



July 22, 2023

BSE Limited

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Dalal Street
Mumbai 400 001

National Stock Exchange of India Limited

Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051

Scrip Code: **500325**

Trading Symbol: **RELIANCE**

Dear Sirs,

Sub: Audio / Video Recording and Transcript of Presentation on Unaudited Financial Results (Consolidated and Standalone) for the quarter ended June 30, 2023

Pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the audio / video recording and transcript of the presentation made on July 21, 2023, on Unaudited Financial Results (Consolidated and Standalone) of the Company for the quarter ended June 30, 2023, is available on the Company's website at <https://www.ril.com/InvestorRelations/FinancialReporting.aspx>. The said transcript is also attached. The presentation concluded at 9:04 p.m. (IST) on July 21, 2023.

Kindly take the same on record.

Thanking you

Yours faithfully,

For **Reliance Industries Limited**

Savithri Parekh
Company Secretary and
Compliance Officer

Encl.: as above

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RIL Q1 2023 - 2024

Media & Analyst Call Transcript

21 July 2023 20:01 IST

Call Participants:

- Sh V Srikanth, CFO, Reliance Industries Limited
- 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 Roy, Senior Executive Vice President – E&P, Reliance Industries Limited

Duration: 00:59:27 minutes

Presentation Link:

<https://www.ril.com/getattachment/6e354525-ab97-4a73-a50b-0148646c3a16/Financial%20Presentation%20-%20Q1%20Results.aspx>

Meeting Video:

<https://www.ril.com/InvestorRelations/FinancialReporting.aspx>

- **Sh B. Srinivasan** 00:00:04 – 00:00:20 (**Introduction**)
- **Sh V Srikanth** 00:00:22 – 00:09:38 (**Consolidated Financials**)
- **Sh Kiran Thomas** 00:09:39 – 00:23:15 (**Digital Services**)
- **Sh Anshuman Thakur** 00:23:16 – 00:27:22 (**Digital Services - Financials**)
- **Sh Dinesh Taluja** 00:27:23 – 00:41:43 (**Reliance Retail**)
- **Sh Sanjay Roy** 00:41:44 – 00:46:15 (**Hydrocarbons - Exploration & Production**)
- **Sh V Srikanth** 00:46:16 – 00:59:27 (**O2C Business, Summary and Closure**)

Transcript:

Sh B. Srinivasan 00:00:04 – 00:00:20 **(Introduction)**

Good evening and welcome to the first quarter of FY24 Financial Results presentation of Reliance Industries Limited. I'll now request Srikanth to walk you through our consolidated performance, followed by a deep dive on each of our business segments. Over to you Srikanth.

Sh V Srikanth 00:00:22 – 00:09:38 **(Consolidated Financials)**

Thanks Srin. Good evening, friends. Starting off with financial performance, EBIDTA at nearly Rs. 42,000 crores up 5.8% year-on-year basis. This growth really masks the growth that we have seen in Jio which is 17%, in retail of 34%, in upstream of 47%. And the fact that of course, the O2C was down by 23%. As you know the context being, first quarter FY 23 was an exceptional quarter, given the dislocation coming on account of the Russia- Ukraine conflict which has driven margins to historic highs. And as you know, to see it was the highest earnings. And from then on, the cracks have declined between 60-70%. PVC specifically in petrochemicals was down 35%. So, the context being that it was an abnormally high quarter in that same time last year. And, you know, those numbers are corrections of O2C that you see is more a reflection of the heights that have reached there. So, as I highlighted, that was more than offset by the strong performance across our businesses.

Net profit at Rs. 18,258 Crore lower by 6% on the back of higher depreciation and finance costs. On the consumer businesses side, our growth continues to be strong with an expanded physical and digital footprint. We have 314 million transactions, which is up 43%. Very strong growth across formats, grocery especially at 59%. And when you look at Jio, the highlight was the addition of 9.2 million customers and the good adoption of 5G.

On the energy business side, I talked about the fall in cracks, and I will highlight the extent of the fall that we have seen. But when you look at the numbers per se, you know if you look at it over a three-year average basis, it is higher than that. We have seen strong performance coming in the oil and gas side. Both realisation as well as volumes were pretty good and MJ 1 production has started.

On the retail side, 34% growth on EBITDA on a year-on-year basis, 20% on revenue, we continued to add and expand 555 stores taking us close to 18,500 stores. Different metrics, be it footfalls, be it registered customers, all that traction is good. For example, registered customers up by 28% and footfalls up by 42%. So, engagement is pretty strong. Importantly, the digital commerce and e-commerce continues to be strong at 18% but on a significantly expanded revenue base. As you know, we completed Metro Cash and Carry acquisition and the integration is underway.

On the digital side, EBITDA up of 17%, revenues up 12.5%. ARPU is close to Rs. 181 which is 2.8% growth year-on-year. As I highlighted, the number of customer adds is something for us to highlight. 9.2 million customers taking our total customer base to 448.5 million. And when you look at data traffic, it continues to be strong with 28 % growth with increased usage across the board. So, in a sense retail has benefited from the network and infrastructure investments that we have been doing.

On O2C side, EBIDTA Rs. 15,271 crores, as I mentioned, down 23% year-on-year. I highlighted the exceptional strong year ago quarter. I also highlighted the fact that margins have been significantly lower. When you look at it from point of view of fuel cracks, clearly still the demand is good, and it keeps the cracks at about mid cycle levels. However, on downstream, margins are significantly more muted given the supply overhang as well as the fact that you will see a bit of subdued demand as far as downstream chemicals are concerned. However, having said that, in India demand environment is pretty strong. Oil demand up almost 5%, polymer up 16%, polyester up 5%. And as you're seeing there is a fairly conducive environment as far as fuel retailing is concerned.

On oil and gas at Rs. 4,015 crore EBITDA, which is 47% higher year-on-year benefiting both from volume and price. Our steady state production is now at 21 MMSCMD. As I said the production is up 18%, price realization has been over \$10.81 per MMBTU which is another 10% close to that. We have successfully placed 29 MMSCMD of KGD6 gas. We essentially signed GSPAs with our customers. And it is across the variety of businesses.

So, these are the numbers when you bring them together. Overall, when you look at revenues down 5%, but you must keep in mind that crude prices have been lower by 31%. But the fact that we had strong performance in retail and Jio has been that the revenue fall is only about 4.7%. EBIDTA growth is 5.1%, I talked about the strong traction in the consumer business side. Net profit impacted with higher finance cost and depreciation. This is something that, you know, we're having telegraphing across last set of quarters about the increase. But as you can see, finance costs on a quarter-on-quarter basis and it's almost flat.

When you look at it from a QoQ point of view, you know, the EBIDTA is up almost 2% the net profit is down 14%. And I would like to draw your attention to the fact that in the previous quarter, the tax provision was at 11.5% as we transition into the new tax regime from FY25, from second quarter on it is 25%, so this is the normalization of tax rate is really what explains the QoQ net profit fall.

This is just the pictorial representation of the fall in O2C. Across the board, you can see the other businesses delivering strong performance. Also on the other side, you know, benefiting from the fact that same time last year, there was this impact of rising yields on the portfolio, but obviously now it isn't. So, you can see that swing in terms of profitability, but as important is the fact that you're seeing rising contributions from other businesses. Be it REC International in Singapore or METL or IndiaWin Sports, all of them have been showing strong performance and that explains the increase of the other segment.

And this is the quarter-on-quarter bridge. Again, O2C muted or little weak but offsetting performances across the other segments. The per capita data usage is the one I will highlight which is now 25 GB per month.

On the net-debt side, I would like to highlight that the net debt figure now reflects the demerger of JFSL. Around Rs. 15,500 crores of cash and liquid investments have been transferred from RIL's consolidated balance sheet to the JFSL as part of the scheme. So now, JFSL will have a total liquid asset base of Rs. 20,700 crores including cash equivalents in RIL associate Reliance services and holdings limited which is now as a part of JFSL. In short, we are talking about JFSL having Rs. 20,700 crores. Net debt has remained flat despite the accelerated capex on rollout of infrastructure in the consumer business. The Capex for the quarter was Rs. 39,600 crores which was funded largely by all the internal cash flows of Rs. 33,000 crores. And the important point here is of the accelerated rollout of 5G network is on track and expected to be completed by December 2023.

With this, I'm handing it over to Kiran.

Sh Kiran Thomas 00:09:39 – 00:23:15 (Digital Services)

Our 5G rollout has been underway since October of last year. Happy to announce that we are ahead of time with respect to how we are looking to complete this plan. Our plan on record is to complete pan-India rollout before the end of this calendar year, December 23.

You can see pictorially already how the 5G rollout has come along. What you see in yellow is the plan versus what you see substantially making rapid progress is what is shown in green. 65% of the scope is already completed, and as we speak more than 90% of the census towns are already covered by Jio's 5G signal.

If you look at the number of sites which are deployed, 1,15,000 5G sites are already deployed in pan India, which roughly translates to nearly 7,00,000 5G cells, which is contributing to this rollout. So, all in all, we are on track to complete what is going to be the fastest 5G rollout anywhere in the world, creating a pan-India coverage for a large country like India within just over a year.

If you look at what that has translated to this entire 5G leadership that we are establishing is also resulting in accelerated customer acquisition numbers. If you look at how the net addition numbers have looked quarter on quarter, you can see that it has been growing quite healthily. When we started our rollout in late last year, the number was around 5.3 million net ads currently, then it grew to 6.5 million, and now we are approaching the 10 million mark of net ads.

In fact, this number is nearly 1.7 times what it was just a couple of quarters ago. And obviously, this is the net and picture. But if you look at even from a retention perspective, and also net port in coming from other operators, all of this is being driven by the superior network quality that is being established through both the 5G and the 4G deployments which are underway.

So, if you look at also how this number has grown year on year, subscriber growth, in a climate where the overall industry growth is very nearly zero, pretty flat growth, what you're seeing is while the rest of the industry has seen de-growth of nearly 3.7%, that has largely been driven by nearly 7% growth year on year in Jio subscriber base. And if you look at the net port-ins, we were about two and a half times the net port-ins for us as compared to our nearest competitor.

While the 5G growth is really driving the top end with respect to quality customers, people who are really keen to upgrade their phones and take advantage of this network at the bottom of the pyramid, which is really this long-standing vision which has also been shared by our chairman pretty early, which is to make India 2G Mukta.

I think just recently we announced this product which is called Jio Bharat. This is a unique go-to-market approach where we have designed this instrument which can be delivered at under 1000 rupees price point with respect to the phone. But unlike in the past, what we are doing is really creating an ecosystem. So not just us, but this design by Jio product is now being supported by multiple OEMs. And all of these are being created in India, the entire supply chain the assembly is being done in India through multiple OEMs, with Jio as the technology provider. So, it has really been received well in the past few days. Our idea is to quickly deploy about a million of these devices through our own offering as well as through the OEM partners, and to learn from it and adapt and in a very agile way, improve this product rapidly and continue that growth. We're pretty confident that this device both from a price point perspective and also from completely disruptive offerings – so it supports video streaming, including live video streaming on such an affordable device. And also, things like UPI, so really the

India stack coming to life, even at this price point on the device. So, all in all, this entire package really translates into welcoming what used to be 2G customers, stuck with 2G devices, on to now the full 4G ecosystem, while still having the same level of affordability that they had with 2G devices. So, we are really looking forward to learning quickly from this initial deployment and to and to really push ahead that vision of 2G mukt India as quickly as possible.

JioFiber, coming to our home rollout, today, glad to announce that of all the wired broadband net adds which are happening in the country, Jio Fiber is driving nearly 80% of that net adds, and that has largely been driven by obviously a superior product offering, but also very competitive and innovative tariff plans which are really made it more attractive to customers. And if you look at what this has led to is nearly a 50% year on year growth in the subscriber base that we had.

Also, the good news is nearly 98% of the new additions are coming on the postpaid plan, which obviously means a higher quality customer base as well as obviously higher stickiness. We have also really pushed to accelerate this rollout through a partnership program. So, we are partnering with the local cable operators as one of the channels. They have deep presence into the towns of India. They have great relationships and obviously they have a physical presence in those catchments. So, really, we are looking now that partnership to really accelerate this rollout. Already, we have partnerships in more than thousand towns and that's also really one of the secrets behind how we've been able to grow this fast. Of course, in terms of even data, while the growth has been 50% year on year, but if you can see the data traffic on JioFiber, that has grown even higher it has largely been driven by even higher engagement of the of the customers over the past year.

Looking forward, obviously we have spoken about this in the past updates, but while the fiber rollout is accelerating, we are also looking to even accelerate that further by using what we call AirFiber, which is delivering fiber like experiences using wireless. And while we have the 5G rollout underway, what we have done is we have created a very dedicated slice, because as you know we are a standalone network standalone 5G architecture which allows things like network slicing. So, we have created a dedicated network slice for home broadband activity in such a way that it does not conflict with obviously the mobility capacity that we are also rolling out. So, in a way we are created two lanes in our 5G Highway, one dedicated for the home rollout, AirFiber, and one still continuing to serve our 5G mobile customers with the best network anywhere in the world.

Of course, within the home, again we are upgrading our Wi Fi offering. As you know our JioFiber offer comes not just with the connectivity to the home, but also wall to wall Wi Fi coverage. So, we are now upgrading our Wi Fi offering to Wi Fi 6. So, our home gateway is now going forward will be Wi Fi 6 compatible which also means better indoor coverage. through Wi Fi as well. Also, Single Sign On. So along with our connectivity, we are also providing a set top box, along with a bundled offering of pretty much all the OTT media applications, plus a number of other content applications like YouTube etc that are part of that set top box offering.

And what we're doing now is creating a single sign on framework which has already been there but making it even more intuitive and stronger to even support the Air fiber offering as well. And of course, now with additional technologies coming in, we are also augmenting our Network Operations Center and our service operations center, so that not just the network quality but the end-to-end service experience of our user, including of course the broadband coming into the home, the Wi Fi within the home, and obviously all these applications being delivered through the set top box can be monitored, and any issues can be proactively addressed even before sometimes our customers are even able to highlight any problems that they may be facing. So, all of this taken together, between JioFiber and Jio AirFiber means that we are accelerating our home broadband ambitions to connect as much as 100 million homes in the quickest possible timeframe.

Another now coming to digital platforms. One of the success stories that we have had in the in the last quarter is Jio Cinema. And really using Jio Cinemas to showcase a streaming experience at scale around IPL as the initial showcase of what is possible. Obviously even before IPL already started introducing the Jio Cinema capabilities through the FIFA as well as the Women's IPL leading up to the men's IPL that we had. But with Men's IPL, we really created world records in pretty much every category that we can think about when it comes to live streaming. 32 million concurrent users watching IPL at its peak with more than 17 billion streams served over the season, obviously translating into nearly 160 billion minutes of watch time. And of course, all of this being done in multiple languages with all kinds of interactive features.

And effectively, you know, this has really set the stage for future. I think looking forward, we can see even more content coming to the through the streaming format as compared to what has traditionally been a linear broadcast-oriented format, which means obviously a set of superior watching experiences that all of the Jio customers can expect to have going forward.

All of this has been done through what we call a glass-to-glass solution which has been built by Jio Platforms. Everything from obviously the lowest latency showing a screen which is coming through the streaming format through the cloud, even faster than it can be on screen even through technologies like DTH, which are much simpler technologies, production being supported: While traditionally we only had up to HD but through the streaming format, we were able to support both 4k and 8k videos. Multiple cameras being offered simultaneously for users to choose from, obviously a pan India content delivery, content distribution network that we were able to create from scratch to be able to support the delivery of this media at scale, multiple other options for keeping the customers engaged, including things like Watch Party, where you can watch things with your friends, Play Along, which is obviously gamification of content so that people can actually consume interactive games while they're watching the match.

A new monetization model, so this was entirely free from a subscription perspective. But behind the scenes, obviously, we stitched up our own ad platform, so that we were able to monetize it through the ad monetization framework. And like I said, all of these being done in multiple languages simultaneously. Some of it obviously being also curated content and curated commentary that we were introducing from Jio Cinema itself. So really an end-to-end solution, which really proved the point that India is ready for streaming and really migrating away from the linear model that the world is moving away from India could do it much faster.

One of the other platform areas which is also finding traction is our IoT platform. So, everything from monitoring assets, to utilities, to things like transportation, to even things like agriculture. So now our IoT platform slowly but surely has been gaining adoption. If you look at the right, there are these logos everybody from Mahindra, Havells, Schneider, Tata Power, and when it comes to automotive, partnerships with the likes of BMW, Volkswagen, Ather, and on the Agri side, people like Amul; all of that really using the power of the sensors that we have designed and embedded into many of the solutions that they're using, supported by the narrowband IoT network, which is pan-India. And in many cases, also providing the back-end analytics and cloud capabilities, all packaged as one end-to-end solution that we are able to offer across these industry verticals across these customers. So again, this is an exciting area for us looking forward and this will be a very strong source of additional revenue for JPL looking forward.

I will invite the Anshuman to talk about our financial and operating metrics.

Sh Anshuman Thakur 00:23:16 – 00:27:22 (Digital Services - Financials)

Thank you, Kiran. Good evening, everyone. I will summarize the financial results for the quarter in this section of the presentation. So, JPL had a strong operating and financial performance during the quarter. Consolidated revenues for the quarter were 26,115 crores. That's a growth of 11.3%. EBITDA grew at 15% to 13,116 crores. There was sustained subscriber growth, as Kiran also spoke about, 448.5 million subscriber base at the end of the quarter. Network leadership driving bulk of this, and we're seeing early traction with our 5G rollout as well. So, both leadership in the subscriber growth as well as MNP growth, and then for the subscriber traction remains very strong.

The ARPU for the quarter grew to 180.5 rupees. This is really the growth being driven by the additional data consumption or increase in the tariff plans of consumers. There were no tariff increases that we have enforced. The monthly data traffic on the Jio network was 11 exabytes, so data consumption continues to be very strong, driven by both 5G as well as some events during the quarter which resulted in higher data consumption. The data consumption was up 48.3% year on year, and that continues to grow every quarter at a very rapid pace, and we continue to see that trend on our network. Kiran spoke about the 5G coverage, and we are well on track to compete pan-India coverage before the end of the year.

Moving on, the data traffic, if you look at the trends, it's been growing at a faster pace every quarter. This quarter, the monthly data traffic crossed 11 exabyte for the quarter, on the whole, it was more than 33. And this was a function of multiple things: of course, 5G adoption also now showing up on network, fibre-to-home ramp up, as well as some events like IPL which resulted in a lot of data consumption on the network. The per capita data consumption increased 20% year on year to 25 GB per user per month now. And we're continuing to build capacity in the network both through the 5G expansion, as well as any way the network expansion and we continue to do, so we are well prepared for data traffic growing much more in the in the quarters to come.

Moving on to the key operating matrices, for RJIL, our connectivity business, our net customer addition of 9.2 million subscribers during the quarter, which is seeing an increasing trend. ARPU going to 180.5 rupees per month this quarter, both data consumption as well as voice consumption growing very rapidly and consistently. So, we've seen consistent usage and growth from onboard data and voice front.

Moving on to the financials for RJIL, again steady growth quarter after quarter. And we have seen this for several quarters. The operating revenue for RJIL for the quarter came in at 24,042 crores, and the EBITDA at 12,663 crores. So, that is an EBITDA margin of 52.7% for RJIL, our connectivity business. Moving on to the JPL financials, operating revenues of 26,115 crores for the quarter, the one to the left column that you can see there, which grew 11.3% year on year, EBITDA grew to 13,116 crores, 14.8% YoY growth, and the profit after tax crossed 5000 crore for the first time for JPL consolidated, it was at 5098 crores during the quarter. That's a 12.5% year on year increase in the reported net profit.

With this I'll hand over to Dinesh for the Reliance Retail summary.

Sh Dinesh Taluja 00:27:23 – 00:41:43 (Reliance Retail)

Just to quickly cover on the retail side, we continued our sustained growth journey, the revenues grew 19% YoY basis. The growth was quite broad-based across consumption baskets. Grocery was the star with 59% growth

on a year-on-year basis. Our consumer electronics and fashion lifestyle, which are the other two verticals, also grew 14% and 15% on a YoY basis. We continue to expand our EBITDA margin as the benefit of efficiencies and scale keep increasing. Our EBITDA grew 34% on a YoY basis, driven by growth and margin expansion across both grocery and fashion and lifestyle. We continue to make investments in infrastructure and people that really help us enhance our customer value proposition as well as drive efficiencies to deliver sustained growth in markets.

Looking at the key operating metrics, footfalls continue to grow. There was a 42% growth in footfalls to 249 million during the quarter. Our registered loyalty customer base stands at 267 million, which is a growth of 28% on a year-on-year basis. Number of transactions came in at 314 million, which was a 43% growth on a YoY basis. We continue to expand our store footprint. During the quarter, we opened 555 new stores, taking the total store count to 18,446. Our total retail sales area now stands at 70.6 million square feet. We had announced the acquisition of Metro Cash and Carry India last quarter. We completed that acquisition and are in the process of integrating that business within Reliance Retail.

Key numbers: Gross revenue of Rs 69,948 crores for the quarter. EBITDA crossed the milestone of Rs 5000 crores during the quarter, coming in at Rs 5139 crores. While our stores, offline channel continue to grow as we scale up that presence. Our other digital commerce and new commerce channels also continue to do well, and their contribution remains steady at 18% of our total sales.

Just summarizing - 19% growth in overall revenue. EBITDA from operations Rs 4,896 crores, 26% growth YoY. Total EBITDA at Rs 5139 crores, 34% growth YoY and profit after tax of Rs 2448 crores - a growth of 19% on a YoY basis. So, sustained performance across growth and profitability delivered during the quarter.

Just to take you through some of the key highlights across our major consumption baskets.

Consumer electronics: We continue to see improving conversions as well as increasing average bill values as we see people spending more on electronics, they are buying better gadgets and there is higher willingness to spend. This quarter, as the summer season started, we had a very successful push on the cooling category - refrigerators and air conditioners, where we were able to increase market share. Also, for the back-to-school campaign, we saw a good strong push up in laptop sales.

We leveraged the IPL, which was during the quarter, which drove a lot of television sales. We also had a lot of regional festivals, and we do this quite often, we have the full calendar, where in each region we try to capitalize on the main consumption events to drive both customer engagement and growth. The growth was quite broad based. The key star categories were (unclear), which did very well, we were able to increase our market share, phones, and appliances as well.

resQ, which is a key growth driver for us and a big differentiator for us because none of the other electronics players have in-house service delivery capabilities of the scale we have. They crossed the milestone of 1000 service centres established across the country. That gives us a big advantage over people where we are able to provide same day / next day installation as well as a target out of warranty opportunity which none of the other players are able to offer, a one stop solution for all the brands in an organized manner to do the installation which nobody else can match.

Our own brands business continues to do well. We launched several new products across various categories, as well as continue to expand our reach. Our merchant base was up to 2.4x on a YoY basis. Our b2b business

within the segment, JioMart Digital again had a pretty robust growth - phones and large appliances were the key categories where there was a lot of push. We continue to expand our merchant base which was up 71% on a YoY basis. Overall, a very good quarter with very strong operating and financial performance.

On the fashion and lifestyle, our stores business for apparel and footwear, we saw a significant uptick in store traffic as well as growing average bill values as we see people buying more items as well as a trend towards premiumization where people are spending more.

We launched a number of new formats last year, notable among them Azorte, Centro, Avantra, Kalaniketan, which is one of the acquisitions we had done on the saris base. Portico... all of them have had very good response and we continue to scale them up this year.

We are seeing a significant evolution in customer behaviour where earlier office attire and casual wear used to be different. We are seeing a merging of the two where the semi-casuals, both in non-office and office wear is getting acceptable. So, there's a trend where people are looking to buy some things which can be used both in office and outside and we are capitalizing on that trend. We are seeing a significant uptake in smart casuals as well as leisure.

We executed a number of regional events during the quarter to leverage the sales that happened, the consumption that happens around festivities.

AJIO again had a very strong quarter. We see improvement across operational metrics and very strong growth as well as unit economics. During the quarter, we added 2 million customers and launched several brands as well as categories in order to enhance the number of options that we are able to offer to our customers.

Our partner brands business in the premium and luxury segment continues to expand its footprint as well as the portfolio of brands.

During the quarter we launched Pret- a-Manger, the iconic British chain. It had a very good response, and we are looking at expanding that footprint further. AJIO Luxe, which is our online business for premium brands, again had a very strong quarter. The number of options available grew 85% on a YOY basis. We have now over 550 brands available on the platform.

Jewels business sees very strong growth not just in metro tier one, but even tier two and beyond cities. These are both occasional purchases, driven by wedding season as well as regional events as well as core purchases, both continue to do well. We continue to focus our efforts on improving our product offering and launch new designs and collections... that's how we are able to differentiate ourselves in the market. During the quarter, we launched Thanjavur collection on the eve of Akshay Tritiya. We also launched the wedding collection Vivaham, as well as Mother's Day collection, light gold collection...so there's a lot of effort towards segmentation and offering distinctive designs which are suitable for various occasions to drive customer purchases.

Lingerie business continues to grow well. As you know, we straddle across the spectrum, right from premium to the core range. Our brands including Clovia and Amante continue to perform well. We are expanding the store footprint as well as launching these brands in distribution. We have had a pretty exciting event during the quarter: 'Super Powered Lingerie' sale – which did very well, and we did see a lot of customer engagement and traffic during this this engagement. We continue to explore launching new products, new categories to strengthen our portfolio. Some of the notable ones were ribbed crop tops, Disney-branded sleep and lounge

wear. We continue to improve the online experience through adding new features and functionalities as well as offer in our stores a distinctive customer experience to drive growth in this category.

Urban Ladder - we continue to expand our store network. We have opened, as you know a lot of Smart Bazaars - the big stores where we are opening shop in shops for Urban Ladder with the range available in those stores. We are looking at catalogue expansion to provide our customers with a wide variety of choices available of our products as well as external brands and adding multiple categories as well as options in there including beds, living seating, essential sofas, etc.

Grocery, again another quarter of record performance led by both Smart and Smart Bazaar formats. Smart is a 15,000-20,000 square feet store. Smart Bazaars are the much larger stores. We are able to offer a much wider assortment. The public holiday sales event—it did extremely well. We saw very strong footfalls and orders during this period. As we have mentioned in the past as well, we are looking to grow the share of non-food in our overall business that helps us drive our margins and that share is growing quarter on quarter very rapidly.

We had a strong traction in some of the seasonal categories like ice creams, cold drinks, mangoes. Ultimately what we're trying to offer in each season what is relevant for the customer. We are also trying to regionalize some of our assortment, which is specific to each region as well as for premiumization to drive better wallet share and better or order values from our customers.

As I mentioned earlier, we completed the Metro Cash and Carry acquisition. So, we are looking at synergizing our grocery new commerce operating model and the Metro Cash and Carry model. Both are targeting the kirana segment. There are significant synergies in that business, and we are looking to capitalize on the strong footprint and capabilities that the Metro team has in order to further bolster our value proposition to the kirana segment. We are also looking to expand the JioMart Smart Kirana through the franchisee model where these people buy exclusively from us. Overall, very strong momentum and performance during the quarter in the segment.

Our consumer brands business: We continue our growth trajectory; we continue to expand entry into new categories as well as enter new geographies by increasing our distribution network in the general trade channel. Saw an 8x YOY growth in the general trade segment.

Some of the category highlights - we launched Campa Cola, which saw very strong traction. We have 11x growth in this category. In fact, we ran out of capacity very very quickly.

We also continue to explore new partnerships and product launches during this quarter. We launched Alan Bugles in partnership with General Mills in Kerala and we are looking to expand in that. We also launched a range of deodorants with Europer perfumes...that again is paying very good traction in the initial in the period of launch.

JioMart continues to expand our seller base as well as the number of options in order to offer a wide selection to our customers, which is seeing very positive response, and the business continues to grow very rapid, very well with both increase in traffic customer engagement as well as the average bill values which definitely helps our unit economics. Our options count during the quarter was 6x on the YOY basis. Seller base was up 4x on a YOY basis. And as a result, the non-grocery categories are growing pretty rapidly, and their share is increasing. We built a new marketing property - Grand shopping carnival, which saw a lot of new users coming onto the platform as well as driving some specific categories. The share of electronics during this period actually doubled. We did a lot of promotion so very strong growth during this period.

That's it on Retail.

Sh Sanjay Roy 00:41:44 – 00:46:15 (Hydrocarbons - Exploration & Production)

Thanks Dinesh.

Coming to oil and gas.

So, the revenues grew to Rs 4,632 crore. The EBITDA also grew to about Rs 4,015 crore. So that's a 46.7% growth year on year, or 5.6% growth quarter on quarter basis. This is mainly led by increase in production over the quarter. With the commissioning of the MJ oil and condensate gas production, we are now pretty much ramped up production to slightly over 28 million standard cubic meters per day, and we are on our way to achieve 30 million standard cubic meters per day, as well as we are producing close to about 18,500 barrels of condensate per day.

In terms of realization, yes, year on year on, we had higher realizations but over quarter-on-quarter basis, the ceiling price in the last half was about \$ 12.42 and, in this quarter, it was about \$ 12.12. Additionally, we have seen that the global gas prices, particularly the LNG prices, due to demand factors have come down considerably, so the realization was around \$ 10.81, which is a combination of all these factors.

So, as I mentioned earlier, we are well on course.

We have commissioned the MJ gas condensate and all three new fields are currently producing. We have about two more wells to come on stream, but we are now already at 28 and a half million standard cubic meters, and we are well on track to achieve 30 million cubic meters in the coming months.

This is going to be a material increase in domestic production. With production coming on stream, we have conducted two rounds of e-auctions for total cumulative volume of about 11 million standard cubic meters. This was very successful. We have signed contracts with over 45 customers across city gas distribution, fertilizer, refinery and other industries.

To date, we have contracted the 29 million standard cubic meters of the KGD6 gas, and the price discovery was JKM plus \$.75 per MMBtu, which is obviously subject to the government ceiling price, which is at the current juncture, for this half at \$12.12 per MMBtu.

Just to give you a perspective on gas outlook, the impact on India, the demand and price aspects. So, what we have witnessed in the European Union is the saving of gas was 20% as against a target of 15%.

Consequently, we also saw the demand being a little sluggish. Therefore, the storage levels are at historical highs, as compared to the last 5 years, which is an average of 65%, but we are now at about 80%. Also, we've seen sluggish growth in the Chinese economy, which has impacted the demand.

Now, these are factors have contributed to the LNG prices being lower than the ceiling price for the first time since the commencement of new production. The auctions went well. So, in that sense with JKM plus \$ 0.75

per MMBtu. We, expect to realize a higher price than the benchmark which should stand us in good stead. These contracts are almost for three to five years. So, that is good.

In terms of the outlook, we expect price volatility to continue this fiscal particularly considering high storage levels and higher nuclear output from Japan and France.

We hope to see a recovery in demand in China in the second half. And with the policy support, this should at least hold us in good stead on the price outlook.

Thank you.

Sh V Srikanth 00:46:16 – 00:59:27 (O2C Business, Summary and Closure)

So, the last presentation on O2C.

Just setting the context. As I highlighted before, the first quarter of FY23 was once in a generation dislocation of energy markets, which drove fuel margins to historic levels. On the petchem side, the environment has been a bit soft. More because of the fact that China opening up has been slower than what the people have been expecting. Also, the broader context, if you see, the producers and intermediaries continue to destock because of recession concerns in the West.

Also, higher interest rate does have some impact as far as consumer demand is concerned. So that is the broader context of downstream chemicals.

But when you look at it from the point of view of fuels, clearly you are seeing continuing strong demand for fuel with the opening up of China. And on a broader basis, you can see that overall demand for oil has been very strong.

In that context, when you look at India, both demand for oil fuels as well as vehicle sales actually very good – some of the highest – and it does provide us scope for margin improvements as well as optimization opportunities.

So, these are the numbers I highlighted. Rs 15,271 crore that is EBITDA, down 23% on a year-on-year basis and quarterly it is down 6.3%.

Year on year, I will show in subsequent slides, fuel cracks have fallen anywhere between 60% to 70%. Even the polymer deltas did fall in a market, which was well supplied. Polyester margins have been relatively better. It has declined only 3.3% on a year-on-year basis. On Q-o-Q, continuing correction in fuel prices with ample supplies and the broader global macro headwinds and concerns, that has had some impact and as far as the margins for fuels are concerned.

Also, PVC delta was lower. Actually, PVC among all on petrochemical downstream products has seen significant fall both on a year-on-year basis as well as on a quarter-on-quarter basis. Of course, from our point of view, we have been able to focus on our operational excellence, high utilisation levels, advantage feedstock sourcing and the fact that, as I highlighted, demand for both fuels and chemicals have been strong in India.

On the overall environment, as you can see from the data, oil demand up 2.8 million barrels per day, when you compare on a year-on-year basis are largely led by China opening, which accounts for almost 2.3 million barrels per day. There you saw recovery especially ATF and gasoline.

In the Indian oil 5% higher on a year-on-year basis. If you can look at Polymer demand and polyester demand, again very strong – 16% higher for polymer than 5% for polyester. And in use across the board – FMCG or E-comm, food packaging, pharma, automotive, we have seen the demand on a more broad-based basis.

Refining and operating rates both on cracker and refinery were slightly lower on the back of more seasonal maintenance activities. And as far as the global cracker is concerned, lower demand in US and in Europe impacting a bit but nothing really significant.

This is the domestic demand, and you can see that the 5% that I talked about. When you look at each of the components, petrol that's up 7% year-on-year. When you look at diesel is up 8% year-on-year. When you look at ATF, it is up 13% year-on-year. So, all on the back of travel, holiday, infrastructure spend, farm sector being good, industrial activity, mining activity continuing to be strong.

So, you are seeing the effect of all of these and ATF big jump on the back of tourism. Domestic air travel itself is up 19% year-on-year.

On the components side, highlighted polymers up 16%. Here the big driver really from PE and the categories of pipes and FMCG, e-commerce and food packaging. So that's really been the place where PE has gone and also PP and PVC also has been good in terms growth of 7% for PV and 9% for PVC.

On the polyester side, 5% up. Of course, the large driver coming from PET, and as you know, seasonal factors are at play with the summer and delayed onset of the monsoon.

Staple fiber was impacted because market sentiments were soft with declining cotton prices.

When you look at Polymer deltas, you will see that it is soft – PE, PP, PVC year-on-year. More pronounced in PVC, which is down 35% with the normalization of supplies from US and China. And PP got impacted by ramp up in China capacities.

When you look at it Q-on-Q, it's slightly mixed.

You know we have seen PE/PP deltas over naphtha now is up 4%-17%. And PVC deltas, against as I said, over Naphtha and EDC down 23% led by firm EDC prices.

And of course, we benefited on the back of ethane prices coming down by 16% given our capabilities are there in terms of using both the feeds and that has helped also in the profitability.

Polyester side year-on-year down 3%, quarterly up 11%, and more impacted by a slower recovery year-on-year in China and also global demand being a bit weak. But on a quarter-on-quarter basis the jump that you are seeing by 11% is coming on the back of PX margin improvement, because of turnaround season as well as the fact that gasoline demand rebounded pretty sharply. Also, we did see recovery in PTA prices as well as MEG. Of course, it was coming from the back of low base and the fact that feedstock prices were pretty soft.

And moving on to transportation fuels, and you can see – I referred to the 60% to 70% fall and you can see \$52 in first quarter of FY 23 down to about \$16 in terms of the crack spreads, but overall demand for gasoil has been higher. It's 28.4 million barrels per day, up a 0.3 million barrels per day on the back of demand growth in Asia and Middle East that did offset the impact from lower demand in the West.

When you look at it on a quarter-on-quarter basis, gasoil lower on the back of lower industrial activity, and the fact that there was continuing availability of Russian diesel in the market.

Jet/Kero, again demand went up to 7.2 million barrels per day. Almost the main demand coming really from China and the US and the cracks from \$39.2 down to \$14 and even on a quarterly basis it is lower, and it has moderated in line with what we saw as the gas oil cracks.

Global ATF demand, it is interesting to note that, ATF demand is still 6% below 2019 average with lagging Asian demand. That's something I wanted to highlight.

Of course, I talked about the first quarter FY23 which was abnormally high quarter. On gasoline, again like all the three cracks, this was also up 0.9 million barrels per day to close to 27 million barrels per day and again, China and US accounted for it and it from a quarter point of view moderated not because of demand, but because you know, Russian supplies have been pretty resilient. And the output from the new refineries have been continued to be supplied in the market.

Overall operating performance, you know, the cyclone Biparjoy that impact we minimized by depleting inventory. The two shutdowns, both FCC hydrotreater and Dahej cracker this was completed in this quarter.

Feedstock sourcing focused on advantaged feedstock sourcing given the regional crudes that were available at higher differentials. Gasoline netback we maximized by focusing on the US market, given demand and the fact that margins were better. And gas prices continued to do well and as we have been highlighting that it has eliminated LNG imports and minimized the cost of fuel for us.

Overall demand environment – demand was up 2.2 million barrels per day, and China will account for 70% of that, demand is coming on the summer driving season. Recovering in China's international travel is positive for jet fuel, and the fact that downstream chemical demand in India is expected to be robust on the back of economic activity.

On the margins side demand is strong. But the fact that there is limited Chinese exports could help in keeping fuel trucks supported. Downstream chemicals – there could be higher supply from China, which could cap downstream margins.

Overall, from a risk factor point of view, voluntary oil production cuts by OPEC+ countries may keep crude price elevated and could have an impact on demand. Other factors could be higher inflation, subdued global demand, higher supply from China. These things might have an effect on our exports into the US and Europe.

Just to summarize, overall, you have seen all the presentations - healthy subscriber additions more than over 9.2 million customers that we added, improving operational metrics on Jio side. For retail continued to expand footprint and you can see the traction in digital commerce and also when you look at all the customer engagement metrics pretty strong, resilient O2C performance in light of volatility in the energy markets and despite the global macro headwinds there was limited decline in product margins. We were able to focus on our

operational side and maximize profitability given the operational flexibility that we have. Overall KGD6, as Sanjay highlighted, we are close to delivering 30 MMSCMD in FY 24, that will be 30% of India's gas production.

Given the broader context of what I said about first quarter of FY23-24, the performance has been strong led by consumer and upstream business. The fact that we have a diversified portfolio across consumption basket helps us on the strong growth and growth outlook. A robust balance sheet with high liquidity into supply accelerated growth plans with this I come to end of my presentation and thank you so much for being on the call.