



May 1, 2020

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

**National Stock Exchange of India Limited**  
Exchange Plaza, Plot No. C/1, G Block  
Bandra-Kurla Complex, Bandra (East)  
Mumbai 400 051

**Scrip Code: 500325**

**Trading Symbol: RELIANCE**

Dear Sirs,

**Sub: Presentation made to analysts on Audited Financial Results for the quarter /  
year ended March 31, 2020**

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The presentation on the Audited Financial Results for the quarter / year ended March 31, 2020 made to the analysts is enclosed.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For **Reliance Industries Limited**

A handwritten signature in blue ink, appearing to read "Savithri".

Savithri Parekh  
Joint Company Secretary  
and Compliance Officer

Encl.: As above

Copy to:

The Luxembourg Stock  
Exchange  
Societe de la Bourse de  
Luxembourg  
35A boulevard Joseph II  
B P 165, L-2011 Luxembourg

Singapore Stock  
Exchange  
2 Shenton Way, #19- 00  
SGX Centre 1,  
Singapore 068804

Taipei Stock Exchange  
15F, No.100, Sec. 2,  
Roosevolt Road,  
Taipei, Taiwan, 10084



# Reliance

Industries Limited

**4Q FY 2019-20**  
**FINANCIAL RESULTS**  
**30 April 2020**





# Reliance Foundation



## A Frontline Warrior in India's Fight against COVID-19



#CoronaHaaregaIndiaJeetega

# RF set up India's first COVID-19 Hospital in Record Time



- Partnering with BMC, Reliance Foundation set up **India's first dedicated 100-bed COVID-19** hospital in Mumbai in just two weeks
  - Negative pressure rooms
  - All beds equipped with ventilators, pacemakers, dialysis machine and patient monitoring devices
- This hospital capacity is currently being expanded to 250 beds. Already **completed 222 beds**.



Providing Top-notch Medical Care to Indians in Record Time

# Mission Anna Seva: Our service to those in need

- RF launched **Mission Anna Seva** to support marginalized communities and frontline warriors across the nation
  - Daily-wage earners
  - Slum dwellers
  - Migrant workers
  - Urban service providers and factory workers
  - Residents of old-age homes and orphanages, and more...
- The mission has already provided nearly **5 crore meals** across **70 districts** in **16 states** and **1 Union Territory**



**Largest meal distribution programme by a corporate foundation globally**

# Arming India's Frontline Warriors with PPEs

- India's Frontline Warriors need millions of PPEs to win the battle against COVID-19.
- Reliance Industries Ltd swiftly established a unit in Silvassa to mass produce high-quality PPEs. **The production is being ramped up to 1 lakh PPEs per day**
- In a parallel efforts, Reliance has embarked on a **multi-sortie airlift mission** to expedite delivery of PPEs from other countries to India
- Reliance has airlifted:
  - ✓ 1 million surgical masks
  - ✓ 3 lakh PPE suits
  - ✓ 3.5 lakh PPE goggles
  - ✓ 3.5 lakh N95 masks
  - ✓ 50,000 isolation gowns



**Reliance is the largest producer of high-quality PPEs in India**

# Rapidly Augmenting India's Testing Capabilities

- The important of testing more to stay ahead of the spread of COVID-19 cannot be overstated
- In an effort to expand India's testing capabilities, **Reliance Life Sciences** has started testing since the last five weeks.
- **From zero per day, it is currently doing over 2,000 tests every day.**



**Reliance Life Sciences is among India's largest testing facility**

# COVID-19: Employee and Family Welfare Initiatives

## Health Initiatives for Employees and Families

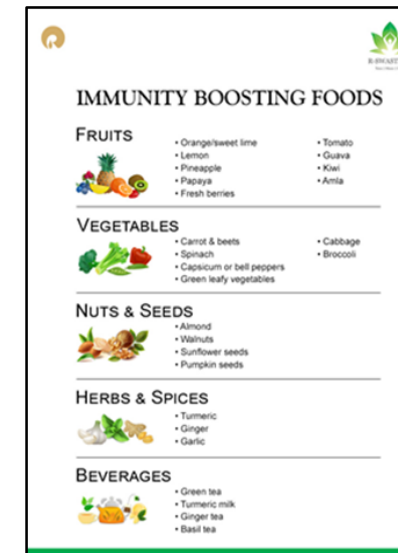
- ❑ Nationwide emergency response infrastructure - 24 hrs
- ❑ Daily COVID-19 Symptoms Checker to monitor health of employees and family members
- ❑ JioHealthHub for free virtual video consults with RFH doctors in specialty care as well as general care
- ❑ Developed Guidance Resources on Mental Health and Emotional
- ❑ Yoga wellness series – easy-to-follow at home Yoga series
- ❑ Nutrition and Healthy Recipes
- ❑ Psychological Guidance sessions with Reliance psychiatrists



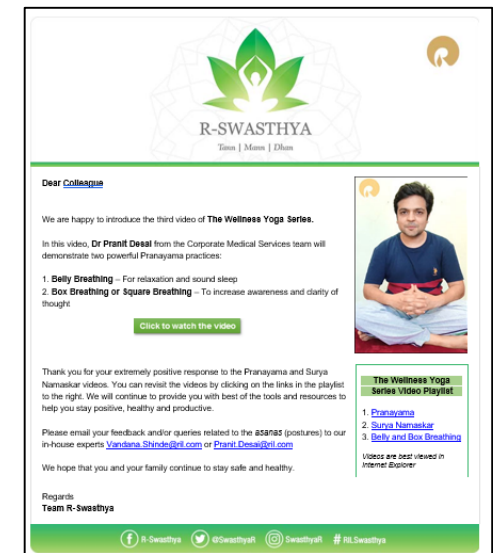
JioHealthHub video consultation



Symptom checker  
Video Guidance



Poster and Whatsapp Shareable



Yoga Wellness Series

Ensuring employees and family members are safe and protected through this crisis



# Consumer Businesses



## 1 Jio is now the **Digital Lifeline of 388 million Indians**

- **Net addition of 17.5 million wireless subscribers** during the quarter; churn retraces to 0.57% in 4QFY20

## 2 **Customer engagement up significantly during lockdown with strong network performance**

- Average per capita monthly data and voice usage at 11.3GB and 771 mins
- Data traffic up > 50% post lockdown

## 3 **Robust financial performance with strong double digit revenue and EBITDA growth**

- Standalone revenues of ₹ 14,835 crore up 27% YoY; **EBITDA up 43% YoY to Rs 6,201 crores**
- **ARPU at Rs 130.6**, further impact of Dec-19 tariff hike to flow through in coming months

## 4 **Jio Platforms Limited signs strategic partnership with Facebook**

- Facebook to invest Rs 43,574 crores for 9.99% equity stake

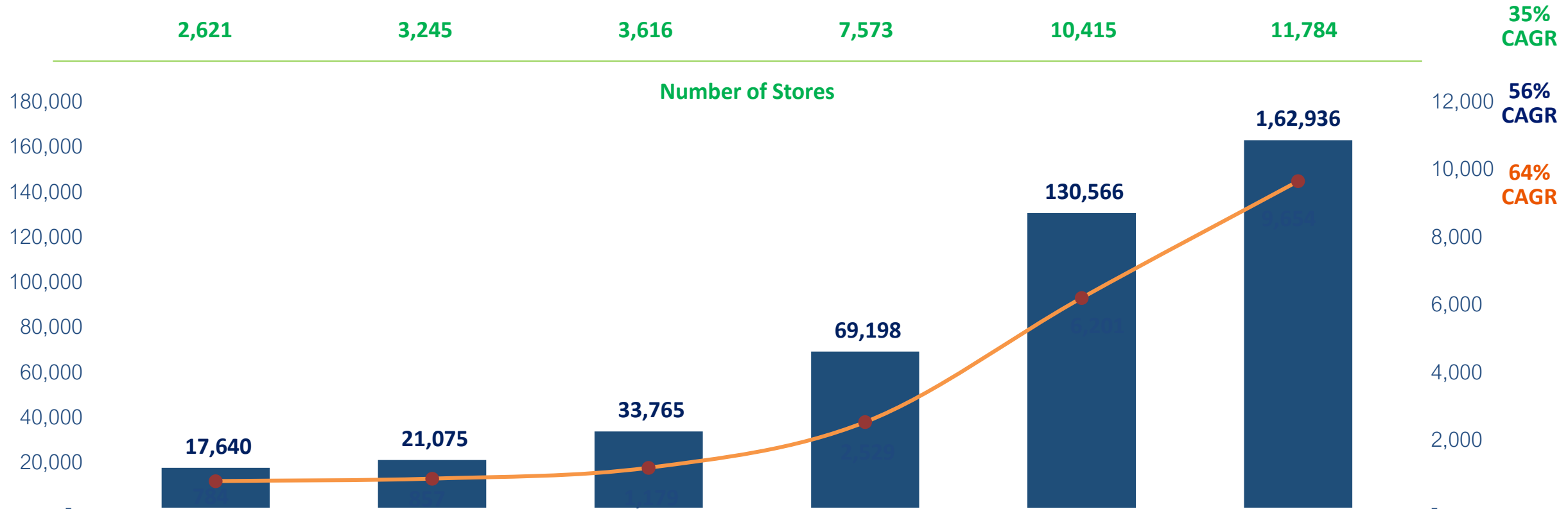
**Best in class customer engagement endorsed by a global tech leader**

1. Reliance Retail delivers yet another year of highest ever revenue and EBITDA
2. Growth well ahead of the market and competitive set across categories
3. Revenue and margin growth in tandem; Operating leverage and efficiencies drive strong EBITDA growth
4. Broad based performance across categories - Electronics, Fashion & Lifestyle and Grocery
5. Now operate 11,784 stores with over 1,500 stores opened in the year, 30% space added
6. Footfalls at 640 million, up 17% Y-o-Y with 125 million registered / loyal customer base, up 40% Y-o-Y

**Sustaining strong track record of performance, fastest growing retailer**

# Retail - Growing Consistently & Profitably

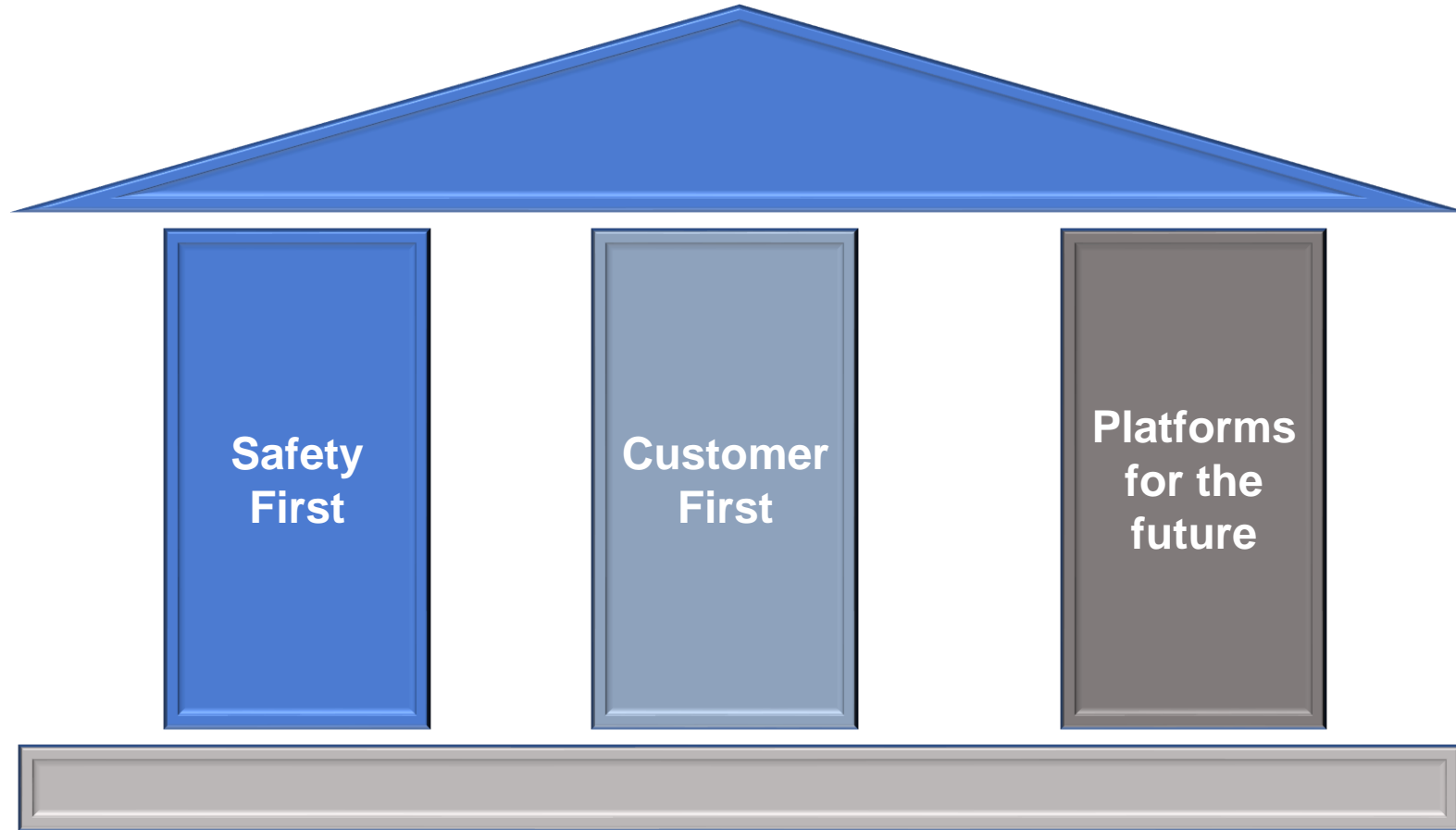
Reliance Retail Revenue & EBITDA (In Rs Crore)



Note:

1. Reported EBITDA for FY20 (Rs 9,654 cr) includes an amount of Rs 234 cr due to the impact of adopting IND AS 116 on lease accounting

## Rapid growth in stores, revenue and profitability

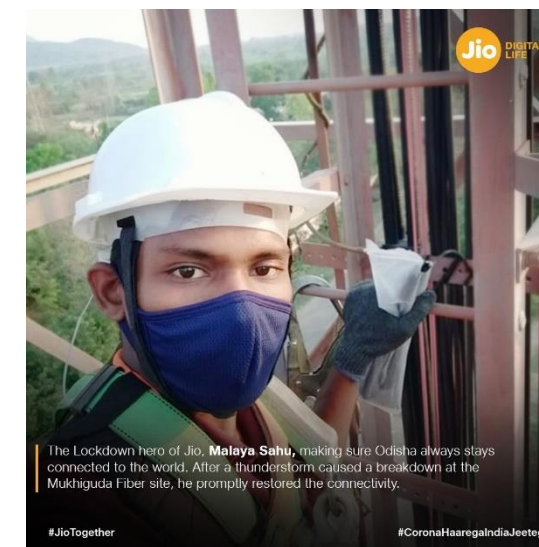
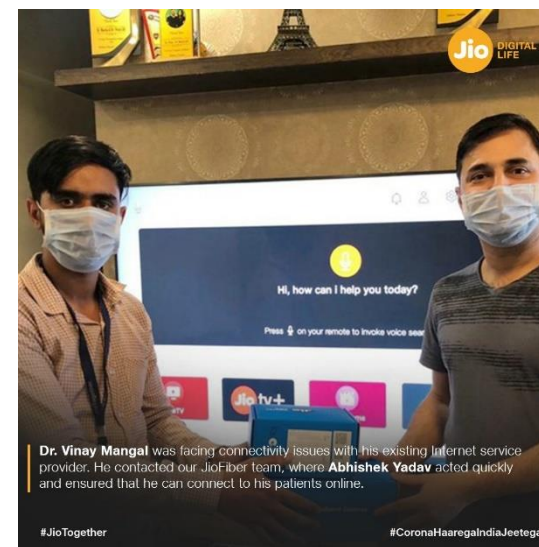
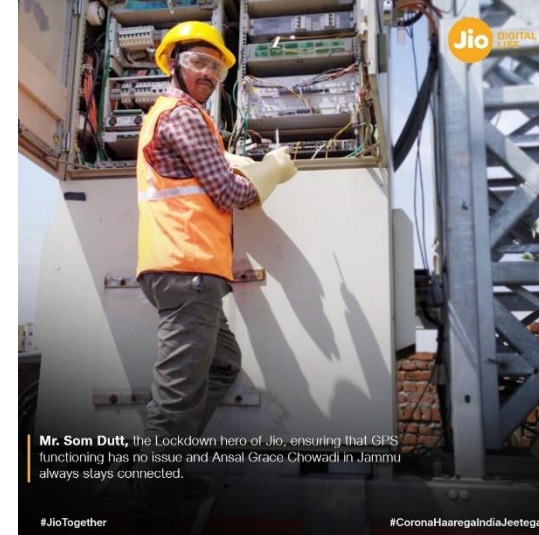


**Superior Experience for customer while ensuring safety for all**

# Digital Services



- **Social Distancing** practiced and observed across various teams, businesses and communities
- Enabled teams for working round the clock to ensure connectivity needs while **practicing and following all protocols**
- Ensuring all employees take the **RF Covid tool symptom checker** test every day



## Corona Harega, India Jeetega

## 100% Network Service Availability

- **Capacity management** remains a priority as traffic surged upto 17 cr GB per day
  - RF Capacity **optimization**
  - Backhaul IP link **augmentation**
  - Caching & Peering links **upgradation**
- **Network automation as advantage** as physical movement is restricted in majority areas
- **Content Delivery Networks (CDNs)** pushed to the edge to achieve Scalability
- **Zero impact** on Network Operating Centre despite minimum staff due to high degree of virtualization
- **Real-time network monitoring** enablement for field team through in-house automation tools

**Traffic surge handled with network elasticity due to combination of capacity and technology**





**11.3 GB**

Data / User / Month

*Combined for smartphone  
and JioPhone users*



**770 Mins**

VoLTE Voice  
Consumption / User /  
Month



**~5 Hours**

Daily Time Spent / User



**428 Cr**

GB/ Month Data  
Traffic



**> 70%**

Data Traffic Used for  
Video

**Unmatchable Core Foundation of our Digital Connectivity Platform**

## ➤ Customer Offers

- Enabling **Work From Home**, Learn From Home & Health at Home for all
- **Microsoft's collaboration platform** – Work, Learn, Health with Microsoft Teams
- **Double data** & additional offnet minutes provided to all mobility add-on pack users
- JioFiber subscribers get **double data**
- Complimentary **10 Mbps JioFiber Plan**

## ➤ “**Stay Connected**” program for keeping customer recharged

- “**Jio Associate**” program on JioPOS lite initiated – 1 million agents onboarded
- Enabling migration from **physical to digital recharge**

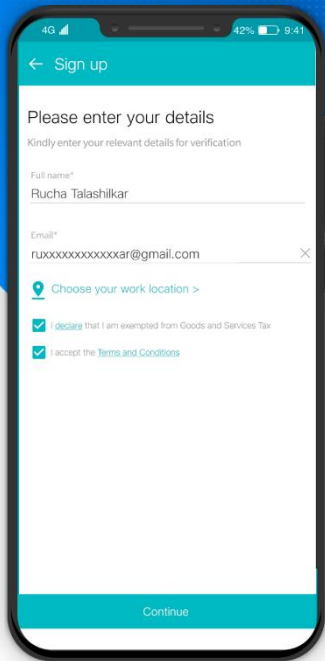
## ➤ Customer Care

- **Virtual Call centers** to handle voice, chat and social interactions

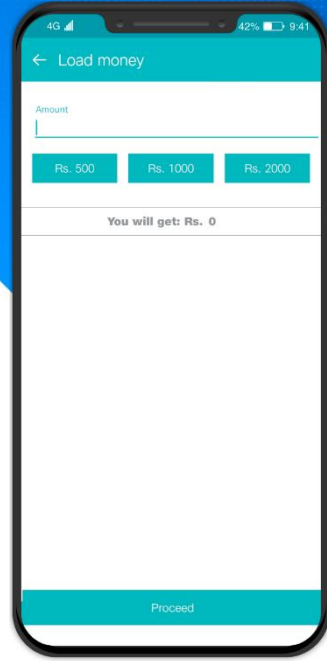
**Jio remains committed to serve a billion Indians**

## Creating a completely new pool of entrepreneurs who can serve their micro-communities as Jio channel partners, for recharges & new acquisitions

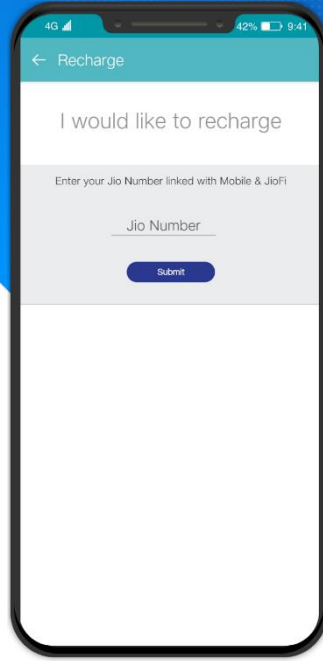
Sign up Process made easy  
Quick 100% Paperless process, Get your Jio Partner ID created.



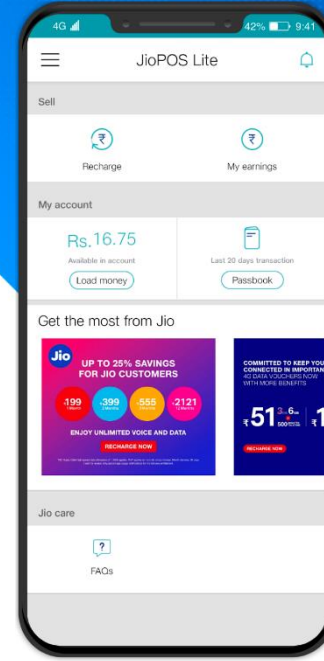
Add Money  
Load your wallet and start earning.



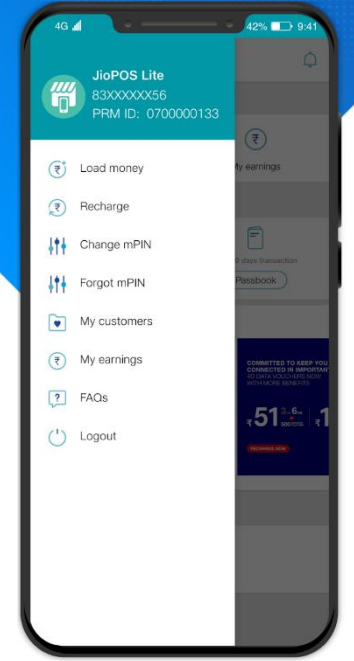
Recharge Jio Numbers  
Recharge Jio numbers, start earning commission.



Dashboard  
Faster and smoother flow to transact with us.



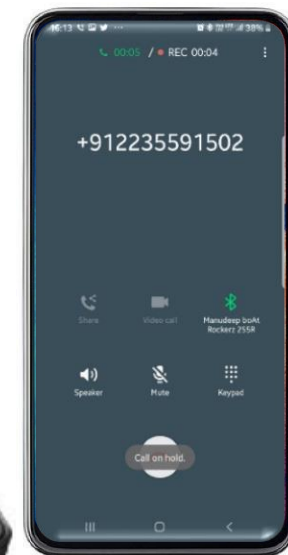
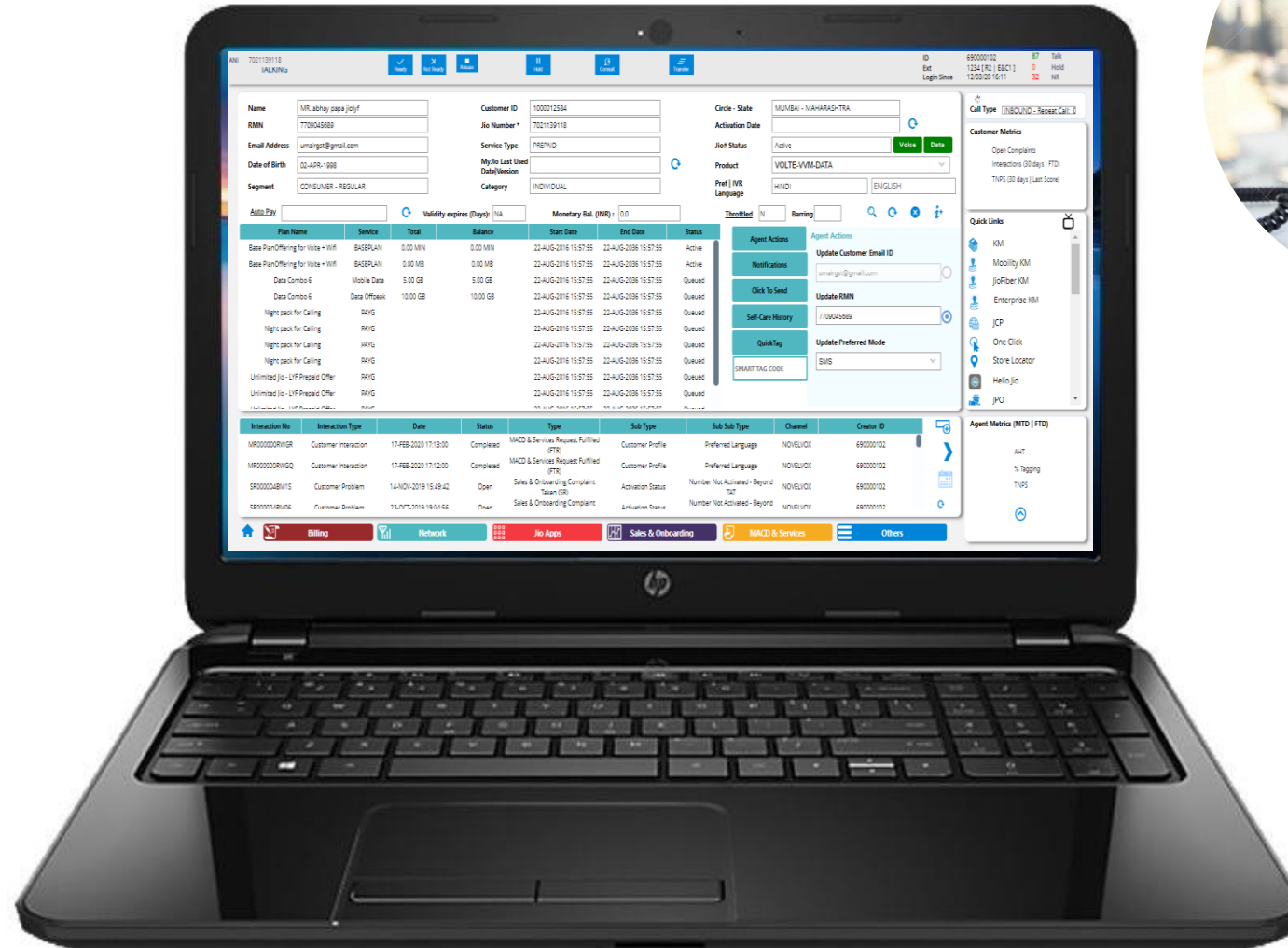
Profile section  
Transaction view made clear and with easy tap you can setup and change M-pin



## Innovating to create entrepreneurs....

# Innovation: Mobile-based remote Call Centers

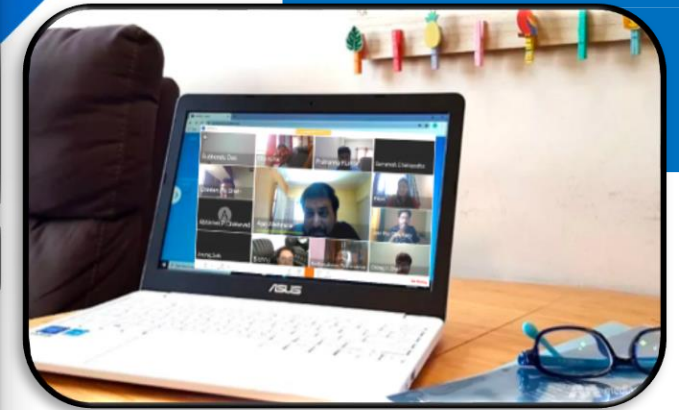
100% migration of Central Call Center agents to distributed Work From Home





## Virtual Meet from Home

- ❖ Use JioMeet App on any device or OS
- ❖ Multimedia collaboration
- ❖ Connect with Colleagues...for meetings, collaborative work, design sessions...
- ❖ Connect with Family & Friends





## Virtual Learn from Home

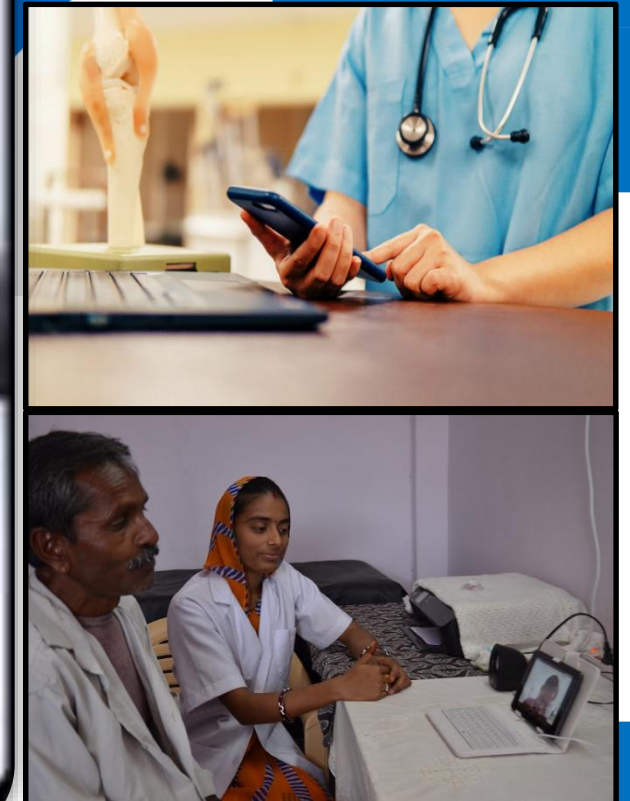
- ❖ JioMeet as an integrated component within Jio eEducation Platform
- ❖ Students & Teachers attend virtual classroom
- ❖ Recorded class sessions and notes
- ❖ Assign and submit Homework and assignments
- ❖ Time-bound tests
- ❖ Multimedia elearning content for teachers to use in virtual class and students to self-learn





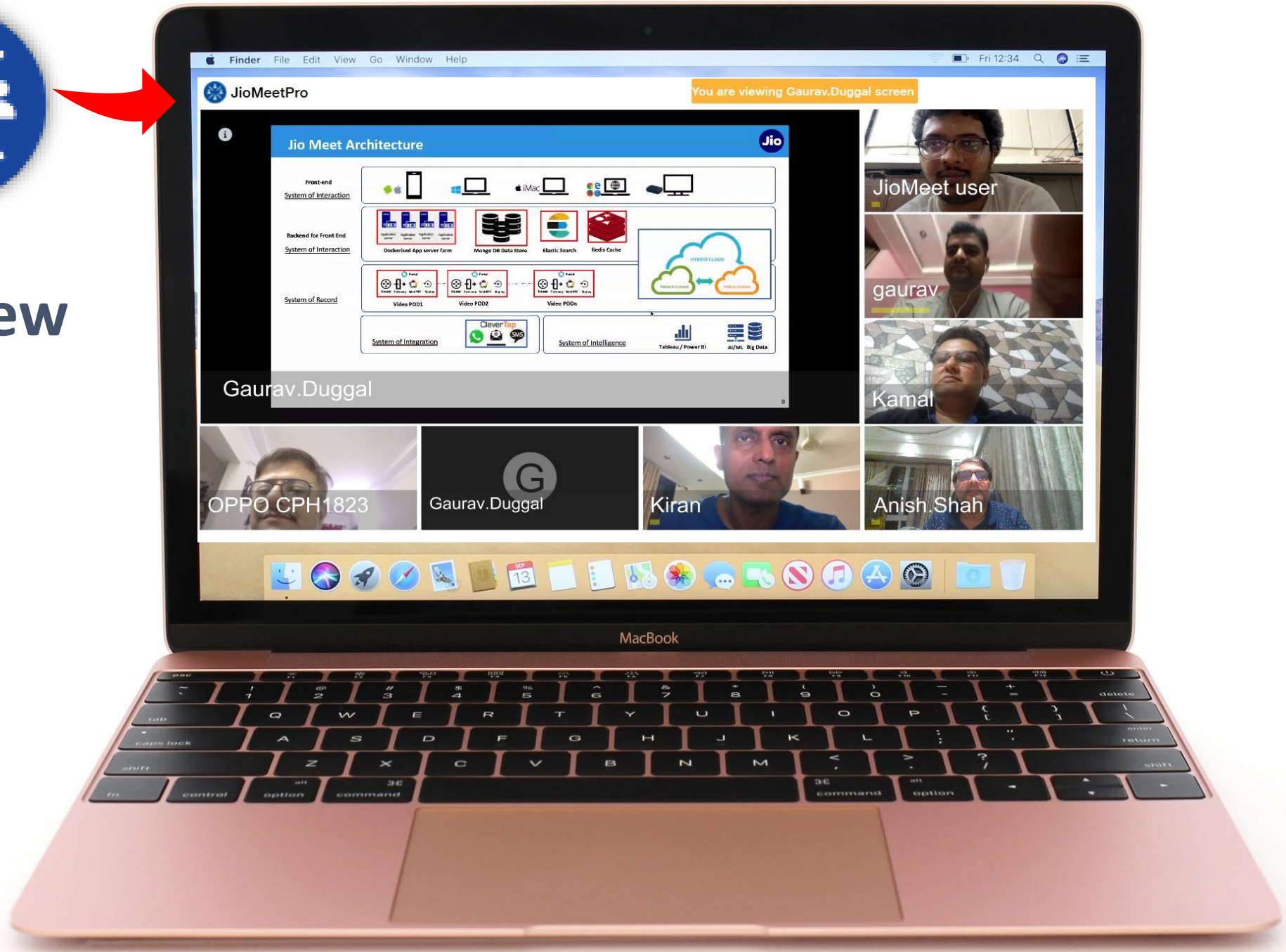
## Virtual Health from Home

- ❖ JioMeet as an integrated component within Jio eHealth Platform
- ❖ Consult Doctor virtually
- ❖ Digital waiting rooms for doctor productivity
- ❖ Get prescriptions online
- ❖ Order medicines online
- ❖ Order lab tests online





In just a few days...





**Retail**



- Emergence of NCOVID19 situation significantly impacts business this quarter
  - Closure of stores from 14<sup>th</sup> March particularly malls
  - Full closure of non-grocery stores and e-tailing from 22<sup>nd</sup> March
- Grocery stores continued operations with limitations and logistical challenges
  - Restrictions on operating hours, manpower in-store and sale of only essential items
  - Choking of supply chain restricting free flow and availability of supplies
- Witnessed softness in discretionary spends and lower footfalls from February
- Supply disruption on imports for devices, impacting electronics sales

**NCOVID19 disrupts business operations**

## Safety First

- Enhancing **Safety & Hygiene** standards and workplace practices for offices, stores and operations

## Customer First

- Ramp-up **Customer Reach** by leveraging **Jio and Reliance Retail customer ecosystem**
- Build **Own Brand Portfolio** in emerging (post COVID) categories

## Platforms

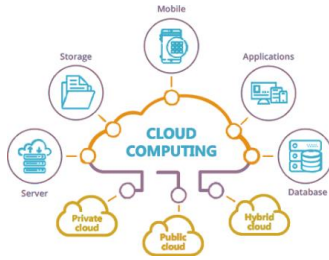
- Strengthen **Digital Platforms, Marketplace** and omni-commerce capabilities across the business
  - Explore and scale-up alternate ways of engaging customers in shopping such as pop-up stores, mobile vans etc.
  - Grocery
  - Electronics
  - Fashion & Lifestyle (Ajo including Ajo Luxe for the premium brand portfolio)
- Develop capacity for **10X Home Delivery** to customers
- Rapid scale-up of **Physical Stores → Smart Point** and **Pharma** outlets

# Jio Physical + Digital Platforms = Total Ecosystem solutions



## 1 Pan-India Network

- i. 4G LTE -> 5G
- ii. Wi-Fi
- iii. FTTx



## 2 Compute

- i. Cloud
- ii. Edge
- iii. Super Compute

Entertainment

Payments & Finance

New Commerce

Education

Customers

1. Consumers
2. Merchants/ SMBs
3. Enterprises

Manufacturing

Smart Cities

Agriculture

Healthcare



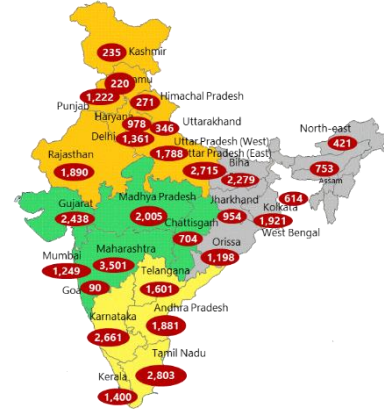
## 3 Tech Platforms

- i. IoT
- ii. Blockchain
- iii. Big Data, AI/ ML
- iv. AR/ VR
- v. Robotics/ Drones



## 4 Connected devices

- i. Hardware
- ii. Operating System
- iii. Developer Ecosystem



## 6 Deep Geo Presence

- i. Jio Centers
- ii. Jio Points
- iii. FSAs
- iv. Own stores
- v. Channel partners
- vi. Direct to Doers



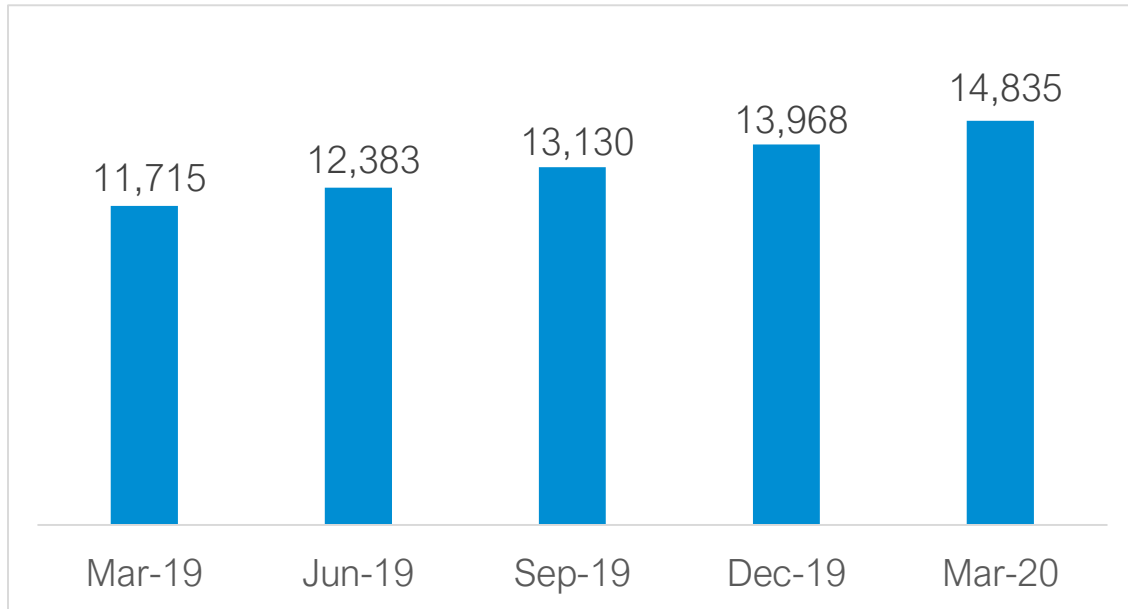
## 5 Apps & Content

- i. Mobile Apps
- ii. PC/ STB/ VR apps
- iii. Curated Content
- iv. User Generated

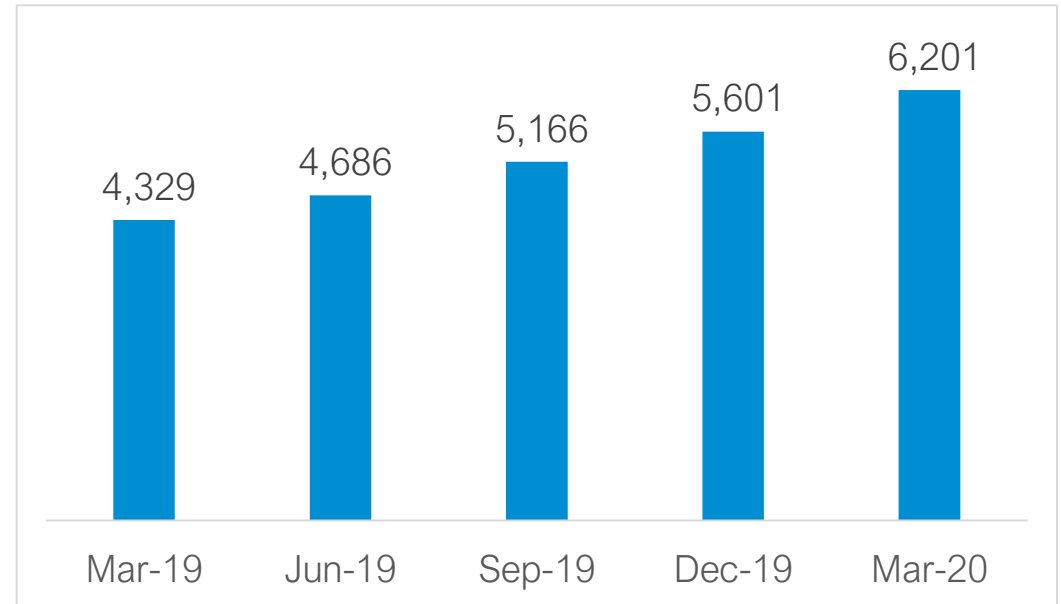
# Financials – Digital Services



## Operating Revenue (in Rs crore)



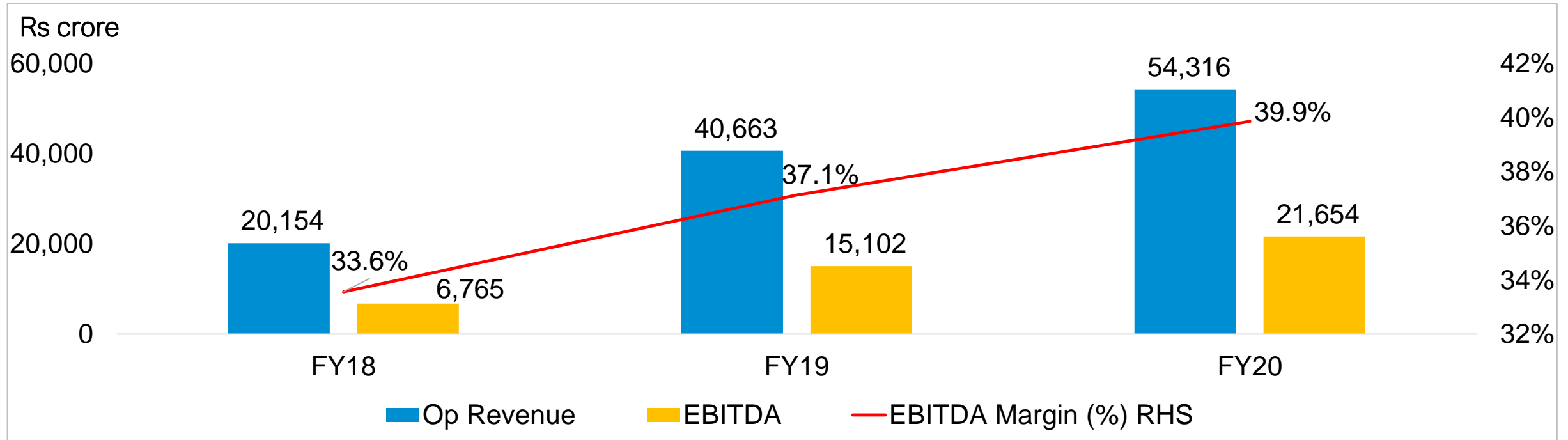
## EBITDA (in Rs crore)



- Strong customer traction and partial impact of recent tariff hike drives double-digit revenue and EBITDA growth
- Operating leverage and improving traffic mix reflected in margins

**Wireline and Digital services to drive the next leg of growth**

## Revenue and profitability trends



- Revenue CAGR of 64% and Ebitda CAGR of 78% during FY18 to FY20
- Net profit has increased from Rs 2,964 crore in FY 19 to Rs 5,562 crore in FY 20, annual increase of 88%

**Rapid increase in Revenues and Profitability**

# Key Operating Metrics – RJIL Standalone

| Key KPIs                                      | 4Q' 19-20 | 3Q' 19-20 | 4Q' 18-19 |
|---|-----------|-----------|-----------|
| Subscriber base (million)                     | 387.5     | 370.0     | 306.7     |
| Net subscriber addition (million)             | 17.5      | 14.8      | 26.6      |
| ARPU (Rs/ month)                              | 130.6     | 128.4     | 133.1     |
| Wireless Data Consumption (crore GB)          | 1,284     | 1,208     | 956       |
| Per Capita Data Consumption (GB/ month)       | 11.3      | 11.1      | 10.9      |
| Voice on Network (crore minutes per day)      | 963       | 898       | 805       |
| Per Capita Voice Consumption (minutes/ month) | 771       | 760       | 823       |

- Net subscriber addition at 17.5 million
- Churn retraces to 0.57% after a spike in 3QFY20 led by elimination of heavy voice users
- Per capita usage healthy at 11.3 GB and 771 mins per month; 20-25% increase in wireless data traffic post lockdown

**Customer First mindset drives overwhelming response to Jio services**



# Key Financial Metrics – RJIL Standalone

| Particular        | 4Q' 19-20 | 3Q' 19-20 | 4Q' 18-19 |
|-------------------|-----------|-----------|-----------|
| Gross Revenue *   | 17,454    | 16,466    | 13,780    |
| Operating Revenue | 14,835    | 13,968    | 11,715    |
| EBITDA            | 6,201     | 5,601     | 4,329     |
| EBITDA margin     | 41.8%     | 40.1%     | 37.0%     |
| D&A               | 2,168     | 1,796     | 1,744     |
| EBIT              | 4,033     | 3,805     | 2,585     |
| Finance Costs     | 1,133     | 1,953     | 1,294     |
| Exceptional item  | (31)      | 177       | -         |
| Profit Before Tax | 2,931     | 1,675     | 1,291     |
| Net Profit        | 2,331     | 1,350     | 840       |

*\*Gross Revenue is value of Services  
Standalone Results  
figures in Rs crore, unless otherwise stated*

- Sequential revenue growth led by continued subscriber addition and partial impact of tariff hike
- EBITDA improves further with operating leverage, higher ARPU and improving traffic mix
- Quarterly net profit up 178% YoY to Rs 2,331 crore

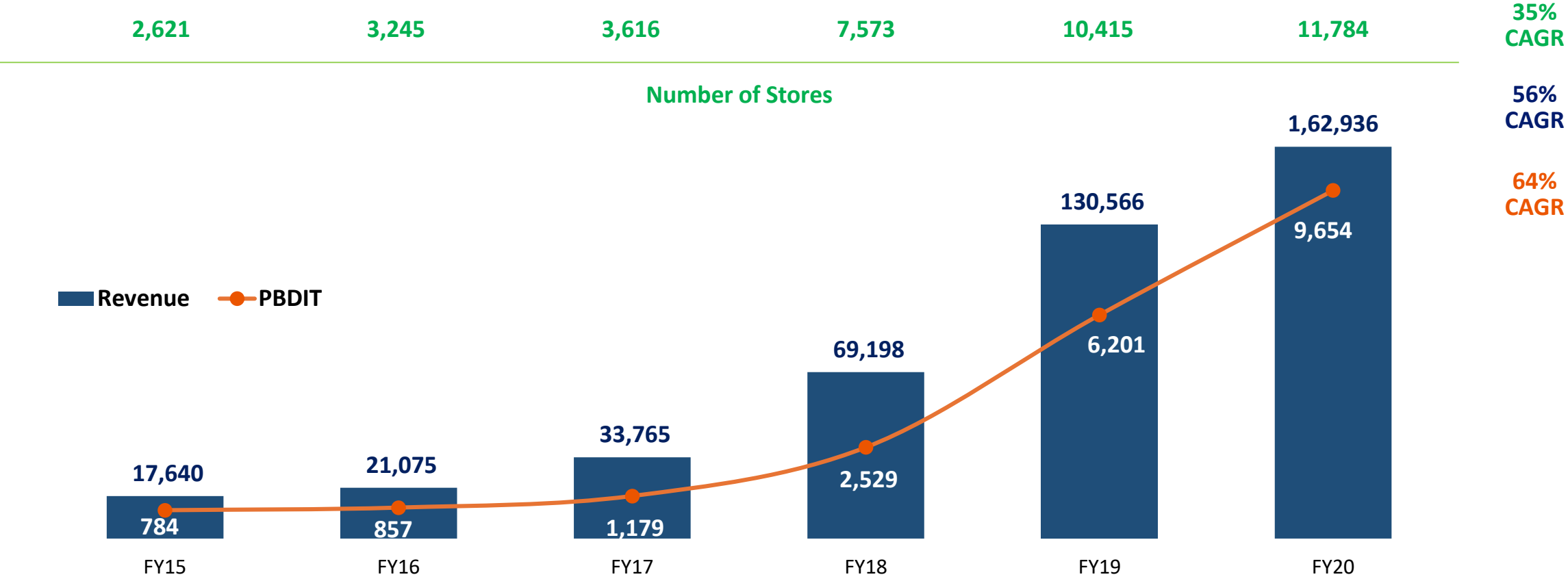
**Healthy financial performance across key metrics**

# Financials – Retail



# Growing Consistently & Profitably

Reliance Retail Revenue & EBITDA (In Rs Crore)



Note:

1. Reported EBITDA for FY20 (Rs 9,654 cr) includes an amount of Rs 234 cr due to the impact of adopting IND AS 116 on lease accounting

**Rapid growth in stores, revenue and profitability**

# FY20 - Revenue Performance

*In Rs Crore*

| <b>Consumption Basket</b> | <b>FY20</b>    | <b>% Mix</b> | <b>Change Y-o-Y</b> | <b>% Growth Y-o-Y</b> |
|---------------------------|----------------|--------------|---------------------|-----------------------|
| Consumer Electronics      | 44,625         | 27%          | <b>5,440</b>        | <b>14%</b>            |
| Fashion & Lifestyle       | 13,552         | 9%           | <b>2,624</b>        | <b>24%</b>            |
| Grocery                   | 34,601         | 21%          | <b>11,187</b>       | <b>48%</b>            |
| Connectivity              | 55,944         | 34%          | <b>12,208</b>       | <b>28%</b>            |
| Petro Retail              | 14,215         | 9%           | <b>912</b>          | <b>7%</b>             |
| <b>Total</b>              | <b>162,936</b> | <b>100%</b>  | <b>32,370</b>       | <b>25%</b>            |

**Broad based growth**

# FY20 - EBITDA Performance

*In Rs Crore*

| <b>Consumption Basket</b> | <b>FY20</b>  | <b>% Mix</b> | <b>Change Y-o-Y</b> | <b>% Growth Y-o-Y</b> |
|---------------------------|--------------|--------------|---------------------|-----------------------|
| Consumer Electronics      | 2,785        | 29%          | <b>930</b>          | <b>47%</b>            |
| Fashion & Lifestyle       | 3,242        | 33%          | <b>1,059</b>        | <b>52%</b>            |
| Grocery                   | 2,253        | 23%          | <b>1,116</b>        | <b>98%</b>            |
| Connectivity              | 1,237        | 13%          | <b>346</b>          | <b>39%</b>            |
| Petro Retail              | 136          | 2%           | <b>1</b>            | <b>1%</b>             |
| <b>Total</b>              | <b>9,654</b> | <b>100%</b>  | <b>3,453</b>        | <b>56%</b>            |

Note: Positive impact of Rs. 234 cr for full year on EBITDA due to IND AS 116 (lease accounting), contributed to 4% of EBITDA growth

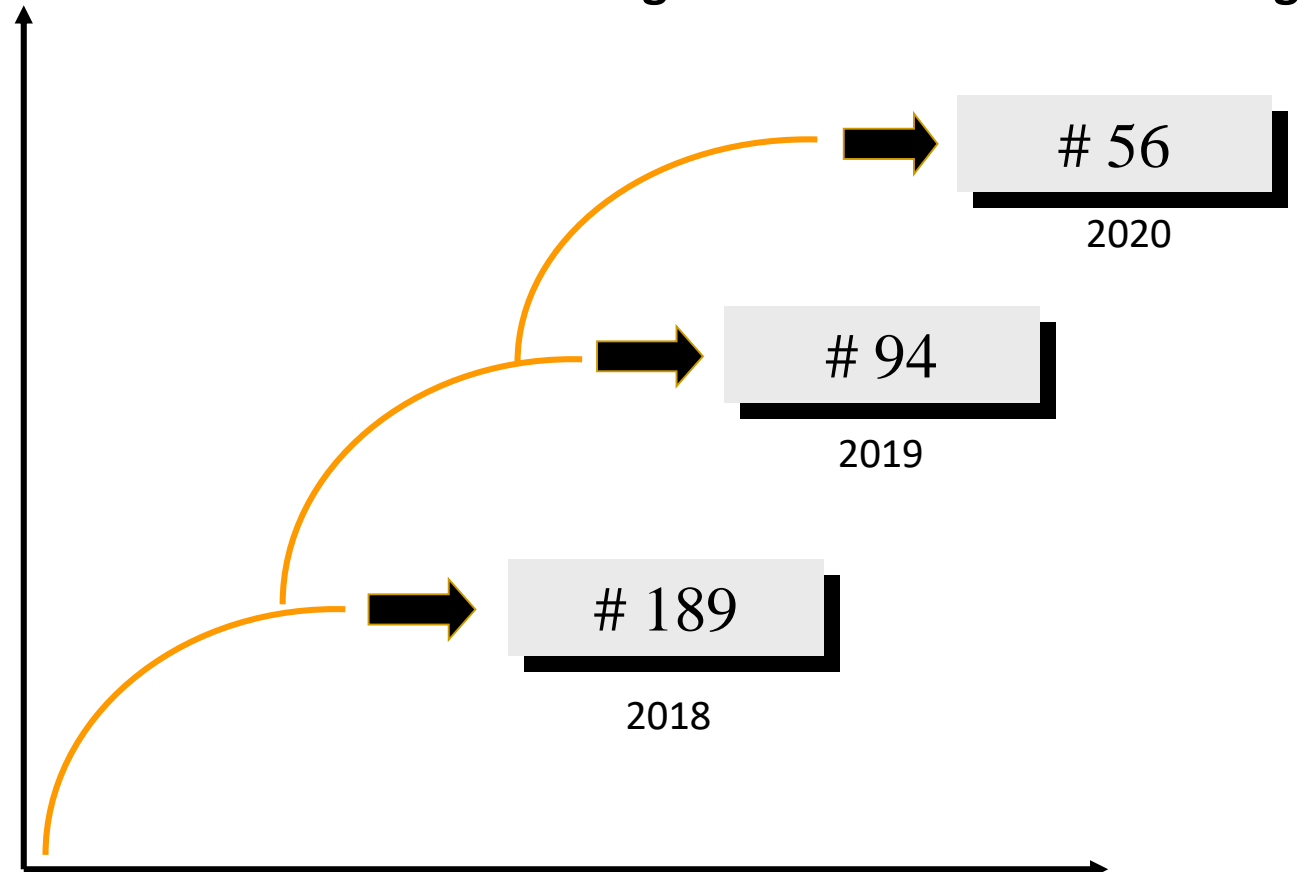
## Robust profit growth across consumption baskets

# Reliance Retail – Indian Retailer with Global Scale



Fastest Growing Retailer  
in the World (2020)

## Reliance Retail Ranking – Global Powers of Retailing



\* Global Powers of Retailing, Deloitte 2020

**Only Indian Retailer to feature in the Global Top 100 Retailers**

# Results Highlights

All Figures in Rs Crore

| 4QFY20 | 4QFY19 | % Change wrt 4QFY19 | Metric                    | FY20    | FY19     | % Change wrt FY19 |
|--------|--------|---------------------|---------------------------|---------|----------|-------------------|
| 38,211 | 36,663 | 4%                  | Segment Gross Revenue     | 162,936 | 1,30,566 | 25%               |
| 34,402 | 32,619 | 5%                  | Segment Net Revenue       | 146,272 | 116,357  | 26%               |
| 2,556  | 1,923  | 33%                 | Segment EBITDA            | 9,654   | 6,201    | 56%               |
| 7.4%   | 5.9%   | +150 bps            | Segment EBITDA Margin (%) | 6.6%    | 5.3%     | +130 bps          |

- 4% revenue growth despite store closures, lockdown and weak consumer sentiment
  - Strong performance in Jan + Feb (33% excluding Devices, LFL 13%) offset by NCOVID19 situation in March
  - Drag in Electronics and Fashion & Lifestyle due to closure of store and digital commerce sites; Grocery does very well
- 33% EBITDA growth in 4Q
  - Driven by strong growth in Grocery; more B2C sales and higher productivity
  - Positive impact of Rs. 234 cr on EBITDA due to IND AS 116 (lease accounting), contributed to 12% in EBITDA growth and 70 bps in margin
- Expansion continued with 496 new stores opened across consumption baskets

**Performance in quarter led by Grocery business**

# 4Q FY20 - Revenue Performance

In Rs Crore

| Consumption Basket   | 4Q FY20       | % Mix       | Change Y-o-Y | % Growth Y-o-Y | % Growth Y-o-Y (Jan – Feb) |
|----------------------|---------------|-------------|--------------|----------------|----------------------------|
| Consumer Electronics | 6,198         | 16%         | -4,655       | -43%           | 41%*                       |
| Fashion & Lifestyle  | 3,292         | 9%          | -10          | 0%             | 42%                        |
| Grocery              | 10,043        | 26%         | 3,058        | 44%            | 35%                        |
| Connectivity         | 15,193        | 40%         | 3,182        | 26%            | 32%                        |
| Petro Retail         | 3,486         | 9%          | -26          | -1%            | 10%                        |
| <b>Total</b>         | <b>38,211</b> | <b>100%</b> | <b>1,548</b> | <b>4%</b>      | <b>33%*</b>                |

\* Excluding devices

**Strong growth in Grocery & Connectivity driving overall revenue**



# 4Q FY20 - EBITDA Performance

*In Rs Crore*

| <b>Consumption Basket</b> | <b>4Q FY20</b> | <b>% Mix</b> | <b>Change Y-o-Y</b> | <b>% Growth Y-o-Y</b> |
|---------------------------|----------------|--------------|---------------------|-----------------------|
| Consumer Electronics      | 431            | 17%          | <b>-111</b>         | <b>-21%</b>           |
| Fashion & Lifestyle       | 975            | 38%          | <b>280</b>          | <b>40%</b>            |
| Grocery                   | 783            | 31%          | <b>404</b>          | <b>107%</b>           |
| Connectivity              | 337            | 13%          | <b>73</b>           | <b>28%</b>            |
| Petro Retail              | 30             | 1%           | <b>-13</b>          | <b>-30%</b>           |
| <b>Total</b>              | <b>2,556</b>   | <b>100%</b>  | <b>633</b>          | <b>33%</b>            |

Note: Positive impact of Rs. 234 cr on EBITDA due to IND AS 116 (lease accounting), contributed to 12% of EBITDA growth

**Robust performance in Grocery delivers strong profit growth**

# Future Readying the Business for a Post NCOVID19 world

- 1 Enhancing **safety & hygiene standards** and workplace practices for offices, stores and operations
- 2 **Re-imagining the store** in a post NCOVID19 world
- 3 Strengthening **Digital Commerce and Omnichannel** capabilities
- 4 Bolstering supply chain/fulfilment capacity to handle **home delivery**
- 5 Accelerating roll-out of **Jio Mart New Commerce**
- 6 Developing **Own Brands portfolio** in keeping with the emerging consumer trends



# JPL + Facebook Strategic partnership



**1** Definitive documentation finalized for:

**a** Strategic investment of ₹ 43,574 crore by Facebook into Jio Platforms Limited for a 9.99% stake

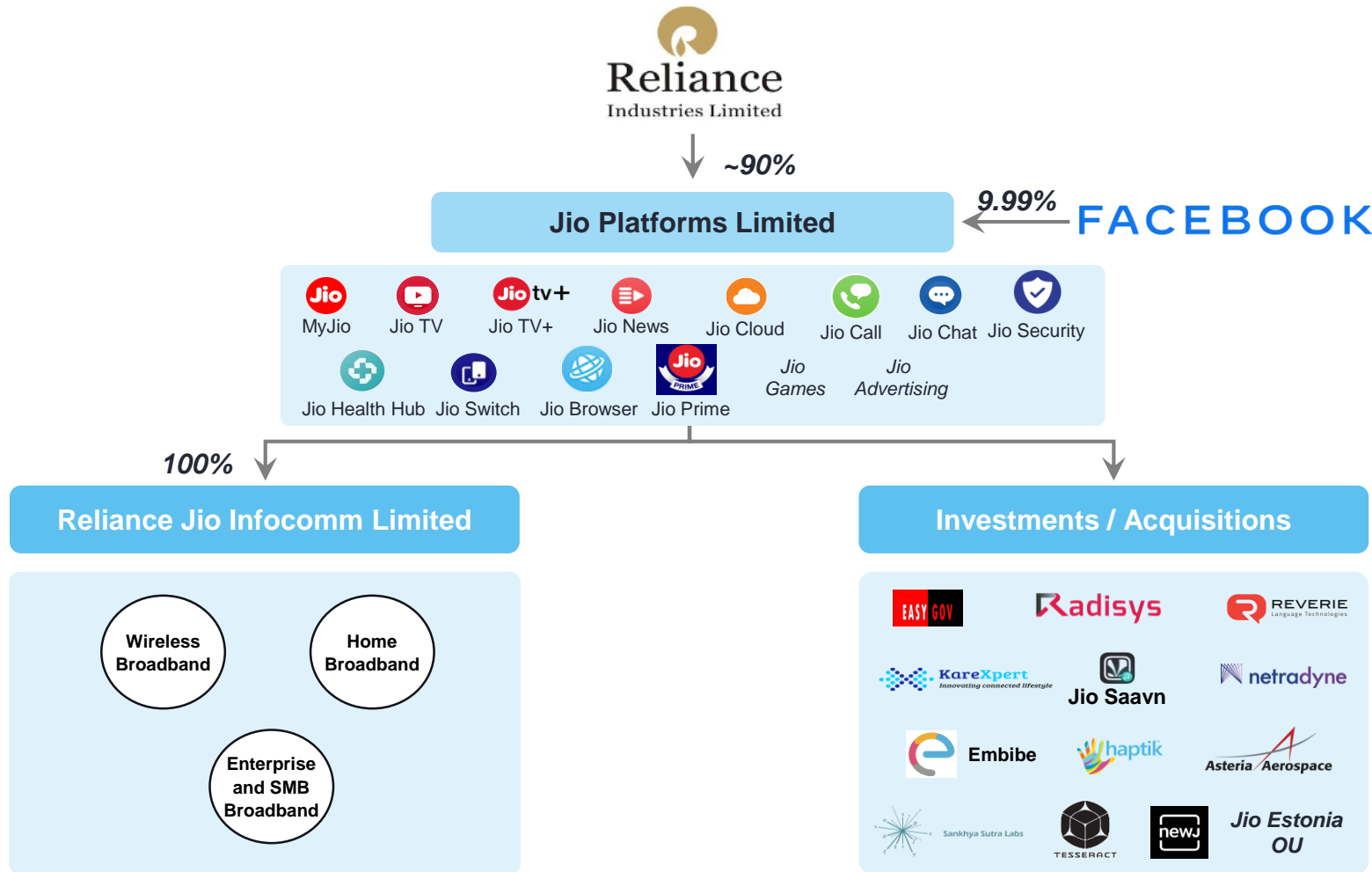
**b** Partnership between WhatsApp Inc, Jio Platforms Limited and Reliance Retail Limited

**2** Pre-money Enterprise Valuation of Jio Platforms Limited at ₹ 461,632 crore makes JPL one of the most valuable companies in India

**3** Largest minority investment by any technology company globally

Reaffirmation of Jio's positioning as a leading technology company

# Strategic Investment Overview

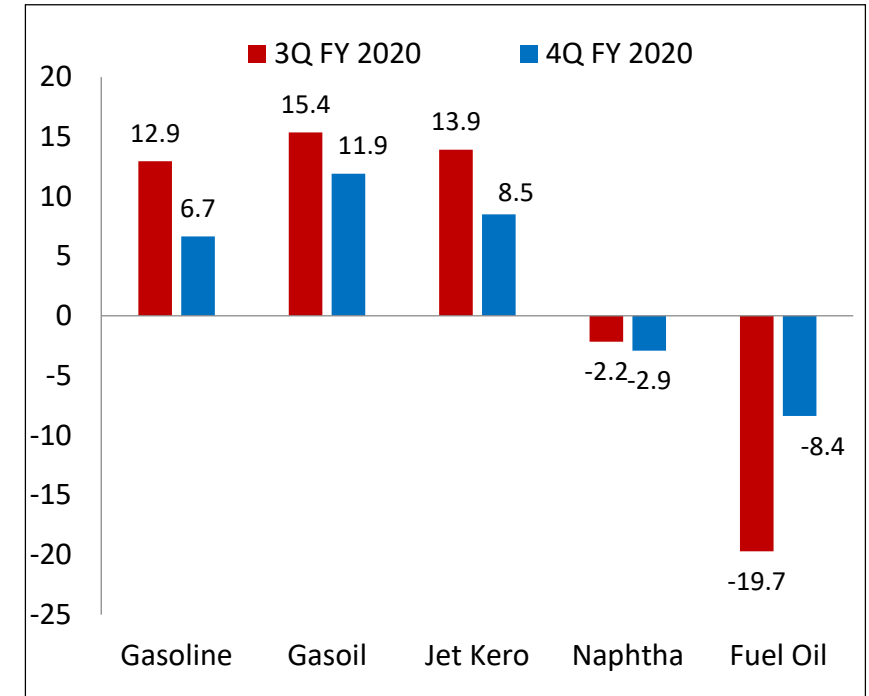


- Jio Platforms valued at ₹ 4.36 lakh crore equity value, following the transaction; pre-money equity value of ₹ 4.21 lakh crore
- **Investment Amount: ₹ 43,574 Cr**
  - Retained at Jio Platforms: ₹ 14,976 Cr
  - Redemption of OCPS held by RIL: ₹ 28,598 Cr
- **1 Board Seat** (in 15 member Board)

Largest FDI In ₹ Terms For Minority Investment In India

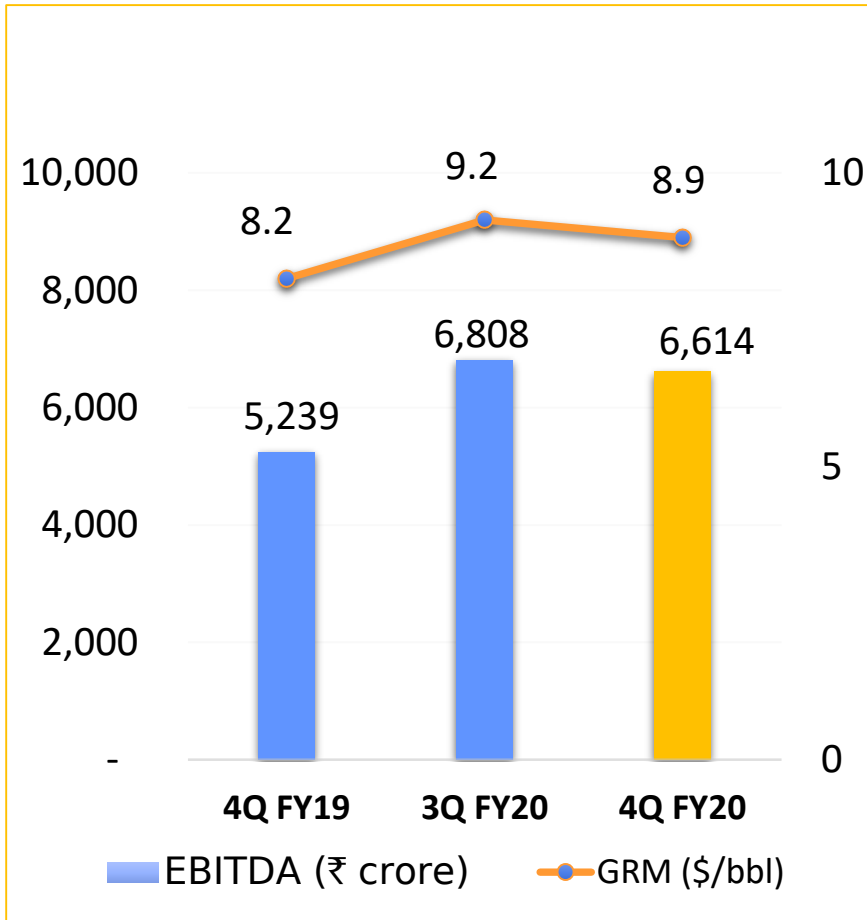
# *O2C and Upstream Businesses*

- Covid-19 negatively impacted economic growth and oil demand
  - World GDP growth (2020) @-3%, India @1.9%
  - Oil demand(Apr-May'20): estimated to fall by 25-30 mb/d
- Crude price fell 73% through the quarter (end-to-end)
  - Brent averaged \$50.3/bbl in 4QFY20, down 21% QoQ
- Demand destruction impacted transportation fuel cracks
- Light - Heavy differential widened due to excess crude supply and IMO impact



**Covid-19 related demand destruction and inability of OPEC+ to agree, impacted oil prices**

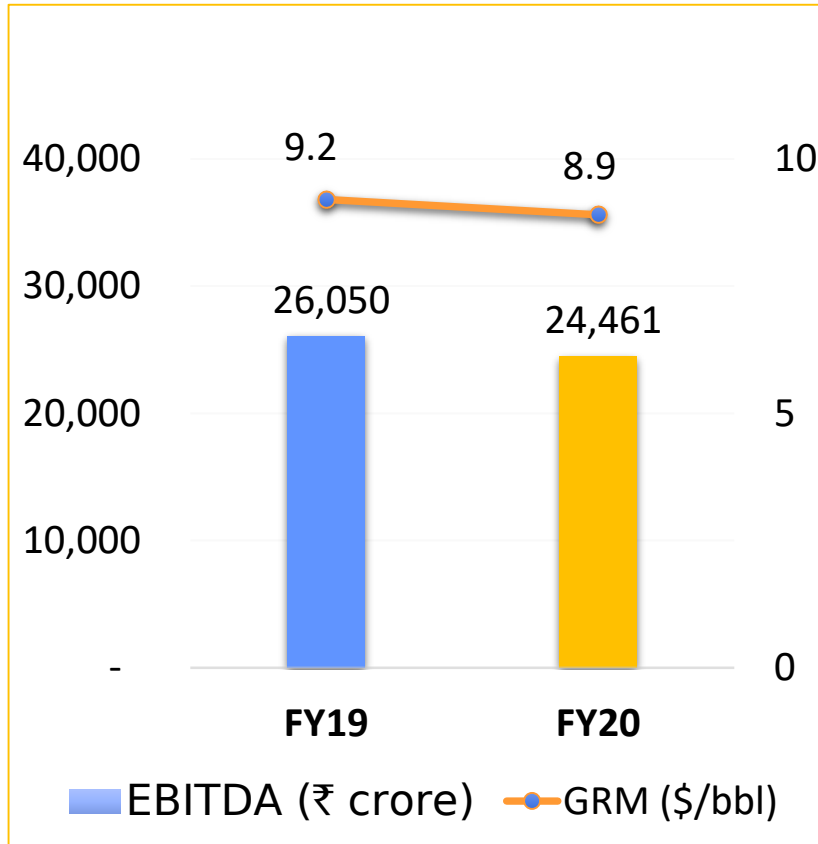
# R & M Segment Performance – 4Q FY20



- Stable QoQ performance led by favourable crude differentials, lower fuel cost
  - Optimized crude basket cost by sourcing competitive feedstock taking advantage of processing flexibility
  - Product switch to better performing Diesel cracks
  - Benefited from petrochemical integration
- Crude throughput at 18.3 MMT
- Premium over Singapore margins at \$ 7.7/bbl

High asset quality and agile performance sustains competitive edge





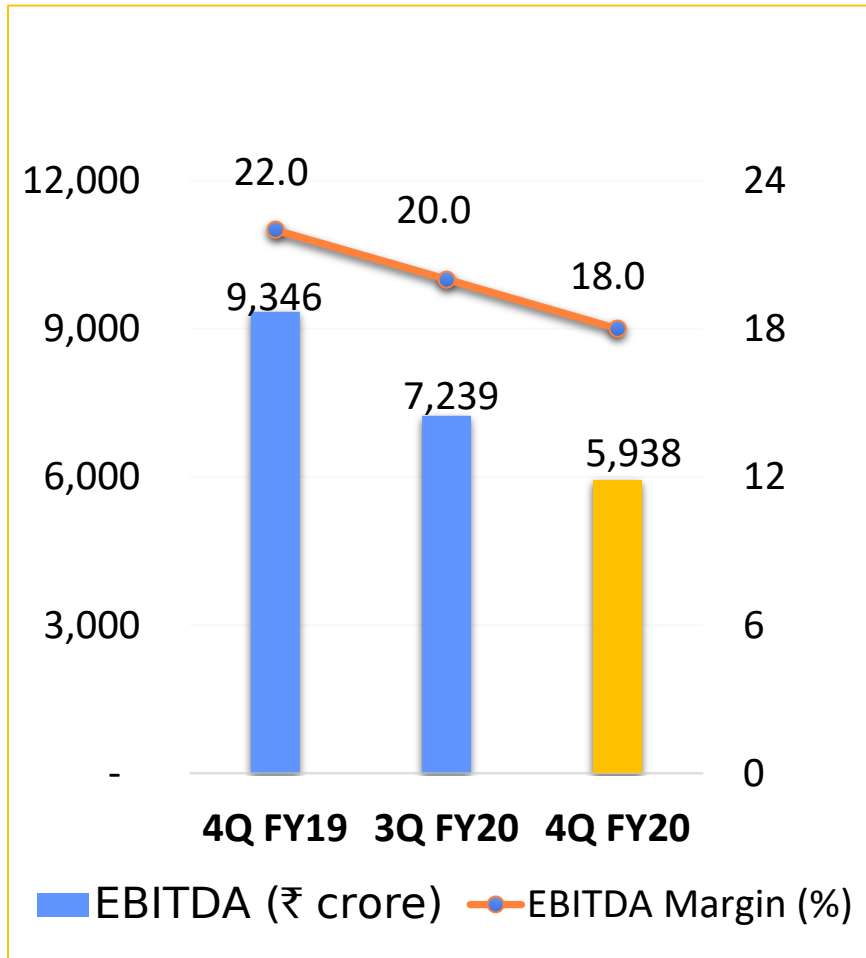
- EBITDA down 6% YoY
  - Weak light / middle distillate cracks, demand compression
  - Limited impact of IMO 2020 on middle distillate cracks
- Premium over Singapore at \$ 5.7/bbl
- Crude throughput maximized at 70.6 MMT
- 1,398 retail outlets operational, added 29 outlets during the year

**Strong performance in a challenging crude and product market environment**

- China affected severely by Covid in Jan and Feb'20
  - Impacted feedstock and product prices negatively by 25-30% and margins
- Integrated Polyester Chain margin improved QoQ by \$70 to \$529/ MT – trending back towards 5-year average
- Margins expanded in PE, PET and Rubber Chain (20-25%)
- With the fall in crude price from March, Ethane advantage reduced sharply improving performance of Naphtha crackers
- 4Q FY20 domestic demand for polymer and polyester weak at (-5%) YoY

**Players with feedstock flexibility benefited by switching feedstocks to optimize margins**

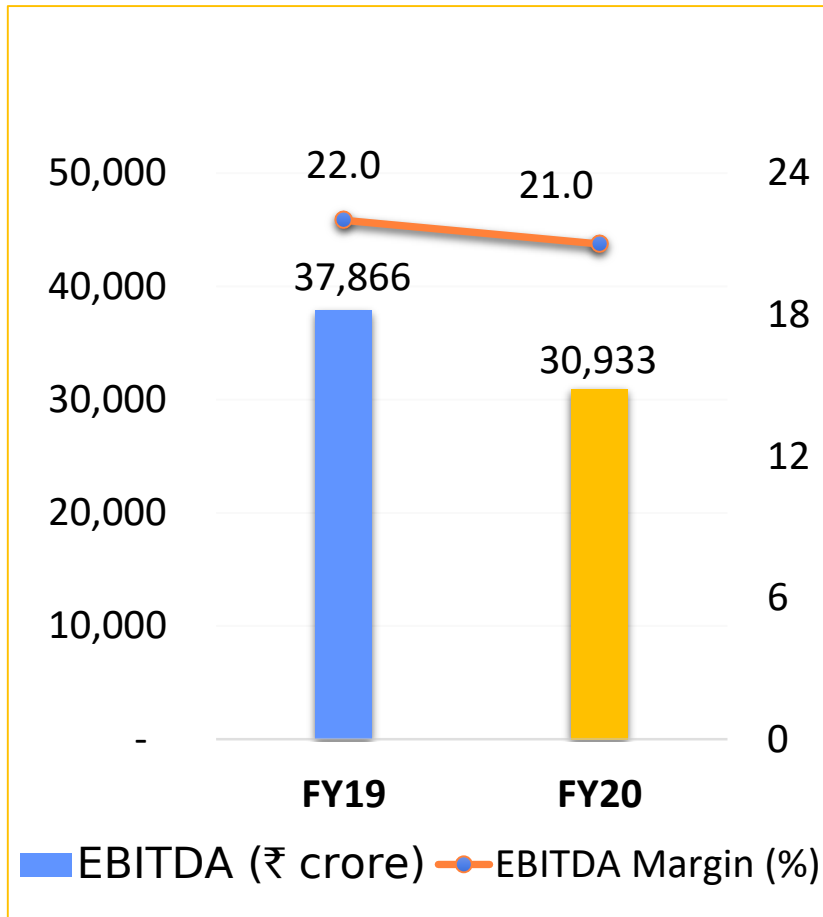
# Petrochemicals Segment Performance – 4Q FY20



- EBITDA down 18% QoQ with significant price volatility and demand collapse
- Production volumes at 9.8 MMT, near record levels
- Optimized feedstock flexibility across locations to benefit from cracking economics
- Integrated chain margins benefitted with margins moving down the chain
- Product mix changes to cater to – food & milk packaging, medical, health and hygiene and agricultural sectors

**Integration and feedstock flexibility help reduce impact of weak margin environment**

# Petrochemicals Segment Performance – FY20



- FY20 EBITDA down 18% YoY with low margin across key products
  - Significant supplies in weak demand environment (PE, PP, PX, PTA, MEG)
- Segment performance was supported by
  - Feedstock flexibility, cost competitiveness and strong domestic position
- Strong YoY demand growth for polyester at 9%, Polymers up 4%

Well-supplied markets in a weak demand environment impacted profitability

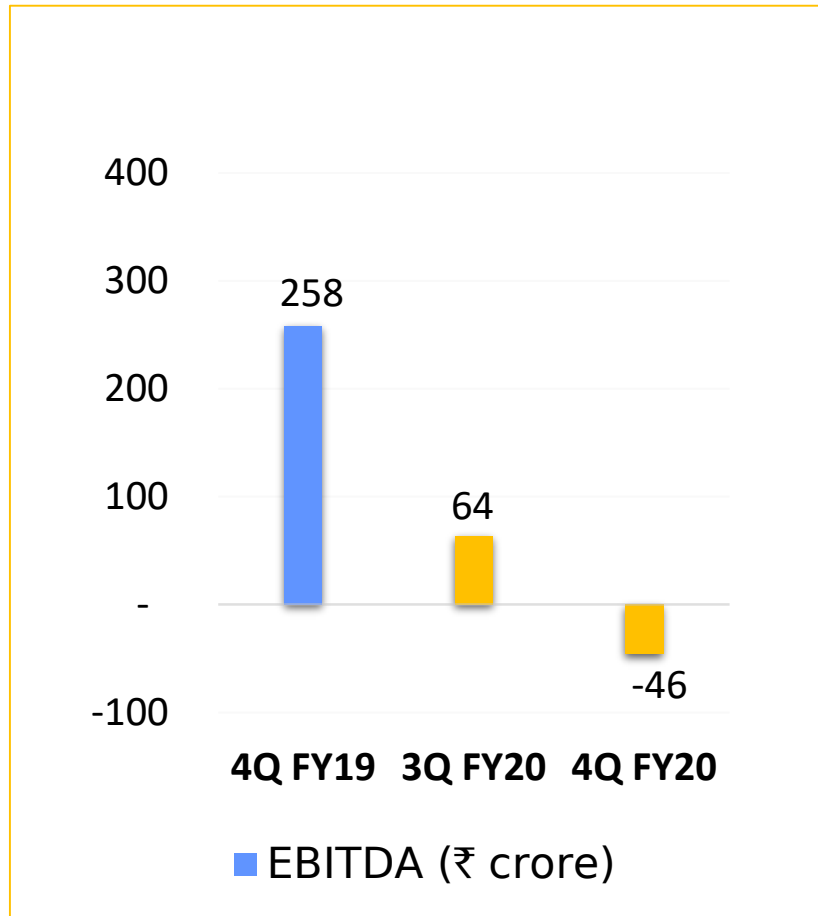
## ➤ Priorities

- Safety of people
- Cost and cash outflow reduction
- Augmenting production through projects

## ➤ KG D6: Monetization of 3 TCFE resources

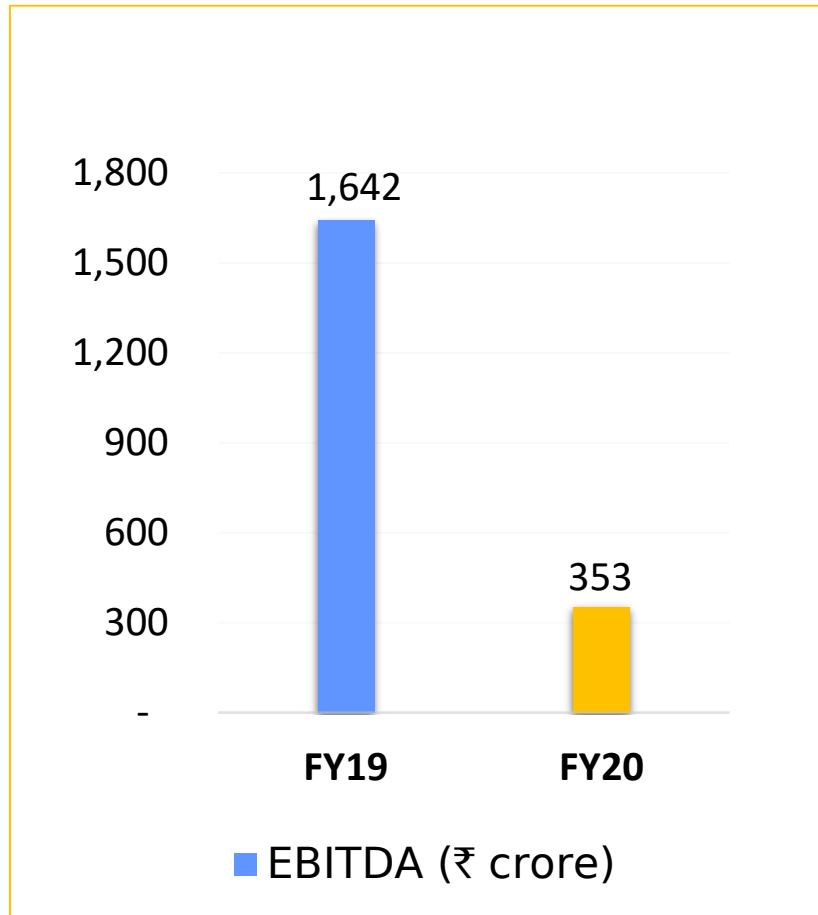
- 3 Projects- First Gas from R-Cluster Field expected by June 2020 subject to lifting of lockdown
- Achieve Peak of ~28 MMSCMD by FY24

**Efforts ongoing to start production from R-Cluster on time**



- 4Q FY20 domestic production 4.05 BCFe, down 64% QoQ
  - KG D6 production 0.9 MMSCMD
- CBM production 0.97 MMSCMD
  - 250+ wells are flowing with steady production
- Unit realisation at \$ 6.1/MCFe, down 14% QoQ
- US Shale production 26.3 BCFe, up 10% QoQ
  - Unit realization \$ 2.39/MCFe, down 21.6% QoQ

**Lower domestic production and soft prices impacted upstream business**



- EBITDA down 78% YoY
  - Continuing weakness in realisation and declining volumes
  - US Shale production 87.8 BCFe, up 4%
  - Domestic production 38.8 BCFe, down 34%
- D1-D3 field ceased production from 3<sup>rd</sup> Feb'20 due to natural cessation
  - D1-D3 field life was extended by 6 months
- CBM: Phase-II development in progress
  - 67 wells under implementation
  - Ramp-up from existing and new wells being planned

**Domestic upstream business set for a turnaround in FY21**

# *Consolidated Financial Results*



# Consolidated EBITDA : 4Q FY20

| (₹ crore)                 | 4Q FY20       | 4Q FY19       | Change YoY  |
|---------------------------|---------------|---------------|-------------|
| <b>O2C &amp; Upstream</b> |               |               |             |
| R & M                     | 6,614         | 5,239         | 26.2%       |
| Petrochemicals            | 5,938         | 9,346         | -36.5%      |
| Oil & Gas                 | -46           | 258           | -           |
| Sub Total                 | 12,506        | 14,843        | -15.7%      |
| <b>Consumer</b>           |               |               |             |
| Retail                    | 2,556         | 1,923         | 32.9%       |
| Digital Services          | 6,452         | 4,515         | 42.9%       |
| Sub Total                 | 9,008         | 6,438         | 39.9%       |
|                           |               |               |             |
| Others                    | 4,352         | 2,765         | 57.4%       |
| <b>Total</b>              | <b>25,866</b> | <b>24,046</b> | <b>7.6%</b> |

- Consumer businesses EBITDA grew by ₹ 2,570 crore, up 40%
- O2C business EBITDA lower by ₹ 2,337 crore, down 16%

**YoY Consumer businesses growth more than offset weakness in energy businesses**

# Consolidated Financial Results : 4Q FY20

| (₹ crore)                      | 4Q FY20 | 3Q FY20 | 4Q FY19 | Change QoQ | Change YoY |
|--------------------------------|---------|---------|---------|------------|------------|
| Revenue                        | 151,209 | 169,098 | 155,151 | -10.6%     | -2.5%      |
| EBITDA                         | 25,886  | 26,088  | 24,047  | -0.8%      | 7.6%       |
| Net Profit (Excl. Exceptional) | 10,813  | 12,018  | 10,427  | -10.0%     | 3.7%       |
| Net Profit (Incl. Exceptional) | 6,546   | 11,841  | 10,427  | -44.7%     | -37.2%     |

- YoY Revenue decline led by weak commodity prices
  - Offset by robust growth in retail
  - Subscriber additions and surge in data usage in Digital Services
- YoY EBITDA supported by growth in consumer businesses

Note: Exceptional Item of ₹ 4,267 crore is non-cash inventory holding losses

**Strong performance despite challenging macro environment**

- Inventory is valued at Cost or Market Value whichever is lower
- Oil prices dropped dramatically during the quarter – 73% fall through the quarter
- This resulted in non-cash inventory holding loss of ₹ 4,267 crore (net of taxes) across O2C business
- Crude price fall has been accompanied by demand destruction caused by Covid-19
- Hence this non-cash inventory holding loss is a non-recurring item and has been reflected as an  
Exceptional Item
- Net Profit (incl. exceptional) for the quarter at ₹ 6,546 crore, **down 37% YoY**
- Net Profit (excl. exceptional) for the quarter at ₹ 10,813 crore, **up 3.7% YoY**

**Consolidated profit at ₹ 39,880 crore, stable YoY despite Exceptional Item**

# Consolidated EBITDA : FY20

| (₹ crore)                 | FY20           | FY19          | % change     |
|---------------------------|----------------|---------------|--------------|
| <b>O2C &amp; Upstream</b> |                |               |              |
| R & M                     | 24,461         | 26,050        | -6.1%        |
| Petrochemicals            | 30,933         | 37,866        | -18.3%       |
| Oil & Gas                 | 353            | 1,642         | -78.5%       |
| Sub Total                 | 55,747         | 65,558        | -15.0%       |
| <b>Consumer</b>           |                |               |              |
| Retail                    | 9,654          | 6,201         | 55.7%        |
| Digital Services          | 22,517         | 15,341        | 46.8%        |
| Sub Total                 | 32,171         | 21,542        | 49.3%        |
|                           |                |               |              |
| Others                    | 14,363         | 5,556         | 158.5%       |
| <b>Total</b>              | <b>102,281</b> | <b>92,656</b> | <b>10.4%</b> |

- Consumer businesses grew by 49% YoY
  - Retail up 56% - New store roll-out and high LFL growth
  - Digital services up 47% - Strong subscriber and ARPU growth
- O2C business impacted by
  - Crude volatility and demand slowdown
  - Weak petrochemical price and margin environment

**Consolidated EBITDA crosses ₹ 100,000 crore mark, first Indian Company**

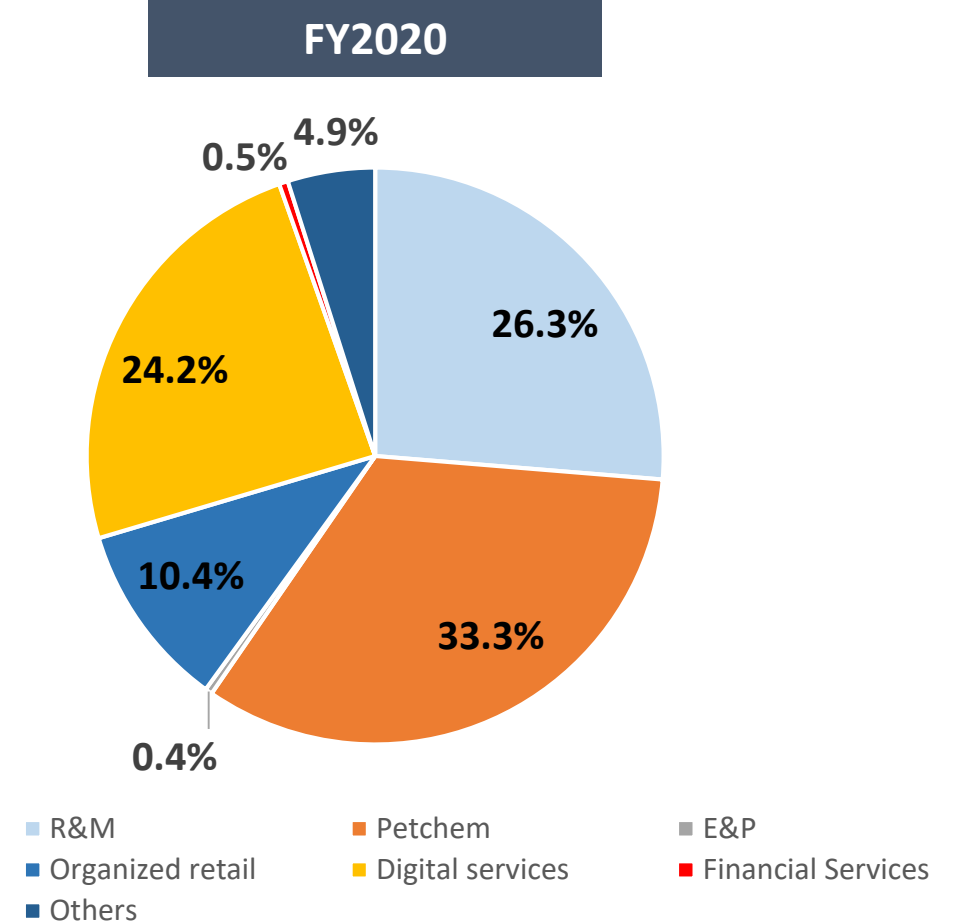
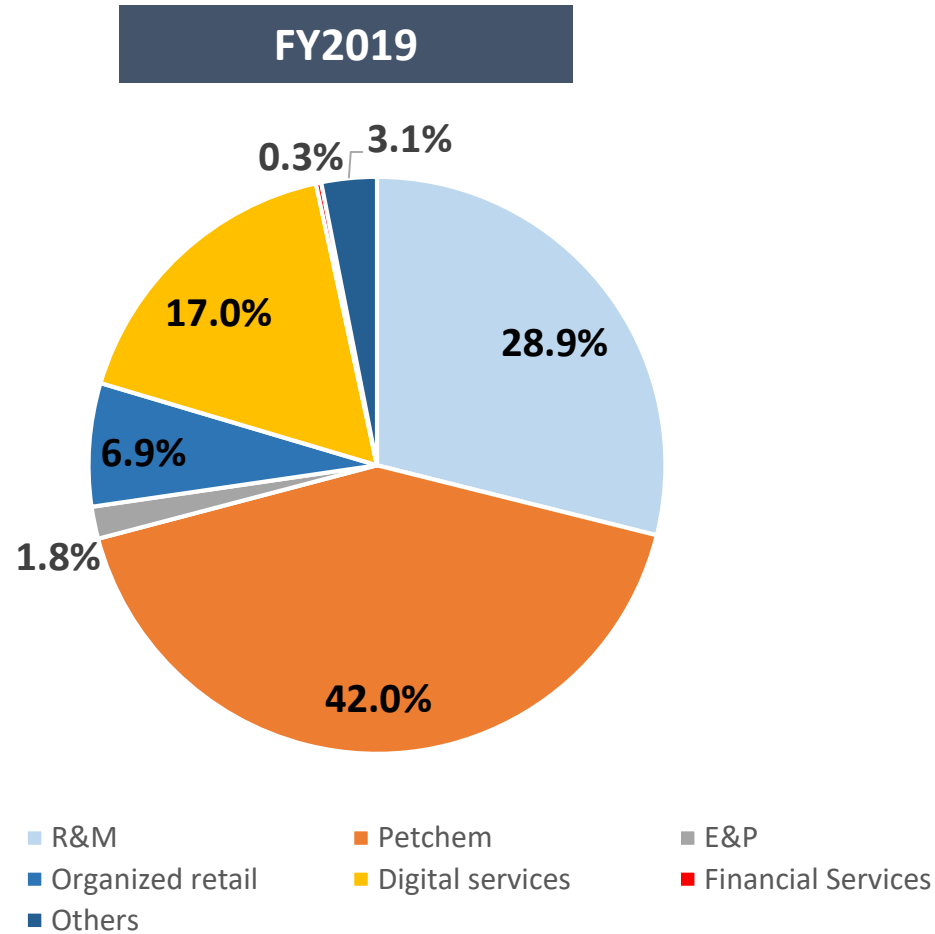
# Financial Results : FY20 vs FY19

| (₹ crore)                      | FY20    | FY19    | % change |
|--------------------------------|---------|---------|----------|
| Revenue                        | 659,205 | 625,212 | 5.4%     |
| EBITDA                         | 102,280 | 92,656  | 10.4%    |
| Net Profit (Excl. Exceptional) | 44,324  | 39,837  | 11.3%    |
| Net Profit (Incl. Exceptional) | 39,880  | 39,837  | 0.1%     |

Note: Exceptional Item of ₹ 4,444 crore is primarily due to non-cash inventory holding losses

- Turnover growth of 5% YoY led by
  - Strong growth in Retail - up 25% YoY to ₹ 162,936 crore
  - Digital services up 41% YoY to ₹ 68,462 crore
  - Lower oil price led revenue contraction in energy businesses
- Covid-19 linked collapse in demand and commodity prices impacted O2C performance

**Robust performance led by consumer businesses**



**Consumer businesses now contribute 35.1% of consolidated segment EBITDA (vs. 24.2%)**

# *Strategic Direction*

- Proposed Rights Issue of equity shares ➤ ₹ 53,125 crore
- Maintained dividend at ₹ 6.50 per share for FY20 despite Covid-19 challenges
- Facebook-Jio Platforms transaction to be closed by end of this quarter ➤ ₹ 43,574 crore
  - Achieved 50% of the targeted value unlocking
  - Jio Platforms also receives interest from other global investors for similar sized additional stake
- Fuel retailing JV with BP on track – expected to achieve closure this quarter ➤ ₹ 7,000 crore

**High visibility on inflows of nearly ₹ 104,000 crore – to make balance sheet cast-iron strong**



In addition

- Saudi Aramco due diligence is progressing well
  - O2C filing with NCLT is underway
- Retail to scale up rapidly led by new commerce and pharmacy platform
  - Significant interest from strategic and financial investors

**Partnerships to unlock value and lead growth in post Covid-19 world**

# Consolidated Net Debt

| (in ₹ Crore)           | Mar-20  | Dec-19  | Mar-19  |
|------------------------|---------|---------|---------|
| Gross Debt             | 336,294 | 306,851 | 287,505 |
| Cash & cash equivalent | 175,259 | 153,418 | 133,027 |
| Net Debt               | 161,035 | 153,433 | 154,478 |

S&P (BBB+, Stable) and Moody's (Baa2, Stable) reaffirmed investment grade ratings

Note: Net debt does not consider value of Treasury shares as investments

- No change in Net debt QoQ excluding translation impact of foreign currency debt of ₹ 8,543 crore
- Significant strengthening of balance-sheet on the back of value unlocking initiatives and rights issue
  - High visibility on inflows in excess of ₹ 104,000 crore in CY2020

**High confidence to achieve zero net debt target in CY2020**

# *Proposed Rights Issue*

- **Rights Issue priced at 1,257 per share with share ratio at 1:15.**
  - Issue amount Rs 53,125 crore
  - 25% on application and balance in one or more calls

## ➤ Robust and resilient business model

- Diversified earnings streams – 35% of EBITDA from Consumer businesses
- Investment cycle completed – Stronger cost positions across products, reduced capex intensity

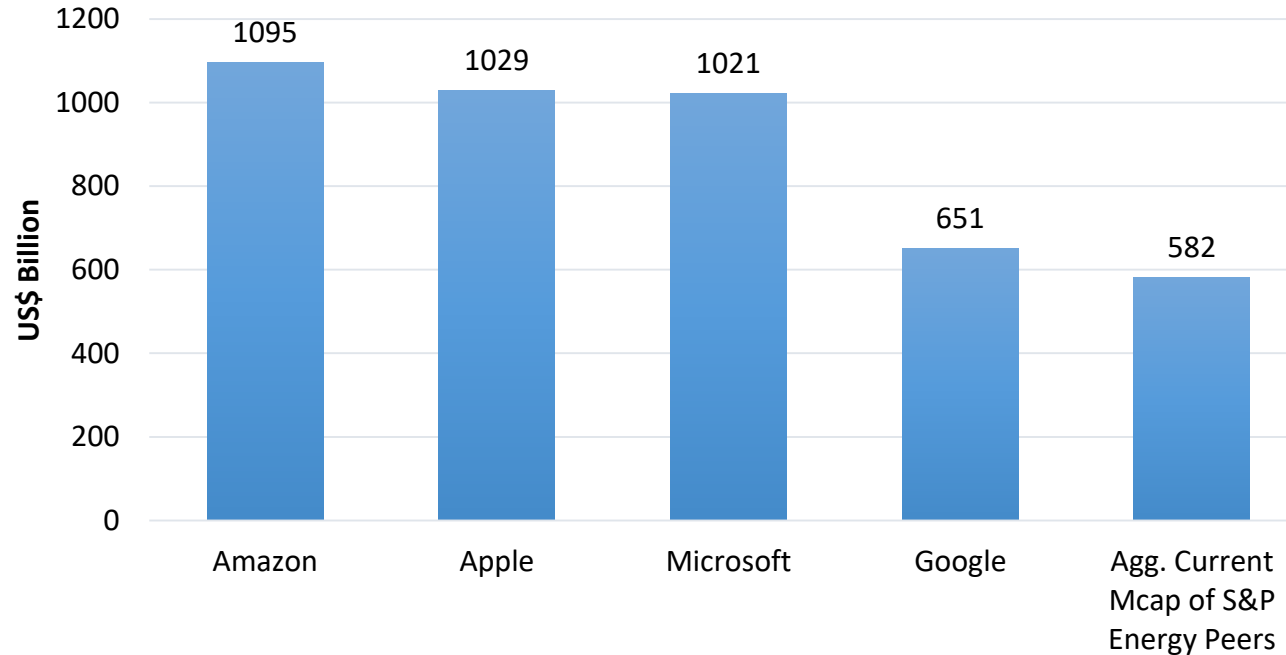
## ➤ Conservative Balance Sheet

- BBB+ rating, two notches over Sovereign, reaffirmed by S&P

**Diversified earning streams with conservative gearing**

# New business models create disproportionate value

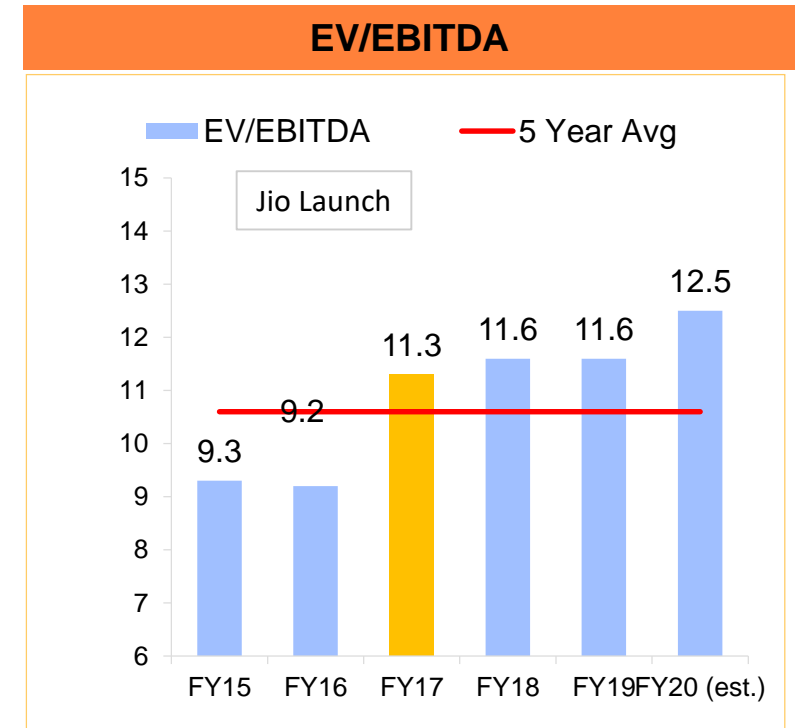
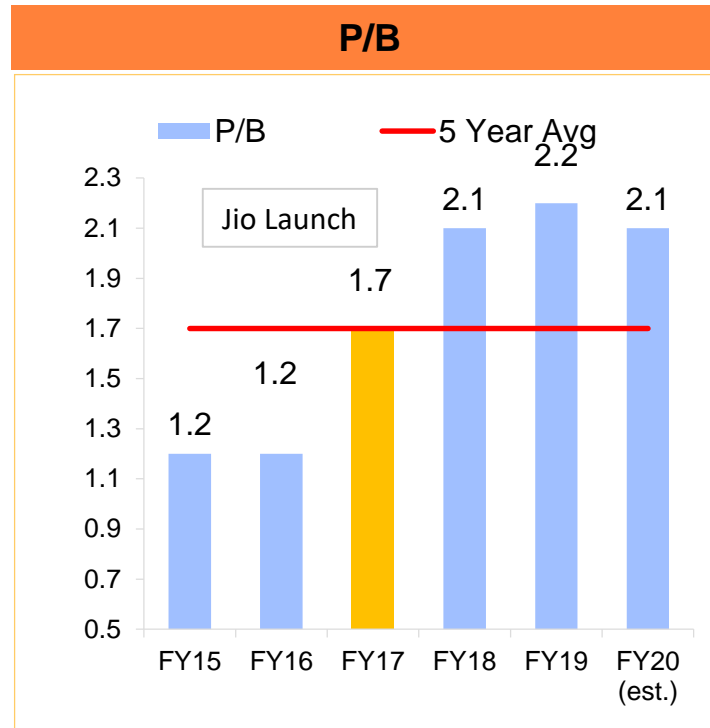
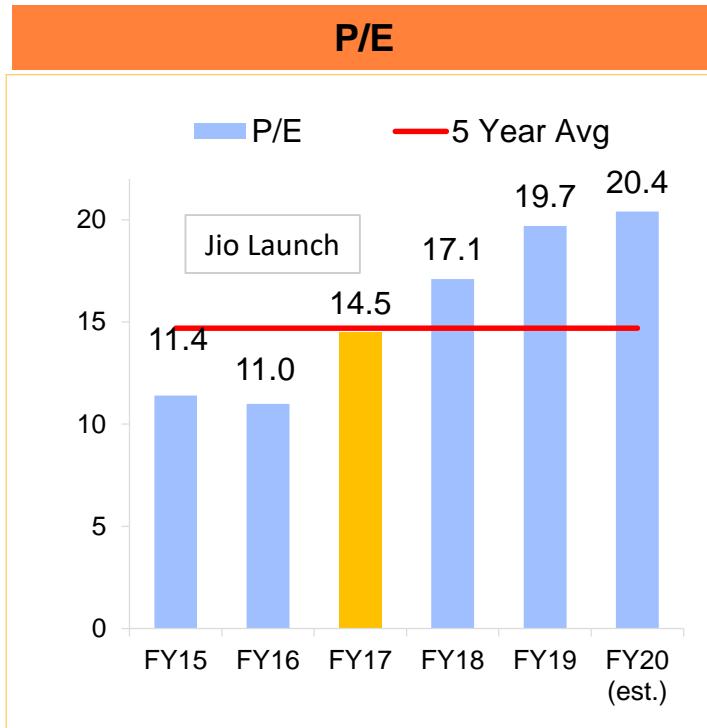
## 10 Year Market Cap Growth in Technology Stocks v/s Aggregate Energy Sector Market Cap (S&P)



- Asset-light technology companies created more value over the last decade than aggregate market capital of energy companies in the S&P
- Strategic investments in Digital Services and Organized Retail platforms underpin RIL's participation in next leg of value creation in India

**Golden Decade of Value Creation Ahead**

# RIL Valuation Multiples – Reflecting Transition in Model...



Source: Bloomberg Estimates, S&P CapitalIQ

- Significant re-rating of stock with launch of Jio in Sep-16 with growth in Consumer business visibility

Re-rating to continue with increasing share of Consumer Businesses in earnings

- Global pandemic is reshaping the way the world lives and works
  - Visible acceleration in Digital Services, heightened need for robust supply chain led New Commerce model
- Strong repositioning of company as Consumer/Technology company with Jio and Retail Platforms
  - As new strategic investors participate in growth engines, rights issue to reward existing shareholders enabling them to participate in Consumer/Technology business value creation

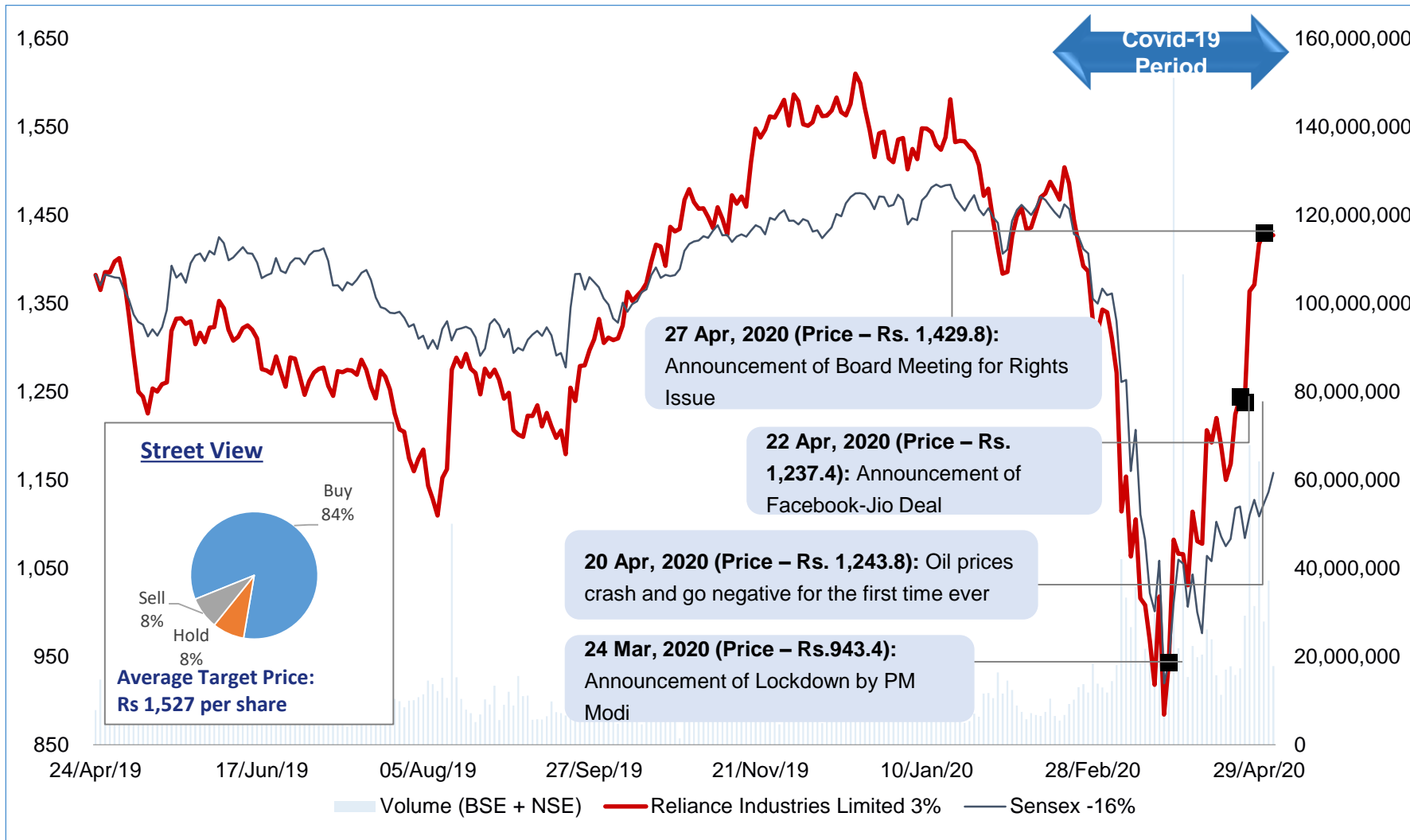
**Rights issue ensures minority shareholders participate in next wave of value creation**



- First Rights Issue by RIL in 3 decades
  - Rights issue to ensure all investors get to participate at same level as promoters in upcoming opportunities
- Promoters to take-up their entitlement and all of the unsubscribed portion
  - Promoter contribution demonstrates deep conviction in Reliance's future

**Rare opportunity for existing shareholders to participate in new issuance by Reliance**

# Timing is Right



- On average Nifty 50 stocks are 35% below their 52 week high
- Only 5 stocks are within 10% of their 52 week high
- Sharp recovery in stock as investors reassess growth prospects post pandemic panic

**Stock is around 12% lower than 52 week high reflecting market confidence in Reliance**

# Rights issue accretive for RIL shareholders

## RIL P&L and EPS

| Sr. (in Rs. crore)                               | 19-20        |
|--|--------------|
| 1 PAT (with exceptional)                         | 39,880       |
| 2 Exceptional Items                              | -4,444       |
| 3 PAT (without exceptional)                      | 44,324       |
| 4 No. of Equity Shares (in crore)                | 633.94       |
| 5 EPS (with exceptional items)                   | 62.91        |
| 6 EPS (without exceptional items)                | 69.92        |
| <b>7 Price of "Right" Shares to maintain EPS</b> | <b>1,077</b> |

## Rights Issue: Working for Issue Size and EPS Accretion

### Assumptions

- 1 Rights Issues say, 1 share for every 15 shares of RIL
- 2 Cost of Borrowing (fully hedged) @ 8.50%
- 3 Tax Rate @ 24%

| Sr. Particulars                                |                    | Case 1        | Case 2        | Case 3        |
|--|--------------------|---------------|---------------|---------------|
| 1 % Discount to Current Price for Right Issue  | %                  | 8%            | 10%           | 12%           |
| 2 Current Share Price of RIL                   | Rs. / share        | 1427          | 1427          | 1427          |
| <b>3 Issue Price for Right</b>                 | <b>Rs. / share</b> | <b>1314</b>   | <b>1284</b>   | <b>1257</b>   |
| 4 EPS of Incremental Shares issues as Right    | Rs. / share        | 85.28         | 83.33         | 81.58         |
| 5 Incremental EPS on Right Shares              | %                  | 22%           | 19%           | 17%           |
| 6 Accretion to overall EPS (post Rights Issue) | %                  | 1.4%          | 1.2%          | 1.0%          |
| <b>7 Total Issue Size</b>                      | <b>Rs. crore</b>   | <b>55,533</b> | <b>54,265</b> | <b>53,124</b> |

**Accretive from FY21 with potential for significant investor returns in medium term**

# EPS Sensitivity to Issue Price

|                                    |      |      |      |      |      |
|------------------------------------|------|------|------|------|------|
| <b>% Discount to Current Price</b> | 8%   | 10%  | 12%  | 15%  | 20%  |
| <b>Issue Price</b>                 | 1314 | 1284 | 1257 | 1212 | 1143 |

## Issue Size (in Rs. Crore)

## EPS Accretion (%)

| Shares per 1 share of RIL | % Discount |        |        |        |        |
|---------------------------|------------|--------|--------|--------|--------|
|                           | 8%         | 10%    | 12%    | 15%    | 20%    |
| <b>15</b>                 | 55,533     | 54,265 | 53,124 | 51,222 | 48,306 |
| <b>16</b>                 | 52,062     | 50,873 | 49,804 | 48,021 | 45,287 |
| <b>17</b>                 | 48,999     | 47,881 | 46,874 | 45,196 | 42,623 |
| <b>18</b>                 | 46,277     | 45,221 | 44,270 | 42,685 | 40,255 |
| <b>19</b>                 | 43,842     | 42,841 | 41,940 | 40,438 | 38,136 |
| <b>20</b>                 | 41,650     | 40,699 | 39,843 | 38,416 | 36,229 |

| Shares per 1 share of RIL | % Discount |       |       |       |       |
|---------------------------|------------|-------|-------|-------|-------|
|                           | 8%         | 10%   | 12%   | 15%   | 20%   |
| <b>15</b>                 | 1.37%      | 1.20% | 1.04% | 0.78% | 0.38% |
| <b>16</b>                 | 1.29%      | 1.13% | 0.98% | 0.74% | 0.36% |
| <b>17</b>                 | 1.22%      | 1.07% | 0.93% | 0.69% | 0.34% |
| <b>18</b>                 | 1.16%      | 1.01% | 0.88% | 0.66% | 0.32% |
| <b>19</b>                 | 1.10%      | 0.96% | 0.83% | 0.63% | 0.30% |
| <b>20</b>                 | 1.05%      | 0.91% | 0.79% | 0.60% | 0.29% |

**Value Accretive even at attractive issue terms**

*Growth is Life . . . .*