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Call Participant:

- Sh V Srikanth, Jt CFO, RIL
- Sh B Srinivasan, President, Reliance Industries Ltd
- Sh Kiran Thomas, President, Reliance Jio Infocomm Ltd
- Sh Anshuman Thakur, Head of Strategy, Reliance Jio Infocomm Ltd
- Sh Dinesh Thapar, CFO, Reliance Retail Ltd

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- **Sh B Srinivasan** 0:00:00 – 0:00:42 **(Introduction)**
- **Sh Kiran Thomas** 0:00:42 – 0:30:46 **(On Jio Platforms)**
- **Sh Anshuman Thakur** 0:30:47 – 0:39:05 **(On Reliance Jio)**
- **Sh Dinesh Thapar** 0:39:10 – 1:11:35 **(On Reliance Retail)**
- **Sh V Srikanth** 1:11:36 – 1:32:56 **(On Oil2Chemicals, Oil&Gas, Financials and closure)**

Transcript:

Sh B. Srinivasan 0:00:00 – 0:00:42 **(Introduction)**

Today we will be talking about the quarterly results of Reliance Industries. We have a line-up of speakers about whom I just want to give you a heads up. On the digital services business, we have Kiran Thomas and Anshuman Thakur; Dinesh Thapar will walk us through the retail business performance for the quarter. On the O2C and Upstream business, Srikanth will walk us through our quarterly performance. Also on the consolidated financial results, Srikanth will walk us through the quarter's performance.

Over to you Kiran.

Sh Kiran Thomas 0:00:42 – 0:30:46 **(On Jio Platforms)**

Thank you, Srini. Hopefully I am audible clearly. Thank you everyone for giving us the opportunity to speak about Jio Platforms Limited. The entire vision for Jio Platforms Limited can be summed up in a single sentence, which has also been shared very eloquently by our chairman in his vision which he shared in this AGM, and obviously even prior AGMs. And that one phrase is: 'To create a digital society, in India.'

And there are four key components that we believe lead towards creating the digital society in India. Foundational to bringing about the digital vision is connectivity, because if you are not connected, if you don't have rich and powerful digital connectivity, obviously you are not in a position to participate in anything digital. So that is the foundation of everything. That is where Jio as a group has spent the last nearly four years trying to bring about that revolution in India.

Obviously, once you go beyond connectivity, then one is talking about digital solutions, and digital solutions could be to serve businesses, to what we call consumer platforms, and I will elaborate on each of those very shortly.

Covering those solutions, and really foundation to creating those digital solutions is what we call digital technologies, which are disruptive in nature. And those technologies enable us to bring about those transformations in multiple ecosystems which are relevant to creating the digital society in India. Now let me touch upon each of those. So when it comes to connectivity, what Jio has done over the last 40 odd years is to create a very powerful pan India 4G LTE network. And this LTE network is not just for data, but we also power one of the largest voice networks anywhere globally using again voice over LTE as a technology. And even further, we have also launched on a pan-India basis what we call the narrowband IoT network, which is also an application or a function that writes on top of the LTE network. So with minimal incremental investment, we have been able to deploy a pan India Internet of Things network which is highly efficient, again running on top of LTE. And moving on to the next frontier is what we what we believe is the near future.

Again, to offer wireline services through fibre-to-home technologies, work is going on now in the top 1600 cities, which would obviously address not just homes but also small and medium businesses and large enterprises. So that is the next frontier.

You already have a critical mass of homes and businesses who are already connected on fibre, and I will have a little bit more to say on that later. Obviously, all of this, we are doing in such a manner that if a customer already has a 4G LTE connection, and they are also signing up for wireline services, there are a number of areas where these two technologies work very well together.

If you're at home, for example, your landline number can also be activated as an extension on your mobile phone. The same landline can also be discovered on your television through our set-top box. And even when it comes to things like tariffing, we have an ability for customers to get when you are signing up for fixed and mobile services from Jio. So those are advantages with consumers, to continue to engage, to deepen their relationship, even in the connectivity space, from wireless to wireline.
Obviously the exciting future, again we made an announcement about this in the in the AGM, but the next frontier, obviously, globally, and we believe this is the next frontier in unlocking not just mobility solutions, but 5G has the capacity, even to augment services that we can provide also to fixed premises.

So obviously it plays very well, both with our 4G LTE base as soon as the wireline base that we are continuing to roll out. And, obviously, here, the world is at the beginning stages and we believe that actually India can be on par, if not set the pace for some of these innovations that are being brought about globally. Moving on to the solutions that I want to talk about, and this is where I think really Jio Platforms Ltd plays an important role.

For those of you who may not have the context, Jio Platforms Limited has been created in the express purpose to develop our own intellectual property and our own homegrown solutions which initially can be used to support the RIL growth businesses, whether that be in telecom, whether that be in retail, financial services, education, healthcare, agriculture, or even manufacturing. So Jio platforms limited plays the role of really providing that digital solutions and digital intellectual property to multiple of our operating companies including RJIL, which happens to be an operating company that we have established in telecom, but it is also a subsidiary of Jio Platforms limited. But what we have done really in Jio Platforms Limited is to develop the full 5G stack internally. Unlike when we did 4G LTE where obviously it was mostly partner-led. And over the last four years, we have been able to also develop, along with our partners, many interesting solutions. But along the way, what we also achieved was to replace many of those components with our own homegrown solutions, and that gave us the confidence to test our feet with the 4G solution using some of the components that we built. And now they become even more ambitious, and what we have said is the entire 5G play, we are in a position to develop a homegrown stack and deploy it first we didn't we did the Jio's own network in India, but very soon thereafter, once it is proven within our own network at India scale, we are able to then take that as a complete end-to-end solution to other telcos globally as well.

And that is the broad theme for Jio Platforms Limited, which is to develop solutions, established those solutions in an operating context at India scale through the Jio as well as RIL operating companies, stabilize and grow and improve those solutions with hands on experience that we that we will develop as the as we deploy those services and acquire customers and serve customers, and then based on that end-to-end credentials: we are, I believe, best positioned to offer a full, not just a product but also an operational solution through managed services, to customers deciding to replicate what we have achieved here in other parts of the world. And, therefore, I think the real fulcrum of what we are trying to achieve is to develop those vertical solutions across these multiple ecosystems that I mentioned earlier, develop it and stabilize it here, mature it here in India, and India we believe provides a very stringent market where we have things like the length and breadth of the country, which is a very large country, we have to be very innovative to create cost-effective solutions and business models. In addition, I want to call out a few things which may not be very obvious. Obviously, both with Jio to begin with, where recharges and other things we have done a number of digital innovations to make customers even more empowered towards consuming our services, but now as we enter in partnership with Reliance Retail into what we call our new commerce model, we are again creating very very innovative solutions built on the digital capabilities that we have created within JPL.

In addition, and this was again an announcement that we made during the AGM, we have established very good strength, not just in software but also in hardware. We are able to design very innovative hardware products. Now we are becoming even more ambitious to develop a host of new devices. And likewise, a number of digital services for all the enterprise verticals, whether that be financial services, hospitality, manufacturing, and so on, all of them, fortunately for us, within the Reliance group we have decades of experience, and deep domain expertise. We have an established market presence and customer base. And all of these solutions can be initially deployed there, and then based on that proven solutions we can take it to the market as a whole. When it comes to consumer platforms, I think, India again is very unique with respect to the challenges it throws up. I would say aspirations of the market is on par with whatever is available globally, for people want high quality high value solutions, but they also want it to be very very affordable. And obviously those solutions need to work with the highest amount of reliability and quality. So that is basically what I've been able to get through different solutions, initially in the media space now moving into commerce, financial services, again our primary focus has been to support the internal operating companies, both from Jio as well as Reliance Retail, but very recently we have actually launched, for example UPI services pan- India using our own handle. So more and more you will see our financial services step out into the open market as well. And again we have work underway where we are establishing solutions focused on health, education, Internet of Things and so on as we extend our relationship, both with mobile customers as we head into the home with our Jiofiber initiative. Another area that we are working very closely with our own sister companies is to create personalized content. So when I spoke about connectivity I spoke about solutions, devices. And now we're talking about content. And we are creating that content not just within our group but also unlocking very very simple and easy to use experiences. An example is a product called JioTV plus that we launched recently on Jio set-top box where we are tying up with all of the popular, OTT content application providers. We have them preinstalled in many cases on the Jio set-top box. The same Jio user ID works across all of those applications, so you don't have to sign up to those separately. And from a single plane, you can actually search for content across all of those applications and start consuming it with a single click. So it looks for the user as a single window through which you can not just discover, but also consume applications, not just from Jio properties, but also from our partner application system.

So those kinds of innovations we believe will bring about the next generation of experiences and value propositions, again which we are very uniquely positioned to offer to Indian customers. And again powering all of this is really a series of technologies, everything from artificial intelligence, machine learning, which is really creating the smartness in the solutions, but also translating that smartness to efficiency and consistency through automation, taking the power of cloud to bring about the next level of scalability and productivity, and obviously doing that in a secure way. Of course, India, with multiple languages and with a well-known literacy challenges, both in terms of language as well as technology, we are trying to break those barriers using things like natural language processing where you're replacing speech as a way to interact with computers, which then reduces the barrier for people to access many of these solutions. And edge computing, they were underneath. But again, enabling interesting use cases around distributor trust, as we move powerful applications closer to where users are, and where consumption happens, away from our data centers, towards the edge of the network. We are able to now treat all of these applications from a single fabric. And we also made an announcement in our AGM about the next level of experiences that we are unlocking through things like mixed reality, Jio Glass, these are initiatives that we'll be talking about. So, the essence of all of this is JPL is uniquely efficient to bring about digital society vision in India to begin with, but also to take these solutions to the rest of the world once it is proven in India, and that we do through a full stack of products, platforms and services, thanks to that end-to-end value chain that we are able to play in. And this we will do through multiple ecosystems. Let me talk about 5G in a little bit, because this is an exciting area where literally we have an opportunity not just for Jio but the country as well. Okay, so I want to elaborate a little bit on our 5G capabilities where, like I mentioned, we have created an end-to-end suite of products and platforms, which we are very proud about being made in India. It covers both the radio side, which is obviously the most innovative part of what 5G is, but also all the dozens of core components, which we call network functions, also being developed internally. So effectively, this entire intellectual property is owned by Jio Platforms Limited. We have an ability to offer that to our subsidiary which is RJIL to launch 5G services. It is created with a carrier grade quality of service in mind, because we have direct experience of having run these networks, and obviously we are keeping it cloud native, so that not just in our own data centers, but we have to take the solutions outside of our data centers to serve external customers, that transition would be fairly easy. Obviously, even today, the IMS subsystem, which is really what powers the Voice Over LTE stack. Even today in our own 4G network is already built, and it is already live. It handles, obviously more than 10 billion minutes of calls on a daily basis. So it is it is working at massive scale with absolute telco-grade quality. Now this is backward compatible, even as we roll out 5G. So instead of voice over LTE, we will have voice over new radio or voNR, which is the 5G version, but the products that we built are backward compatible to 4G.

So even as we bring in voNR capabilities, VoLTE services will continue to run seamlessly on the same equipment. And obviously we are waiting for spectrum spectrum being made available. So this is a very exciting space where we believe we can really establish a global footprint based on our success. Another example that we want to talk about obviously we are all here, using the platform that we speak. This is JioMeet. Literally the idea for JioMeet came once the whole COVID situation became severe enough for all of us to be locked away in our own homes and multiple people have obviously entered the space. So JioMeet is the new entrant, the new kid on the block. Many of the people have ramped up their services. They have, in many cases, multiple years of experience, they have very stabilized products. We are we are a fast follower in this place. But our ambition is not to be a me-too product. Obviously we want to start by offering customers something which is very familiar and very intuitive, and even while we are doing it we are differentiating ourselves on some dimensions which the other operators, or other providers have faced challenges on, especially around security. So obviously, right from day one we have been very careful to ensure that we follow the highest standards of encryption, both where data is stored and how data is transmitted, and also some of the default configurations keeping in mind security first. Whereas, in many of the earlier solutions we had convenience first which also exposed the underbelly of the security aspects of those solutions.

So we have obviously learned from all of that and ensured that we are taking a strong step towards creating a very secure and trustworthy solution right from day one. Obviously, another thing that we have done is in many of those solutions, in fact, I would say without exception, all of those solutions have various limits, whereas JioMeet we have introduced with absolutely no limits, both in terms of number of participants, or even the time for which you can use to JioMeet. Again it is designed with cloud-readiness in mind. So they're easily scalable. Obviously in a very short period of time we have multiple millions of customers who are already using this service, and obviously we have kept that in mind that we would need to scale quite rapidly again creating cloud architectures, and we are conscious that India is the proving point for this solution, and once it is proven, this area does not require even people from other countries to start consuming this service to do anything special. With a single click, they can download it from the app store and then start using it.

So we are conscious of the need to scale this very quickly, and also establish footprints in other other parts of the world. So obviously we have designed this product with that in mind. Again, it shows an ability that Jio has developed, JPL in particular, to take an opportunity and to turn it around, to create a highly scalable, and I would say a feature-rich product that we were able to literally turn around and offer it to the market in these trying time, within literally a couple of months. And obviously the big event where we unveiled it itself was on JioMeet, which is where we did our RIL AGM, and more than 2,00,000 users were participating on this particular platform. We believe this is an area where we'll be able to make rapid strides in the days to come. I want to talk about our startup ecosystem with whom we are working very closely. JioHaptik is now part of the Jio family. They were an independent startup, but for the last couple of years, we count them as part of the Jio group. I think the real strength they have demonstrated again in these trying times in the service of the nation and obviously, even with other enterprises that they're working with, is to use the power of AI to bring together what we call an assistant platform, so that we can really create powerful experiences for users, who don't require thousands of people behind the scenes, but largely you can use the power of technology to enable these kind of smart bots to be deployed for a number of different use cases.

The most prominent use case that I want to call out is the Corona helpdesk where Jio Haptik worked very closely with the Indian government. And they opened up a WhatsApp chatbot helpline to provide all kinds of information and assistance to people who wanted to understand the risk, understand how to keep themselves safe, and also information about where to where to seek help in case they were in a situation where they needed it. And over 30 million citizens have used it in just the last quarter alone. Obviously within Jio itself, we have MyJio, which is the single pane through which all our customers seek help for everything to do with Jio. And there is a virtual assistant as well within MyJio, and that is powered by Haptik as well. So in many cases instead of making a call to a call center, customers are now choosing to have conversations with the Haptik chatbot, and again, very powerful application, multiple millions of conversations and multiple resolutions which have been provided successfully over the last quarter. EasyGov, another startup of ours, again, done a lot of stellar work in the service of the nation in these trying times. I think the real proposition that EasyGov brings is to take all of the various schemes that both state and federal governments are making available to citizens. And there have been many schemes that have been launched keeping in mind the coronavirus crisis. So all the more reason why those schemes had to be made visible and easy to access for people to quickly realize whether they are eligible for those schemes, and if they are eligible, then how to go about applying. So from a single window, for yourself as well as for anybody near and dear to you, or close to you, you're able to use this particular service to check whether there are schemes that you can qualify for, and then avail of the same. And to do that, sometimes you also have to get certain documents made, things like PAN card, income certificate for availing certain services which are targeted at certain sections of society, and this particular application even hand-holds you through the process of even getting those documents made.

And obviously it is available on smartphones, and also on JioPhones. Because the sections of society who need this most are not traditionally or typically smartphone users. And JioPhone is very popular or is a platform which is widely deployed in those sections and we are supporting this application there as well. Again, one of the things taking advantage of some of this well-established properties: JioTV is one well established property with, you know, hundreds of millions of users who consume it. It is available both on our mobile platform, as well as now, on our set-top box which is deployed on Jio fiber homes. But effectively what we were able to do is quickly use that platform, and support the Ministry of Human Resources Development and CRT and multiple state governments to take content which they had on their shelf, but to really bring it and make it available and visible to large sections of society to consume educational content when most of the children are at home. And likewise, again, JioSaavn, is a highly popular audio platform that again has a very large user base and we were able to bring audio podcast, more than 1000 titles, which are available on streaming basis on JioSaavn as well. And obviously, the Jio set-top box not just carries this content, but we are also supporting other applications who are now available through our application store and you can download it on the set-top box and obviously consume content from those partners as well. JioFiber I mentioned I will refer to this a little bit earlier. But effectively. This has been a very trying quarter when it comes to anything to do with physical rollout, and JioFiber is not any different. We have been making the best of the current situation, both in terms of rolling out our last mile fiber, so that we have a large number of buildings where our fiber at least passes in front of them, but also because of the lockdown, we have had challenges, obviously, to enter those premises into the buildings and obviously into homes. But obviously, what we have built already is a very stable product, a stable set of solutions where we can mobilize a large workforce, not just our own employees but even third party workforce to onboard themselves, enrol themselves, get trained, get certified, and really partner with you to be able to roll this out as soon as the situations improves. So we have created a platform where we can quickly ramp up capacity of trained people who can then help us both in terms of the last mile fiber rollout as well as connecting buildings and homes as soon as the situation improves, and all of this has been developed again internally. The solution will enable such rapid onboarding of people. We have created the solution to be as intuitive as possible. So most of this equipment is just simple plug and play that you can take into your home, just connect to power and plug a few cables in, and the system automatically comes alive, which allows people to, you know, rapidly deliver the solutions in as little as four hours sometimes, from the time that a customer requests the service to the time it is operational. And obviously, all of the things that I mentioned earlier, MyJio and the Haptik smartbot take the next level of experience, even in JioFiber. Once the fiber is established in the home, it is not just rich connectivity, but obviously rich media & entertainment application, ecosystem that is even available to homes through the set-top box. And as we roll out additional IoT devices, whether that be in security, smart energy metering or any automation in the home, all of those will be able to take advantage of the same rich connectivity that we have established within the home through JioFiber. And obviously, even today, we are continuing to increase, where possible, where we have green zones, etc. to increase the number of home passes and we hope that as we come out of the current crisis that that base will pick up. So, that is a few things that I had to say. Maybe now, Anshuman you can pick up on the financial update.

Sh Anshuman Thakur 0:30:47 – 0:39:05 **(On Reliance Jio)**

Thanks Kiran, I hope I am audible to everyone. Quick update on the financial and operational performance of quarter one of Jio. First of all we've completed our fund raise and partner induction program. We raised ₹1,52,000 crore from 13 investors, post this the stake of Reliance Industries is at 66.48%. Of the funds raised, we are retaining roughly ₹23,000 crore in JPL while rest is being used to redeem the OCPS investment that RIL had in JPL. Second, on the operational front we had a reasonably good quarter given the circumstances with second half of March and most of April being completely locked down. We still managed to add 15 million customer, gross adds during the quarter, net add of 9.9 million closes to 10 million during the quarter. Things have improved in last few weeks as the lockdown has been eased. And we can clearly see the pent-up demand, but of course the impact continues. We have seen an impact on the customer addition but picking up pace again. In line with people moving digital, lot of people working from home, learning at home, health at home etc., the wireless data traffic has gone up quiet significantly 30% yoy growth. We saw a total data traffic of 14.2 Exabytes (EB) during the quarter with over 4.7 EB - 4.8 EB per month as well. The ARPU has increased to ₹140, this has been the combination of December tariff hike the impact of which has flown through and in addition the fact that we have took various steps to make sure that our customers found it easy to recharge make sure that they had connection they had connectivity our network up time was hundred percent so they were able to use our services recharge when they needed to therefore we did not lose revenues so the ARPUs improve because of that and also the fact that the lowest industry churn, so we had customer engagement right through the quarter. Very robust financial performance with both leading Industry in revenue and EBITDA growth. EBITDA margins of RJIL, this is RJIL the connectivity entity, improving to 44% during the quarter and EBITDA up 55% to ₹7281 Crore in this quarter. The 44% compares with around 37.8% the same quarter last year. So we have seen an improvement in EBITDA margin of over 6% during the last one year and that's really the operating leverage and new scale benefits that are playing out. So all in all a fairly good operational and financial performance in difficult macro. The user engagement was very healthy, as we said earlier as well, the per capita on went up to 12.1 GB and this is of course over the entire customer base of 398 million users. Everyone is a broadband user for us, and they all consume a lot of data, so 12.1 GB, which is increased from 11.3 the last quarter on such a large base driven by lockdown related work from home, learn from home and health from home. So various solutions, services that we offer to our customers for them to be able to use our network to ease the lockdown restrictions, lockdown pains and people have been adopting to those.

Primary use cases included media and entertainment of course a lot of official work, video conferencing, social media etc. And then the FTTH also usage levels have grown significantly in the last three to four months across the homes that we've already connected. We see massive uptake and massive increase in data consumption and massive increase in number of devices connected in each home as well. So our offerings across mobility and homes is really, the driver of the massive customer engagement and the fact that the network supports all of this engagement very seamlessly, effortlessly, even though the traffic patterns data traffic patterns change as people were working more from home, a lot of consumption was happening from different locations then would have happened in the normal times, but our network was able to cater to all of that. And the various optimization modules that we have implemented in our network helped us to make sure that customers were getting the write throughput wherever they were and whatever time of day it was. Right, and you know the growth in our operating revenues and EBITDA both has been quite impressive over the last four to five quarters, 33.7% yoy growth in revenues, 55.4% in EBITDA despite the tough macro conditions in the last quarter, just reflect the strong demand for our quality, high quality services and the range and an range of services that we are offering to our customers and we see this trend, hopefully continuing. If you look at the operating leverage impact, as I said, the EBITDA margins have grown from 37.8% a year ago 44% and this really reflects the future ready network. The fact that the network has sufficient capacity to get new customers without much of incremental effort or cost involved. Automation tools and AI/ML tools that we're using across the network.

A lot of control over the way over our overheads over the channel, which also helps in just maintaining our cost base. And of course the innovation in product and service offerings to enhance monetization opportunities from customers. Looking at the key operating metrics, the customer base went up to 398.3 at the end of the quarter end of June 20. Net customer addition close to 10 million, ARPU of ₹140.3 per user per month. Wireless data consumption went to 1420 crore GB during the quarter and that's the 14.2 EB number I showed earlier or per capita of 12.1 GB that's increased from 11.4 GB a year ago. Even the last quarter was at around 11.3. Voice on network is close to 8000 Crore minutes per day and continues to grow. So blended ARPU up by 8½% yoy and overall data traffic up 30% yoy on the network. On the financials, we've got two sets here where on the left you can see the RJIL standalone financials and on the right is JPL consolidated financials. As you're aware, the JPL is now the holding company of RJIL also has all of our other platform businesses, platform and technology businesses, as well as our holding in our portfolio companies which are working on a range of platform and services. RJIL standalone operating revenues increased to ₹16,557 crores and EBITDA of ₹7281 Crore, net profit grew by 183% yoy to ₹2520 crores. On the consol JPL financials, these reflect the incremental numbers, reflect the revenues and the expense base of the platforms that we're building, as well as this, you know, on the net profit level it's coincidentally identical to RJIL standalone. But that's because of some of the platform companies which are still developing building their products and therefore are in the in the product development and currently incurring some losses as well. So all in all, strong financial performance, despite difficult conditions as we are all aware. So both on the operating side and the financial performance we've done reasonably well during the quarter. I'll hand over to Dinesh to take us through the operating and financial performance results for reliance retail. So over to you Dinesh.

Sh Dinesh Thapar 0:39:10 – 1:11:35 **(On Reliance Retail)**

Thanks, Anshuman. Okay, Good Evening! So I am going to be talking to you about the results of Reliance Retail for the quarter and some of the actions that we've taken. I thought its important to give you a sense on the operating context considering that's had a significant bearing on our on our operations, on our performance, and therefore sets a frame of reference, with which you should be seeing and looking at our performance. Our most of you would be aware, but to put it into context, you know, much of our stores, couldn't function through the quarter so store functioning and digital commerce operations were severely impacted by the lockdown and restrictions, particularly in the month of April, and a part of May, and then of course as lockdown restrictions started to ebb and ease out across parts of the country, you know stores started to open up and again very sporadically. As we look across the quarter about 50% of our stores were shut right through the quarter. This was absolutely… no operation at all. Of the balance 50% you know we had another 29% partially operating which fundamentally meant that they were operating but operating under constraints for example they were open but not allowed to accept footfalls or walk in customers, but only serve as fulfilment house. And therefore, as we open it, its really for 20% of the time that we've been able to operate. Consumer electronics and particularly fashion & lifestyle have been hit the hardest because you know they were not classified to be essential items.

Therefore, right through April and for a major part of May business was really suspended. Grocery whilst it continued operations, did so with limitations. There were limitations on operating hours, the days on which they could operate, the number of people who can be in store… so really operations with limitations, and therefore creating logistical challenges as well. I think you'd be familiar, and you've seen this as various states, geographies and let's say cities have come in and out of lockdown, we've had situations where once cities opened up, functioned for a while, stores have functioned and then again, it's gone back to lockdown. So there have been sporadic changes in regulations as cities have gone through various waves of lockdown and you've seen it in cities like Chennai, we've seen it in cities like appreciate cities like Bangalore, Pune, Delhi, fairly large consuming hubs have gone in and out of lockdown cycles. And that has effectively meant that even as our stores opened for brief periods of time clearly the larger network was choked and the supply chain was disrupted by the sporadic changes. And therefore given restrictions of people not being able to move out of home, footfalls therefore were down about 57% for the quarter. And even in grocery stores that functioned footfalls were really down. And I think in this context, the one that we really looked at in terms of trying to secure business and establish or manage revenues was to really focus on building our digital commerce, omni-channel capabilities – something which I had spoken about the last time around. We made significant progress on that front. So then when you go to the highlights of the quarter. You know, let me start by giving you a sense of the continuing businesses and this is the next slide. In the continuing businesses, fundamentally, we had 21% growth – a 20% plus growth on grocery and connectivity which functioned for the most part of the quarter although grocery with some limitation. Grocery grew 5% so we had growth despite constraints. Connectivity, you just heard Anshuman talk about and Kiran talk about the performance of Jio, and therefore, continued momentum of Jio went up, we had robust performance on that front. But, overall performance was dragged down by electronics and fashion & lifestyle, the latter in particular, which really therefore pulled down the overall growth for the business, in terms of reported numbers. We also had a drag from devices, which if you remember the last quarter when I spoke about it saying that with the COVID led disruption had impacted the supply chain for our devices business and that really continued and was aggravated into the current quarter and therefore, the number of devices that we could sell this time was far far lower in fact a fraction of what we sold same time last year.

That really had a bearing on the overall reported results as well So therefore, you know, the performance of grocery and connectivity was really offset by the drag from the electronics and the fashion & lifestyle because of the store closures. And so overall revenue was down 17%. I'm going to say, though, that the moot point for us and very reassuring for us is the fact that we believe our growth and our performance, is clearly well ahead of market. I think despite these challenges, you know, we'd like to believe that the fact that we've been able to deliver an EBITDA of over a 1000 crore. Although it's been lower year on year, but the two are not comparable here in the operating context for the fact that we've been able to deliver a positive EBITDA and that too in excess of 1000 crore, you see is quite creditable in this context. I think the impact of lower profits from the lower sales was alleviated by some very ambitious cost savings programs that we put in place for the business. When we started out we knew that revenue was going to be a bit uncertain but really cost was for real, and therefore, as the whole situation started to pan out we embarked on a fairly ambitious cost savings program. And I can tell you that we've made significant progress on that, that really has alleviated, the impact of the lower profits than you have seen this quarter thankfully, some, some of those savings come through and it positions us well as we look forward to the next few quarters as well. Store openings have been slower but we still opened about 69 of them this quarter… Clearly given in the operating context we weren't able to open too many more but there are about 250 of them, which are in various stages of development and will be commissioned as soon as normalcy resumes. I think the big hallmark of our performance this quarter and a big highlight that I'd like to call out is, you know, is really about bringing new commerce to life because the convergence of online and offline that we have spoken about, I think this was a moment for us to really do it and you see the significant, you will hear me talk about the significant and steady progress that we made on this front – really from the JioMart launch that that are well aware of and that's been be spoken about extensively since it was launched in the middle of May.

But, AJIO, which was a bellwether in our fashion and lifestyle business ramped up quite dramatically and Reliance Digital which is our digital commerce platform for our digital business was activated and clearly that's thrown up some very good results. So I think the hallmark of our performance, if I keep the drag of numbers because of an incomparable context, is the fact that we have now built capabilities which positioned this business well, which have helped alleviate the impact in this quarter but which will position us pretty well as we look ahead. So coming then to the financial summary which is really next chart. These gives just a quick sense of the numbers so revenue was at about 31,600 crore thereabouts and EBITDA which I just spoke a little short of about 1100 crores in a situation like this. But I think what's new for you to take on and it may not come through in the EBITDA margin report because of all that I just spoke about is the fact that the health of the business continues to be very strong we had gross margin improvement across all our key segments – grocery, electronics, fashion & lifestyle – all three of them we had gross margin expansion. And that was on the back of clearly better realizations – fuller price, higher bill values. In fact, as stores opened up, when they could open up and where they could open up – whether it was in electronics for it was in fashion and lifestyle, or indeed in grocery as well – we've clearly seen much higher bill values in the past and I think that really augurs well from a, from a profitability standpoint as well. Cost Management initiative spoke to you about, an ambitious set of cost management initiatives that we've taken across the board helped, really helped in lowering our fixed cost base and I think that positions us well as we look forward as well.

Overall margin, you'd be aware, our most profitable business is our fashion and lifestyle business and that clearly is the one which was hit the hardest by the lockdown in fact as we speak, also, you know, majority of fashion and lifestyle stores, are yet to open up. So clearly that's had a bearing on the overall mix and therefore the overall margin of the business. I say overall. You know the way we see it, it's been a resilient profit delivery in what has been an exceptionally challenging quarter. On revenues just to give you a sense of how this is spread out across the businesses, you are familiar, I just made the point that clearly it was the grocery business and connectivity that have led the way. So grocery grew 5%, connectivity at 30%, fashion & lifestyle and consumer electronics actually had a drag this quarter. And what I've done is to put in the last column that you see out there, to give you a sense about how footfall was impacted by the whole COVID situation and the lockdown. In electronics, we had, footfalls down 65%; fashion lifestyle really has very little business this quarter - 90% footfalls lower, and even in grocery where stores have been open for the most part, still continue to see about a 45% drop in footfalls. So overall, the business like I said, a little under 60% was a drop in footfalls - against that our revenues have gone down just 17%. Let me give you a quick flavor of how business has played out across all three segments.

So when I look at consumer electronics, you know, we've seen broad based growth across categories upon reopening and I think many of you, if you put on your consumer hat will be able to relate to this. So as stores opened up and where they opened up, like I said, we saw higher bill values, we saw broad based growth, particularly in categories that were available to work from home and stay at home. So this will gently productivity devices, laptops, appliances, gaming and tech accessories. pretty much all of these product lines, in the stores that opened, more than doubled. But I think the big hallmark again over here in electronic was how we rapidly scaled up omni channel capabilities and this is a commentary you'll hear from me as I go through all our three segments. You know, recognizing that stores would not entirely open up, or going to open up only in a fairly scattered and sporadic manner, we activated reliancedigital.in. It was a dormant, it was dormant, not hugely activated because clearly stores were taking up much of the sale, but we activated it this quarter as we realized what the situation warranted. And as we did that, the number of digital bills through reliancedigital.in are up 11x over prior COVID period. Yeah, so that's a huge search that we saw on that front. We linked up all our stores, so all our stores we've now linked up to the digital platform and therefore orders can get serviced from store inventory itself. So in many ways what we're able to then is to really do hyperlocal in electronics because stores have now connected inventory and stores can be used to be servicing digital orders. And therefore that has allowed us to build a capability which is, I believe, quite unmatched across the industry where we are able to deliver amongst the fastest. And you know through this quarter 70% of the orders that we deliver through our stores were delivered to customers in under six hours and we're looking to see how we can better that. But that, you know, given the fact that we now have a store footprint across the country which we able to leverage, which we've now connected to the digital platform and allows us to do hyperlocal in electronics positions us to be able to deliver the fastest to customers on electronics orders. So clearly a distinctive proposition that we've been able to create in a time like this. We leveraged vendor relationships to secure product availability and you'll be aware that clearly supply chains have been broken at times like this, there have been disruptions in supply chains, and I think this is where the strength of our relationship with partners and brand partners have kind of come to the fore and we've leveraged relationships with them to ensure that we weren't out of stock and that we were able to secure supplies.

There was a drag on unavailability of devices which I have called out, which unfortunately was a bit of a setback but really led out of the COVID disruption. So really green shoots in June, post reopening, and like I said higher bill values and fairly augurs well as business reopens. When I look at fashion and lifestyle, I think, again, the big call out over here and similar to what I said earlier, is really ramping up the omni channel play – we leveraged AJIO. So recognizing that lot of Trends stores are going to be shut, a lot of them are in malls, a lot of them are on High Street locations which didn't open out - so what we then ended up doing was to divert a lot of traffic on to our digital platform AJIO for driving Trends revenues. And we then started to use and omni-enable, a wider spectrum of Trends stores. So, you know, pre-COVID we had 30% of them which were omni-enabled, which fundamentally meant that they could that they could pick pack and service out of the stores… that moved up to 80% during this period of time. So even through stores were shut, we were able to leverage them for inventory and we were able to leverage them for last mile function. We tried out a few alternative modes of selling so if customers couldn't come across to stores for shopping because there were restrictions for movements, where allowed, in a very responsible and safe manner we actually went across residential catchments, we went across to high consumption catchments, and we set up our pop up stores, we set up a few counters and ran something called trains of wheels, we did community outreach. So really trying to do a host of things to be able to service our customers and trend likers. Also recognizing that we're not just a retailer but equally we design merchandise and we actually build brands in fashion and lifestyle. What we did was to recognize changing trends on customer usage, on fashion portfolios and you can recognize this and you probably heard terms around above the keyboard, below the keyboard, work from home, at home, essentials. And what we really did was to re-curate our portfolio in keeping with these emerging trends and then introduce a whole host of offerings that really were on trend in light of the current situation. So that's a little bit of what we do in apparel and footwear. On the jewelry clearly stores were shut for the most part you're aware but I think we did the same thing, we leveraged our AJIO. And for much of much of the sales happen on a big festival like Akshay Tritiya, which actually is gold coins, and given that it's a fairly standard offering, what we did was to list, gold coins on AJIO, and that was really able to make up for some revenue which otherwise in a normal course of the stores being shut would have been zero. But we were able to generate revenues through that listing and leveraging the AJIO platform. And then our stores started to open about in June, where they opened up when they opened up, we saw a strong rebound in jewelry sales both on gold, gold coins and a pickup in diamond jewelry. So I think a good June month for the jewelry business. On our premium and Luxury Portfolio, this is really our partnerships with marquee brands. Much of those stores are actually in malls which have remained shut right through this period. What the business did was to pioneer this concept of selling and probably the widest outreach that that any premium retailer would have done, where we leveraged a whole host of virtual means whether telecalling, WhatsApp, video walkthroughs, curbside pickups, to really drive sales, to really find the roots to be able to generate revenue and stay engaged with customers. So like I said multiple options, omni channel being at the very heart of what you were trying to do to be able to manage the business this time. Okay, so then going across to the next one, which is, which is really AJIO. It was a big quarter for AJIO and I mentioned we leverage AJIO to drive a lot of offline traffic online.

We leveraged the stores and the whole footprints that we have to be able to service the surge of orders that we got on AJIO. So really helped that we had inventory in those stores, and we could really pick and pack in those stores and then service them to customers. So clearly, in doing this, we were also able to double the share of Trends folio on AJIO. We did a host of things you know in keeping with the fact that the business was going to come online - we expanded the portfolio, the number of brands almost doubled, the marketplace was expanded, we introduced new categories, watches being one of them. So that was the second thing that we did. The third thing that we did was really to build capacity to manage the surge in orders, the orders was almost up 5x, and therefore it was about building capacity to, like I said, pick to pack, and then to deliver across the breadth of that system. And we then activated, to a level where we haven't seen, you know, the number of events that we have had this time, will probably be 4X higher higher than they are normally, and clearly that has meant that we saw very good customer traction to some of those. So I think overall it's been an interesting run. Had it not been for AJIO, you know our fashion & lifestyle portfolio would have been much much lower. Because AJIO in this period of time has actually doubled business, even though it could function for only about 40 days this quarter. Coming to grocery, you know, in grocery I think the hallmark of the performance has been that we've continued to be on momentum. As per leads we continue to be well ahead of the market, growing clearly well ahead of the broader market in the pure sense of spread over here. Whilst we've had lower footfalls they've been offset by higher bill values and this has been consistently something that we've seen since the start at the lockdown. Stores were open but with restrictions, as you would imagine and borne out of personal experiences. I guess the growth is led by essentials, by staples as customers look to really buy some of these to be able to secure supplies; processed foods in keeping with some of the trends and some of activities that are starting to become favorite activities to do at home. So that was a part of the portfolio which really, which really did well up. I think our emphasis was to really try and see how do we serve customers through multiple options. Our theory so was one keeping stores open and so, serving customers who came in was one part but I think the other part was to try and see if we could do an outreach. We went across to residential societies, as many as 3000 of them to service societies directly. Even before JioMart was launched we were taking orders online, telephone, WhatsApp whichever way you know customers could reach us we were taking orders and servicing it to them. We even launched essential combos on the Netmeds platform. So really multiple routes to being able to serve customers in this period of time. And then of course, rising to the occasion JioMart launch was accelerated across 200 cities and we then built up rapidly capacity to service home deliveries which moved up quite dramatically and has continued to scale up ever since. and this is again where we work very closely with vendors, we work very closely with farmers to be able to ensure that we are able to serve daily essentials and fresh produce day in day out without any disruption in the supply chain. SO whether it was serving customers or serving kiranas, partners working closely with us, we ensured uninterrupted supplies. So let me go into talking a little bit about JioMart, which is in the next slide. You've probably seen this and it's been in the news. I'm guessing most of you've also experienced JioMart as customers. It's currently, we said, it's India's largest hyperlocal solution… it has a presence across 200 cities, and you know we were, we were forced to launch it at very short notice.

Many of you will be aware that we launched with a beta ordering platform or web ordering platform, because we really had to rush to market given the need of the hour, but the good part is we moved swiftly and today we have apps on both iOS and Android. And on the various app stores and are gaining traction and adoption by customers. We're serving about three and a half thousand pin codes, the assortment continues to grow, we have about 10,000 plus items today, fresh produce very much a part of it and, you know, as we started off, we said we would deliver within two days only because supply chains, like I said, were a big challenge in this period of time, though I must tell you that about half the orders that we have service had been on day zero itself. So clearly that's something that we will look to keep pushing on, but it was a starting point and I think with the scale of orders we've really been able to build capacity to service consistently within that estimate. Now I also, you will remember the last time when we spoke, given the changes in the retail environment, we said we'll do a couple of things to really reshape adapt and rewire our business in keeping with the post cold world, and there were five big priorities that we had outlined. And what I will do this time is to give you a sense of the significant progress that we made on each of these. The first of course was on enhancing safety and hygiene standards and this is really at the very heart very core of our business and as operations resume it's important that we provide that reassurance and assure customers that we've taken a very detailed look at our operations end to end and really secured it.

What we did was to ensure that we reviewed operations end to end, we implemented a comprehensive set of procedures and guidelines for various parts of business whether it was stores, it was distribution centers, the supply chain, supply chain partners, pretty much an end to end review that we did and then we implemented these comprehensive set of SOPSs. It looks at employees, customers, specific service areas, for example, whether trial rooms within stores, I think there will be concerns by customers for places which are which are high intensity, high usage, and therefore we are conscious about that and we've looked at roles, both in store and delivery associates to ensure how do we secure safety and hygiene on every element of our operation. We've implemented a seal of safety so for those of you who are in cities where lockdown may have lifted and our store may have opened, would have seen the seal of safety which is, which is the image on the right. The seal of safety really stands for a whole process of safety practices that we're really professing to trust, whether it's about sanitization about social distancing, it is about how do we sanitize our trial rooms, It is about the sanitization schedules, so pretty much a range of activities that we are taking to provide reassurance to customers to provide reassurance to customers that then when they walk into our store with a concern and conscious about hygiene and safety, we've taken care of it and we have. We've actually implemented a set of measures that will secure them. As a frontline staff operating stores, when they open stores mandating use of PPEs which is personal protective equipment just to ensure they're well protected, secure as the customers. And we've now moved to from really detective to as much of proactive, preventive measures where we've taken active interventions on administering of prophylactic medication, antigen testing, setting up medical camps for our sources so I think the idea is that we've looked at safety and hygiene across the breadth of the business, breadth of our operations and taking very decisive actions. The next piece was really strengthening digital commerce and omni channel capabilities and this was at the heart of the business because clearly we knew that store operations are going to be disrupted short term. So, this was a natural fall back and we made very significant progress.

I spoke to about Reliance Digital - the activation and orders have moved up 11x ever since we've refreshed the app so therefore, there's a very intuitive set of apps that are now available to be able to meet your needs for electronics if you'd like to use Reliance Digital, you don't have to use the net, you can also use the apps, we link stores to digital platforms for fulfillment. This is now an enduring capability that we built to be able to deliver the fastest. And when you then think about the resQ in house services that we have, which ensures installation and service within 24 hours, that would position us very distinctly in terms of the proposition of service installation. We are now ready for launch of electronics on JioMart in the next few months. On fashion & lifestyle I spoke about AJIO was the one that ramped up dramatically. It more than doubled business in this quarter and it leveraged the Trends network which we omni-enabled to a far greater extent. Jewels was listed on AJIO to salvage some sales, especially during Akshay Tritiya but we now have a full fledged physical platform which is relaincejewels.net which has been launched and is available for customers to really be able to explore a wider selection. What we're also doing is we now readying for the launch of apparel and footwear on JioMart as well. On grocery I think you're familiar with JioMart, you know, ever since we launched, we had launched at high speed across the 200 cities, I can tell you, daily orders, pretty much all metrics, so whether it is adoption customers on board, daily orders, conversions, we have scaled up quite quite rapidly. And we now have in place, once we had to start with a web monitoring platform, we now have in place, very intuitive apps on both iOS and Android and I hope most of you would have actually downloaded this by now.

Our hyper local offline store base fulfillment model, which is fundamentally servicing these orders, on JioMart through our 800 store network in grocery has been well established and we've now geared it up for the scale of orders that we see. The third priority that we had was clearly accelerate the rollout of JioMart new Commerce and I have spoken about that. I think, you know, this is, this is one place where we launched - it was both Launchpad, and testpad at the same time because we didn't have time we had to rise to the occasion to serve grocery needs so we put it in, but I think very rapidly, and in a few weeks we addressed operational issues, issues in supply chain, within the doctrine constraints that we had. And I think we now got to a place where we are ensuring a seamless experience and service delivery with customers. The activation has now been initiated. And we've seen that reflected in a far greater number of app downloads, and a fairly significant scale up on a daily basis, on a weekly basis, on, on the number of orders that we are receiving and fulfilling. A strong tech backbone is now coming into play. Like I said, we had to launch with the beta ordering platform because it was important to get started. But we now have the WhatsApp Care chatbot that is already operational, there are a host of features including voice ordering and multilingual support that are currently in the works and that you will see play out in the period ahead. So clearly a very strong tech backbone which will ensure very intuitive and personalized experience when you shop on JioMart. We've also started work on developing the marketplace, developing subscription models and really expansion of the categories that I spoke about you know it started with Grocery but the intent is to really make this a home run platform to go across electronics, fashion lifestyle, pharma, beauty, wellness at some point of time. That's fairly all in the works as we speak. And then the Kirana expansion of cities, you know, when I spoke to you the last time we were in one city, we were in Navi Mumbai, Thane & Kalyan so we were that one limited geography. In the last quarter we expanded to six more cities and as we come to speak in July, we've added many more so clearly the partnership with Kiranas and onboarding them as part of the JioMart ecosystem continues to be well underway. The fourth priority was clearly you know having active digital platforms and omni channel commerce, was to really bolster supply chain and fulfilment capacity because this is really where the rubber hits the road right you could get orders in but if you're not able to fulfill them, in full or on time, then the theory, the businesses come.

So, this is where we've augmented capacity dramatically we set up fulfillment capacity. You heard me say that digital commerce orders were up. In the case of AJIO, in the digital business. In the case of fashion and lifestyle and AJIO the orders were clearly up 5x. You know, JioMart was scaling up with every passing week and therefore we established fulfillment capacity for home delivery orders and that's been further augmented because we continue to see a scale up on all those three businesses. The supply chain design is now competed for 200 cities. We had to rush in to really get the operation started but now it's about optimization, it's about widening the assortment and therefore the supply chain solutions need to kick in. So we've, we've gone ahead and designed and profiled for the 200 cities requirement in infrastructure creation and ramp up will start as soon as operations resume. We converted a lot of our Market stores, so those of you who live in in areas where we have a Market store, will have seen a lot of our Market stores have converted to a front of house which serve customer walk-ins. And we've converted a part of the store into fulfillment centers, which will then serve our JioMart business. Rapid expansion of Smartpoints which is a two and a half thousand square feet stores that we're looking at across the country is being planned, we've identified locations, and you know once business resumes once activity resumes we'll get back to rapid expansion of this one. And then again, we're expanding the partnership with farmers and FPOs. Farm to Fork for our fresh produce fruits and vegetables and for the staples portfolio.

Clearly the benefits of having invested backwardly in all the way back into the farm and working directly with farmers is borne out in times like this have we been able to ensure uninterrupted supplies, you know, despite most other supply chains being broken or disrupted this one remained intact and we've been able to provide fresh produce our day in day out through our stores. And that leads me to the last one which is you know we spoke about the current situation is a one off situation when you look at it in terms of the here and now. But it has far reaching implications because it's also leading to a few changes in customer trends them and one of them is clearly in what is it doing on fashion and lifestyle and grocery and so far that's relevant to us. And what we've done is to really re curated fashion portfolio based on these occasions and themes above the keyboard, below the keyboard, at home essentials, athleisure wear, all of these are trends which have emerged. And like I said, whilst we are the largest fashion apparel retailer we have a very large, you know we have a design capability we build brands we build products which are, which are contemporary and fashionable and therefore we've taken cognizance of some of these trends, to really rebuild our portfolio and extend our brands into some of these new categories. We've introduced SITRA approved personal protective gear, which is one of the things that we're looking to do, we're just trying to integrate personal protective wear with fashion, because that's a trend which is likely to stay here for some time. On the grocery side safety and hygiene kits were launched – clearly that was the need of the hour. We extended the range of our own brands into essential or on trend categories like sanitizers, you know handwash, cleansers combo suraksha packs, and currently there's work underway on really beefing up this portfolio in keeping with the emerging trends. So clearly, much more work happening on shaping the portfolio for our categories. And therefore, when I look at, you know come to the summary for the quarter, I think, in the context of the operating environment, we'd like to believe the performance of Reliance Retail has been very resilient.

Given that context, grocery business has continued to be on momentum and continue to rise to the occasion to serve customers across the country. You would have heard more than I've said primarily in the space of digital commerce omni channel portfolio adaptation, that very decisive actions are being taken to adapt to the post Covid world and strengthen our operating models, make them fit for purpose as we focus on the reopening and hopefully that will start to play out at some point of time as local regulations allow it. We continue to remain very focused on scaling up digital commerce activity orders across all the platforms that we have JioMart – clearly the foremost of all, on AJIO, on reliance digital, on relaincejewels.net... so all of them. Offline expansion will continue just taking a little bit of a pause given the suspension of activity in the last few months. But as business starts to come back as operations starts to resume, we'll get back to expansion of stores and we'll get back to expanding our supply chain infrastructure in keeping with the ambition and aspiration that we have, and we will continue to expand our partnerships with kiranas, merchants farmers, vendors in keeping with the broad ambition that we have for the retail business. So that's pretty much a quick set of summary and headlines for the retail business this quarter. Over to you Srikanth!

Sh V Srikanth 1:11:36 – 1:32:56 **(Oil2Chemicals, Oil&Gas, Financials and closure)**

Thanks Dinesh, Anshuman and Srini. Let me start off with the O2C business and more specifically on the R&M side. You know, we know it's been a challenging operating environment and the Singapore complex margin that the negative 0.9, which is the lowest in two decades, really tells you how bad the environment was, but despite that when you see our performance, you know our GRM was $6.3 per barrel. A premium of about $7.2 per barrel and when you compare it to last year when the premium on Singapore was $4.6. So, in a sense, the premium has only widened year on year. But despite the tough environment that we saw, our own performance seen in the context of what set of actions that we did. We were able to run our production are about 16.6 million tonnes, which was down only 5.1% year on year. We were able to optimize our crude cost. By sourcing the highest number of competitive feedstocks in a single quarter, actually in this quarter we have the unique distinction of processing more than 200 different crudes and SRFO's. We also won the Global Safety Summit Award for our SEZ refinery and petrochemicals, so I would say that the performance has been, we've managed it because of our high utilization, the ability to optimize cost overall, including the cost of crude and flexible product placement.

The operating environment, just a few more points on that you know, we all saw that in April, demand had fallen by anywhere between 25 and 30 million barrels. You saw cracks really coming off. Even the crude differential narrowed and if you see the slide picture on the right, you can see that gasoline, gasoil all down by more than four or $5. If you see Jet Kero of all it has fallen by almost $12.00. Naphtha has been better, but otherwise the transportation fuel has got impacted because of lockdowns, because of travel ban for all. Also, Arab light heavy differential was actually adverse in the sense that it was 0.4 versus 1.8 as most of the compliance happened on the lighter side. Clearly the environment has been driven by Covid and to the response to Covid by various countries. When you see the demand domestic, you can see that overall first quarter demand down by 26% and more specifically between motor spirit and HSD about 35% but look at the numbers on ATF, down almost 80%. When you look at the figures on the right here, what I'm focusing on is to is that if you see our captive numbers, which was about 4.6 million tons versus 3.5 last year, and it shows that we have directed a lot of the refinery feedstock for internal consumption and focusing on our petrochemical businesses where we were able to sell them and place. So that kind of possibility is there, only because of the significant level of integration across businesses and the ability to see the businesses in a more integrated way. On the domestic marketing side, you can see we have been able to pull back.

If you see the June throughputs at 306 KLPM which is actually 2.25 times the April level. Even when you look at transportation fuels, HSD and MS as well as our sales to the non-railway sector, we have actually achieved almost 70 to 80% of the overall volume and you know with our presence in 800 locations and focus on these segments actually are E Commerce also grew by 85% year on year. Uhm, well, the numbers on the covers are growing, but it just tells you very similar to the trends that we have seen everywhere you know, E Commerce is a big driver going forward. We had our Reliance BP Mobility that has been operationalized, as, you know. The JV will focus on the existing network of fuel retail and delivery of HSD through the E Commerce channel. Outlook, you know demand recovery is expected to be capped in the near term. Clearly, the fact that there is high inventory and the demand contraction is you know this has been fairly unprecedented. Recovery in China and India from a demand sense will eventually come back to normal levels, but we feel that the jet fuel demand will be subdued in the near term. We are likely to see China exporting more with their own increase in refinery throughput. For us, our focus remains very clear, you know, maximize throughput, focus on cost, which we are, as you know we have an advantageous cost position their leverage, our deep petrochemical integration and continue to focus on domestic fuel marketing. O2C Petrochemicals Going to the O2C petrochemicals business, here again, if you were to see the overall environment was extremely challenging, but having said that, when you look at our production at 8.9 million times, actually it is marginally up on a year on year basis, and you know, the focus on agile operations, we were able to switch or swing from a 20 : 80 export business to an 80 : 20 in 10 days. Overall demand, and we will talk about that, but there's been obviously weak demand, and the fact that the export realization has been low did impact the overall performance, though the integration and the cost optimization initiatives help to buffer a bit of that fall and what we did was, we adopted a product mix to test the sectors where we saw the demand grow. So, if you see here the slides on polymer and polyester. One thing is clear that naphtha cracking economics did improve vis-à-vis gas crackers. But when you see the polyester chain at $540 a ton versus $668, clearly you know there has been a sharp fall with a weakness in the fiber intermediate margins. When you look at, polymer chain margin, it seems to suggest that it is slightly positive. But when you look at the overall performance, it has been impacted because of weak demand in domestic markets. Also, when you have a higher share of exports, you know it does result in lower margins then as compared to the regional benchmarks. Also, you know we did see lower volumes in key polyester products, both from a production and demand standpoint. The overall environment, you know it can only be characterized as, significant price volatility, significant demand destruction and all the challenges to run the operations. That has been the story right across for everybody.

Clearly, when you see the operating rates in the cracker at just a shade below 80%, you know, in the back of weak demand, while if you had seen it previously, it was closer to 88%, so you could see cracker operating rates being low. We are seeing definitely China consumption did recover back in late April, as you can see from the demand for PP & PE products. But on the domestic side, it is fair to say that the domestic demand has been weak, more so in the context of discretionary sectors like automobiles, durables, but healthy demand I would say for key essential sectors like hygiene and medical, food and beverage packaging, milk packaging, agriculture and ecommerce. So, you are seeing that kind of demand and we did channelized our production mix as I mentioned earlier on. So, this is an illustration of, how we operated. I talked about agile operations. I talked about flexible business model and the nimble supply chain. The figures on the right, the top box, you can see that in the first half of March our cracker utilization rate was 100% and when you go down and see in April we were at 95%, but the industry was at 25%, while in the first half it was 98%. So, we were able to run our operations right through and even through May and through June. If you see, we are back to 100%. So, we were able to run our operations to full steam. Also, when you look below the product mix that I talked to you, about first half of March 70:30, you look into the second half, you know this has swung to 48:52 effectively doubled our exports in almost in just about 10 days. So that flexibility that nimbleness has ensured that our numbers held up otherwise it could have been for the environment that I've described the numbers would have been further weak. Overall outlook on the polymer side, we do expect high ethylene supply coming in from the newly built US terminal. We do see PE and PP margins support coming from demand in the essential sectors of Health and hygiene and medical any e -commerce packaging. Economic recovery, will augment discretionary demand growth and will help support margins and same story on PVC too. With resumption of construction activity, it should benefit PVC. On the polyester side, markets will remain well supplied with the continuing additions in China.

Textile markets can get boosted by increased demand for medical and hygiene, and that is something that we are focusing on and you know and also with improving operating rates and system demand you can get a bit of boost to the polyester. When you look at global activity, you know starting with the global driving season the data is interesting because, on an average, I would say that the driving activity is about 20% about Jan '11. Actually, EU is the strongest, which is actually 40 to 50% about Jan, while and US about 35% of Jan, China is about 90% of Jan and India is at about 60%. Also when you see there is visible improvement in demand in India and US where it has recovered to the 90% of January levels. However, for the travel industry and for aviation, turbine fuel clearly seems like a more slower you ship recovery, reaching currently reaching about 50% of pre Covid levels in July. India much weaker at less than 30%, China obviously leading in terms of being at 80%. Also Interestingly, on the non-discretionary side too in retail, we are seeing a lot of normalcy in June. As you can see from the data in US, China, EU where retail sales are nearly normal, when you look at electronics, you look at clothing, when you look at the data of China mobile phones, home appliances, it does seem to indicate there that there is a normal see coming in. Even in India FMCG demand is actually back to pre Covid level in June, so demand recovery, as and when does it happens, will support RILs, both operating rates in margins. Moving to oil and gas. Starting with KG D6, we expect R cluster in second half of FY21, overall if you were to see, with the cessation of PMT and KG D6 the volume of production for the quarter is much lower. But CBM has been pretty steady at about one MMSCMD, US Shale continuing to get impacted by lower production and lower unit realization. So, this is the progress on R cluster and you may recall that we were talking about a Mid-20 commissioning prior to Covid, but because of global lockdowns because of movement of critical manpower and equipment, you know the project execution had to extend beyond the fair-weather windows label. So, at the moment all wells and subsea installations are complete and what is left is materials for platform modification work and pre commissioning work. We're very focused about ensuring that the project is up and running by the second half of the current year. Coming to the financial results. So this is the, uh, consolidated EBIDTA numbers both the broader environment which we have described and you see the aggregate EBITDA numbers at Rs 21,585 crore the year-on-year fall is only about 11.8%. As I mentioned, O2C business profitability was affected by demand and margin contraction and I talked about how, higher utilisation and flexible product placement helped reduce the impact. But even then, if you were to look at it in totality, it was down about 40%. Retail operations, which Dinesh described in great detail, was disrupted with shutdown of electronics and the most profitable fashion and lifestyle stores, but it was offset by strong grocery growth. As Anshuman highlighted, benefiting from higher data usage, higher ARPU, higher customer base and also benefitting from the operational leverage that is inherent in that business.

So digital services are actually up 55%, while retail was down by 47%. Yet when you see that combination, it is up 25%. So 42% fall in O2C business significantly compensated by a 25% growth in consumer business, resulting in 11.8% fall. And I think in the context of the environment that by far one of the toughest operating environments everybody has seen, performance in our assessment is very creditable. So these are the numbers with the net profit here, and when you see the top line, it is down by 42%. But when you look at O2C revenues, that is down 48% -- again on the back of almost a 58% fall in Brent prices. Retail revenues are down 17% while digital services were up 34%. Overall when you see the numbers on the net profit level, at Rs 13,248 crore benefiting from stronger Jio performance, and also benefiting from the exceptional item of Rs 4,966 crores arising on sale of the 49% stake in the fuel retail JV. So this is the segment EBITDA mix that we have been, you know, showing you all the quarters and as you can see now the consumer businesses are accounting for 47% of the EBITDA, it was 31.9% in the first quarter of FY 20. On the balance sheet, these were the March numbers as you may recall, ₹3,36,000 crores of debt, ₹1,75,000 crores of cash and net debt of ₹1,61,000 crore. If you see the recent fundraises ₹2,12,000 crore– rights issue of ₹53,000 crores, JPL raising ₹1,52,000 crore from strategic and financial investors, also the BP transaction where BP paid ₹7,639 crores for a 49% stake. So, overall, we highlighted that point earlier too, you know, we have become net-debt-free earlier than what we set out to do Overall, I do want to say that, given the significant equity raise in Jio, as well as the Rights issue, and the end for capex cycle, we will be briefing you about all the balance sheet items, such as debt, investment, capex, during the half yearly cycle, along with the balance sheet disclosures. So, this is bringing together everything that was highlighted by Kiran, highlighted by Anshuman, and Dinesh and from the AGM, clearly for us consumer and technology led growth is really the way. We see ourselves with a clear focus on innovation and intellectual property led technology platforms.

That is really the drivers for our growth. As highlighted that we have designed and developed these solutions from scratch and we're ready to launch 5G services in India and we are focusing a lot on building Jio Platforms across a variety of business cases. The second part on the retail side is scaling up of JioMart as well as store openings and that is something that you will see aggressively over this year too. And then the focus on providing convenience as well as a very superior shopping experience to consumers is something that we are very focused on. On the O2C segment, you know, we are poised to benefit from demand and margin recovery as it happens, and as we continue to focus on cost management measures to further enhance our competitiveness. In O2C, as mentioned in the AGM by our chairman, the focus is on proprietary O2C technology and on really building a new energy and new materials business. Thank you all for joining this presentation and. Is there any questions you can take it with?

You can always bring it to the attention of our media team as well as Hemen and Pradeep.

Thank you, so much and Good Bye.