

CMP: 2,745.05

INDEX DETAILS	
SENSEX	81973.05
NIFTY (S&P CNX)	25127.95

(Source: Capitaline, [Investing.com](https://www.investing.com))

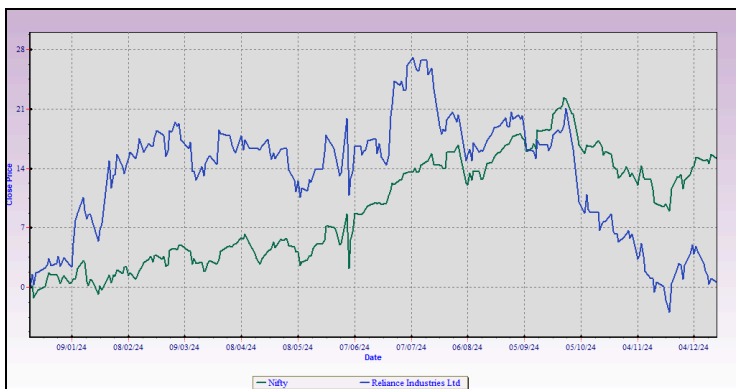
SCRIP DETAILS	
Industry	Refineries & Marketing
Mkt Cap (Rs in Crore)	1715972.13
Book Value (Rs)	605.55
Free Float (%)	50.89
Avg Vol Weekly (NSE)	17358384
52 Week H/L (NSE)	1609 / 1218
Dividend Yield (%)	0.39
BSE Code	500325
NSE Code	RELIANCE

(Source: [Investing.com](https://www.investing.com))

SHAREHOLDING PATTERN (%)		
PARTICULARS	LATEST QUARTER	PREVIOUS QUARTER
Promoters	49.11	49.11
FIIIs	19.63	20.72
DIIIs	16.78	16.14
Others	14.48	14.03
Totals	100	100

(Source: Capitaline)

Price Comparison with Sensex



Stable Revenue

Net sales (including other operating income) of Reliance Industries has declined 0.15% to Rs 231535 crore. Sales of Oil and Gas segment has gone down 6.01% to Rs 6,222.00 crore (accounting for 2.16% of total sales) due to lower gas price realizations. Sales of Digital Services segment has gone up 16.53% with the impact of revised telecom tariffs for mobility services and scale-up of homes and digital services businesses to Rs 38,055.00 crore (accounting for 13.22% of total sales). Sales of Oil to Chemicals (O2C) segment has gone up 5.13% with higher volumes and increased domestic placement of products to Rs 155,580.00 crore (accounting for 54.06% of total sales). Sales of Retail segment has gone down 1.09% to Rs 76,325.00 crore (accounting for 26.52% of total sales). Sales of Others segment fell 39.19% to Rs 11,623.00 crore (accounting for 4.04% of total sales). Inter-segment sales rose Rs 27,546.00 crore to Rs 29,778.00 crore.

Operating profit margin has declined from 17.67% to 16.87%, leading to 4.66% decline in operating profit to Rs 39,058.00 crore. Raw material cost as a % of total sales (net of stock adjustments) increased from 43.88% to 44.89%. Purchase of finished goods cost rose from 21.93% to 22.15%. Employee cost increased from 2.57% to 2.79%. Other expenses fell from 13.93% to 13.80%.

Other income rose 26.95% to Rs 4876 crore. PBIDT fell 1.95% to Rs 43934 crore. EBITDA for Jio Platforms Limited (JPL) increased 17.8% YoY due to better subscriber mix, digital services scale-up and revision in telecom tariffs. EBITDA margin for Reliance Retail Ventures Limited (RRVL) improved by 30 bps with continued focus on streamlining of operations and calibrated approach in B2B. O2C EBITDA was lower by 23.7% on account of sharp decline in product margins. Fuel cracks declined by nearly 50% YoY. Downstream chemical also declined with muted global demand in a well-supplied

market. RIL benefited due to superior ethane cracking economics driven by sharp fall in ethane prices. Oil and Gas segment EBITDA increased by 11.0% on account of sustained volume growth and one time provisioning towards decommissioning cost for Tapti field in Q2FY 24.

Provision for interest rose 4.99% to Rs 6017 crore primarily due to higher debt. PBDT fell 2.97% to Rs 37917 crore. Provision for depreciation rose 2.34% to Rs 12880 crore. Fixed assets increased to Rs 1,152,857.00 crore as of 30 September 2024 from Rs 736,586.00 crore as of 30 September 2023. Intangible assets declined from Rs 349,020.00 crore to Rs 14,763.00 crore.

Profit before interest, tax and other unallocable items (PBIT) has slumped 5.23% to Rs 29,025.00 crore. PBIT of Others segment fell 60.32% to Rs 175.00 crore (accounting for 0.60% of total PBIT). PBIT of Oil and Gas segment rose 14.64% to Rs 3,947.00 crore (accounting for 13.60% of total PBIT). PBIT of Digital Services segment rose 19.82% to Rs 9,858.00 crore (accounting for 33.96% of total PBIT). PBIT of Oil to Chemicals (O2C) segment fell 24.67% to Rs 10,613.00 crore (accounting for 36.57% of total PBIT). PBIT of Retail segment rose 0.09% to Rs 4,432.00 crore (accounting for 15.27% of total PBIT).

PBIT margin of Others segment fell from 2.31% to 1.51%. PBIT margin of Oil and Gas segment rose from 52.01% to 63.44%. PBIT margin of Digital Services segment rose from 25.19% to 25.90%. PBIT margin of Oil to Chemicals (O2C) segment fell from 9.52% to 6.82%. PBIT margin of Retail segment rose from 5.74% to 5.81%. Overall PBIT margin fell from 10.80% to 10.08%.

Profit before tax down 5.50% to Rs 25,037.00 crore. Share of profit/loss was 282.76% higher at Rs 222 crore. Provision for tax was expense of Rs 5936 crore, compared to Rs 6673 crore. Effective tax rate was 23.50% compared to 25.13%.

Minority interest increased 11.11% to Rs 2,760.00 crore. Net profit attributable to owners of the company decreased 4.78% to Rs 16,563.00 crore.

Capital Expenditure for the quarter ended September 30, 2024, was Rs 34,022 crore.

Promoters' stake was 49.11% as of 30 September 2024, compared to 49.11% as of 30 September 2023.

Commenting on the results, Mukesh D. Ambani, Chairman and Managing Director, Reliance Industries Limited said: "I am happy to note that during this quarter Reliance once again demonstrated the resilience of its diversified business portfolio. Our performance reflects robust growth in Digital Services and Upstream business. This helped partially offset weak contribution from O2C business which was impacted by unfavorable global demand-supply dynamics.

Growth in Digital Services was led by increased ARPU and improving customer engagement metrics reflecting the strong value proposition of our services. The home broadband segment is witnessing accelerated momentum on the back of our unique industry-leading JioAirFiber offering. Jio's broad spectrum of offerings enables it to digitally empower every village, town and city in India as well as the country's small and medium scale enterprises. The digital services business continues to focus on innovative deep-tech solutions on a national scale and is on track to deliver the path-breaking benefits of Artificial Intelligence to all Indians.

The retail segment continues to increase its consumer touchpoints and product offerings across physical and digital channels. The unique omni-channel retail model enables the business to service a wide range of requirements of a vast, heterogenous

customer base. The retail business continues to partner with renowned domestic as well as global players, expanding its basket of quality product offerings. The focus on strengthening our Retail operations will help us rapidly scale-up this business in the coming quarters and years and sustain our industry-leading growth momentum.

The first of our New Energy Giga-factories is on-track to commence production of solar PV modules by the end of this year. With a comprehensive range of renewable solutions including solar, energy storage systems, green hydrogen, bio-energy and wind, the New Energy business is poised to become a significant contributor to global clean energy transition.”

For year-to-date (YTD) results analysis

Net sales (including other operating income) of Reliance Industries has increased 5.43% to Rs 463319 crore. Sales of Others segment fell 35.84% to Rs 23,703.00 crore (accounting for 4.13% of total sales). Sales of Oil and Gas segment has gone up 10.21% to Rs 12,401.00 crore (accounting for 2.16% of total sales). Sales of Digital Services segment has gone up 13.58% to Rs 73,525.00 crore (accounting for 12.80% of total sales). Sales of Oil to Chemicals (O2C) segment has gone up 11.28% to Rs 312,713.00 crore (accounting for 54.45% of total sales). Sales of Retail segment has gone up 3.28% to Rs 151,955.00 crore (accounting for 26.46% of total sales). Inter-segment sales rose Rs 53,943.00 crore to Rs 58,447.00 crore.

Profit before interest, tax and other unallocable items (PBIT) has slumped 4.93% to Rs 56,424.00 crore. PBIT of Others segment fell 79.42% to Rs 214.00 crore (accounting for 0.38% of total PBIT). PBIT of Oil and Gas segment rose 17.77% to Rs 7,813.00 crore (accounting for 13.85% of total PBIT). PBIT of Digital Services segment rose 15.48% to Rs 18,664.00 crore (accounting for 33.08% of total PBIT). PBIT of Oil to Chemicals (O2C) segment fell 21.89% to Rs 21,299.00 crore (accounting for 37.75% of total PBIT). PBIT of Retail segment rose 2.33% to Rs 8,434.00 crore (accounting for 14.95% of total PBIT).

PBIT margin of Others segment fell from 2.82% to 0.90%. PBIT margin of Oil and Gas segment rose from 58.96% to 63.00%. PBIT margin of Digital Services segment rose from 24.97% to 25.38%. PBIT margin of Oil to Chemicals (O2C) segment fell from 9.70% to 6.81%. PBIT margin of Retail segment fell from 5.60% to 5.55%. Overall PBIT margin fell from 10.97% to 9.82%.

Operating profit margin has declined from 17.99% to 16.80%, leading to 1.57% decline in operating profit to Rs 77,823.00 crore. Raw material cost as a % of total sales (net of stock adjustments) increased from 44.70% to 45.43%. Purchase of finished goods cost rose from 20.19% to 21.60%. Employee cost increased from 2.84% to 2.88%. Other expenses fell from 14.37% to 13.74%.

Other income rose 15.74% to Rs 8859 crore. PBIDT fell 0.04% to Rs 86682 crore. Provision for interest rose 3.17% to Rs 11935 crore.

PBDT fell 0.53% to Rs 74747 crore. Provision for depreciation rose 8.69% to Rs 26476 crore. Fixed assets increased to Rs 1,152,857.00 crore as of 30 September 2024 from Rs 736,586.00 crore as of 30 September 2023. Intangible assets declined from Rs 349,020.00 crore to Rs 14,763.00 crore.

Profit before tax down 4.95% to Rs 48,271.00 crore. Share of profit/loss was 63.43% higher at Rs 219 crore. Provision for tax was expense of Rs 11722 crore, compared to Rs 12785 crore. Effective tax rate was 24.17% compared to 25.11%.

Minority interest increased 7.10% to Rs 5,067.00 crore. Net profit attributable to owners of the company decreased 5.10% to Rs 31,701.00 crore.

Promoters' stake was 49.11% as of 30 September 2024, compared to 49.11% as of 30 September 2023.

Cash flow from operating activities increased to Rs 91,810.00 crore for YTD ended September 2024 from Rs 70,845.00 crore for YTD ended September 2023. Cash flow used in acquiring fixed assets during the YTD ended September 2024 stood at Rs 69,137.00 crore, compared to Rs 65,811.00 crore during the YTD ended September 2023.

Operational Highlights

Consolidated Jio Platforms

Operating revenue (net of GST) growth primarily driven by partial impact of tariff hike and scale-up of home and digital services businesses.

ARPU increased to Rs 195.1 with the partial follow-through of the tariff hike and a better subscriber mix. The full impact of the tariff hike will flow through in the next 2-3 quarters.

Engagement levels continued to remain strong with total data and voice traffic increasing by 24% and 6.4% YoY, respectively.

Limited amount of SIM consolidation observed after the tariff hike, offsetting continued strength in gross addition in Q2FY25. Monthly churn increased to 2.8%.

JioAirFiber's rapid uptake has significantly accelerated the pace of home connections, with around 2.8 million connected homes by JioAirFiber as of September 24.

Reliance Retail

Business registered a revenue of Rs 76,302 crore, down 1.1% YoY. Growth impacted by weak Fashion and Lifestyle (F&L) demand, continued focus on streamlining of operations and calibrated approach to B2B business to improve margins.

The business opened 464 new stores. Total store count at 18,946 with area under operation at 79.4 million sq. ft.

The quarter recorded footfalls of over 297 million, a growth of 14% YoY.

The focus on scaling up Digital Commerce and New Commerce continued with these channels contributing to 17% of total revenue.

During the quarter, the business entered into exclusive partnerships with Delta Galil to expand presence in lingerie and active wear categories. Launched ASOS in India.

Oil to Chemicals (O2C)

Segment Revenue for Q2FY25 increased by 5.1% YoY to Rs 155,580 crore (primarily on account of higher volumes and increased domestic placement of products).

Segment EBITDA for Q2FY25 is lower by 23.7% YoY to Rs 12,413 crore. Unfavourable demand-supply balance led to sharp around 50% decline in transportation fuel cracks and continued weakness in downstream chemical deltas.

Depreciation for Q2FY25 was higher due to accelerated depreciation for catalyst and equipment replaced during planned shutdown.

In Q2FY25, global oil demand rose by only 0.8 million barrels per day (mbpd) YoY (vs 2.5 (mbpd) in Q2FY24) to 103.9 mbpd. Gasoline posted a YoY demand growth of 0.35 mbpd while Jet/Kero demand grew by 0.30 mbpd YoY. Diesel demand remained flat.

Dated Brent averaged US\$ 80.2 per barrel in Q2FY25, down US\$ 6.6 per bbl YoY. Crude oil benchmarks fell YoY due to lower than expected demand growth, especially in China. Increasing supplies from non-OPEC players pushed prices lower even though OPEC plus countries extended voluntary production cuts.

Global refinery crude throughput was lower by 0.5 mbpd YoY at 82.3 mbpd in Q2FY25.

Domestic demand of HSD, MS & ATF increased by 0.1%, 7.3% and 9.4% respectively over same quarter last year.

On YoY basis, Q2FY25 domestic polymer and polyester demand declined by 5% and 7% respectively due to seasonal factors.

Transportation fuels

Cracks of gasoline, gasoil and jet/kero declined from elevated levels a year ago, due to softer demand growth along with additional supply from new refineries commissioned in Middle East, Asia Pacific & Nigeria.

Singapore Gasoline 92 RON cracks declined YoY to US\$ 6.8 per barrel in Q2FY25 vs \$13.1 per barrel in Q2FY24. Cracks declined YoY due to global softness in Gasoline demand, higher inventories and rising EV penetration in China. Significantly higher refinery runs in the US also led to increased global supplies impacting margins.

Singapore Gasoil 10-ppm cracks declined YoY to \$13.6 per barrel in Q2FY25 vs \$28.8 per barrel in Q2FY24. Cracks declined YoY due to weak economic and industrial activity in China. Diesel cracks were also impacted by slow recovery in demand in the US and Europe, due to slowing economy amid delayed interest rate cuts.

Singapore Jet/Kero cracks declined YoY to US \$13.1 per barrel in Q2FY25 vs US\$ 26.1 per barrel in Q2FY24. Cracks moved lower in line with gasoil cracks.

Reliance BP Mobility Limited (RBML) (operating under brand Jio-bp), operates a country-wide network of 1,821 outlets (vs 1,663 in Q2FY24).

Polymers

Polymer margins were lower YoY with firm Naphtha and EDC prices and muted demand. Singapore Naphtha price was at US\$ 651 per tonne, up by 5% YoY. EDC price was at US\$ 329 per tonne, up 21% YoY as price during Q2FY24 was lower at US\$ 273 per tonne with ample US supplies.

PE margin over Naphtha was lower at US\$ 304 per tonne during Q2FY25 as against US\$ 335 per tonne in Q2FY24. PP margin over Naphtha was lower at US\$ 293 per tonne during Q2FY25 as against US\$ 297 per tonne in Q2FY24. PVC margin over Naphtha and EDC was substantially lower at US\$ 347 per tonne in Q2FY25 as against US\$ 460 per tonne in Q2FY24.

US Ethane price was at 16 cpg, down by 47% YoY in line with lower US gas prices and higher Ethane availability, supporting ethane cracking economics.

During Q2FY25 polymer domestic demand declined by 5% YoY. PE demand was down 12% mainly due to high base effect as Q2FY24 witnessed higher imports due to multiyear low prices. PVC demand was up 3% led by continuing focus on Govt. schemes for agriculture and infrastructure. PP demand remained stable.

Polyesters

Polyester chain delta declined 9% YoY due to firm Naphtha prices and slow recovery in downstream demand. Polyester chain margin was \$475 per tonne during Q2FY25 as against \$524 per tonne in Q2FY24.

During Q2FY25, PX margin over Naphtha decreased substantially by 37% YoY, driven by increase in PX supplies and firm Naphtha prices. MEG margins improved from a low base, led by decline in China port inventory.

On YoY basis, domestic polyester demand decreased by 7%. PET demand was down 10% due to low demand from beverages sector led by extended monsoon. PSF and PFY was down by 9% and 5% respectively due to low activity in fabrics market.

Oil and Gas (Exploration and production) Business

Q2FY25 revenue is lower by 6.0% as compared to Q2FY24 mainly on account of lower price realisation partly offset by increase in gas and condensate volumes in KGD6 and CBM field.

The average price realized for KG D6 gas was \$ 9.55/MMBTU in Q2FY25 vis-à-vis \$ 10.46/MMBTU in Q2FY24. The average price realised for CBM gas was \$ 11.4/MMBTU in Q2FY25 vis-à-vis \$ 13.72/MMBTU in Q2FY24.

EBITDA increased to Rs 5,290 crore which is up by 11.0% on YoY basis. EBITDA margin was at 85.0% for Q2FY25.

The average KGD6 Production for the Q2FY25 is 28.5 MMSCMD of gas and 20,832 bbl / day of Oil / Condensate.

The current rate of production is ~28.1 MMSCMD of gas and ~ 21,000 bbl / day of Oil / Condensate.

Media Business

Media business operating revenue declined marginally by 2.1%, primarily due to a sharp drop in revenues of movie segment, a project-based business.

News portfolio revenue grew 6% driven by growth in Digital segment advertising revenue, across all brands. TV advertising environment was soft during the quarter as advertising volumes across industry for the news genre declined by over 20% YoY. EBITDA for the News business continued to improve with a sharp turnaround in the first half of the fiscal.

Entertainment business operating revenue was down 5%, primarily due to the drop in movie segment revenue. In Q2FY24, Viacom18 Studios had 2 big-ticket movies whereas no movies were released in the current quarter. This impact was largely offset by growth in subscription revenue on account of new pricing as well as the increased monetisation of Sports portfolio. Growth in ad revenue was primarily driven by digital, across both sports and non-sports segments.

The merger of TV18 Broadcast Ltd. (TV18), and e-Eighteen.com Ltd. (E18) with Network18 Media & Investments Ltd. (Network18) through a Scheme of Arrangement was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench and was made effective on 3 rd October 2024.

Consolidated Results

Particulars	Quarter ended			Year to Date			Year ended		
	Q2FY25	Q3FY24	Var. (%)	H1FY25	H1FY24	Var. (%)	FY24	FY23	Var. (%)
Net Sales (including other operating income)	2,31,535	2,31,886	0	4,63,319	4,39,445	5	9,01,064	8,77,835	3
OPM (%)	16.9	17.7		16.8	18		18	16.2	
OP	39,058	40,968	-5	77,823	79,061	-2	1,62,233	1,42,162	14
Other Inc.	4,876	3,841	27	8,859	7,654	16	16,057	11,734	37
PBIDT	43,934	44,809	-2	86,682	86,715	0	1,78,290	1,53,896	16
Interest	6,017	5,731	5	11,935	11,568	3	23,118	19,571	18
PBDT	37,917	39,078	-3	74,747	75,147	-1	1,55,172	1,34,325	16
Depreciation	12,880	12,585	2	26,476	24,360	9	50,832	40,303	26
PBT	25,037	26,493	-6	48,271	50,787	-5	1,04,340	94,022	11
Share of Profit/(Loss) from Associates	222	58	283	219	134	63	387	24	1,513
PBT before EO	25,259	26,551	-5	48,490	50,921	-5	1,04,727	94,046	11
EO Income	0	0	-	0	0	-	0	0	-
PBT after EO	25,259	26,551	-5	48,490	50,921	-5	1,04,727	94,046	11
Taxation	5,936	6,673	-11	11,722	12,785	-8	25,707	20,376	26
PAT	19,323	19,878	-3	36,768	38,136	-4	79,020	73,670	7
Minority Interest (MI)	2,760	2,484	11	5,067	4,731	7	9,399	7,386	27
Net profit	16,563	17,394	-5	31,701	33,405	-5	69,621	66,284	5
P/(L) from discontinued operations net of tax	0	0	-	0	0	-	0	418	-
Net profit after discontinued operations	16,563	17,394	-5	31,701	33,405	-5	69,621	66,702	4
EPS (Rs)*	#	#		#	#		102.9	98	

(Source: [NSE](#))

Consolidated Segment Results

Particulars	Quarter ended				Year to Date				Year ended			
	% of Total	Q2FY25	Q3FY24	Var.%	% of Total	H1FY25	H1FY24	Var.%	% of Total	FY24	FY23	Var. %
Sales												
Others	4	11623	19114	-39	4	23703	36941	-36	7	80516	88455	-9
Oil and Gas	2	6222	6620	-6	2	12401	11252	10	2	24439	16508	48
Digital Services	13	38055	32657	17	13	73525	64734	14	12	132938	119791	11
Oil to Chemicals (02C)	54	155580	147988	5	54	312713	281019	11	51	564749	594650	-5
Retail	27	76325	77163	-1	26	151955	147125	3	28	306848	260394	18
Total Reported Sales	100	287805	283542	2	100	574297	541071	6	100	1109490	1079798	3
Less: Inter segment revenues		29778	27546	8		58447	53943	8		109368	104934	4
Net Sales	100	258027	255996	1	100	515850	487128	6	100	1000122	974864	3
PBIT												
Others	1	175	441	-60	0	214	1040	-79	1	1387	1045	33
Oil and Gas	14	3947	3443	15	14	7813	6634	18	12	14831	10933	36
Digital Services	34	9858	8227	20	33	18664	16162	15	28	33124	29681	12
Oil to Chemicals (02C)	37	10613	14088	-25	38	21299	27269	-22	45	53617	53883	0
Retail	15	4432	4428	0	15	8434	8242	2	15	17498	13994	25
Total PBIT	100	29025	30627	-5	100	56424	59347	-5	100	120457	109536	10
Less : Interest		6017	5731	5		11935	11568	3		23118	19571	18
Add: Other un-allocable		2029	1655	23		3782	3142	20		7388	4081	81
PBT	100	25037	26551	-6	100	48271	50921	-5	100	104727	94046	11

(Source: [NSE](#))

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