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Forward-looking Statement

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures, and

financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes

no responsibility to publicly amend, modify, or revise any such statements on the basis of subsequent developments, information or events. The Company disclaims any obligation to update these forward-looking statements, except as may be required by law.

Financial Performance and Review



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Despite global headwinds, India's economic performance was surprisingly robust, catalysed by strong domestic consumption and a pick-up in investment.

Global Economy

Global economic growth remained steady with above-trend growth in the US and a bounce-back in Chinese economy.

	CY22	CY23	CY24 (IMF forecasts)
US	1.9%	2.5%	2.1%
Euro-area	3.4%	0.5%	0.9%
China	3.0%	5.2%	4.6%
Global	3.5%	3.1%	3.1%

Indian Economy

India registered a GDP growth of 8.2% for FY24 (7.2% in FY 2022-23). India's macro-economic outlook remains robust amid strong domestic consumption and a pick-up in investment. Government capex registered 25%+ Y-o-Y growth. Inflation moderated to 4.9% Y-o-Y by Mar-24 from an average of 6.7% in FY 2022-23. Core CPI inflation fell to 3.2% (all time low).

Current account deficit (CAD) remained below 1.5% of GDP and FX reserves above US\$ 600 billion. India's net services exports grew at 15%. India's share in world's services exports now stands at ~10%. Direct tax to GDP is at record high of 6.7% (vs pre-COVID at 5.5-6%). India's oil demand stood at 233.3 MMT for FY24 (up 4.6% Y-o-Y). Demand for natural gas was at 66.6 BCM (up 11.1% Y-o-Y).

India continues to attract robust foreign inflows. FY24 inflows were resilient at US\$ 44 billion. India is well positioned to continue being the fastest growing major economy with growth expected at 6.5% for the coming two years as per IMF.

Performance Overview

Reliance delivered robust annual performance on both operating and financial parameters. Notably, all segments contributed positively to earnings growth during the year.

The Company achieved a consolidated revenue of ₹ 10,00,122 crore (US\$ 119.9 billion), up 2.6%, as compared to ₹ 9,74,864 crore in the previous year. Revenue was boosted by robust growth in retail and digital services business, with an increase of 17.8% and 11.0%, respectively.

Profit

Consolidated EBITDA for the year increased by 16.1% to ₹ 1,78,677 crore (US\$ 21.4 billion) as compared to ₹ 1,53,920 crore in FY 2022-23. EBITDA growth was led by 28.4% increase in Retail segment, benefitting from improved operating leverage, higher footfalls and growth in digital channels. Digital Services segment EBITDA also grew by 12.7% on account of higher revenue with increased subscriber base and higher customer engagement. O2C EBITDA grew marginally Y-o-Y, supported by strength in cracks for transportation fuels. Weakness in global downstream chemical margins and impact of major planned turnaround at the Jamnagar complex was offset by moderation in SAED. Oil & Gas segment EBITDA increased by 48.6%, supported by 56.8% higher gas production in KG-D6 block. Cash Profit increased by 12.7% to ₹ 1,41,969 crore as compared to ₹ 1,25,951 crore in the previous year. Profit After Tax was higher by 7.3% at ₹ 79,020 crore despite higher finance cost, depreciations and taxes.

Gross Debt

Reliance's Gross Debt was at ₹ 3,24,622 crore (US\$ 38.9 billion). Standalone gross debt was at ₹ 2,11,790 crore with balance in key subsidiaries including Reliance Retail (₹ 41,317 crore), Reliance Jio (₹ 54,350 crore), Independent Media Trust Group (₹ 7,317 crore) and Reliance Sibur Elastomers (₹ 1,612 crore).

Capex

Capital expenditure for the year was ₹ 1,31,769 crore (US\$ 15.8 billion) as against ₹ 1,41,809 crore in the previous year, with investments into network expansion in the digital services segment, scaling-up of the retail business, augmented production capacities in the Oil and Gas segment and projects in the O2C vertical. Capex was well covered by internal cash generation during the year.

Standalone

RIL's Standalone revenue for FY 2023-24 was ₹ 5,74,956 crore (US\$ 68.9 billion), a marginal decrease of 0.5% as compared to ₹ 5,78,088 crore in the previous year. Standalone EBITDA stood at ₹ 86,393 crore (US\$ 10.4 billion) as against ₹ 77,918 crore in the previous year. Strong contribution from Oil & Gas business was partially offset by weak O2C. Profit After Tax was at ₹ 42,042 crore (US\$ 5.0 billion), a marginal decline of 2.2% against ₹ 43,002 crore in the previous year. Basic EPS on Standalone basis for the year was ₹ 62.14 as against ₹ 63.56 in the previous year.

Movement in Key Financial Ratios

- The net capital turnover ratio improved from 16.97 in FY 2022-23 to 25.43 in FY 2023-24, due to lower working capital.
- Return on investment increased from 6.7% in the previous year to 8.5% in FY 2023-24 due to higher yields on the investments portfolio.

3. The inventory turnover ratio decreased to 7.31 in FY 2023-24 as against 10.49 in the previous year primarily due to higher inventories.
4. The return on net worth* fell to 10.3% in FY 2023-24 as against 10.9% in previous year due to marginally lower profits on weak O2C earnings and higher taxation.

Liquidity and Capital Resources

Macro Environment

In FY 2023-24, global financial markets experienced significant volatility, marked by unpredictable shifts in sentiments, from growth concerns to inflation worries. In the US, it was a year of two halves. The first half experienced heightened financial market volatility stemming from fears of potential banking crisis followed by improvement in risk sentiment due to decisive fiscal interventions and decline in the US headline CPI inflation to 3-3.5%. The second half was marked by resurgence of inflationary and growth pressures, leaving markets uncertain about future inflationary conditions, growth prospects, and quantum of policy rate cuts.

In India inflation declined steadily, with headline inflation reaching 5.1% in 4Q FY 2023-24, and core inflation falling below 4%. The inclusion of Indian sovereign bonds into JP Morgan’s GBI-EM global index in 2Q FY 2023-24 is expected to attract an estimated US\$ 25 billion in foreign inflow. Additionally, the Government of India announced a steady fiscal consolidation path which helped in easing G-sec yields despite global challenges. India’s growth advantage coupled with expectations of sub-1.5% GDP Current Account Deficit, and low USDINR volatility should bolster the Indian Rupee in the short to medium term.

RIL successfully navigated this environment while maintaining adequate liquidity, managing financial market risks, and delivering consistent returns on its investment portfolio.

* Adjusted for CWIP and revaluation

Fund Raising

Despite challenging market conditions, RIL and its subsidiaries successfully raised financing across various markets, currencies, and financial products at competitive cost to finance capital expenditure, support business expansion, and refinance maturing debt.

Offshore Facilities Syndicated Term Loan Facilities (US\$ 4.45 billion equivalent)

1. US\$ 2 billion equivalent facilities were secured by the Company and its subsidiary, Reliance Jio Infocom Limited (RJIL), to finance capital expenditure.
2. US\$ 2.45 billion equivalent facilities were arranged to refinance maturing debt. This transaction was well-subscribed in the primary syndication market from global lenders across geographies.

ECA Supported Facilities (US\$ 2.83 billion equivalent)

1. RJIL secured US\$ 2.2 billion equivalent facilities to finance equipment and services for its pan-India 5G rollout comprising first ever Finnish Export Credit Agency (Finnvera) supported facilities of US\$ 1.6 billion equivalent and US\$ 0.6 billion equivalent facilities from Canadian Export Credit Agency (EDC).

Credit Rating

RIL continues to be rated two notches above sovereign by S&P and one notch above sovereign by Moody’s.

Instrument	Rating Agency	Rating	Remarks
International Debt	S&P	BBB+	Two notches above India’s sovereign rating
International Debt	Moody’s	Baa2	One notch above India’s sovereign rating
Long-Term Debt	CRISIL	AAA (Stable)	Highest rating by CRISIL
Long-Term Debt	CARE	AAA (Stable)	Highest rating by CARE
Long-Term Debt	ICRA	AAA (Stable)	Highest rating by ICRA
Long-Term Debt	India Ratings	AAA (Stable)	Highest rating by India Ratings

Way Forward

RIL remains resolute in its commitment to foster sustainable value for its stakeholders through disciplined capital allocation, maintain appropriate leverage and optimally utilise its resources. The Company’s focus will be geared towards enhancing resilience and agility in its response

2. The Company tied-up Korean Export Credit Agency (K-EXIM) supported facilities aggregating a US\$ 625 million equivalent to finance the purchase of Floating, Production, Storage and Offloading (FPSO) vessel in the Oil & Gas business.

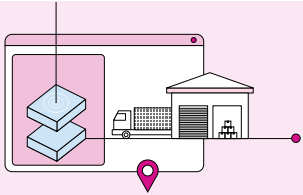
Onshore Facilities

RIL issued ₹ 20,000 crore 10-year non-convertible debentures (NCD), marking the largest single-tranche NCD issuance by a non-financial entity in Indian capital markets and the second largest issuance ever in terms of size. The NCDs were issued at rates which were RIL’s lowest coupon ever and at the tightest spread over sovereign credit.

Liquidity Management

RIL places a strong emphasis on liquidity management, to ensure that the Group always has an adequate cushion to effectively mitigate market disruptions and meet its short-term obligations. The Company effectively optimises borrowing costs and finances working capital by extending payables, accelerating receivables, and utilising various debt instruments. RIL’s investment strategy safeguards its financial resilience while optimising growth opportunities. The portfolio is continuously calibrated to balance the objectives of capital preservation, stable returns, and ready access to liquidity.

Retail



Reliance Retail, India’s largest retailer, operates an integrated network of stores and digital commerce platforms, catering to diverse consumer needs across electronics, fashion, grocery and connectivity consumption baskets.

Reliance Retail’s operating model builds on the aspirational energy of the new, resurgent India. Its guiding philosophy rests on the tenets of enabling inclusion, growth, and building sustainable societal value for millions of Indians.

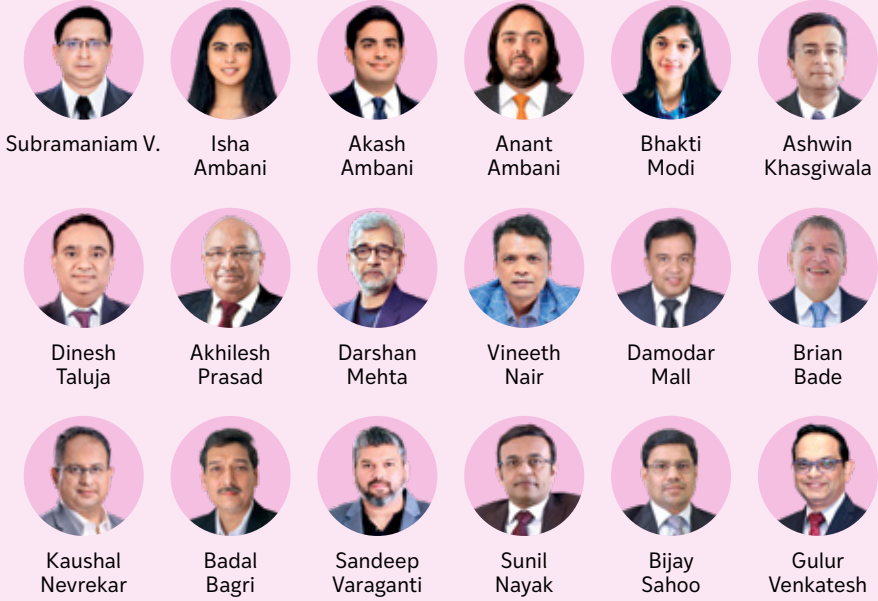
Strategic Objective

Transform the retail landscape in India through a win-win partnership model with all stakeholders in the retail value chain

18,836
Retail stores

79.1 Million sq. ft.
Retail area

>300 Million
Registered customer base

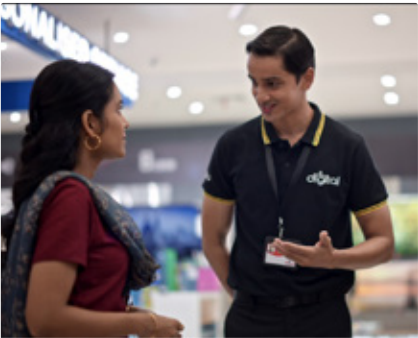


Industry Overview

The Indian retail market is among the top five retail markets in the world and is estimated at US\$ 951 billion in 2023. It remains one of the world’s fastest-growing markets and is poised to become the third-largest market by 2030.

The growth of India’s retail sector is propelled by several factors, including increasing urbanisation, rising income levels, the expanding female workforce, and an aspirational

young population. This growth extends across various town classes, benefiting numerous local, regional and international brands and manufacturers. They are being connected with consumers across diverse markets, thereby actively participating in India’s ongoing growth narrative. Grocery, fashion and lifestyle and consumer electronics constitutes over 90% of the market.



Source: Deloitte - Future of Retail

Business Performance

- Reliance Retail delivered resilient performance with another year of steady growth in revenue and profit. The business recorded Gross Revenue of ₹ 3,06,848 crore, a growth of 17.8% over last year.
- The business continued its strong track record of profit growth, registering an EBITDA of ₹ 23,082 crore for the year, up 28.4% Y-o-Y.
- At 8.5%, EBITDA Margin continued to show improvements and grew 70 bps Y-o-Y.
- The business opened 1,840 new stores. The total store count stands at 18,836 stores with an area of 79.1 Million sq ft.
- Reliance Retail undertook equity fund raise of ₹ 17,814 crore during the year.
- Stores witnessed over a billion footfalls, a significant milestone for the business.
- The registered customer base crossed a milestone of 300 million, making Reliance Retail one of the most preferred retailers in the country.
- During the year, the business made several strategic partnerships and acquisitions to strengthen capabilities and bolster its product offerings. Acquisition of Sephora India franchise; IP rights for Superdry for India, Sri Lanka and Bangladesh; India business of Kiko Milano; majority stake in Ed-a-Mama were amongst the notable ones.

Consumer Electronics

Reliance Retail is a leading player in consumer electronics retailing in India. It operates Reliance Digital and MyJio Stores, each designed to offer a differentiated value proposition, strong in-store experience, and extensive product assortment.

Strategic Progress

- Retail stores maintained their growth momentum, led by a comprehensive selection of products with a strong value proposition.

FINANCIAL PERFORMANCE

(In ₹ crore)	FY 2023-24	FY 2022-23	Y-o-Y Change
Value of sales and services	3,06,848	2,60,394	17.8%
Revenue from operations	2,73,131	2,30,951	18.3%
EBITDA	23,082	17,974	28.4%
EBITDA margin*	8.5%	7.8%	70 bps

* EBITDA margin is calculated on Revenue from Operations

- resQ experienced strong growth in the past year, driven by expansion of service plans, categories and expansion of new service centres.
- The own brands business witnessed introduction of new products across various categories and an extended distribution reach.
- New Commerce business through JioMart Digital (JMD) continued its growth journey and expanded its merchant partner base.

Fashion and Lifestyle

Reliance Retail is the largest fashion and lifestyle retailer in India. Its fashion and lifestyle consumption basket operates a variety of store formats, tailored to meet diverse customer segments.

Strategic Progress

- The business continued to drive growth through an assortment tailored for target customer segments and expanded in the right catchment areas through new store openings.
- AJIO strengthened its proposition in F&L e-commerce space by enhancing its product catalogue and drawing in millions of customers with comprehensive brand catalogue across price points; Ajio Luxe delivered steady performance with a portfolio of over 600 brands.
- New ‘Swadesh’ store format launched, focusing on India’s traditions and creative expressions through development of artisans and their art and craft forms.
- New format ‘Yousta’ launched, a youth-focused fashion retail store offering fast fashion at affordable prices.

- Premium brands business continued to lead the premium and luxury segment with the widest portfolio of brands.
- Jewels business delivered another year of steady revenue growth through its focus on differentiated product offering, including collections inspired by India’s rich heritage.

Grocery

Reliance Retail is the largest grocery retailer in the country, operating a wide portfolio of formats, each offering distinct value proposition. These formats cater to daily and monthly shopping needs, providing essentials, fresh produce, and general merchandise, within a modern and welcoming shopping environment.

Strategic Progress

- The grocery consumption basket delivered steady performance led by growth in footfalls and bill values.
- Focus on range expansion across non-food categories remained a key priority. Stores witnessed continued growth in non-food category led by General Merchandise and Home & Personal Care categories.
- The business collaborated with over 125 leading brands for the ‘SMART Bazaar Chaliye’ marketing campaign, an industry-first initiative.
- During the year, the business completed the acquisition of Metro India. The business successfully integrated Metro India’s operations with grocery new commerce business to provide omni-channel experience and wider assortment to our B2B customers and merchant partners.

Consumer Brands

Reliance Retail is building a consumer brands business focused on enriching lives of people through indigenous products that are accessible and affordable.

Strategic Progress

- The business has been expanding reach through a multi-channel distribution model, leveraging a network of Reliance Retail’s stores as well as digital and new commerce platforms.



- Brands ‘Campa’ and ‘Independence’ have received good traction from trade channels and consumers.
- The business continued to strengthen its portfolio of brands through new launches (Necto, Brew House and Campa Runner Energy) and acquisitions and partnerships (Ravalgaon and Elephant House), during the year.

>1.2 Billion
Customer Transactions

JioMart and Milkbasket

JioMart, a leading horizontal digital commerce platform, strives to simplify, expedite and enhance the shopping experience of millions of customers.

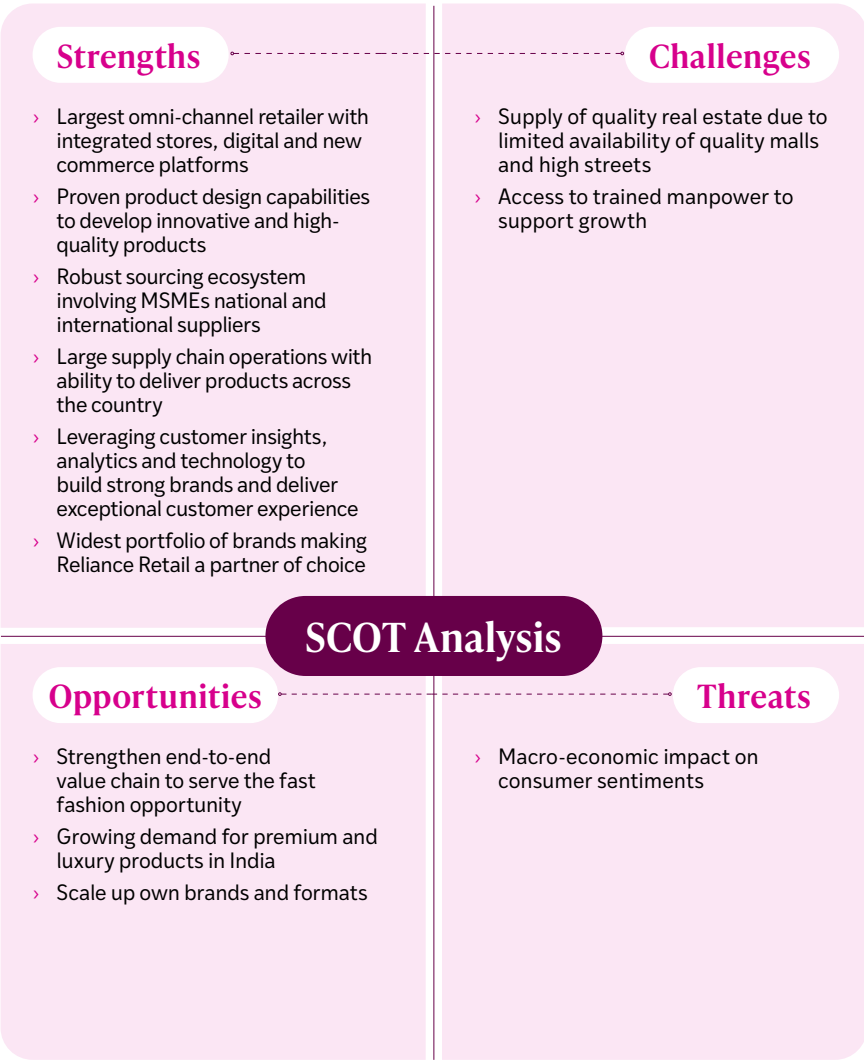
Milkbasket is a subscription-oriented service that makes it convenient for households to subscribe to the delivery of essential products daily.

Strategic Progress

- JioMart delivered steady performance led by wider catalogue and higher average order value as customers shopped across categories on the platform
- The focus on upgrading customer experience continued with several platform enhancements such as improved product search, return doorstep quality check for fashion, and others.

Connectivity

Reliance Retail serves as a master distributor for Jio’s connectivity services, offering a wide array of products and solutions to consumers across India. This includes mobile connectivity services, broadband internet, digital content, and related devices such as smartphones and routers.



Outlook

The Indian retail market is one of the fastest growing markets in the world and is expected to cross US\$ 1.4 trillion by 2027. Rising demand for premium and luxury products further fuels this growth trajectory, reflecting the evolving preferences with rising disposable incomes.

Reliance Retail’s commitment to the Indian retail sector is evident through the substantial investments made across the retail value chain over the years. Reliance Retail remains steadfast to innovation across formats and products to improve customer experience and serve evolving consumer needs.

Source: Technopak, IBEF