updated? Some use cases around how can farmers and other people involved in the agricultural sector use AI? And then of course many vertical focused solutions, especially when it comes to hospitality, retail, nursing and so on. And of course, unveiling a new benchmark when it comes to providing gigabit speed connectivity to every SMB.

So, a combination of services but an increasing contribution being made by AI across all of these services. Some of them are already in the market and some of them we will be announcing the offerings being made available in the market very shortly.

Now coming to the Jio AI Cloud offering that I spoke about. This is really a combination of putting connectivity, putting Cloud storage and AI into one package and making it available to Indian customers.

Connectivity is a given. I think I mentioned both in the hand and in the home. The connectivity story is really unlocking new demand, but at the same time the existing constraint of having sufficient Cloud compute available to customers.

We made an announcement of providing 100 GB free of cost. I think the earlier benchmark was either 5GB or 15GB depending on whether you were an Apple customer or Google customer through Android. But it kind of raised the bar multifold by providing 100 GB free of cost to all Jio customers.

All of the features that one would expect to store, to share, to sync, secure. You can stream various kind of media assets all from the same app without having to use any other applications. Unlocking the content that you have onto the big screen through integration with our set top box.

Trying to bring in additional content very easily. Like an integration with things like DigiLocker where if you have even government authenticated content and documents, very easy to integrate between Jio AI Cloud and that. And there are already a set of AI powered use cases where we are able to curate your content, make it available as memories on a daily basis as appropriate to significant dates or other events or other occasions.

Ability to group individuals through face detection, multiple magic tools to convert your photographs into avatars and also edit those photographs by removing background, adding other assets into those content. All of that today already made available and we've just launched this as a beta offering in the market and in the coming Quarter we will look to scale this up to every Jio customer and beyond the JioCloudPC that I mentioned earlier.

So really this is again a new frontier of adding to the lineup of digital services that we are taking to Indian homes.

The key idea being that we already have a pretty capable set-top box in the home. So effectively we are converting that set-top box and your TV into a PC because the actual compute we are able to run in the Cloud and then all you need is a keyboard and a mouse and effectively your set top box and your TV in combination with the Cloud PC doubles up as a PC available to you on demand.

And really, I think the key power that we are looking to provide to the home is to enable multiple work and learn and create use cases. So certainly, students today, not just for their classwork, but to develop skills like coding or media creation etc. Beyond what they're learning in their classroom certainly would require compute of some kind. And this we believe is going to be that.

Gig workers who are working from home, etc. Again, they are creators of content and sometimes the phone or the tablet is not the best form factor for productive work. And again, this could unlock many such use cases.

And again, we are providing 100GB of storage for every Cloud PC and as a basic capability an 8GB multi-core processor is already available through the Cloud to get you started. And again, like I said, it is always updated both in terms of hardware and software because all of that is in the Cloud.

You don't have to really think about buying or upgrading that on your own. And there's no lock-in, there is no maintenance or anything. It's always available to you and you only pay for what you use.

So, some updates that I had, and I'll just hand it over to now Anshuman to talk about both the operational and financial numbers for the quarter.

Sh Anshuman Thakur 00:21:30 – 00:26:52 **(Digital Services - Financials)**

Thanks everyone. A very happy new year.

Coming to the quarterly highlights, both combination of tariff hike as well as scale up of some of the digital platforms and improving customer mix resulted in our operating revenues growing at 19.4% year on year going up to 33,074 crores. Corresponding increase in EBITDA as well at 18.8% year on year, 16,585 crores. So fairly healthy quarter, combination of a lot of things going on there and some of the digital revenues just about kicking in. Subscriber base at 482.1 million. So, we've as Kiran mentioned early on, we started getting the subscriber run rate picking up again 3.3 million subscribers getting added in this quarter and that number has been picking up through the quarter. The ARPU came in at 203.3 rupees per month; once again increase on account of the tariff hike which was done a quarter ago, but also improving customer mix and additional revenues coming in from some of the digital services. Home additions- we added almost 2 million new connections during the quarter and with an increasing run rate the Jio AirFiber product has been very successful in the market. We're seeing a lot of demand coming from towns and cities beyond the tier 2s. We already are at 4.5 million Jio AirFiber homes connected, and which will be fairly, you know the rate at which we are growing, we should be the largest air fiber service provider globally in the next few months. Customer engagement continues to be very strong. 350GB per capita monthly data usage and that also continues to grow quarter by quarter. Kiran spoke about the 5G interaction. Both the consumption and the subscribers are getting added every month and every quarter. We are the world's leading standalone 5G operator outside of China and we continue to be the world's largest data operator mobile company anywhere including when you consider the Chinese companies as well.

On the trend in ARPU there's been a significant increase in ARPU over the last few years. Five-year CAGR is 10%. The full impact of the July 24 tariff hike- part of that impact has already played through in the last two quarters but full impact still playing out. As most of you are aware we have subscribers who are on longer term plans and who tend to recharge over a longer period of time and therefore we expect some more flow through to happen as well. And you know the affordability as well as increasing engagement should sustain both in the subscriber growth run rate as well as the ARPU growth in the coming quarters as well as you know a bunch of new services and facilities Kiran spoke about a few of those plus the media offerings that we're providing to our customers; we expect to further improve the customer wallet share that we have.

The key operating matrices that we report to you every quarter - 482.1 million subscribers, net customer addition of 3.3 million during the quarter. So, we clearly saw a reversal of the trend that we had seen in the last quarter and an increasing run rate of customer addition. ARPU at 203.3 rupees; the total data consumption cross 46 exabyte for the quarter that continues to grow fairly healthily 32.3 GB per user per month, net subscriber addition of 3.3 million that we saw. Otherwise, per capita voice consumption also continues to grow over a thousand minutes per user per month of voice. So, data and voice traffic grew 22.2% and 6.5% respectively on a year-on-year basis.

Coming to the RJIL financials, these are financials for our connectivity business. The operating revenues grew to 29,307 crores. That was a 15.5% year on year increase and the

EBITDA growing a little bit faster coming to 15,798 crores. The EBITDA margin at 53.9%. This is only for the connectivity business RJIL, the connectivity service provider.

And coming to the Key Financials for Jio Platforms Limited Consolidated Financials, the overall Q3 revenues came in at 33,074 crores, 19.4% year on year growth. We are seeing a very healthy increase in non-connectivity. The digital revenues which grew at 60% year on year. The annualized run rate has crossed 15,000 crores and this we are seeing very healthy growth trend here coming in with most of the growth coming in from new customers that we are able to serve. EBITDA increased to 16,585 crores consolidated EBITDA so the consol. EBITDA margin at 50.1% and Profit After Tax at 6,857 crore that was a healthy 26% year on year growth during the quarter.

With this I'm going to hand over to Dinesh to take you through the results of operating and financial results for Reliance Retail.

Sh Dinesh Taluja 00:26:53 – 00:41:15 **(Reliance Retail)**

Thanks, Anshuman. Hi! Good evening, everyone.

On the retail business, we had a very strong performance with Rs 90,000 crores of revenue during the quarter. So, milestone quarter for us, where our revenues crossed ten billion dollars in a quarter. The growth was 18.4% on a quarter, quarter basis, and 9% on Y-o-Y basis. Part of the growth came from the festive season and the wedding season, but also a lot of the streamlining and productivity improvements that we've been focusing on over the last few quarters that is coming to fruition, and we are seeing strong impact of that.

EBITDA came in at Rs 6800 crores, 16.7% growth, quarter on quarter and nine and a half percent growth by Y-o-Y margin continues to expand at 8.6%.

Our grocery business B2C business grew at 37% Y-o-Y. So, while there's a lot of talk about quick commerce growing, we see our business growing very strongly, with very healthy LFLs growing, as well as our Online Express deliveries business is also scaling up pretty well. We are a much higher scale compared to any other offline and online player. So, for us, the business continues to perform very well.

Also in the fashion lifestyle business, which was impacted by few headwinds in the last couple of quarters that has seen a strong, strong turnaround, and we had a very strong festive quarter. There's there was growth across all operating metrics that we registered. So, our registered customer base was up 15% at 338 million, footfalls was up 5% and number of transactions was up 11% on a Y-o-Y basis.

Our digital and new commerce continues to contribute. The contribution has remained steady at about 18%. We opened 779 new stores during the quarter. The total store count stands at 19,100.

We continue to expand our partnerships. So, to address the super luxury segment in India, we entered into a franchise for India with Saks Fifth Avenue, which is a global luxury retailer. Also, in order to further strengthen the IP, we have done a joint venture with Mothercare PLC, where we own majority stake in the SPV, which owns the Mothercare brand for the Indian subcontinent. Now that gives us ownership of the IP and gives us a lot more flexibility to expand the range, source locally, as well as improve the margins. So, it is quite a positive for us.

Quick summary: Revenue at Rs 90,000 crores, EBITDA at Rs 6800 crores, and profit after tax of Rs 3500 crores. So, as you can see, very strong growth sequentially, as well as on a Y-o-Y basis.

Moving on to the some of the highlights across key businesses, electronics business had strong growth during the quarter. This was the festive and wedding quarter, where we see a lot of pickup in demand. We had strong 6% LFL growth. Our average bill values continue, continue to grow, as well as conversions are conversion rates of people coming to the stores is also improving. We had a strong festive quarter, one the what we measure the one week leading up to Diwali, we had a strong 12% of growth on a Y-o-Y basis. ResQ, which is the largest service organization for electronics and our biggest differentiator, that continues to expand. As you would recollect, we had launched on demand services three quarters back. We added it to 75 new cities where we offer the service. And now we are present in 225 cities for the services. And overall, we are present in over a 1000 cities.

Our own brands business continues to launch new products. There were several launches which were done during the quarter. As well as, we continue to expand the merchant base, which was up 75%. 85% of this business is external distribution to the to the distribution net, general trade distribution network. And only 15% comes from our own, own channels.

Our new B2B JMD business continues the growth momentum. Mobile phones continues to lead, be the dominant category in this business, and we are seeing both increase in merchant participation as well as the wallet share of merchant partners is growing which, which implies that they find our value proposition strong, and over a period of time, as we expand the distribution further right, increase the budget share this business would increase substantially.

Next, On the apparel and footwear business, we had a very, very strong bounce back, partly the festival season, but also a lot of hard work that we had been doing on enhancing our design capabilities, improving the supply chain, the design to shelves, shortening the design to shelves cycle, using technology and AI, and improving the in- store customer experience. All of that is coming together and driving this growth. We are also adding new categories into our stores, adjacency so beauty and sleepwear, as categories, we have added across multiple store formats. Our three (3) recent store formats, which we launched last year, they continue to scale well, and the customer adoption is strong. We had the highest ever sales on all these formats during this quarter. Our own brands continue to grow, and their share continues to increase. Avaasa, Netplay, DNMX, these are the three largest brands. They are the amongst the leading brands in their respective categories, and they do drive a lot of footfalls in our stores.

AJIO Business, the focus has been on, you know, improving the economics and improving the Average Bill Values and premiumize the offering. So that continues to do well. We have amongst the highest average bill values amongst all the online fashion platforms in the country. The Average Bill Value was up 7% on Y-o-Y basis. We added almost 2 million customers during the quarter.

We continue to expand our catalogue, and we added over half a million options just in the first nine months of this year. The total catalogue now stands at 2.2 million. In this you know, you have to provide customers a wide range as well as exclusive, exclusive brands. So, most of our own brands that we have, whether the partner brands or our in-house brands, they're exclusive on the platform, and they do provide us a differentiation as well as better economics compared to other platforms, because if the customer has to buy, he has to come on to these platforms.

We've also launched a bunch of new brands. There were 38 international brands and a host of other national brands, which were launched during the quarter. ON, Forever 21 and Saucony being some of the few. The Black Friday sale event, we had strong performance. There was a 17% growth Y-o-Y, and when we look at the number of people, we are reaching, the eyeballs the campaign reach was up 300%, which is a significant increase, because we are increasing the awareness of the platform and customer to recruit new customers.

Our premium brands business, steady performance driven by the by the festive demand. We continue to strengthen our portfolio and launch new brands. So, on the in the F&B portfolio, we had Pret, and we had launched Aramani cafe last quarter. This quarter, we launched the EL&N cafe, as well as in premium side, we launched the Sandro brand. We also signed the India franchise for Saks Fifth Avenue to target the super luxury segment. In addition, the IPs that we own, right we want, we have stakes in a lot of designer brands. We are taking them global. So, for instance, Rahul Mishra and AKOK by Anamika Khanna, we are taking them to us through our partnerships with Saks, where they will be present in the iconic Saks New York store.

Hamleys is a tourist destination driven business, and especially in Europe. We set up a third store in Italy, and we continue to expand in new markets. We spoke about the Mothercare IP.

Jewels overall, I think the jewellery business has been kind of, the volumes have been impacted by the substantial increase in gold prices. We had a decent quarter, especially Dhanteras and wedding season, where we did have a lot of footfalls and reasonable growth in sales. We also continue to launch new collections. So, our Vivaham collection is meant towards the towards the wedding season, and we have done multiple phases of that, you know, variants of that collection over the periods. And this is a property that we have built.

B2C, grocery was the star. The B2C business had a very strong 37% growth. The big box formats are kind of driving this growth. There is broad based growth across categories, the high margin categories, general merchandise, value apparel, as well as some of the premium categories in personal and home care and beauty, continue to do very well.

We are continuously improving our assortment and premiumizing. The benefit of that is, one, it provides a differentiation for us in terms of customers getting premium assortment in our stores, it improves the Average Bill Values as well as the margins. So that's something that we focusing on. At every quarter and quarter, our average bill values are increasing, which is a big positive for the business. The Tyohaar Ready Sale, a marquee property that we have built targeting the festive season. There are various festive categories, which did very well. And remember, these footfall driver categories during the festival season.

Metro, which is a B2B business, delivered its highest ever festival sales. This business is scaling up very nicely. We had a bunch of, you know, local events targeting various occasions to really drive engagement with the merchant, Kirana partners.

Online grocery, I think three prong: one is the Express deliveries. So that's something that we are accelerating our presence. The big advantage we have is we have stores across the length and breadth of the country. We are today providing Express deliveries across 4000 pin codes through our network of 2100 plus stores, spread across a large spectrum of cities, from where we are able to deliver within 30 to 45 minutes from our stores. And we are looking to crunch that timeline even further.

Compared to any other, any other e commerce up there, the big advantage we have is that we ride on the existing infrastructure. From a customer value proposition, they get much wider assortment. We don't charge a delivery fee and a host of other benefits in terms of best pricing in the industry. So, there's a very strong proposition for the customer. And for us, the unit economics are much better than anybody else, given that we are leveraging the existing network, rather than setting up a high-cost dedicated network for this business. Also, given the width of offering we have, our AOVs are amongst the highest in the industry, because we are able to offer the full range across regional merchandise, electronics, fashion. That really helps us drive the average order values.

The second part is the subscription business. We continue to grow this business very nicely. It's a premium service business where we people actually pay for delivery, and you have to go micro market by micro market, capture it city by city. And we are steadily increasing the presence of this business.

The third part is, you know, these are our inventory led models to fill any gaps so that a customer can have the widest choice. We continue to add 3P sellers, so we can offer the entire range to the to the customers, and we continue to add new sellers onto the platform. And there was a big push on the Festival event to acquire customers, as well as push new categories. And you know, during the festival season, we saw one and a half x growth in GMV during that period.

Consumer brand business is scaling up exponentially. In the nine months FY 25 – this is our FMCG business – we had revenues upward of Rs 8000 crores. Two of our most prominent brands Campa and Independence, they continue to gain traction. Each one of them individually should cross Rs 1000 crores turnover in FY25.

Campa has already gained 10% market share in the sparkly beverage category in select states. The focus here is three pronged expand distribution in the priority states, strengthen our product portfolio through innovative products and partnerships, products which are meant for the Indian market, for the Indian consumer, that differentiates us from competition, as well as build a robust supply chain, where I can have the widest presence at the lower supply chain cost. Now that we also have a critical presence in terms of distribution and supply chain, we are also starting to invest in marketing and promotions to really create brand salience, which will accelerate the presence of this business even further.

So, all in all, a very strong quarter, I think the business is well positioned. There are several businesses doing exceedingly well, and we're optimistic that going forward, quarter on quarter, we should show healthy growth, coupled with all the, you know, all the productivity improvements that we've done. I think we are well positioned in the coming quarters.

With that, I'll hand over to Sanjay for oil and gas business.

Sh Sanjay Barman Roy 00:41:17 – 00:46:28 **(Hydrocarbons - Exploration & Production)**

Thanks, Dinesh.

Very good evening to all of you, and very happy new year.

Just as a recap of the quarter gone by, so this was a steady quarter. We saw revenue at about $744 million, or about Rs 6370 crores, which is a slight upside from the previous quarter of around 2.5 percent. EBITDA came in at about Rs 5,565 crores, again, about more than 5% increase quarter on quarter. EBITDA margins were very healthy, it grew by almost 240 basis points to 87.4%. The key drivers, we saw an uptick in CBM production based on multilateral wells.

Currently, 34 wells have been put on stream out of the 40 originally planned wells. So, we are seeing a production of about 0.35 million standard cubic meters, which is quite encouraging. And the perspective is that we will continue to drill multilateral worlds as these are highly capital efficient and delivering better results. KGD6 performance has been steady in terms of production, about in overall. BCFT terms, 68.5 In MMSCMD terms, we are about 28.0 4 million standard cubic meters and about 21,000 barrels of condensate per day.

Now, the marginally lower production has been offset by higher price realizations in KGD6. Again, the ceiling price prevailing during this half is $10.16 per MMBtu, and we are realizing slightly higher values, which is $9.74. In CBM, we realized about 10.58, which is lower, but still quite healthy. The difference being here QoQ, prices were far elevated when you look at a year back. In terms of the parallel condensate barrel realization, we are seeing about 75.24 which is lower, simply on the back of lower rent prices prevailing during the quarter. Next slide please.

So overall, we still remain a material contributor. We are from KGD6, we are generating slightly over 28 million standard cubic meters. And from CBM, we continue to increase the production. So, Reliance remains a major contributor to India's gas economy.

So just to review the outlook for the gas markets, again, prices during the quarter hold around $13-15 per MMBtu. Mainly, the demand has been resilient, particularly in India, but there have been supply disruptions, mainly LNG terminal outages in Australia, event in terms of gas, wherein there was a stoppage of Russian gas Ukraine, which impacted almost 11 million tons per annum of supplies. Overall, in the short term, we expect prices to remain firm. There are delays in the LNG projects and the projects in Africa and Canada seem to be delayed, and that is going to have an overall impact of about 5 million tons in CY ‘25.

Also, we see the storage is at much lower levels in Europe. They're seeing about 68.8% versus 5-year averages of 74.8. But if you compare it to last year, it was almost 84%. So, storage is at much lower level, so you expect higher coupling gas demand. Again, bodes well for elevated prices going forward.

The Indian gas market has remained extremely robust. In fact, in CY ’24 we saw a significant increase in consumption, almost by 10%. It almost it went up to almost 200 million standard cubic meters in the last quarter, mainly driven by city gas distribution, petchem. and power sectors.

LNG Imports also saw a surge. Despite elevated prices, we saw the overall demand for LNG go up to almost 25.5 million tons per annum in CY ‘24 as compared to 21.1 million tons in CY ’23. So that was quite an increase in demand, despite higher prices. Also, given ceiling price is better $10.16 per MMBtu us compared to the first half, which was $9.87. It bodes well for the price outlook for the current quarter.

Thank you.

Sh V. Srikanth 00:46:29 – 01:04:54 **(O2C Business, Summary and Closure)**

O2C performance, there are two sections, one is the quarterly review, and the other part of it is O2C looking beyond the near term.

So, as you saw, the EBITDA for this quarter this quarter, Rs 14,400 crores, up 2.4% on a year-on-year basis. And significant resilience from an EBITDA standpoint, even given the markets that we saw. And of course, we benefited from higher volumes, that's up 9%. We benefited from the fact that, there was strong domestic demand and also, given that we were able to place a lot of our fuel in the domestic markets. Also, the continuing advantage of ethane cracking verses naphtha as you know, the cost are almost $300 a ton more, from an advantage standpoint.

We also benefited to some extent, with the polymer deltas, which were up between one and nine percent across these products. The fuel cracks were healthy, did come off significantly from what it was last year. So, this performance, in a way, offsets the 15% fall in gasoline. It offsets the 38% fall in across gasoil and ATF, and also it offsets the polyester chain margins, which are lower on a year-on-year basis, at 12%. On a Q-o-Q, which I touched upon, strong rebound that, 16% higher, and that benefited from recovery in mid distillates, especially gasoil and ATF were up 11% to 13%, polypropylene prices were up by 5% and PVC by 4%. So, all in all, this helped, you know the quarterly boost, and effectively our EBITDA margins improved 160 basis points to 9.6%.

So, on the operating performance for the quarter, the production meant for sale was close to 18 million tons, and this is 9% higher than what it was last time. And we continue to focus on some of the things we do in terms of, for example, in the case of prioritizing transportation fuel versus aromatics. And given the environment for aromatics, it made sense for us to prioritize production of transportation fuel. As I mentioned, we focused a lot on domestic fuel sales, given the demand. Also, a lot of cost optimization measures were taken, using larger vessels for delivering and for loading and for product placement. Also focused lot of attention on using FO for minimizing our fuel cost for the Jamnagar Complex during periods when they were low gasifier availability.

So, quick snapshot - market environment. Average Brent Crude prices, when you look at it, 11% fall year-on-year and 7% down on a quarter-on-quarter basis, on the back of stronger dollar, weakness in China and higher non-OPEC production, which kept the markets very well supplied. The US Ethane prices were lower by 3% year-on-year, benefiting us, because of cracking ethane and also the operating rates in the US were higher this time because of some of the crackers, which were under shutdown, came back into production.

Oil demand still is 1.5 million higher on a year-on-year basis, primarily led by Asia, ex-Japan, as well as we saw a EU demand being higher, and also the fact that gas prices were firm helped keep the demand for oil also firm.

And on the transportation fuel side, gasoline demand we saw was up about 0.4 million barrels per day at about 26.9, diesel was broadly flat and jet/kero demand was actually higher by 0.5

million at about 8 million barrels per day, and primarily Asia Pacific, contributing for more than half of it.

On the specific cracks, year-on-year, fall in gasoil was on the back of China demand, as well as the fact that US refineries had a record production there. For third quarter, the benefit, as I talked about earlier, was domestic demand was up 9.6% at about 10 million tons on the back of demand for PV and two-wheeler sales. There was a lot of momentum there in passenger vehicles. For us, the focus was on really pushing domestic sales, as I mentioned, retail volumes are up 44% supported by some specific schemes, like 'Happy Hour' petrol scheme. And as I mentioned, you know, prioritizing of gasoline versus automatics meant that we had more volume to sell in gasoline. We think that near term outlook, given Chinese Spring Festival and Ramadan, could keep the near-term outlook positive.

On diesel, again, the weakness we saw attributable to China as well as the inventories were higher. Quarter-on-quarter the cracks did improve to $15.1/bbl on the back of lower China exports and India's domestic demand year-on-year was up 5% at about 24 million tons. Similar to gasoline, focus has been on stronger domestic product placement. And for us, retail volumes are up 23% in this space.

Near term dynamics - heating oil demand and high gas prices could keep diesel constructive in the near term.

In ATF directionally, cracks year-on-year fell in line with gasoil cracks but improved sequentially because of holiday demand. Specifically, in India we saw ATF demand grew 9% on a year-on-year basis.

And for us, if you look at what air-bp Jio recorded in terms of growth, it was 51% compared to an industry growth of 9% so that has been very profitable.

And near-term dynamics again look positive with Chinese New Year and as well as the Mahakumbh in India could possibly support demand.

PE has been fairly stable year-on-year and quarter-on-quarter. So, for us, the benefit has come because of higher use of the assets that we had. And we tried to maximize light feed cracking so as to keep the margins there. Near term demand continues to be good for PE, when you look at demand for packaging and the broader overhang of incremental global capacity additions will continue to weigh on.

PP deltas were up 9%. Domestic demand, pretty strong, 16% growth that we saw across consumer durables, packaging. We benefited, this time from improved asset availability, and from a near term point of view, the upcoming expansions on BOPP films will support demand for PP.

PVC, delta improved by 12% year-on-year. That was mainly on the back of falling EDC prices. PVC domestic demand, as you can see, was up 16% led by agri and infrastructure. Specifically, for PVC our actions have been on, freight cost reduction, emphasis on premium grades. That's what we have focused on and with benefits coming through overall demand. The demand for PVC will continue to be supported because of agri and infrastructure growth.

Polyester chain delta down 12% primarily led by PX fall of almost 47% so that's one of the drivers. While, downstream polyester margins did improve, it did pull the overall chain delta 12% lower. And for us, the focus was on synergizing the polyester production across all the acquired sites, to address the strong festive demand that we saw. And also, by having a common marketing approach, we maximized both sales as well as margins. And on the cotton versus PSF, that margins continue to be good so long term the demand for PSF will remain strong.

So, just put all these things together, you can see that even though deltas have been mixed, in fact, a lot of arrows downwards, but significantly offset by the fact that we had volume increases in each of these products, as well as the fact that the domestic demand has been pretty strong.

O2C Looking Beyond Near Term

I just wanted to lay the context, and you can see the last five years have seen significant reductions in margins – anywhere between 30% to 70% – across refining, polymers, and polyester. At the same time, it is also has come with significant volatility in the earnings.

We know the factors. It was COVID. It was large capacity additions. It has been war in Ukraine. It has been the war in the Middle East. This has been the broader environment.

So again, in that context, if you see our margins, our own performance has been, I would say, very resilient and with also lower volatility. And the investments that we made in light feed cracking pre-COVID, be it ethane sourcing and shipping, or building the refinery off-gas cracker, has ensured that we have had significantly better economics than what is implied by the naphtha-based margins of the previous slide. We also, if you may recall, our gasification investment contributed very positively when LNG markets were dislocated after the Ukraine war. Also, the continuing focus on the high growth domestic market in the domestic petrochemical downstream. And you know, these markets have grown anywhere between 8%-10%. So that has also meant for us higher asset utilization, as well as margins.

When you go into the future capital investment plan, that I will talk about in the next slide or two, and the return to mid-cycle margins and refining and petrochemicals, does make us have a constructive view on O2C growth into the future.

Before getting into the expansion projects, it will be helpful to see what is happening in terms of these two products. I'll not go through in detail, but except to say that when you look at polymers across PE, PP, PVC, and where it is going – be it packaging, automobiles, infra, agri, healthcare – for each of them, if you look at the demand drivers – and that is something that is extremely visible to all of us – packaged products, food ordering, the growth of retail and E-commerce, when it comes to packaging. In automobiles, you're seeing vehicle sales, you know, the demand for personal mobility and the need for light weighting, etc. On infrastructure side, you can see the thrust on infrastructure projects. It is propelling cement demand and therefore packaging there, and again, higher electricity consumption, again, making the need for wires and cables. In agriculture, focus on micro irrigation, government schemes. All of them are playing a big part in terms of having the demand for these products. On healthcare, again a lot of awareness and lot of demand.

So yes, even if you were to look in the longer-term perspective, last three years demand volume growth has been closer to 10%. More importantly, looking into the future, this kind of demand environment remains intact.

On the polyester side between PET and PSF, if you look again in terms of applications – beverages, textiles, home furnishing, automotive, nonwoven, industrial – each one of them have demonstrated last three years about 8% growth. But again, looking into the future, it presents a very constructive view for demand for these products.

Against this backdrop our strategy has always been to invest in high growth our domestic markets. We have been very focused in each of these projects on capital allocation. We have always invested at the bottom of the cycle, and this is the time to take advantage of lower project cost. When margins are low, it's a good time to invest. And our continuing focus on scale, on flexibility, on integration, on newer technologies will remain as we invest in these projects.

So, against this, if you see, what are we investing in? And, you know, starting with vinyls, with this 1.5 million tons PVC and CPVC facility at Dahej and Nagothane. This caters to a growing and a large deficit Indian market. As you know, the current deficit in India is between 2-2.5 million tons, even as we talk. So, this project helps address that gap. And from a size point of view, from the 22nd player globally, in terms of our current capacity, we would become the top 10 producers.

Also, I have been emphasizing a lot about light feed cracking, and you know, for us, we are expanding the virtual ethane pipeline. We currently have six ships, and we are adding three more VLECs. That will help enhance the cost competitiveness of our cracker.

Finally, on the polyester side, with a million tons of specialty polyester capacity, and matched 3 million tons of PTA, will help sustain the growing demand there.

So when you look at it together, you know some of our points about having high quality assets, which are vertically integrated, and having the diversification of products, and cost profiles being in the top 10 or top quartile – either be it refinery or cracker – and combine that with the market presence in India and the deep distribution that we have, the financial flexibility for us in terms of existing businesses, robust cashflows helps us invest in this downside.

And so, when you put this together, the point I was making about being constructive on O2C growth into the future, is something that we see. We see this business that on that trajectory.

Just summarizing all the presentations that have been done thus far. So, we had record consolidated earnings both year on year, as well as sequential and with now consumer businesses accounting for 52% of our segment EBITDA.

On the energy side, domestic market remains very strong, and with all the momentum and economic activity, and also, there has been recovery in fuel cracks with stronger demand in APAC region including India. Our operating model mitigated impact of weak downstream margin environment.

On consumer side, strong festive and wedding season demand. But importantly, you know, I've been emphasizing over the last few quarters that focused a lot on operational streamlining and all that you are starting to see the benefit, and we remain confident about that it is behind us. And you know the constructive outlook for retail is very much now intact.

Jio is seeing the benefit of the tariff hikes, and you're seeing the very strong traction on the customer addition side, both and especially on homes, and also the broader digital services earnings growth, which was touched upon. So overall, it has been, as I said, a strong operating quarter and strong performance across all our businesses.

Thank you.