

# Reliance Industries

Estimate change	
TP change	
Rating change	

Bloomberg	RELIANCE IN
Equity Shares (m)	13532
M.Cap.(INRb)/(USDb)	19974.5 / 231.8
52-Week Range (INR)	1594 / 1115
1, 6, 12 Rel. Per (%)	3/6/-8
12M Avg Val (INR M)	18845

## Financials & Valuations (INR b)

Y/E Mar	FY25	FY26E	FY27E
Sales	9,830	10,429	11,033
EBITDA	1,851	2,059	2,281
Adj PAT	780	859	952
EPS (INR)	57.7	63.5	70.4
EPS Gr. (%)	12.1	10.0	10.9
BV/Sh. (INR)	675	731	794
<b>Ratios</b>			
Net D/E	0.4	0.3	0.3
RoE (%)	8.9	9.0	9.2
RoCE (%)	8.6	8.8	9.3
<b>Valuations</b>			
P/E (x)	25.6	23.3	21.0
P/BV (x)	2.2	2.0	1.9
EV/EBITDA (x)	12.7	11.3	10.0
Div Yield (%)	0.8	0.5	0.5

## Shareholding pattern (%)

As On	Mar-25	Dec-24	Mar-24
Promoter	49.1	49.1	49.1
DII	19.2	18.8	16.8
FII	20.7	20.8	23.9
Others	11.1	11.3	10.2

FII Includes depository receipts

**CMP: INR1,474** **TP: INR1,700 (+15%)** **Buy**

## Soft start to FY26 due to weaker O2C and retail

- Reliance Industries' (RIL) 1QFY26 consolidated EBITDA declined 2% QoQ (+11% YoY) to INR429b (5% miss), due to weaker performance in Retail and O2C.
- Reliance Retail's (RR) operational EBITDA came in ~7% below our estimate, due to weaker-than-expected revenue growth (+11% YoY, vs. our est. of ~16%).
- RJio EBITDA rose ~5% QoQ (2% beat), led by lower costs and high incremental EBITDA margins (97%). RIL's digital EBITDA grew 6% QoQ (2% beat).
- Consol. O2C EBITDA declined 4% QoQ (8% miss), as higher retail fuel margins and product cracks were offset by lower volumes due to a planned shutdown.
- Consol. E&P EBITDA declined 3% QoQ (-4% YoY, 3% beat) due to lower volume and reduction in the ceiling price.
- Attributable PAT was up ~35% YoY, boosted by profit from sale of stake in Asian Paints (~INR89b). Adjusted for the same, PAT declined 7% QoQ to INR181b (+19% YoY) and was 10% below our estimate, due to EBITDA miss and higher interest costs (impact of interest costs for 5G spectrum in RJio).
- 1QFY26 capex declined ~17% QoQ to INR299b (up ~4% YoY).
- Despite gains from Asian Paints stake sale and relatively lower capex, reported consol. net debt increased sequentially by INR5b to INR1,175b as RIL repaid certain creditors for capex.
- We cut our FY26-27E EBITDA by 1-2% and PAT by 4% each due to a broad-based earnings cut. While 1Q was soft, we remain sanguine on RIL's growth prospects across segments and build in a CAGR of ~11% in EBITDA/PAT over FY25-28E.
- Using the SoTP method, we value the O2C/E&P segments at 7.5x/5x Sep'27E EV/EBITDA to arrive at an enterprise value of INR407/sh for the standalone business. We ascribe an equity valuation of INR585/sh and INR605/sh to RIL's stake in JPL and RRVL, respectively. We assign INR110/sh (~INR1.5t equity value) to the New Energy business and INR26/sh to RIL's stake in JioStar. Reiterate **BUY** with a revised **TP of INR1,700 (earlier INR1,685)**.

## Reliance Retail: Weaker-than-expected growth drives ~7% EBITDA miss

- After strong ~16% YoY revenue growth in 4QFY25, RR's net revenue growth was softer at 11% YoY (5% miss) due to the impact of an early monsoon, ongoing rationalization (retail area down 5% YoY) and lower device sales.
- RR continued to rationalize its footprint with net store addition of 252 (338 additions and 136 closures). Net retail area grew by a modest 0.2m QoQ to 77.4m sqft (-5% YoY).
- Operational EBITDA grew ~11% YoY to INR60b (7% miss) as margins remained stable YoY at 8.2% (20bp miss) due to rationalization-related costs.
- RR's quick hyperlocal delivery service on JioMart scaled to 4,290 pincodes across 1,000+ cities, which led to a 175% YoY increase in daily orders.
- Reliance Consumer Brands** delivered INR44b revenue (2x YoY), with Campa gaining double-digit market share in key markets.

- We cut our FY26-27 revenue and EBITDA estimates by ~2-4% and now build in a CAGR of 14%-15% in revenue/EBITDA over FY25-28E. An acceleration in retail revenue growth remains the key trigger for RIL's stock price.

### RJio: Sharp margin expansion leads to beat; FWA ramps up

- RJio's standalone revenue grew ~3% QoQ (+17% YoY), driven by 1% QoQ ARPU growth and recovery in subscriber net adds.
- Overall subscriber net adds came in at ~10m (vs. our estimate of ~9.5m), with its 5G user base increasing to 213m (vs. 190m QoQ).
- Jio AirFiber ramped up to ~7.4m subscribers (vs. 5.6m QoQ) to become the largest FWA service globally. RJio reached ~20m Home broadband connections.
- Blended ARPU inched up ~1% QoQ (and ~15% YoY) to INR209/month (vs. our estimate of INR210), led by one extra day and higher consumption in 1QFY26.
- EBITDA grew ~5% QoQ (+20% YoY) to INR167b (2% beat), driven by lower network opex and other key costs.
- EBITDA margin expanded ~125bp QoQ to 54% (~120bp beat), with incremental EBITDA margin rising to ~97% (from 53% QoQ; higher than our estimate of ~54%).
- Our FY26 estimates are broadly unchanged. We cut our FY27E revenue/EBITDA by 3% each due to lower ARPU translation for FWA subs, while FY27E PAT is cut by ~7% on account of higher interest and D&A on 5G spectrum.
- We continue to build in the next round of tariff hikes (~15% or INR50/month on the base pack) in Dec'25. We expect FY25-28E revenue/EBITDA CAGR of ~16%/19% for RJio, driven by tariff hike flow-through and FWA ramp-up. A delay in implementing the tariff hike could pose downside risks to our estimates.

### Standalone: EBITDA miss; reported PAT boosted by extraordinary gain

- Revenue stood at INR1,163b (-10% YoY). EBITDA came in at INR132b (est. INR156b; -8% YoY).
- **O2C:** QoQ EBITDA was impacted by planned maintenance (3.5% QoQ decline in throughput), higher feedstock costs, and increased freight expenses. However, YoY EBITDA improvement was driven by strong transportation fuel cracks, improvement in polymer and elastomer deltas and strong domestic fuel placement (~2000 retail outlets; MS/HSD marketing volumes up 39%/34%). Ethane cracking economics continue to be more favorable than naphtha, despite the rise in ethane prices YoY.
- **E&P:** QoQ decline in EBITDA was driven by lower oil & gas realization at both KGD6 & CBM. However, RIL's share in production rose marginally QoQ at both KGD6 and CBM. On a YoY basis, 8% decline in KGD6 volumes was partially offset by improved gas price realization. Further, a sharp 21.7% YoY uptick in production from CBM was countered by 15% YoY lower CBM gas price realization.
- Reported PAT of INR179b was boosted by the sale of Asian Paints stake (INR89b) and lower-than-expected interest expenses and taxes.

### Key macro performance highlights:

- Global oil demand in 1QFY26 rose by 0.6mb/d YoY to 103.4mb/d.
- The global refinery operating rate was up 10bp YoY at 78.7% in 1Q.

- Crude oil benchmarks declined 20% YoY, led by concerns about US tariffs and accelerated unwinding of OPEC+ production cuts.

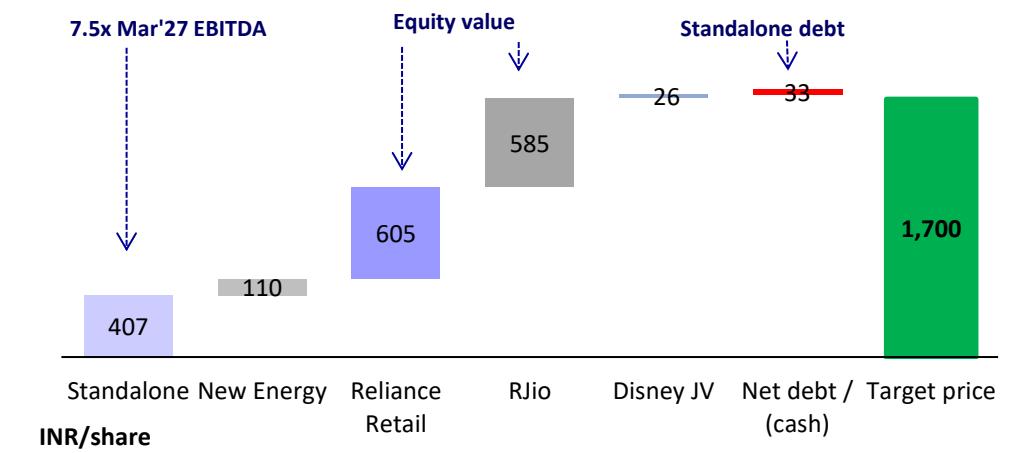
#### Near-term dynamics:

- RIL expects auto fuel cracks to remain supported by the US driving season and lower global inventory levels. Further, an expected uptick in seasonal air travel should support jet fuel demand and cracks.
- Refining margins would be supported by significant refining capacity closures anticipated in Europe and North America during CY25/26, resulting in limited net capacity additions.

#### Valuation and view

- We reduce our FY26-27E EBITDA by 1-2% and PAT by 4% each due to broad-based earnings cuts. While 1Q was soft, we remain sanguine on RIL's growth prospects across segments.
- We expect RJio to remain the biggest growth driver with 19% EBITDA CAGR over FY25-28E, driven by one more tariff hike, market share gains in wireless, and continued ramp-up of the Homes and Enterprise offerings.
- Given recent rationalization, a low base and a scale-up of quick deliveries on JioMart and AJio, we expect growth to recover sharply in RR and build in ~14-15% CAGR in revenue/EBITDA over FY25-28E.
- After a subdued FY25, we expect earnings to recover in the O2C segment, driven by improvement in refining margins. However, our FY28E consolidated EBITDA for O2C and E&P is ~4% lower than FY24 levels.
- Overall, we build in a CAGR of ~11% in consolidated EBITDA and PAT over FY25-27, driven by a double-digit EBITDA CAGR in RJio and RR and a recovery in O2C.
- We model an annual consolidated capex of INR1.3t for RIL over FY25-28E, as the moderation in RJio capex is likely to be offset by higher capex in New Energy forays. However, we believe the peak of capex is behind, which should lead to healthy FCF generation (~INR1t over FY25-28E) and a decline in consol. net debt.
- For **Reliance Retail**, we ascribe a blended EV/EBITDA multiple of 30x (32x for core retail and ~6x for connectivity) to arrive at an EV of ~INR10.1t for RRVL and an attributable value of INR605/share (earlier INR600/share) for RIL's stake in RRVL. Sustained recovery in retail revenue remains the key for RIL's re-rating.
- We value **RJio** based on DCF – implied 13.3x Sep'27E EV/EBITDA to arrive at our enterprise valuation of INR12.5t (USD147b) and assign ~USD9b valuation to other offerings under JPL. Factoring in net debt and the 33.5% minority stake, the attributable value for RIL comes to INR585/share (earlier INR580/share).
- Using the SoTP method, we value the O2C/E&P segments at 7.5x/5.0x Sep'27E EV/EBITDA to arrive at an enterprise value of INR5.5t (or ~INR407/sh) for the standalone business. We ascribe an equity valuation of INR585/sh and INR605/sh to RIL's stake in JPL and RRVL, respectively. We assign INR110/sh (~INR1.5t equity value) to the New Energy business and INR26/sh to RIL's stake in JioStar. **We reiterate our BUY rating with a revised TP of INR1,700 (earlier INR1,685).**

## Exhibit 1: RIL – SoTP valuation (INR/share)



## Consolidated - Quarterly earnings summary

Y/E March	FY25				FY26				FY25	FY26	FY26	Var v/s 1QE Est. (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Net Sales</b>	<b>2,318</b>	<b>2,315</b>	<b>2,400</b>	<b>2,614</b>	<b>2,436</b>	<b>2,412</b>	<b>2,473</b>	<b>2,535</b>	<b>9,647</b>	<b>9,830</b>	<b>2,661</b>	<b>-8%</b>
YoY Change (%)	11.7	-0.2	6.6	10.5	5.1	4.2	3.0	-3.0	7.1	1.9	14.8	
<b>EBITDA</b>	<b>388</b>	<b>391</b>	<b>438</b>	<b>438</b>	<b>429</b>	<b>462</b>	<b>478</b>	<b>483</b>	<b>1,654</b>	<b>1,851</b>	<b>453</b>	<b>-5%</b>
Margins (%)	16.7	16.9	18.2	16.8	17.6	19.1	19.3	19.0	17.1	18.8	17.0	
Depreciation	136	129	132	135	138	141	146	159	531	585	138	1%
Interest	59	60	62	62	70	74	75	76	243	296	64	10%
Other Income	40	49	42	49	62	60	61	34	180	217	48	29%
<b>PBT before EO expense</b>	<b>232</b>	<b>250</b>	<b>286</b>	<b>291</b>	<b>282</b>	<b>307</b>	<b>318</b>	<b>282</b>	<b>1,060</b>	<b>1,188</b>	<b>299</b>	<b>-6%</b>
Extra-Ord expense	0	0	0	0	-89	0	0	0	0	-89	0	
<b>PBT</b>	<b>232</b>	<b>250</b>	<b>286</b>	<b>291</b>	<b>371</b>	<b>307</b>	<b>318</b>	<b>282</b>	<b>1,060</b>	<b>1,278</b>	<b>299</b>	<b>24%</b>
Tax Rate (%)	24.9	23.7	23.9	22.9	17.4	23.4	23.3	24.0	23.8	21.8	23.7	
Minority Interest & Profit/Loss of Asso. Cos.	23.1	25.4	32.6	30.3	36.9	29.2	31.4	32.4	111.4	129.8	28.3	
<b>Reported PAT</b>	<b>151</b>	<b>166</b>	<b>185</b>	<b>194</b>	<b>270</b>	<b>205</b>	<b>213</b>	<b>182</b>	<b>696</b>	<b>870</b>	<b>200</b>	<b>35%</b>
<b>Adj PAT</b>	<b>151</b>	<b>166</b>	<b>185</b>	<b>194</b>	<b>181</b>	<b>205</b>	<b>213</b>	<b>182</b>	<b>696</b>	<b>780</b>	<b>200</b>	<b>-10%</b>
YoY Change (%)	-5.5	-4.8	7.4	2.4	19.4	24.1	14.7	-6.2	0.0	12.1	32.1	
Margins (%)	6.5	7.2	7.7	7.4	7.4	8.5	8.6	7.2	7.2	7.9	7.5	

## Standalone - Quarterly Earning Model

Y/E March	FY25				FY26E				FY25	FY26	FY26	Var 1QE (%)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Net Sales</b>	<b>1,299</b>	<b>1,301</b>	<b>1,244</b>	<b>1,330</b>	<b>1,163</b>	<b>1,227</b>	<b>1,227</b>	<b>1,229</b>	<b>5,173</b>	<b>4,847</b>	<b>1,142</b>	<b>2%</b>
YoY Change (%)	5.9	-5.3	-2.6	-9.4	-10.4	-5.7	-1.4	-7.6	-3.2	-6.3	-12.1	
<b>EBITDA</b>	<b>143</b>	<b>134</b>	<b>152</b>	<b>151</b>	<b>132</b>	<b>149</b>	<b>148</b>	<b>147</b>	<b>581</b>	<b>576</b>	<b>156</b>	<b>-16%</b>
Margin (%)	11.0	10.3	12.2	11.4	11.3	12.2	12.1	11.9	11.2	11.9	13.7	
Depreciation	47	44	45	45	41	45	50	50	180	187	45	
Interest	30	27	24	21	22	25	25	29	101	101	25	
Other Income	35	38	32	56	45	43	44	44	161	177	42	
<b>PBT before EO expense</b>	<b>101</b>	<b>102</b>	<b>116</b>	<b>142</b>	<b>114</b>	<b>122</b>	<b>117</b>	<b>112</b>	<b>461</b>	<b>465</b>	<b>128</b>	<b>-11%</b>
Extra-Ord expense / (gain)	0	0	0	0	-89	0	0	0	0	-89	0	
<b>PBT</b>	<b>101</b>	<b>102</b>	<b>116</b>	<b>142</b>	<b>203</b>	<b>122</b>	<b>117</b>	<b>112</b>	<b>461</b>	<b>554</b>	<b>128</b>	<b>58%</b>
Tax	25	25	29	30	24	29	28	27	109	107	30	
Rate (%)	25.0	24.5	24.8	20.8	11.8	23.8	23.7	23.8	23.6	19.4	23.8	
<b>Reported PAT</b>	<b>76</b>	<b>77</b>	<b>87</b>	<b>112</b>	<b>179</b>	<b>93</b>	<b>89</b>	<b>85</b>	<b>353</b>	<b>447</b>	<b>98</b>	<b>83%</b>
<b>Adj PAT</b>	<b>76</b>	<b>77</b>	<b>87</b>	<b>112</b>	<b>90</b>	<b>93</b>	<b>89</b>	<b>85</b>	<b>353</b>	<b>357</b>	<b>98</b>	<b>-8%</b>
YoY Change (%)	-20.9	-31.2	-12.1	-0.6	18.0	20.7	2.2	-23.9	-16.1	1.3	28.5	
Margin (%)	5.9	5.9	7.0	8.4	7.7	7.6	7.3	6.9	6.8	7.4	8.6	
<b>Key Assumptions</b>												
Production meant for sale (mmmt)	17.7	17.7	17.9	17.9	18.3	18.3	18.3	18.3	71.2	71.8	17.9	2%

**Exhibit 2: RIL's consolidated EBITDA declined ~2% QoQ (5% below) due to weaker Retail and O2C; Digital was ~2% ahead**

	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY	QoQ	4QFY25E vs. estimate
<b>Consol. EBITDA (INR b)</b>										
O2C	141	168	131	124	144	151	145	10.8	(3.8)	156.8
E&P	58	56	52	53	56	51	50	(4.1)	(2.5)	48.6
Retail	63	58	57	59	68	67	64	12.5	(5.1)	67.2
Digital	143	146	149	161	166	173	183	22.5	6.0	179.4
Others	20	22	20	21	21	23	26	29.3	14.1	24.1
<b>Segmental EBITDA</b>	<b>424</b>	<b>451</b>	<b>409</b>	<b>418</b>	<b>456</b>	<b>465</b>	<b>468</b>	<b>14.3</b>	<b>0.7</b>	<b>476.1</b>
Eliminations	(17)	(25)	(22)	(28)	(18)	(26)	(39)			(24.1)
<b>Reported EBITDA</b>	<b>407</b>	<b>425</b>	<b>388</b>	<b>391</b>	<b>438</b>	<b>438</b>	<b>429</b>	<b>10.7</b>	<b>(2.1)</b>	<b>452.0</b>
										<b>(5.1)</b>

Source: MOFSL, Company

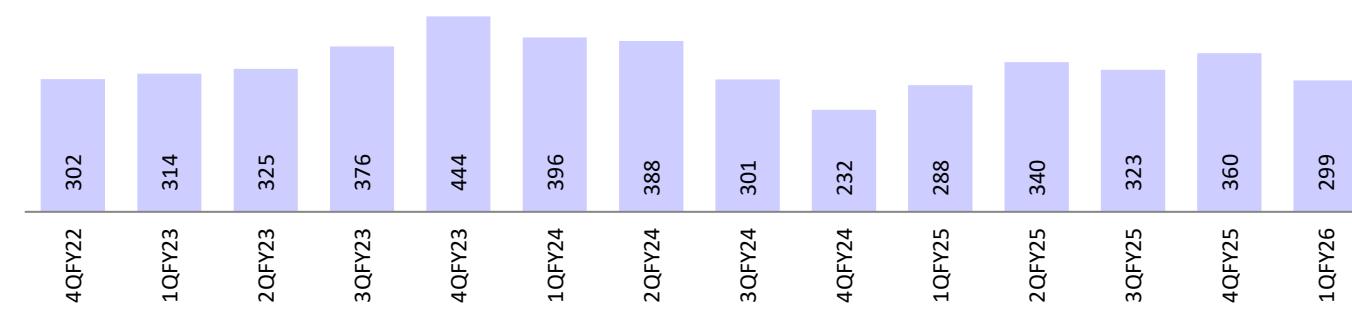
**Exhibit 3: RIL's reported net debt inched up by ~INR5b QoQ to INR1.18t**

INR b	Mar'23	Jun'23	Sep'23	Dec'23	Mar'24	Jun'24	Sept'24	Dec'24	Mar'25	June'25
Gross Debt	3,147	3,187	2,957	3,117	3,246	3,049	3,363	3,505	3,475	3,384
Cash & Cash equivalent	2,045	1,921	1,780	1,924	2,083	1,926	2,199	2,350	2,304	2,209
Net Debt	1,102	1,266	1,177	1,194	1,163	1,123	1,164	1,155	1,171	1,176

Source: MOFSL, Company

**Exhibit 4: RIL's reported consol capex moderated ~17% QoQ to INR299b (up ~4% YoY)**

(INR b)



Source: MOFSL, Company

**Exhibit 5: RIL Consolidated – summary of changes to our estimates (INR b)**

RIL Consol	FY26E	FY27E	FY28E
<b>Revenue</b>			
Old	10,968	11,827	-
Actual/New	9,830	10,429	11,033
Change (%)	-10%	-12%	-
<b>EBITDA</b>			
Old	1,875	2,098	-
Actual/New	1,851	2,059	2,281
Change (%)	-1%	-2%	-
<b>PAT</b>			
Old	810	898	-
Actual/New	780	859	952
Change (%)	-4%	-4%	-

Source: Company, MOFSL

**Exhibit 6: RIL Standalone – summary of changes to our estimates (INR b)**

RIL Standalone	FY26E	FY27E	FY28E
<b>Revenue</b>			
Old	4,644	4,634	-
Actual/New	4,820	4,862	4,854
Change (%)	4%	6%	-
<b>EBITDA</b>			
Old	619	607	-
Actual/New	576	575	568
Change (%)	-7%	-5%	-
<b>PAT</b>			
Old	387	378	-
Actual/New	357	351	343
Change (%)	-8%	-7%	-

Source: Company, MOFSL

**Exhibit 7: RJio – summary of changes to our estimates**

RJio - (INR b)	FY26E	FY27E	FY28E
<b>Revenue</b>			
Old	1,313	1,568	
Actual/New	1,301	1,523	1,772
Change (%)	-1%	-3%	
<b>EBITDA</b>			
Old	699	874	
Actual/New	706	851	1,024
Change (%)	1%	-3%	
<b>EBITDA margin (%)</b>			
Old	53.2	55.8	
Actual/New	54.3	55.9	57.8
Change (bps)	107.7	11.4	
<b>PAT</b>			
Old	291	394	
Actual/New	286	366	480
Change (%)	-2%	-7%	

Source: Company, MOFSL

**Exhibit 8: RRVL – summary of changes to our estimates**

RRVL - (INR b)	FY26E	FY27E	FY28E
<b>Revenue</b>			
Old	3,369	3,901	
Actual/New	3,290	3,761	4,283
Change (%)	-2.3	-3.6	
<b>EBITDA</b>			
Old	283	327	
Actual/New	274	316	361
Change (%)	-2.9	-3.5	
<b>EBITDA margin (%)</b>			
Old	8.39	8.39	
Actual/New	8.34	8.39	8.42
Change (bps)	(5)	1	
<b>PAT</b>			
Old	148	175	
Actual/New	145	168	195
Change (%)	-1.9	-4.1	

Source: Company, MOFSL

## RIL – story in charts

Exhibit 9: Sequential quarterly EBITDA movement

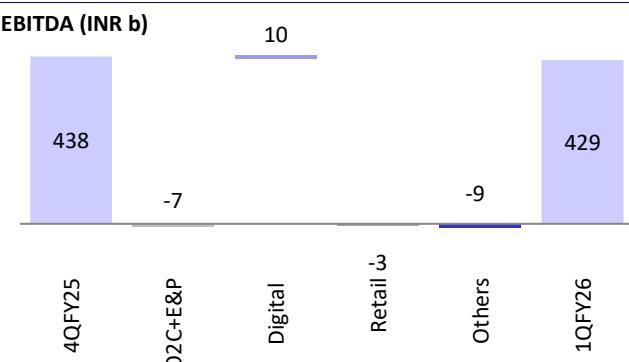


Exhibit 10: Consumer businesses contributed ~58% of EBITDA in 1QFY26

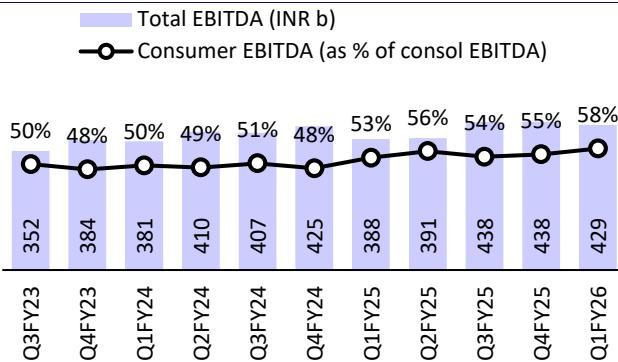


Exhibit 11: Annual EBITDA movement over FY25-27E

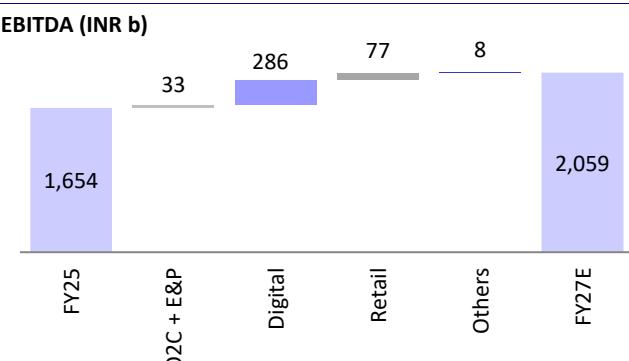


Exhibit 12: Share of consumer businesses in EBITDA rising

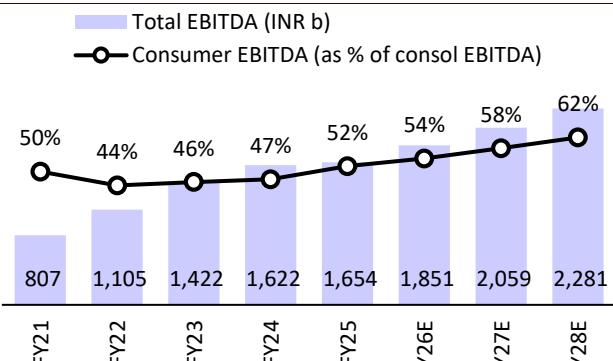


Exhibit 13: Expect ~11% cons. adj. PAT CAGR over FY25-28E

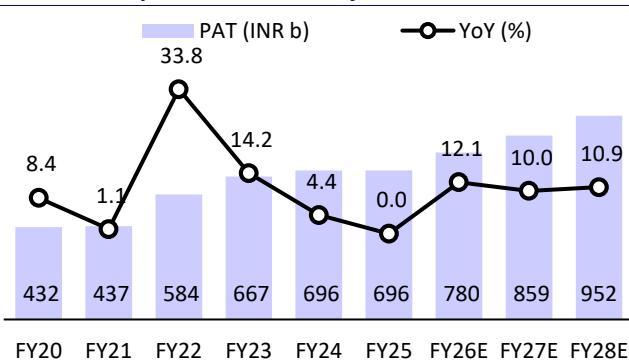


Exhibit 14: Model ~INR1.3t capex annually over FY25-28E

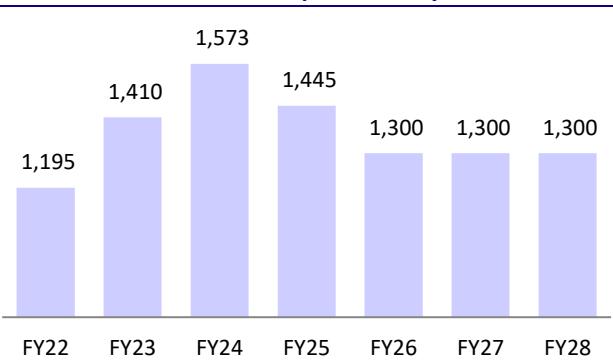
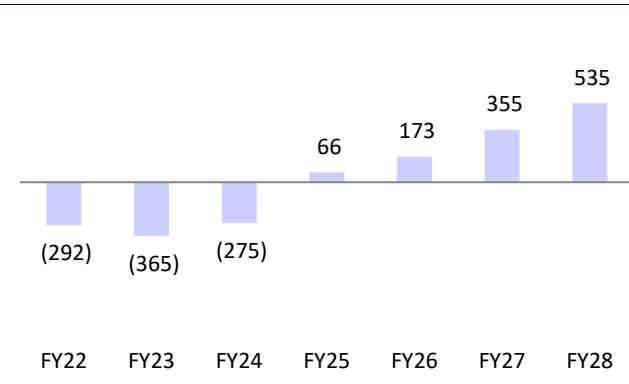
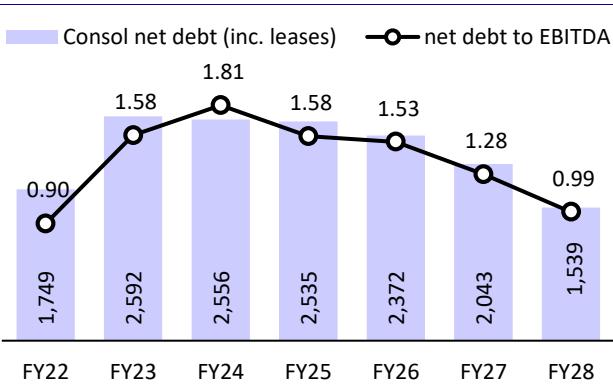


Exhibit 15: Expect ~INR1.1t FCF generation over FY25-28E



Source: Company, MOFSL

Exhibit 16: Expect net debt to decline over FY25-28E



Source: Company, MOFSL



## Sharp margin expansion leads to beat; FWA ramps up

- RJio's standalone revenue stood at INR309b, **up ~3% QoQ** (~17% YoY; marginal ~1% miss), driven by ~1% QoQ ARPU growth (1% miss) and ~10m net adds (in line).
- Among key expenses, network opex rose by a modest ~1% QoQ (~7% YoY, 3% below est.), while SG&A and other costs increased ~3% QoQ (+40% YoY, ~1% below est.). Interconnect charges declined ~22% QoQ (23% below est.), while employee costs declined ~1% QoQ (5% below est.).
- Driven by lower costs, EBITDA **grew 5.3% QoQ** (+20% YoY) to INR167b (1.5% beat). EBITDA margin expanded **~125bp QoQ** to 54% (~120bp beat).
- Incremental EBITDA margin jumped to ~97% (vs. 52.6% in 4QFY25, higher vs. our estimate of ~54%).
- We understand that incremental margins on QoQ basis are boosted by certain one-off costs in the earlier quarters and note that incremental margins on annual basis are broadly in line with the normal run rate at ~63%.
- D&A expenses at INR62b rose 5% QoQ (+11% YoY, in line) as amortization on spectrum continued to be usage-based.
- However, interest costs at INR20.8b rose ~55% QoQ (+89% YoY) and came in ~41% above our estimate as RJio started charging interest cost on a part of 5G spectrum from 1QFY26.
- Reported PAT at INR67.1b was **up by a modest ~1% QoQ** (+23% YoY, 1% miss) on account of higher interest expenses.

## Subscriber trends normalizing; though ARPU uptick slightly weaker

- Overall subscriber net adds came in at **~9.9m** (broadly in line with our estimate of ~9.5m QoQ), taking the total subscriber base to 498.1m as net adds normalize.
- 5G user base increased to **213m** (from 191m QoQ).
- RJio's home connects **reached ~20m**, with ~2.6m net adds in 1QFY25. Jio AirFiber user base jumped to **~7.4m** (vs. 5.6m QoQ).
- Blended ARPU was up ~1.2% QoQ (and ~15% YoY) to **INR209/month** (slightly below our estimate of INR210).
- Overall data traffic (including FTTH) was up 12% QoQ (+24% YoY), driven by a surge in data consumption due to IPL and FWA ramp-up.
- Data usage per subscriber per month rose 10% QoQ to 37GB/month (vs. 33.6GB/month QoQ).
- Voice consumption was flat QoQ (+5% YoY), with MoU per subscriber per month moderating to 1,007mins (vs. 1,024 mins QoQ).

## Non-mobility revenue grew 5% QoQ while EBITDA up by modest ~ 1% QoQ

- JPL's non-mobility revenue grew ~5% QoQ to reach INR42b (up ~40% YoY), driven by strong traction in Enterprise cloud offerings and content bundling.
- JPL's non-mobility EBITDA at INR8.3b grew modest ~1% QoQ (+35% YoY) as EBITDA margin declined ~80 bp QoQ at 20.1% (-65bp YoY).
- Non-mobility business now accounts for 12%/5% of JPL's consolidated revenue/EBITDA.

### Valuation: Ascribe ~USD156b (or INR13.3t) enterprise value to JPL

- We lower our FY26-28 revenue estimates by 1-3%, due to a slower ARPU uptick from tariff hikes and lower net ARPU retention from FTTH/FWA for RJio. We continue to build in the next round of tariff hikes (~15% or INR50/month on the base pack) from Dec'25. Any delay in tariff hike would pose downside risks.
- We reduce our FY27-28 EBITDA by 3% each. FY27-28 PAT cut is higher at ~7-9%, due to higher depreciation and interest costs, as RJio starts booking 5G spectrum costs in P&L.
- We expect FY25-28E revenue/EBITDA/PAT CAGR of ~16%/19%/25% for RJio, driven by tariff hike flow-through in wireless and acceleration in FWA offerings.
- We value RJio based on DCF, implying ~13.3x Sep'28 EV/EBITDA to arrive at our enterprise valuation of INR12.5t (USD147b) for RJio. We assign ~USD9b valuation to other non-mobility offerings under JPL to arrive at INR13.3t (or ~USD156b) enterprise valuation.
- Factoring in net debt and ~33.5% minority stake, the attributable equity value for RIL comes to INR585/share.

## RJio – Key takeaways from the management meeting

### 5G adoption continues to accelerate

- RJio's 5G user base rose to 213m in 1Q (vs. 190m QoQ).
- 5G data usage continues to surge, contributing ~56% to the total 54.7 exabytes of data consumed in 1QFY26 (up 24% YoY).
- Per capita data consumption rose to 37 GB/month, driven by the IPL boost and rising FWA subscriber base.
- ARPU improved marginally to INR 209 (vs. INR 206 QoQ), supported by newer offerings and increased consumption.

### Reach 20m home connects; Jio AirFiber now largest FWA service globally

- RJio added 2.6m net Home connects in 1QFY26 to reach ~20m home broadband subscribers, driven by FWA ramp-up and free trial offerings during IPL.
- Jio AirFiber subscribers increased to 7.4m (vs. 5.6m QoQ), capturing ~82% of the industry's share and propelling Jio AirFiber to become the largest FWA service globally.
- Management indicated that RJio has been able to connect 1m+ homes monthly during 1QFY26, and exit run rate of net adds was higher than 1Q entry run rate.
- RJio was running "Unlimited offer" during the IPL season, wherein users on the INR299 and above plans were offered free JioHotStar subscription for 90 days and 50-day free JioFiber/JioAirFiber trial connection.
- The success of the Unlimited Offer during the cricket season has led the company to extend the offer to 2QFY26 as well.
- RJio's in-house Unlicensed Band Radio (UBR)-based point-to-multipoint (P2MP) technology is enabling fast, scalable, and cost-effective broadband rollout.

### Strong momentum in enterprise digital services

- RJio has been gaining higher connectivity share in BFSI/government, driven by managed WiFi, CPaaS and IoT.
- As per management, several key enterprise accounts have now migrated 100% of their connectivity to RJio, leading to wallet share gains.
- IoT business saw healthy traction, with share gains in automotive, payments, and utility segments.
- Management indicated that the biggest non-mobility service by revenue in JPL is Cloud, followed by Bundled Content and Enterprise WiFi.

### Digital platforms scaling well across gaming, AI, and cloud PC

- JioGames, a cloud gaming platform, enables users to play high-end console quality games on smartphone, laptop/desktop or Jio-STB. JioGames has reached 3m+ registered users and 50m+ hours played.
- JioAICloud platform, which offers free 100GB storage with AI tools, has scaled to 33m registered users.
- JioPC, a cloud-based computing service that can convert any screen into a personal cloud computer, is being prepped for a mass rollout. RJio is offering JioPC on monthly subscription with a low upfront cost and no lock-in. RJio believes there is an immediate opportunity of 10m+ households for JioPC.
- RJio is receiving enquires for its end-to-end 5G stack from global telcos and is open to taking the solution to global markets.

**Exhibit 17: We ascribe ~USD156b Enterprise value to JPL (implies INR585/sh attributable value for RIL)**

Digital services (Sep'27 basis)	EBITDA	Implied multiple	Value (INR b)	Value (USD b)
RJIL	937	13.3	12,478	147
Wireless	838	13.3	11,160	131
Homes	99	13.3	1,319	16
JPL and others	60	13.3	799	8
<b>Enterprise value</b>	<b>997</b>	<b>13.3</b>	<b>13,277</b>	<b>156</b>
Net debt			1,370	16
<b>Equity value</b>			<b>11,908</b>	<b>140</b>
Attributable to RIL (66.48% stake)			7,916	
<b>RIL's stake value (INR/share)</b>			<b>585</b>	

Source: Company, MOFSL

**Exhibit 18: RJio – Quarterly performance**

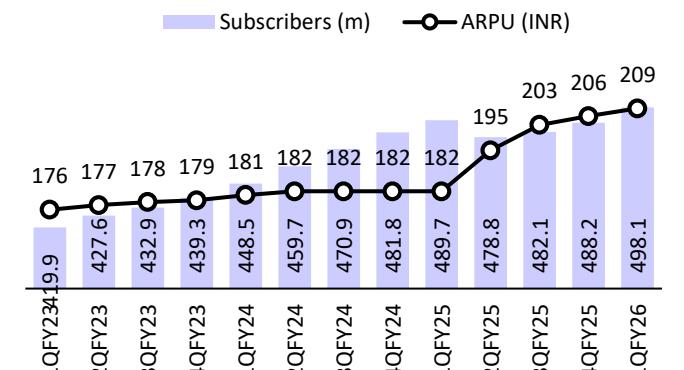
Quarterly performance	1QFY25	4QFY25	1QFY26	YoY%	QoQ%	1QFY26E	Var (%)
<b>Revenue</b>	<b>264.8</b>	<b>300.2</b>	<b>308.8</b>	<b>16.6</b>	<b>2.9</b>	<b>311.1</b>	<b>-0.7</b>
Interconnect	2.6	4.9	3.9	46.9	-22.1	5.0	-23.3
LF/SUC	24.3	27.8	28.2	15.9	1.3	28.6	-1.5
Network operating costs	79.2	84.1	84.5	6.7	0.5	87.3	-3.1
Employee costs	4.9	5.0	5.0	2.5	-1.4	5.2	-5.1
SG&A and other costs	14.6	20	20	40.1	3.0	20.5	-0.7
<b>EBITDA</b>	<b>139.2</b>	<b>158.5</b>	<b>166.9</b>	<b>19.9</b>	<b>5.3</b>	<b>164.4</b>	<b>1.5</b>
Other income	1.0	3.4	6.1	499.0	81.8	3.5	74.6
Finance cost	11.0	13.5	20.8	89.0	54.6	14.8	40.6
Depreciation and amortization	56.1	59.3	62.0	10.6	4.7	62.2	-0.3
<b>Profit before taxes</b>	<b>73.1</b>	<b>89.2</b>	<b>90.2</b>	<b>23.3</b>	<b>1.1</b>	<b>90.9</b>	<b>-0.8</b>
Deferred tax	18.7	22.8	23.1	23.3	1.3	23.2	-0.6
<b>Net income</b>	<b>54.5</b>	<b>66.4</b>	<b>67.1</b>	<b>23.3</b>	<b>1.0</b>	<b>67.7</b>	<b>-0.9</b>
<b>Adjusted net income</b>	<b>54.5</b>	<b>66.4</b>	<b>67.1</b>	<b>23.3</b>	<b>1.0</b>	<b>67.7</b>	<b>-0.9</b>
Operational metrics	1QFY25	4QFY25	1QFY26	YoY%	QoQ%	1QFY26E	Var (%)
<b>EOP subscribers (m)</b>	<b>489.7</b>	<b>488.2</b>	<b>498.1</b>	<b>1.7</b>	<b>2.0</b>	<b>497.7</b>	<b>0.1</b>
Average subscribers (m)	485.8	485.2	493.2	1.5	1.6	493.0	0.0
<b>ARPU (INR/month)</b>	<b>181.7</b>	<b>206.2</b>	<b>208.7</b>	<b>14.9</b>	<b>1.2</b>	<b>210.4</b>	<b>-0.8</b>
<b>EBITDA margins (%)</b>	<b>52.6</b>	<b>52.8</b>	<b>54.0</b>	<b>147 bp</b>	<b>124 bp</b>	<b>52.9</b>	<b>119 bp</b>
Data consumption inc. FTTH (b GB)	44.1	48.9	54.7	24.0	11.9	51.7	5.8
<b>Data consumption inc. FTTH per user (GB/month)</b>	<b>30.3</b>	<b>33.6</b>	<b>37.0</b>	<b>22.2</b>	<b>10.0</b>	<b>35.0</b>	<b>5.8</b>
Voice consumption (b min)	1,420	1,490	1,490	4.9	0.0	1,475	1.0
<b>Voice consumption per user (min/month)</b>	<b>974</b>	<b>1,024</b>	<b>1,007</b>	<b>3.4</b>	<b>-1.6</b>	<b>997</b>	<b>1.0</b>
Net subscriber additions (m)	7.9	6.1	9.9			9.5	
<b>Incremental EBITDA margin</b>	<b>59.3</b>	<b>52.6</b>	<b>97.0</b>			<b>54.3</b>	

Source: MOFSL, Company

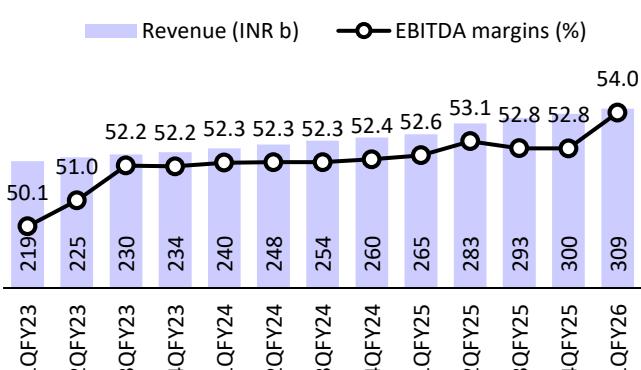
**Exhibit 19: Financial snapshot of RIL's digital services segment**

	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)
<b>Digital services (INR b)</b>									
Gross revenues	334.6	347.4	354.7	380.6	397.3	408.6	419.5	18.3	2.7
EBITDA	142.6	146.4	149.4	161.4	166.4	172.8	183.1	22.5	6.0
DD&A	59.0	60.4	61.4	62.8	63.9	64.8	69.0	12.3	6.5
EBIT	83.6	86.0	88.1	98.6	102.5	108.0	114.2	29.6	5.7
<b>Digital services (ex-JPL)</b>									
Revenue	9.5	9.1	9.2	9.4	9.8	10.1	8.9	(3)	(11)
EBITDA	3.1	2.8	3.1	2.1	0.6	2.6	1.8	(42)	(32)
EBITDA margin (%)	32.1	31.3	33.2	22.2	5.6	26.0	19.8	(1,341)bp	(622)bp

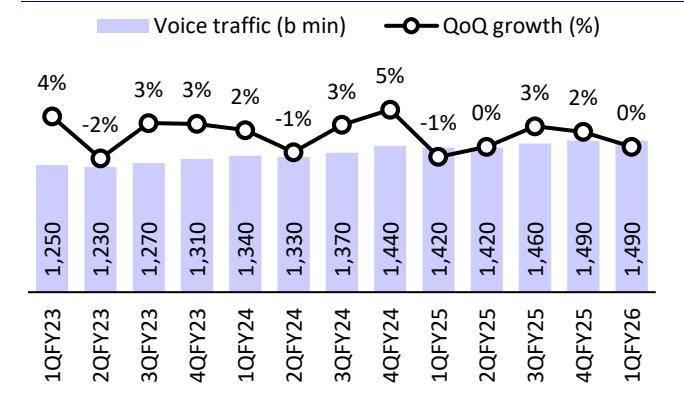
Source: MOFSL, Company

**Exhibit 20: ARPU increased to INR209; while the subscriber base inched up to 498.1m (+9.9m net adds)**


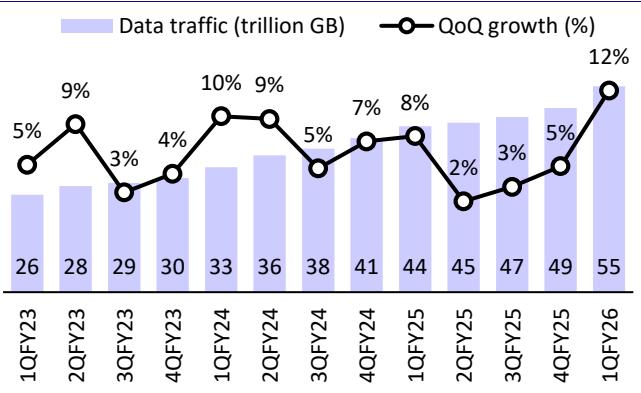
Source: MOFSL, Company

**Exhibit 21: Revenue grew ~3% QoQ; margin improved ~125bp QoQ**


Source: MOFSL, Company

**Exhibit 22: RJio – Voice traffic remained flat QoQ**


Source: MOFSL, Company

**Exhibit 23: RJio – Data traffic grew 12% QoQ driven by IPL**


Source: MOFSL, Company

**Exhibit 24: Share of non-mobility revenue in JPL mix on a rising trend; EBITDA growth was modest in 1QFY25**

Jio Platforms	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY	QoQ
<b>Key financials</b>									
Revenues	277	289	294	317	331	340	350	19.0	3.1
EBITDA	140	144	146	159	166	170	181	23.9	6.6
JPL EBITDA margin (%)	50.4	49.7	49.7	50.2	50.1	50.1	51.8	44 bp	8 bp
Finance cost	(10)	(10)	(11)	(11)	(13)	(14)	(21)	88.8	54.6
Depreciation and amortization	(56)	(58)	(59)	(60)	(61)	(62)	(65)	10.7	4.4
Profit before taxes	73	75	77	88	92	94	96	24.6	1.1
Net income	54	56	57	65	69	70	71	24.9	1.2
<b>Operational metrics</b>									
Non-mobility revenues	<b>23.3</b>	<b>29.1</b>	<b>29.7</b>	<b>33.7</b>	<b>37.7</b>	<b>39.7</b>	<b>41.5</b>	<b>39.7</b>	<b>4.6</b>
Non-mobility EBITDA	<b>5.3</b>	<b>6.3</b>	<b>6.2</b>	<b>7.1</b>	<b>7.9</b>	<b>8.3</b>	<b>8.3</b>	<b>35.4</b>	<b>0.7</b>
Non-mobility EBITDA margin	22.9	21.5	20.7	20.9	20.9	20.9	20.1	16 bp	3 bp
Non-mobility PAT	2.4	2.5	2.5	3.1	3.8	3.8	4.0	60.9	4.7
Non-mobility as % of JPL revenue	<b>8.4</b>	<b>10.1</b>	<b>10.1</b>	<b>10.6</b>	<b>11.4</b>	<b>11.7</b>	<b>11.8</b>	<b>176 bp</b>	<b>17 bp</b>
Non-mobility as % of JPL EBITDA	<b>3.8</b>	<b>4.4</b>	<b>4.2</b>	<b>4.4</b>	<b>4.7</b>	<b>4.9</b>	<b>4.6</b>	<b>39 bp</b>	<b>(27) bp</b>
Non-mobility as % of JPL PAT	<b>4.4</b>	<b>4.4</b>	<b>4.4</b>	<b>4.7</b>	<b>5.5</b>	<b>5.4</b>	<b>5.6</b>	<b>126 bp</b>	<b>19 bp</b>

Source: MOFSL, Company

**Exhibit 25: RJio – summary of the changes to our estimates**

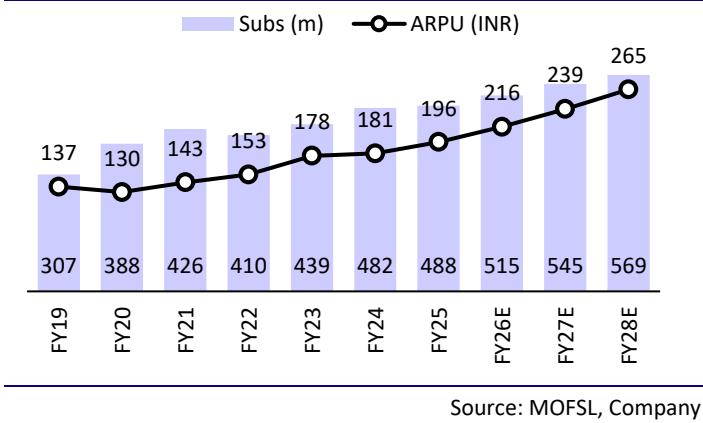
	FY26E	FY27E	FY28E
<b>Total subs (m)</b>			
Old	510.5	536.9	557.4
Actual/New	514.8	545.0	568.5
Change (%)	1%	2%	2%
<b>Overall ARPU (INR)</b>			
Old	219.2	249.5	276.4
Actual/New	216.2	239.5	265.2
Change (%)	-1%	-4%	-4%
<b>Revenue (INRb)</b>			
Old	1,313	1,568	1,815
Actual/New	1,301	1,523	1,772
Change (%)	-1%	-3%	-2%
<b>EBITDA (INRb)</b>			
Old	699	874	1,059
Actual/New	706	851	1,024
Change (%)	1%	-3%	-3%
<b>EBITDA margin (%)</b>			
Old	53.2	55.8	58.4
Actual/New	54.3	55.9	57.8
Change (bp)	107.7	11.4	(58.7)
<b>Net Profit (INRb)</b>			
Old	291	394	527
Actual/New	286	366	480
Change (%)	-2%	-7%	-9%

**Exhibit 26: Key assumptions for RJio standalone**

Key operating and financial metrics	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
EoP wireless subs (m)	424	405	431	471	471	488	510	525
<b>Wireless ARPU (INR/month)</b>	<b>141</b>	<b>150</b>	<b>173</b>	<b>176</b>	<b>190</b>	<b>208</b>	<b>229</b>	<b>251</b>
EoP Broadband (inc. FWA) subs (m)	3	5	8	11	17	27	35	44
Blended broadband ARPU (INR/month)	662	496	503	402	397	402	401	451
<b>Overall subscribers at end-period (m)</b>	<b>426</b>	<b>410</b>	<b>439</b>	<b>482</b>	<b>488</b>	<b>515</b>	<b>545</b>	<b>569</b>
<b>Blended ARPU (INR/month)</b>	<b>143</b>	<b>153</b>	<b>178</b>	<b>181</b>	<b>196</b>	<b>216</b>	<b>239</b>	<b>265</b>
<b>Financials (INR b)</b>								
Revenue	699	770	908	1,001	1,141	1,301	1,523	1,772
<b>EBITDA</b>	<b>309</b>	<b>376</b>	<b>467</b>	<b>524</b>	<b>603</b>	<b>706</b>	<b>851</b>	<b>1,024</b>
Overall EBITDA margins (%)	44.2	48.9	51.4	52.4	52.8	54.3	55.9	57.8
<b>Net income</b>	<b>120</b>	<b>148</b>	<b>182</b>	<b>205</b>	<b>248</b>	<b>286</b>	<b>366</b>	<b>480</b>
<b>Balance sheet</b>								
Net-worth	1,830	1,978	2,160	2,364	2,614	2,900	3,266	3,745
<b>Effective net debt</b>	<b>511</b>	<b>971</b>	<b>1,979</b>	<b>2,090</b>	<b>1,869</b>	<b>1,573</b>	<b>1,166</b>	<b>577</b>
Invested capital	2,295	3,227	4,682	5,299	5,810	6,156	6,503	6,856
<b>Cash flow</b>								
<b>Operating cash flow</b>	<b>275</b>	<b>233</b>	<b>404</b>	<b>351</b>	<b>436</b>	<b>589</b>	<b>749</b>	<b>933</b>
Working capital	19	-64	-2	30	58	20	-15	-14
Capital expenditure inc. DPL repayments	-261	-481	-336	-534	-462	-479	-403	-399
<b>Free cash flow</b>	<b>34</b>	<b>-313</b>	<b>66</b>	<b>-153</b>	<b>32</b>	<b>130</b>	<b>331</b>	<b>521</b>
<b>Returns (%)</b>								
RoAE	6.8	7.8	8.8	9.0	10.0	10.4	11.9	13.7
<b>RoACE</b>	<b>6.4</b>	<b>6.7</b>	<b>5.9</b>	<b>5.4</b>	<b>6.2</b>	<b>7.4</b>	<b>9.3</b>	<b>12.0</b>
CRoCI	11.5	9.8	8.5	8.5	8.9	9.9	11.2	12.6

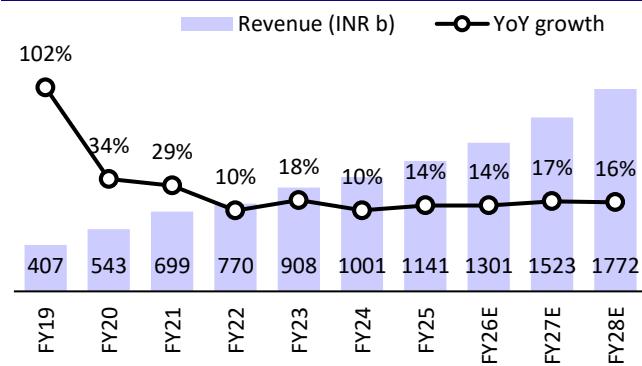
Source: MOFSL, Company

**Exhibit 27: Expect 5%/11% CAGR in Subs/ARPU over FY25-28E**



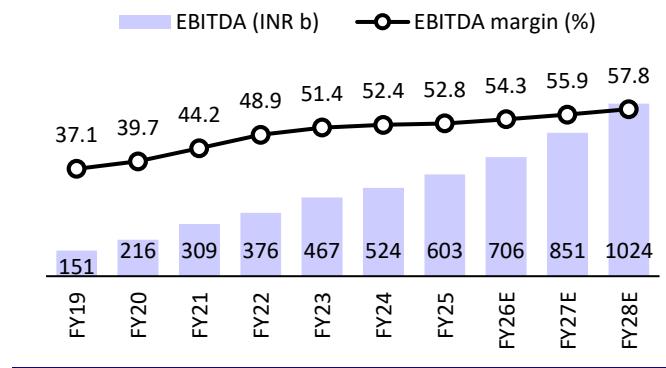
Source: MOFSL, Company

**Exhibit 28: Expect revenue CAGR of ~16% over FY25-28E**



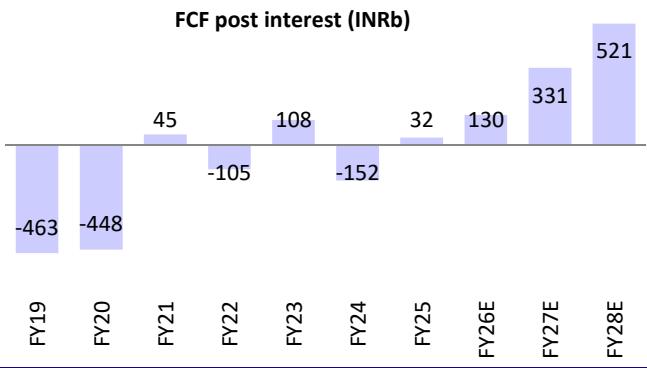
Source: MOFSL, Company

**Exhibit 29: Expect 19% CAGR in EBITDA over FY25-28E**



Source: MOFSL, Company

**Exhibit 30: Expect ~INR980b cumulative FCF generation over FY25-28E, driven by tariff hikes and lower capex**



Source: MOFSL, Company



## Weaker-than-expected growth led to 7% EBITDA miss

- Reliance Retail's (RR) consolidated net revenue **grew 11% YoY** to INR737b (~5% miss), due to 1) an early onset of monsoons impacting AC sales in consumer electronics, 2) lower contribution from device sales, and 3) ongoing broader market consolidation (area under operations declined by 5% YoY).
  - In 1QFY26, RR added 338 new stores (closed 136 stores), leading to net 252 store adds (total 19,592 stores). Net area grew by a modest ~0.2m sqft QoQ to 77.6m sqft.
  - Transactions grew 16% YoY to 389m in 1QFY26, while its registered customer base grew by 13% YoY.
- Segmental performance reflects strong growth in grocery and fashion, aided by category expansion, premiumization, and new formats.
  - Grocery posted up to 25% YoY growth in key categories, while fashion formats such as Azorte and Yousta grew 59% YoY. AJIO and Luxe scaled up well on catalogue, bill value, and new user share.
  - Consumer electronics growth was moderate, offset by weak cooling category sales and lower device sales.
  - JioMart's quick commerce surged 175% YoY, though remained investment-heavy. Management indicated that the company will open dark stores in high-demand areas for quicker deliveries.
- Reported EBITDA (incl. investment income) grew ~13% YoY to INR64b (5% miss).
- Operational EBITDA **grew ~11% YoY** to INR60.4b (~7% miss) as operational EBITDA margin was **stable YoY at 8.2% (20bp miss)** as expenses related to restructuring initiatives (store closures) continued to impact profitability.
- Depreciation stood at INR15.1b (down 9% YoY), while finance cost grew ~8% YoY to INR5.9b.
- Consequently, reported PAT jumped 33% YoY to INR32.7b.

## Valuation and view

- After a recovery in 4Q (net revenue up 16% YoY), RR's growth moderated in 1QFY26, with core-retail revenue growth likely in mid-single digits (on low base).
- However, with the completion of store rationalization, rising traction in quick commerce, a low base of 2QFY25 (net revenue -4% YoY) and a boost from the upcoming festive season, we believe RR's growth will rebound sharply.
- We cut our FY26-27E revenue/EBITDA estimates by 2-4%. However, we continue to expect a CAGR of 14%/15% in RR's revenue/EBITDA over FY25-28E.
- We ascribe a 30x Sep'27E blended EV/EBITDA multiple (~32x for core retail and ~6x for connectivity) to arrive at an EV of ~INR10.1t for RRVL and an attributable value of INR605/share for RIL's stake in RRVL. A continued recovery in Retail revenue growth remains the key trigger for RIL's stock price.

## Reliance Retail – Key takeaways from the management meeting

- **Integrated retail ecosystem:** RR operates India's largest integrated retail network (19.6k physical retail outlets, multiple online and B2B platforms), which seamlessly connects brands to over 358m customers.
- **Grocery:** Core grocery categories saw healthy double-digit growth, aided by premiumization, format innovation, and new product launches. Metro format saw strong growth momentum across key categories.
- **JioMart:** JioMart has scaled up rapidly to cover 4,290 pin codes across 1,000+ cities, to deliver 175% YoY growth in daily orders with deepened presence in fresh and daily essentials.
- **Quick commerce strategy:** Management indicated that the company is already opening dark stores in select micro markets to cater to rising demand. RR remains focused on organic growth as integrating another player's network is difficult and cost economics are unfavorable. Further, JioMart is seeing good demand for hyperlocal deliveries beyond the top 50 cities as well, with the average order value largely similar to the top 50 cities, but with lower costs.
- **Fashion & Lifestyle:** Fashion vertical saw growth led by new formats, private brands, and expansion into non-apparel categories. Emerging formats like GAP, Azorte and Yousta registered 59% growth YoY (170+ stores).
- **AJIO and Shein:** These platforms saw strong traction with rising new customer contribution, faster deliveries (AJio Rush – 4hour delivery in 6 cities), and expanded catalogues. New customers' revenue share at 18% was up by 150bp YoY, while the average bill value was up 17% YoY on AJio.
- **Consumer Electronics:** The average bill value grew 26% YoY with a 200bp rise in conversions, though AC sales were impacted by early monsoons. The resQ service network expanded 31% YoY to 1,621 centers. Kelvinator IP acquisition further strengthens its own-brand portfolio.
- **Consumer Products:** RIL Consumer Products (RCPL) scaled up to INR44b in revenue in 1QFY26 (2x YoY), with Campa recording double-digit market share in key markets. RCPL will be demerged from RRVL to increase its focus on the consumer brands portfolio. Management expects RCPL to become one of India's largest FMCG company by 2030.
- **LFL growth:** Grocery and F&L posted mid-to-high single digit LFL in 1QFY26.
- **Margins:** Management indicated that margin expansion was curtailed due to certain costs (manpower, rentals etc.) related to store closures from earlier quarters. However, the rationalization of stores is largely done and should help to boost margins in the coming quarters.

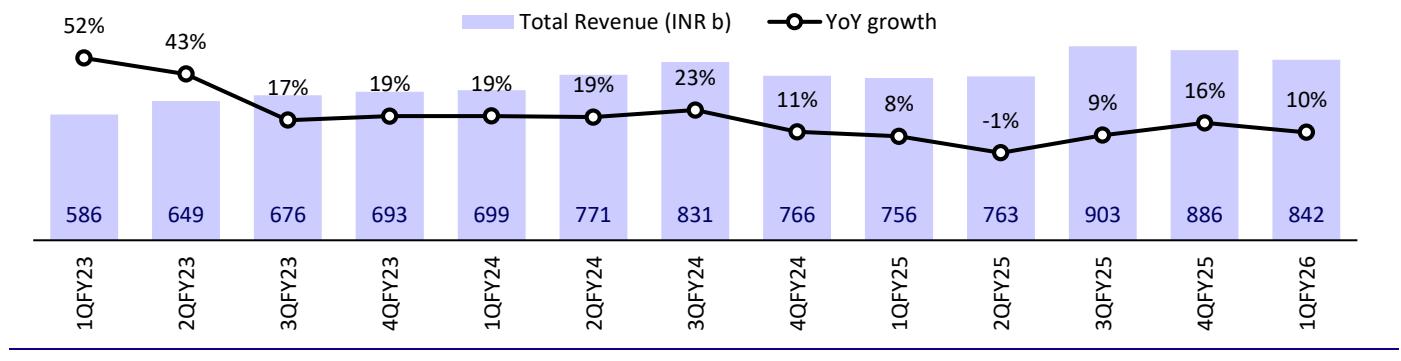
**Exhibit 31: Ascribe INR10.1t EV to RR, which implies INR605/share valuation for RIL's stake**

RRVL valuation	EBITDA (INR b)	multiple (x)	Value
<b>Core EBITDA</b>	<b>310</b>	<b>32</b>	<b>9,904</b>
Connectivity	29	6	158
<b>Enterprise Value (INR b)</b>	<b>338</b>	<b>30</b>	<b>10,062</b>
Less Net Debt			256
<b>Equity Value (INR b)</b>			<b>9,806</b>
No of Shares (b)			13.5
<b>Equity value (INR/sh)</b>			<b>725</b>
RIL stake in RRVL			83.5%
<b>RRVL value in RIL SOTP (INR/sh)</b>			<b>605</b>

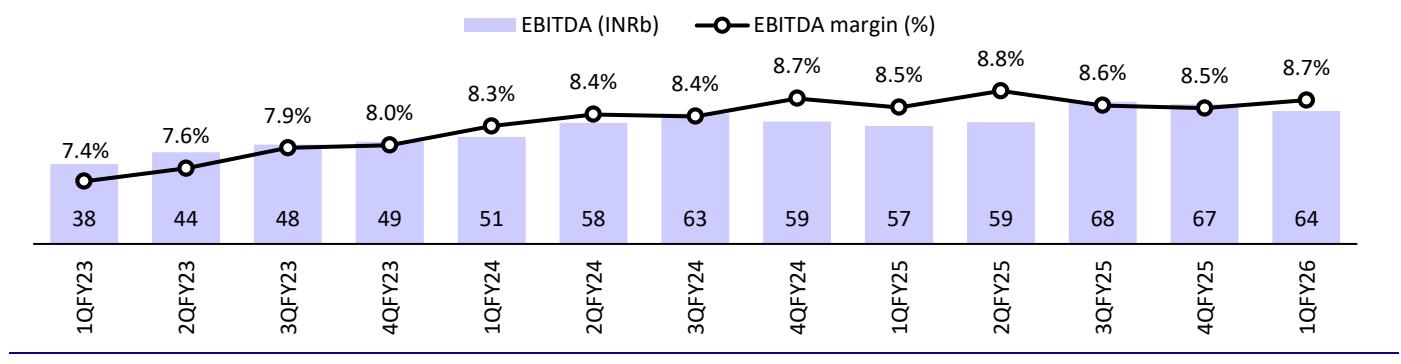
**Exhibit 32: Quarterly performance of Reliance Retail**

(INR b)	1QFY25	4QFY25	1QFY26	YoY%	QoQ%	1QFY26E	v/s est %
<b>Net Revenue</b>	<b>663</b>	<b>786</b>	<b>737</b>	<b>11.3</b>	<b>-6.2</b>	<b>772</b>	<b>-4.5</b>
Reported EBITDA	57	67	64	12.7	-4.9	67	-5.0
<b>Operating EBITDA</b>	<b>54</b>	<b>65</b>	<b>60</b>	<b>10.9</b>	<b>-7.2</b>	<b>65</b>	<b>-6.9</b>
<b>EBITDA Margin (%)</b>	<b>8.2%</b>	<b>8.3%</b>	<b>8.2%</b>	<b>-2bp</b>	<b>-8bp</b>	<b>8.4%</b>	<b>-21bp</b>
Retail Area (m sqft)	81.3	77.4	77.6	-4.6	0.3	79.7	
Stores	18,918	19,340	19,592	674.0	252	19,490	
PAT	25	35	33	33.3	-7.5	0	

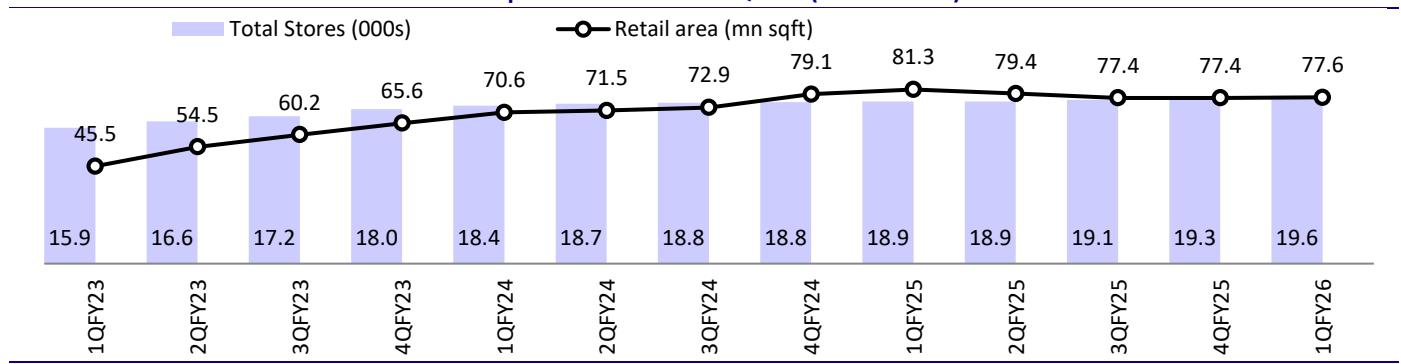
E: MOFSL estimates

**Exhibit 33: Reliance Retail – Gross revenue grew 10% YoY (vs. 16% YoY in 4Q)**


Source: Company, MOFSL

**Exhibit 34: Reliance Retail – Reported EBITDA margin (incl. investment income) expanded ~20bp YoY to ~8.7%**


Source: Company, MOFSL

**Exhibit 35: Reliance Retail – Modest ~0.2m sqft area addition in 1QFY26 (still -5% YoY)**


Source: Company, MOFSL

**Exhibit 36: KPIs for 1QFY26: Registered customer base grew to 358m (3% QoQ)**

(Fig in m)	1QFY25	4QFY25	1QFY26	YoY (%)	QoQ (%)
Customer base	316	349	358	13%	3%
Transactions	334	361	389	16%	8%

**Exhibit 37: Key assumptions for Reliance Retail**

Key financial metrics (INR b)	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
<b>Gross revenue</b>	<b>1,576</b>	<b>1,997</b>	<b>2,604</b>	<b>3,068</b>	<b>3,309</b>	<b>3,743</b>	<b>4,278</b>	<b>4,873</b>
Core retail	736	1,073	1,514	1,866	1,938	2,180	2,449	2,744
Connectivity	841	924	1,090	1,202	1,371	1,563	1,829	2,128
<b>Net revenue</b>	<b>1,391</b>	<b>1,750</b>	<b>2,309</b>	<b>2,731</b>	<b>2,910</b>	<b>3,290</b>	<b>3,761</b>	<b>4,283</b>
Core retail	678	965	1,383	1,710	1,746	1,963	2,207	2,476
Connectivity	713	785	926	1,021	1,164	1,327	1,553	1,807
<b>EBITDA</b>	<b>83</b>	<b>108</b>	<b>174</b>	<b>219</b>	<b>239</b>	<b>274</b>	<b>316</b>	<b>361</b>
Core retail	69	92	156	199	216	248	285	325
Connectivity	14	15	18	20	23	26	30	35
<b>YoY revenue growth (%)</b>								
<b>Gross revenue</b>	<b>(3.3)</b>	<b>26.7</b>	<b>30.4</b>	<b>17.8</b>	<b>7.9</b>	<b>13.1</b>	<b>14.3</b>	<b>13.9</b>
Core retail	(24.7)	45.8	41.1	23.3	3.8	12.5	12.3	12.1
Connectivity	28.8	9.9	17.9	10.3	14.1	14.0	17.1	16.3
<b>Net revenue</b>	<b>(4.8)</b>	<b>25.8</b>	<b>32.0</b>	<b>18.3</b>	<b>6.6</b>	<b>13.1</b>	<b>14.3</b>	<b>13.9</b>
Core retail	(25.3)	42.3	43.4	23.6	2.1	12.5	12.4	12.2
Connectivity	28.7	10.1	17.9	10.3	14.0	14.0	17.1	16.3
<b>EBITDA on net revenue (%)</b>	<b>6.0</b>	<b>6.2</b>	<b>7.5</b>	<b>8.0</b>	<b>8.2</b>	<b>8.3</b>	<b>8.4</b>	<b>8.4</b>
Core retail	10.2	9.6	11.3	11.6	12.4	12.6	12.9	13.1
Connectivity	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0

Source: MOFSL, Company

**Exhibit 38: RRVL – Summary of our revised estimates**

(INR b)	FY26E	FY27E	FY28E
<b>Revenue</b>			
Old	3,369	3,901	
Actual/New	3,290	3,761	4,283
<i>Change (%)</i>	-2.3	-3.6	
<b>EBITDA</b>			
Old	283	327	
Actual/New	274	316	361
<i>Change (%)</i>	-2.9	-3.5	
<b>EBITDA margin (%)</b>			
Old	8.39	8.39	
Actual/New	8.34	8.39	8.42
<i>Change (bp)</i>	(5)	1	
<b>Net Profit</b>			
Old	148	175	
Actual/New	145	168	195
<i>Change (%)</i>	-1.9	-4.1	

Source: Company, MOFSL

## Standalone – 2Q to benefit from strong refining and volume growth

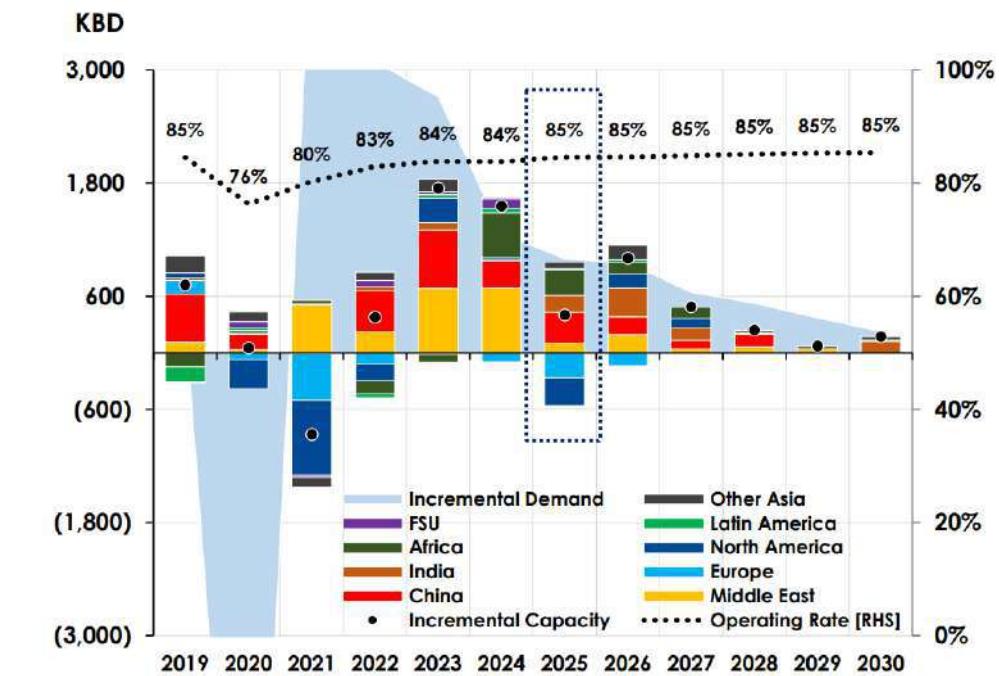
### O2C: 1Q impacted by shutdown and higher opex

Jio-BP's HSD/MS sales grew 34.2%/38.6% YoY.

- **O2C EBITDA down 13% QoQ/8% YoY in 1QFY26:** QoQ EBITDA was impacted by planned maintenance (3.5% QoQ decline in throughput), higher feedstock costs, and increased freight expenses. However, EBITDA improvement YoY was driven by strong transportation fuel cracks, improvement in polymer and elastomer deltas, and strong domestic fuel placement (~2000 retail outlets; MS/HSD marketing volumes up 39%/34%). Ethane cracking economics continue to be more favourable than naphtha, despite the rise in ethane prices YoY.
- **Jio-BP continues to shine:** Jio-BP expanded its network to 1,991 fuel outlets (vs. 1,730 in 1Q FY25). Its HSD/MS sales grew 34.2%/38.6% YoY, significantly outpacing industry growth of -1.3% and 7.1%, respectively.
- **Global diesel demand** increased by 0.3mb/d YoY to 29.6mb/d, led by strong demand in India. Cracks were up YoY/QoQ at USD15.8/bbl (4QFY25: USD14.3/bbl) due to refinery turnarounds in the Middle East and China and the Iran-Israel conflict.
- **Global gasoline demand** increased by 0.2mb/d YoY to 27.6mb/d. Gasoline cracks improved YoY/QoQ to USD9.9/bbl, led by the US driving season, reduced Chinese exports, and supply disruption from Africa refineries.
- **ATF cracks** also improved by USD1 per bbl both YoY/QoQ.
- **Global oil demand** rose by 0.5mb/d YoY, led by Asia (ex. China and OECD Asia). Global refinery operating rates were up 10bp YoY, while global cracker operating rates declined 190bp YoY.

**Exhibit 39: Global net refining capacity additions vs. additional demand**

**Global Effective CDU Addition VS Additional Demand**



Source: Thai Oil, MOFSL

**Exhibit 40: O2C operating performance**

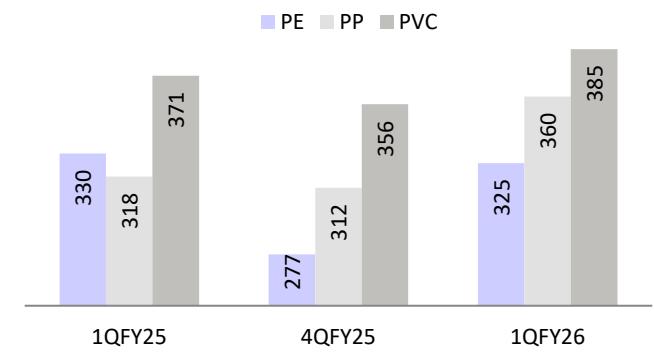
Feedstock (mmt)	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY % change
Throughput	20.0	18.7	19.8	19.8	20.2	20.2	20.3	19.1	-4%
<b>Production meant for sale</b>	<b>17.1</b>	<b>16.4</b>	<b>17.1</b>	<b>17.7</b>	<b>17.7</b>	<b>17.9</b>	<b>17.9</b>	<b>17.3</b>	<b>-2%</b>
Transportation fuels	11.1	10.2	11.3	11.6	11.2	11.9	12.0	11.4	-2%
Polymers	1.5	1.2	1.5	1.4	1.5	1.5	1.6	1.5	7%
Fiber Intermediates	0.9	0.8	0.8	0.7	0.8	0.8	0.8	0.7	0%
Polyesters	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0%
Chemicals and Others	3.0	3.6	2.9	3.3	3.5	3.0	2.8	3.0	-9%

Source: Company, MOFSL

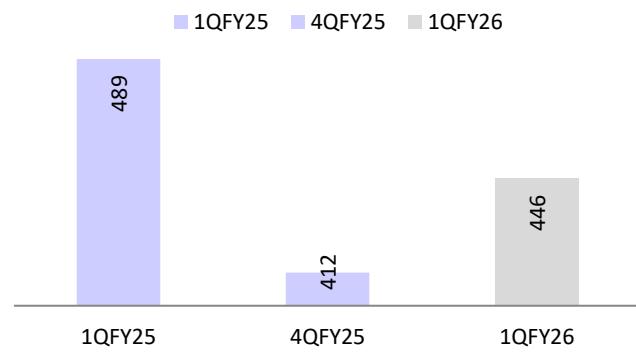
**Petchem: Polymer/Polyester deltas improve**

PE/PP/PVC margins up 1%/13%/14% YoY in 1QFY26

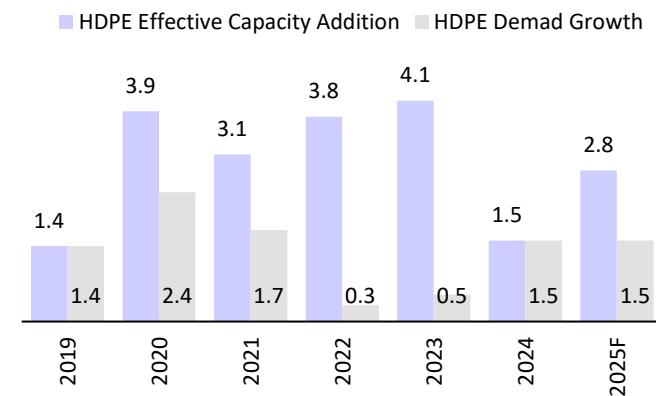
- In the **polymers segment**, PP and PVC margins rose by 13% and 4% YoY, respectively, while PE margins declined by 1% YoY due to supply-side pressures. Singapore Naphtha prices dropped 14% YoY, and EDC prices fell sharply by 42% due to increased availability.
- In the **Polyester chain**, overall margin declined to USD446/mt (vs USD489/mt). PX–Naphtha margin dropped 34% YoY due to a supply overhang, while MEG margins improved on lower port inventories in China. Margins for downstream polyester products increased, driven by stronger global demand and relatively softer intermediate prices.
- RIL expects domestic demand to remain healthy for polymers amid a good monsoon season and the upcoming festive season. It focuses on optimizing polyester margin with an increase in gasoline yield vs PX.

**Exhibit 41: Polymer deltas for the quarter (USD/mt)**


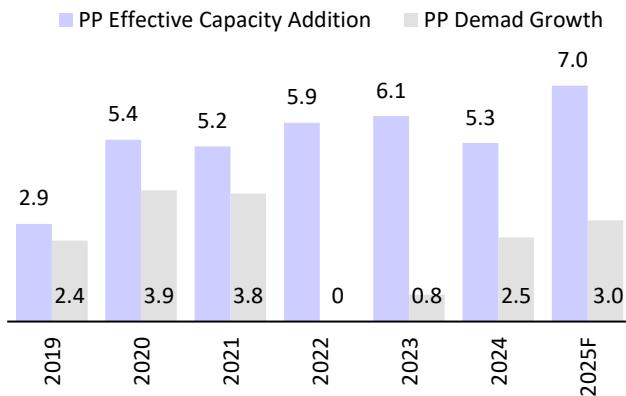
Source: Company, MOFSL

**Exhibit 42: Polyester chain margins in 1QFY26 (USD/mt)**


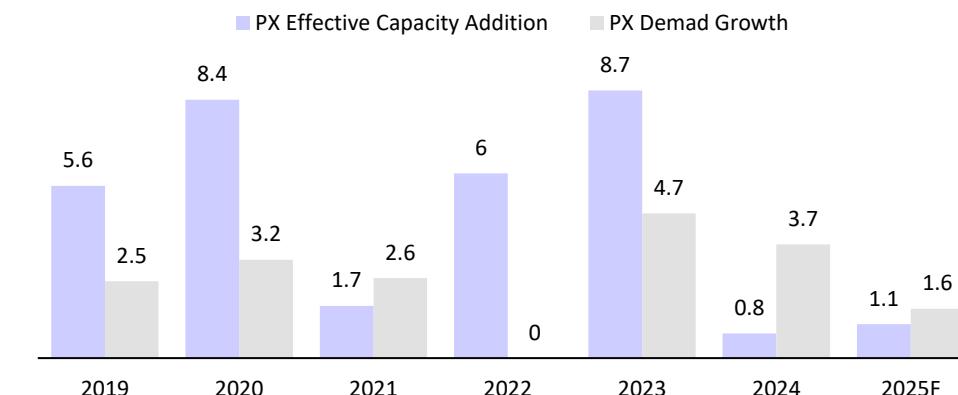
Source: Company, MOFSL

**Exhibit 43: Global HDPE capacity addition vs. demand growth**


Source: Thai Oil, MOFSL

**Exhibit 44: Global PP capacity addition vs. demand growth**


Source: Thai Oil, MOFSL

**Exhibit 45: Global PX capacity addition vs. demand growth**


Source: Thai Oil, MOFSL

**E&P: Focus on new development drilling**

At KGD6, average production stood at 26.55mmscmd of gas and ~19,300 bbl/day of oil and condensate.

- QoQ decline in EBITDA was driven by lower oil & gas realization at both KGD6 & CBM. However, RIL's share in production rose marginally QoQ at both KGD6 and CBM. On a YoY basis, 8% decline in KGD6 volumes was partially offset by improved gas price realization. Further, a sharp 21.7% YoY uptick in production from CBM was countered by 15% YoY lower CBM gas price realization.
- Production was impacted by natural decline and planned shutdowns. Focus remains on exploration in the coming years.
- Workover activities are underway to enhance output. Further, upside has been identified in existing reservoirs and additional wells are planned.
- **At CBM**, Phase-II drilling of 40 multi-lateral wells has commenced. Also, 2 wells have been completed and 1 has been brought into production.
- Spot LNG prices remain around USD11-13/mmbtu, supported by a recovery in global demand.

**Exhibit 46: Gas production profile and unit price realization**

Particulars	2QFY24	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	YoY change	QoQ change
Revenue (INR b)	66.2	67.2	64.7	61.8	62.2	63.7	64.4	61.0	-1%	-5%
EBITDA (INR b)	47.7	58.0	56.1	52.1	52.9	55.7	51.2	50.0	-4%	-2%
EBITDA margin (%)	72.0%	86.4%	86.7%	84.3%	85.0%	87.4%	79.5%	81.9%	-3%	3%
<b>Production- BCFe (RIL share)</b>										
KG D6	68.3	72.3	71.4	69.4	69.3	68.5	63.7	63.9	-8%	0%
CBM	2.1	2.0	2.1	2.3	2.6	2.7	2.7	2.8	22%	4%
<b>Price Realization</b>										
KG D6 (GCV) (USD/mmbtu)	10.5	9.7	9.5	9.3	9.6	9.7	10.1	10.0	8%	-1%
CBM (GCV) (USD/mmbtu)	13.7	15.6	14.3	11.6	11.4	10.6	10.4	9.9	-15%	-4%

Source: Company, MOFSL

**New Energy positioned as the next growth engine**

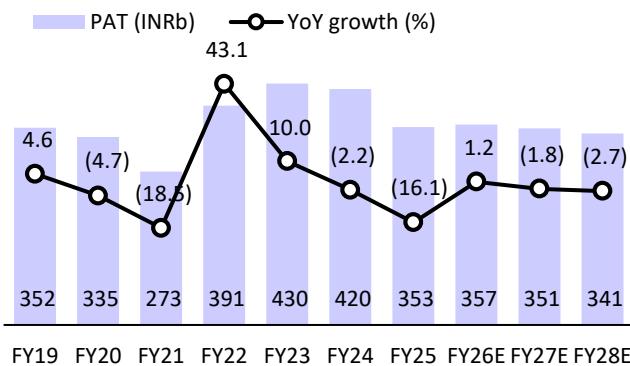
- RIL is progressing on an end-to-end **sand-to-solar PV module** manufacturing chain. Further, it aims to develop **10 Giga factories** covering solar modules, batteries, electrolyzers, and more.
- The company is moving up the technology value chain, and is investing in **deep technologies** like HJT solar modules and advanced battery chemistries.
- **Module factory** is already operational and **cell manufacturing** is expected to commence **next quarter**.
- Target is to achieve daily installation of **50 MW solar modules** and **175 MWh battery capacity**. The aim is to **operationalize the new energy ecosystem within 4-6 quarters**.
- **Electrolyser manufacturing** setup is underway to support green hydrogen production using captive renewable power. Further, RIL is setting up **biogas plants** as part of the roadmap toward **green ammonia** production.
- The **New Energy business** is positioned as the next growth engine, ensuring energy security at affordable costs for both captive and third-party needs.
- However, the company is still evaluating business models based on large captive needs. The potential to sell either modules or energy depends on viability.

**We estimate RIL SA EBITDA to remain flat YoY in FY26**

- **Range-bound O2C earnings performance over FY26-27:** Overall, we see a range-bound EBITDA performance in the standalone business over FY26-27. Refining margin rebounded in 1QFY26 despite weak oil demand overall, aided by 1) seasonality, as the driving season commences in the US, 2) impact of low inventory levels for key products, 3) higher-than-expected refining capacity closures, which helped to partially offset the impact of strong capacity growth. Overall, we still remain cautious on refining and see limited upside risk from current levels.
- **KG-D6 EBITDA under pressure from natural decline, some pricing pressure:** We are now building in a slight decline in production volumes from KG D6, given the natural decline. We also bring down our gas realization marginally given a weaker commodity price outlook going forward. We are not building in any earnings contributions from new petchem expansion projects until FY28.

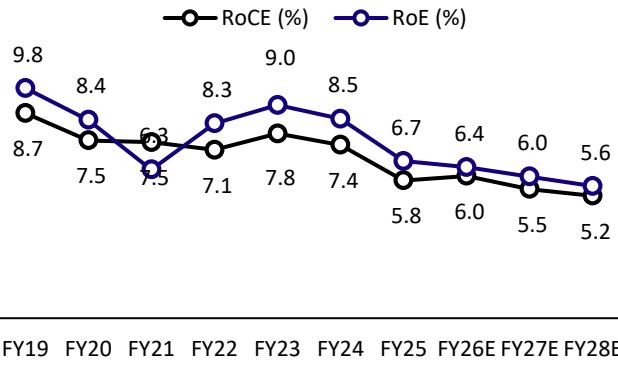
## Standalone business – Story in charts

**Exhibit 47: Standalone PAT profile**



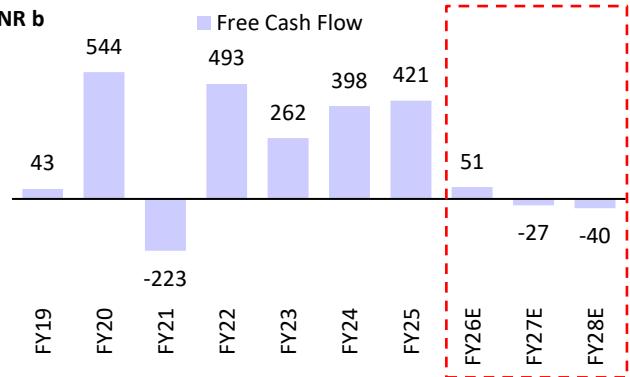
Source: Company, MOFSL

**Exhibit 48: Return ratios to stabilize going forward**



Source: Company, MOFSL

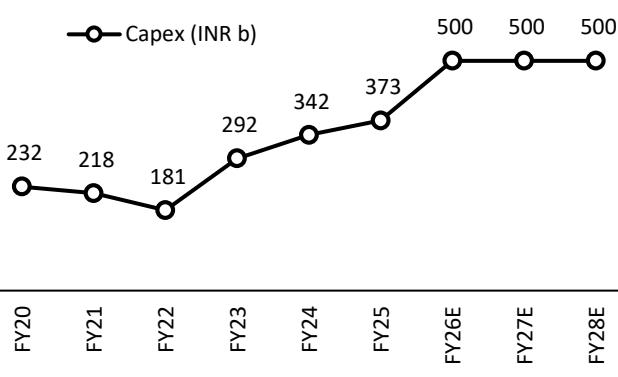
**Exhibit 49: Standalone business FCF trend over FY19-28E**



Note: including investments in New Energy for FY26 and FY27

Source: Company, MOFSL

**Exhibit 50: INR500b capex to be incurred p.a. in FY26/27/28**



Note: includes investments in New Energy for FY26 and FY27

Source: Company, MOFSL

**Exhibit 51: We expect ~11% CAGR in RIL's consolidated EBITDA over FY25-28E, driven by Digital and organized retail**

RIL EBITDA build-up	FY20	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
O2C	538	382	527	621	624	550	588	614	618
E&P	4	3	55	136	202	212	197	181	174
Digital	233	340	403	503	567	650	779	936	1,116
Organized retail	97	98	124	180	231	251	287	328	373
Others	48	63	79	56	86	85	109	114	115
<b>Segment EBITDA</b>	<b>920</b>	<b>886</b>	<b>1,187</b>	<b>1,495</b>	<b>1,710</b>	<b>1,748</b>	<b>1,960</b>	<b>2,173</b>	<b>2,395</b>
Eliminations	-30	-79	-83	-74	-88	-94	-109	-114	-115
<b>Reported EBITDA</b>	<b>890</b>	<b>807</b>	<b>1,105</b>	<b>1,422</b>	<b>1,622</b>	<b>1,654</b>	<b>1,851</b>	<b>2,059</b>	<b>2,281</b>

Source: MOFSL, Company

## Reliance Jio Infocomm: Financials and valuations

Consolidated - Income Statement									(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	
<b>Total Income from Operations</b>	<b>699</b>	<b>770</b>	<b>908</b>	<b>1,001</b>	<b>1,141</b>	<b>1,301</b>	<b>1,523</b>	<b>1,772</b>	
Change (%)	28.7	10.1	17.9	10.3	14.0	14.0	17.1	16.3	
Tower Rental Cost	221	250	285	306	329	354	399	431	
Spectrum and License Costs	78	91	91	92	105	119	140	162	
Access and Roaming Charge	46	8	9	11	17	16	18	19	
Employees Cost	13	14	16	19	20	21	23	27	
Other Expenses	32	30	39	49	68	85	93	108	
<b>Total Expenditure</b>	<b>390</b>	<b>393</b>	<b>441</b>	<b>477</b>	<b>539</b>	<b>595</b>	<b>672</b>	<b>748</b>	
% of Sales	55.8	51.1	48.6	47.6	47.2	45.7	44.1	42.2	
<b>EBITDA</b>	<b>309</b>	<b>376</b>	<b>467</b>	<b>524</b>	<b>603</b>	<b>706</b>	<b>851</b>	<b>1,024</b>	
Margin (%)	44.2	48.9	51.4	52.4	52.8	54.3	55.9	57.8	
Depreciation	115	136	185	214	231	261	295	319	
<b>EBIT</b>	<b>194</b>	<b>240</b>	<b>281</b>	<b>310</b>	<b>372</b>	<b>445</b>	<b>556</b>	<b>705</b>	
Int. and Finance Charges	38	44	41	40	48	86	95	89	
Other Income	5	2	4	5	9	26	30	28	
<b>PBT after EO Exp.</b>	<b>161</b>	<b>199</b>	<b>244</b>	<b>275</b>	<b>333</b>	<b>385</b>	<b>491</b>	<b>644</b>	
Total Tax	41	50	62	70	85	98	125	164	
Tax Rate (%)	25.3	25.4	25.5	25.5	25.5	25.5	25.5	25.5	
<b>Reported PAT</b>	<b>120</b>	<b>148</b>	<b>182</b>	<b>205</b>	<b>248</b>	<b>286</b>	<b>366</b>	<b>480</b>	
<b>Adjusted PAT</b>	<b>120</b>	<b>148</b>	<b>182</b>	<b>205</b>	<b>248</b>	<b>286</b>	<b>366</b>	<b>480</b>	
Change (%)	116.0	23.3	22.9	12.4	21.2	15.5	27.6	31.2	
Margin (%)	17.2	19.2	20.1	20.4	21.7	22.0	24.0	27.1	

Consolidated - Balance Sheet									(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	
Equity Share Capital	450	450	450	450	450	450	450	450	
Total Reserves	1,380	1,528	1,710	1,914	2,164	2,450	2,816	3,295	
<b>Net Worth</b>	<b>1,830</b>	<b>1,978</b>	<b>2,160</b>	<b>2,364</b>	<b>2,614</b>	<b>2,900</b>	<b>3,266</b>	<b>3,745</b>	
Total Loans	300	797	1,529	1,656	1,922	1,732	1,392	1,351	
<b>Capital Employed</b>	<b>2,129</b>	<b>2,775</b>	<b>3,689</b>	<b>4,020</b>	<b>4,536</b>	<b>4,632</b>	<b>4,658</b>	<b>5,097</b>	
Gross Block	1,965	2,555	2,867	3,031	4,386	4,956	5,506	5,966	
Less: Accum. Deprn.	253	389	615	828	1,023	1,285	1,580	1,898	
<b>Net Fixed Assets</b>	<b>1,712</b>	<b>2,165</b>	<b>2,252</b>	<b>2,203</b>	<b>3,363</b>	<b>3,671</b>	<b>3,926</b>	<b>4,068</b>	
Capital WIP	170	479	1,660	2,079	1,110	910	710	610	
<b>Total Investments</b>	<b>15</b>	<b>17</b>	<b>17</b>	<b>36</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>	
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>604</b>	<b>524</b>	<b>529</b>	<b>556</b>	<b>564</b>	<b>554</b>	<b>633</b>	<b>1,201</b>	
Account Receivables	14	43	24	15	10	14	32	53	
Cash and Bank Balance	6	6	9	14	63	69	130	678	
Loans and Advances	584	475	496	527	491	470	470	470	
<b>Curr. Liability &amp; Prov.</b>	<b>371</b>	<b>410</b>	<b>768</b>	<b>855</b>	<b>705</b>	<b>707</b>	<b>815</b>	<b>986</b>	
Account Payables	22	20	34	43	43	43	43	43	
Other Current Liabilities	323	313	595	601	366	270	253	259	
Provisions	26	78	140	210	296	394	519	683	
<b>Net Current Assets</b>	<b>233</b>	<b>114</b>	<b>-240</b>	<b>-299</b>	<b>-141</b>	<b>-153</b>	<b>-183</b>	<b>215</b>	
<b>Appl. of Funds</b>	<b>2,129</b>	<b>2,775</b>	<b>3,689</b>	<b>4,020</b>	<b>4,536</b>	<b>4,632</b>	<b>4,658</b>	<b>5,097</b>	

## Reliance Jio Infocomm: Financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>								
EPS	<b>2.7</b>	<b>3.3</b>	<b>4.0</b>	<b>4.5</b>	<b>5.5</b>	<b>6.4</b>	<b>8.1</b>	<b>10.7</b>
Cash EPS	5.2	6.3	8.2	9.3	10.6	12.2	14.7	17.7
BV/Share	40.7	44.0	48.0	52.5	58.1	64.4	72.6	83.2
<b>Valuation (x)</b>								
FCF per share	1.5	0.6	3.2	0.4	0.7	2.9	7.4	11.6
<b>Return Ratios (%)</b>								
RoE	6.8	7.8	8.8	9.0	10.0	10.4	11.9	13.7
RoCE	6.9	7.4	6.6	6.1	6.6	7.7	9.4	11.2
RoIC	7.6	8.5	9.8	11.9	11.0	10.0	11.7	14.6
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Asset Turnover (x)	0.3	0.3	0.2	0.2	0.3	0.3	0.3	0.3
Debtor (Days)	7	20	10	6	3	4	8	11
Creditor (Days)	12	10	13	16	14	12	10	9
<b>Leverage Ratio (x)</b>								
Current Ratio	1.6	1.3	0.7	0.7	0.8	0.8	0.8	1.2
Interest Cover Ratio	5.0	5.5	6.9	7.8	7.7	5.1	5.8	8.0
Net Debt/Equity	0.2	0.4	0.7	0.7	0.6	0.5	0.3	0.1

### Consolidated - Cash Flow Statement

**(INR b)**

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	161	199	244	275	333	385	491	644
Depreciation	115	136	185	214	231	261	295	319
Interest & Finance Charges	38	44	41	40	48	86	95	89
Direct Taxes Paid	-1	-1	13	-1	1	-	-	-
(Inc)/Dec in WC	19	-64	-2	30	58	20	-15	-14
<b>CF from Operations</b>	<b>332</b>	<b>313</b>	<b>482</b>	<b>558</b>	<b>671</b>	<b>752</b>	<b>866</b>	<b>1,038</b>
Others	-6	0	-1	-4	-177	-143	-132	-118
<b>CF from Operating incl EO</b>	<b>326</b>	<b>313</b>	<b>481</b>	<b>553</b>	<b>494</b>	<b>609</b>	<b>734</b>	<b>919</b>
(Inc)/Dec in FA	-257	-288	-335	-533	-462	-479	-403	-399
<b>Free Cash Flow</b>	<b>69</b>	<b>25</b>	<b>146</b>	<b>20</b>	<b>32</b>	<b>130</b>	<b>331</b>	<b>521</b>
(Pur)/Sale of Investments	14	-1	1	-16				
Others	0	0	0	1	9	26	30	28
<b>CF from Investments</b>	<b>-243</b>	<b>-288</b>	<b>-334</b>	<b>-548</b>	<b>-453</b>	<b>-453</b>	<b>-373</b>	<b>-371</b>
Issue of Eq/Pref.Shares	0	0	0	0	0	0	0	0
Inc/(Dec) in Debt	-120	106	-107	172	172	-150	-300	0
Interest Paid	-23	-130	-38	-172	0	0	0	0
Others	-8	0	0	0	0	0	0	0
<b>CF from Fin. Activity</b>	<b>-152</b>	<b>-24</b>	<b>-145</b>	<b>0</b>	<b>172</b>	<b>-150</b>	<b>-300</b>	<b>0</b>
<b>Inc/Dec of Cash</b>	<b>-69</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>212</b>	<b>6</b>	<b>61</b>	<b>548</b>
Opening Balance	71	2	2	4	10	59	65	126
<b>Closing Balance</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>10</b>	<b>222</b>	<b>65</b>	<b>126</b>	<b>674</b>
Other Bank Balance	4	4	4	4	4	4	4	4
<b>Total balance</b>	<b>6</b>	<b>6</b>	<b>9</b>	<b>14</b>	<b>226</b>	<b>69</b>	<b>130</b>	<b>678</b>

## Reliance Retail Ventures: Financials and valuations

Consolidated - Income Statement									(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E	
<b>Total Income from Operations</b>	1391	1750	2309	2731	2910	3290	3761	4283	
Change (%)	-4.9	25.8	32.0	18.3	6.6	13.1	14.3	13.9	
<b>Total Expenditure</b>	<b>1,308</b>	<b>1,642</b>	<b>2,135</b>	<b>2,512</b>	<b>2,671</b>	<b>3,016</b>	<b>3,445</b>	<b>3,923</b>	
% of Sales	94.0	93.8	92.5	92.0	91.8	91.7	91.6	91.6	
<b>EBITDA</b>	<b>83</b>	<b>108</b>	<b>174</b>	<b>219</b>	<b>239</b>	<b>274</b>	<b>316</b>	<b>361</b>	
Margin (%)	6.0	6.2	7.5	8.0	8.2	8.3	8.4	8.4	
Depreciation	18	22	40	56	60	68	77	85	
<b>EBIT</b>	<b>65</b>	<b>86</b>	<b>135</b>	<b>163</b>	<b>179</b>	<b>206</b>	<b>239</b>	<b>276</b>	
Int. and Finance Charges	5	7	18	26	25	25	27	28	
Other Income	15	16	4	12	11	12	12	12	
<b>PBT bef. EO Exp.</b>	<b>75</b>	<b>95</b>	<b>121</b>	<b>149</b>	<b>166</b>	<b>194</b>	<b>225</b>	<b>260</b>	
EO Items	0	0	0	0	0	0	0	0	
<b>PBT after EO Exp.</b>	<b>75</b>	<b>95</b>	<b>121</b>	<b>149</b>	<b>166</b>	<b>194</b>	<b>225</b>	<b>260</b>	
Total Tax	19	25	29	38	42	49	57	65	
Tax Rate (%)	26.1	25.8	24.5	25.5	25.3	25.2	25.2	25.2	
<b>Reported PAT</b>	<b>55</b>	<b>71</b>	<b>91</b>	<b>111</b>	<b>124</b>	<b>145</b>	<b>168</b>	<b>195</b>	
<b>Adjusted PAT</b>	<b>55</b>	<b>71</b>	<b>91</b>	<b>111</b>	<b>124</b>	<b>145</b>	<b>168</b>	<b>195</b>	
Change (%)	1.4	27.5	29.2	22.2	11.3	16.9	16.2	15.6	
Margin (%)	4.0	4.0	3.9	4.1	4.3	4.4	4.5	4.5	

Consolidated - Balance Sheet									(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E	
Equity Share Capital	69	69	69	70	70	70	70	70	
Total Reserves	747	817	901	1181	1289	1433	1602	1796	
<b>Net Worth</b>	<b>816</b>	<b>910</b>	<b>998</b>	<b>1282</b>	<b>1393</b>	<b>1538</b>	<b>1706</b>	<b>1900</b>	
Total Loans	90	223	495	456	589	589	589	589	
<b>Capital Employed</b>	<b>934</b>	<b>1150</b>	<b>1518</b>	<b>1776</b>	<b>2037</b>	<b>2182</b>	<b>2350</b>	<b>2545</b>	
Gross Block	229	393	896	1204	1292	1472	1652	1832	
Less: Accum. Deprn.	62	89	129	185	245	313	390	475	
<b>Net Fixed Assets</b>	<b>168</b>	<b>303</b>	<b>767</b>	<b>1019</b>	<b>1047</b>	<b>1159</b>	<b>1262</b>	<b>1357</b>	
Capital WIP	115	251	268	208	340	340	340	340	
<b>Total Investments</b>	<b>437</b>	<b>275</b>	<b>166</b>	<b>212</b>	<b>311</b>	<b>311</b>	<b>311</b>	<b>311</b>	
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>295</b>	<b>468</b>	<b>490</b>	<b>604</b>	<b>596</b>	<b>671</b>	<b>782</b>	<b>933</b>	
Inventory	131	215	271	243	223	225	258	293	
Account Receivables	62	91	61	63	51	57	66	75	
Cash and Bank Balance	5	6	6	109	166	211	256	334	
Loans and Advances	96	156	152	189	157	177	202	230	
<b>Curr. Liability &amp; Prov.</b>	<b>101</b>	<b>175</b>	<b>201</b>	<b>294</b>	<b>284</b>	<b>325</b>	<b>371</b>	<b>422</b>	
Account Payables	70	138	165	253	227	261	299	340	
Other Current Liabilities	30	35	34	38	50	57	65	74	
Provisions	1	2	2	3	6	6	7	8	
<b>Net Current Assets</b>	<b>195</b>	<b>293</b>	<b>289</b>	<b>310</b>	<b>313</b>	<b>346</b>	<b>411</b>	<b>510</b>	
<b>Appl. of Funds</b>	<b>934</b>	<b>1150</b>	<b>1518</b>	<b>1776</b>	<b>2037</b>	<b>2182</b>	<b>2350</b>	<b>2545</b>	

## Reliance Retail Ventures: Financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
<b>Basic (INR)</b>								
EPS	9.2	11.8	15.2	18.5	20.6	24.1	28.0	32.4
<b>Return Ratios (%)</b>								
RoE	11.0	8.2	9.5	9.8	9.3	9.9	10.4	10.8
RoCE	10.3	7.4	8.0	8.1	7.6	8.0	8.5	9.0
RoIC	18.0	13.1	12.4	10.7	11.1	12.5	13.3	14.1
<b>Working Capital Ratios</b>								
Inventory (Days)	34	45	43	32	28	25	25	25
Debtor (Days)	16	19	10	8	6	6	6	6
Creditor (Days)	18	29	26	34	29	29	29	29
<b>Leverage Ratio (x)</b>								
Current Ratio	2.9	2.7	2.4	2.1	2.1	2.1	2.1	2.2
Interest Cover Ratio	12.4	13.0	7.3	6.3	7.3	8.3	9.0	9.8
Net Debt/Equity	-0.4	-0.1	0.3	0.1	0.1	0.0	0.0	0.0

### Consolidated Cashflow Statement

(**INR b**)

Y/E March	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E	FY28E
OP/(Loss) before Tax	75	95	121	149	166	194	225	260
Depreciation	18	22	40	56	60	68	77	85
Interest & Finance Charges	-2	-9	14	18	17	12	14	16
Direct Taxes Paid	-17	-20	-28	-25	-17	-49	-57	-65
(Inc)/Dec in WC	-66	-75	-58	124	3	11	-20	-22
<b>CF from Operations</b>	<b>9</b>	<b>14</b>	<b>88</b>	<b>322</b>	<b>229</b>	<b>237</b>	<b>239</b>	<b>273</b>
Others	-7	0	0	-3	-3	0	0	0
<b>CF from Operating incl EO</b>	<b>2</b>	<b>15</b>	<b>88</b>	<b>319</b>	<b>226</b>	<b>237</b>	<b>239</b>	<b>273</b>
(Inc)/Dec in FA	-100	-271	-457	-210	-186	-180	-180	-180
<b>Free Cash Flow</b>	<b>-98</b>	<b>-256</b>	<b>-369</b>	<b>109</b>	<b>40</b>	<b>57</b>	<b>59</b>	<b>93</b>
(Pur)/Sale of Investments	0	241	89	-31	-4	0	0	0
Others	-465	-87	36	-45	-64	12	12	12
<b>CF from Investments</b>	<b>-565</b>	<b>-116</b>	<b>-333</b>	<b>-286</b>	<b>-254</b>	<b>-168</b>	<b>-168</b>	<b>-168</b>
Issue of Shares	612	0	0	171	0	0	0	0
Inc/(Dec) in Debt	44	109	267	-53	131	0	0	0
Interest Paid	-5	-7	-22	-47	-44	-25	-27	-28
Others	-88	0	36	-5	-5	0	0	0
<b>CF from Fin. Activity</b>	<b>563</b>	<b>103</b>	<b>281</b>	<b>66</b>	<b>82</b>	<b>-25</b>	<b>-27</b>	<b>-28</b>
<b>Inc/Dec of Cash</b>	<b>0</b>	<b>1</b>	<b>36</b>	<b>99</b>	<b>54</b>	<b>45</b>	<b>45</b>	<b>78</b>
Opening Balance	5	5	6	6	109	162	207	252
<b>Closing Balance</b>	<b>5</b>	<b>6</b>	<b>42</b>	<b>105</b>	<b>163</b>	<b>207</b>	<b>252</b>	<b>330</b>
Other Bank Balances	0	0	0	4	4	4	4	4
<b>Net Closing balance</b>	<b>5</b>	<b>6</b>	<b>42</b>	<b>109</b>	<b>167</b>	<b>211</b>	<b>256</b>	<b>334</b>

## RIL: Standalone financials and valuations

Standalone - Income Statement								
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	(INR b) FY28E
<b>Total Income from Operations</b>	<b>2,457</b>	<b>4,237</b>	<b>5,393</b>	<b>5,345</b>	<b>5,173</b>	<b>4,820</b>	<b>4,862</b>	<b>4,854</b>
Change (%)	-27.1	72.5	27.3	-0.9	-3.2	-6.8	0.9	-0.2
<b>EBITDA</b>	<b>335</b>	<b>523</b>	<b>668</b>	<b>743</b>	<b>581</b>	<b>576</b>	<b>575</b>	<b>568</b>
Margin (%)	13.6	12.3	12.4	13.9	11.2	11.9	11.8	11.7
Depreciation	92	103	112	177	180	187	195	203
<b>EBIT</b>	<b>243</b>	<b>420</b>	<b>556</b>	<b>566</b>	<b>401</b>	<b>389</b>	<b>379</b>	<b>365</b>
Int. and Finance Charges	162	91	126	134	101	101	102	102
Other Income	148	139	111	121	161	177	183	185
<b>PBT bef. EO Exp.</b>	<b>229</b>	<b>468</b>	<b>541</b>	<b>553</b>	<b>461</b>	<b>464</b>	<b>460</b>	<b>447</b>
EO Items	43	0	12	0	0	89	0	0
<b>PBT after EO Exp.</b>	<b>272</b>	<b>468</b>	<b>553</b>	<b>553</b>	<b>461</b>	<b>553</b>	<b>460</b>	<b>447</b>
Total Tax	-47	77	111	132	109	107	109	106
Tax Rate (%)	-17.4	16.5	20.1	23.9	23.6	19.4	23.7	23.8
<b>Reported PAT</b>	<b>319</b>	<b>391</b>	<b>442</b>	<b>420</b>	<b>353</b>	<b>446</b>	<b>351</b>	<b>341</b>
<b>Adjusted PAT</b>	<b>273</b>	<b>391</b>	<b>430</b>	<b>420</b>	<b>353</b>	<b>357</b>	<b>351</b>	<b>341</b>
Change (%)	-18.5	43.1	10.0	-2.2	-16.1	1.2	-1.8	-2.7
Margin (%)	11.1	9.2	8.0	7.9	6.8	7.4	7.2	7.0

Standalone - Balance Sheet								
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	(INR b) FY28E
Equity Share Capital	64	68	68	68	135	135	135	135
Total Reserves	4,680	4,648	4,723	5,083	5,296	5,573	5,828	6,068
<b>Net Worth</b>	<b>4,745</b>	<b>4,715</b>	<b>4,791</b>	<b>5,151</b>	<b>5,431</b>	<b>5,708</b>	<b>5,964</b>	<b>6,203</b>
Total Loans	1,667	1,946	2,158	2,118	1,988	1,988	1,988	1,988
Deferred Tax Liabilities	308	308	340	363	374	374	374	374
<b>Capital Employed</b>	<b>6,720</b>	<b>6,969</b>	<b>7,289</b>	<b>7,631</b>	<b>7,793</b>	<b>8,070</b>	<b>8,326</b>	<b>8,565</b>
Gross Block	4,512	3,943	4,481	4,831	5,125	5,442	5,842	6,242
Less: Accum. Deprn.	1,444	1,547	1,658	1,835	2,015	2,202	2,397	2,600
<b>Net Fixed Assets</b>	<b>3,068</b>	<b>2,396</b>	<b>2,823</b>	<b>2,996</b>	<b>3,110</b>	<b>3,240</b>	<b>3,445</b>	<b>3,642</b>
Capital WIP	328	347	544	616	824	1,008	1,108	1,208
<b>Total Investments</b>	<b>3,473</b>	<b>4,088</b>	<b>3,511</b>	<b>3,701</b>	<b>3,904</b>	<b>3,904</b>	<b>3,904</b>	<b>3,904</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>1,851</b>	<b>1,933</b>	<b>2,298</b>	<b>2,040</b>	<b>2,174</b>	<b>1,987</b>	<b>1,956</b>	<b>1,894</b>
Inventory	374	459	848	851	892	831	839	837
Account Receivables	42	144	241	147	156	145	147	146
Cash and Bank Balance	56	217	610	692	825	782	741	682
Loans and Advances	1,379	1,113	599	349	301	228	230	229
<b>Curr. Liability &amp; Prov.</b>	<b>2,001</b>	<b>1,795</b>	<b>1,887</b>	<b>1,722</b>	<b>2,219</b>	<b>2,068</b>	<b>2,086</b>	<b>2,082</b>
Account Payables	1,977	1,770	1,864	1,695	2,190	2,041	2,058	2,055
Provisions	24	25	23	27	29	27	27	27
<b>Net Current Assets</b>	<b>-150</b>	<b>138</b>	<b>411</b>	<b>318</b>	<b>-45</b>	<b>-81</b>	<b>-130</b>	<b>-188</b>
<b>Appl. of Funds</b>	<b>6,720</b>	<b>6,969</b>	<b>7,289</b>	<b>7,631</b>	<b>7,793</b>	<b>8,070</b>	<b>8,326</b>	<b>8,565</b>

## RIL: Standalone financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>								
EPS	<b>21.2</b>	<b>28.9</b>	<b>31.8</b>	<b>31.1</b>	<b>26.1</b>	<b>26.4</b>	<b>25.9</b>	<b>25.2</b>
Cash EPS	28.3	36.5	40.0	44.1	39.3	40.2	40.3	40.2
BV/Share	368.1	348.5	354.0	380.7	401.3	421.8	440.7	458.4
<b>Valuation (x)</b>								
P/E	58.7	43.1	39.1	40.0	47.7	47.2	48.0	49.3
Cash P/E	43.9	34.1	31.1	28.2	31.6	31.0	30.8	31.0
P/BV	3.4	3.6	3.5	3.3	3.1	2.9	2.8	2.7
EV/Sales	7.2	4.4	3.4	3.4	3.5	3.7	3.7	3.7
EV/EBITDA	52.7	35.5	27.5	24.6	31.0	31.3	31.5	32.0
Dividend Yield (%)	0.3	0.3	0.3	0.4	0.4	1.0	0.6	0.6
FCF per share	-17.3	36.5	19.3	29.4	31.1	3.8	-2.0	-3.0
<b>Return Ratios (%)</b>								
RoE	6.3	8.3	9.0	8.5	6.7	6.4	6.0	5.6
RoCE	7.5	7.1	7.8	7.4	5.8	6.0	5.5	5.2
RoIC	14.4	13.6	18.0	16.4	12.6	13.6	11.7	10.4
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	0.5	1.1	1.2	1.1	1.0	0.9	0.8	0.8
Asset Turnover (x)	0.4	0.6	0.7	0.7	0.7	0.6	0.6	0.6
Inventory (Days)	56	40	57	58	63	63	63	63
Debtor (Days)	6	12	16	10	11	11	11	11
Creditor (Days)	294	152	126	116	155	155	155	155
<b>Leverage Ratio (x)</b>								
Current Ratio	0.9	1.1	1.2	1.2	1.0	1.0	0.9	0.9
Interest Cover Ratio	1.5	4.6	4.4	4.2	4.0	3.8	3.7	3.6
Net Debt/Equity	0.3	0.4	0.3	0.3	0.2	0.2	0.2	0.2

### Standalone - Cash Flow Statement

**(INR b)**

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
OP/(Loss) before Tax	272	468	556	553	461	553	460	447
Depreciation	92	103	112	177	180	187	195	203
Interest & Finance Charges	162	91	126	134	101	101	102	102
Direct Taxes Paid	-17	-15	-49	-92	-92	-107	-109	-106
(Inc)/Dec in WC	-320	138	-60	78	296	-7	8	-2
Others	-194	-111	-131	-110	-152	-177	-183	-185
<b>CF from Operations</b>	<b>-5</b>	<b>675</b>	<b>553</b>	<b>740</b>	<b>794</b>	<b>551</b>	<b>473</b>	<b>460</b>
(Inc)/Dec in FA	-218	-181	-292	-342	-373	-500	-500	-500
<b>Free Cash Flow</b>	<b>-223</b>	<b>493</b>	<b>262</b>	<b>398</b>	<b>421</b>	<b>51</b>	<b>-27</b>	<b>-40</b>
(Pur)/Sale of Investments	1,202	-563	-10	-170	-100	0	0	0
Others	-242	292	223	129	192	177	183	185
<b>CF from Investments</b>	<b>743</b>	<b>-453</b>	<b>-78</b>	<b>-383</b>	<b>-281</b>	<b>-323</b>	<b>-317</b>	<b>-315</b>
Inc/(Dec) in Debt	-181	-238	117	-44	-167	0	0	0
Interest Paid	-143	-110	-140	-169	-146	-101	-102	-102
Dividend Paid	-39	-43	-51	-61	-68	-169	-95	-101
<b>CF from Fin. Activity</b>	<b>-766</b>	<b>-60</b>	<b>-74</b>	<b>-275</b>	<b>-381</b>	<b>-271</b>	<b>-197</b>	<b>-204</b>
<b>Inc/Dec of Cash</b>	<b>-29</b>	<b>161</b>	<b>401</b>	<b>82</b>	<b>132</b>	<b>-43</b>	<b>-41</b>	<b>-59</b>
Opening Balance	84	56	217	610	692	825	782	741
<b>Closing Balance</b>	<b>56</b>	<b>217</b>	<b>610</b>	<b>692</b>	<b>825</b>	<b>782</b>	<b>741</b>	<b>682</b>

## RIL: Consolidated financials and valuations

Consolidated - Income Statement								(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Total Income from Operations</b>	<b>4,669</b>	<b>7,000</b>	<b>8,795</b>	<b>9,011</b>	<b>9,647</b>	<b>9,830</b>	<b>10,429</b>	<b>11,033</b>
Change (%)	-21.8	49.9	25.6	2.5	7.1	1.9	6.1	5.8
<b>EBITDA</b>	<b>807</b>	<b>1,105</b>	<b>1,429</b>	<b>1,622</b>	<b>1,654</b>	<b>1,851</b>	<b>2,059</b>	<b>2,281</b>
Margin (%)	17.3	15.8	16.2	18.0	17.1	18.8	19.7	20.7
Depreciation	266	298	403	508	531	585	638	681
<b>EBIT</b>	<b>542</b>	<b>807</b>	<b>1,026</b>	<b>1,114</b>	<b>1,123</b>	<b>1,267</b>	<b>1,421</b>	<b>1,600</b>
Int. and Finance Charges	212	146	196	231	243	296	309	305
Other Income	163	149	118	161	180	217	227	227
<b>PBT bef. EO Exp.</b>	<b>493</b>	<b>810</b>	<b>948</b>	<b>1,043</b>	<b>1,060</b>	<b>1,188</b>	<b>1,339</b>	<b>1,521</b>
EO Items	56	28	0	0	0	89	0	0
<b>PBT after EO Exp.</b>	<b>549</b>	<b>839</b>	<b>948</b>	<b>1,043</b>	<b>1,060</b>	<b>1,278</b>	<b>1,339</b>	<b>1,521</b>
Total Tax	17	163	207	257	252	278	318	364
Tax Rate (%)	3.1	19.4	21.8	24.6	23.8	21.8	23.7	23.9
Minority Interest	41	69	74	90	111	130	162	205
<b>Reported PAT</b>	<b>491</b>	<b>607</b>	<b>667</b>	<b>696</b>	<b>696</b>	<b>870</b>	<b>859</b>	<b>952</b>
<b>Adjusted PAT</b>	<b>437</b>	<b>584</b>	<b>667</b>	<b>696</b>	<b>696</b>	<b>780</b>	<b>859</b>	<b>952</b>
Change (%)	1.1	33.8	14.2	4.4	0.0	12.1	10.0	10.9
Margin (%)	9.4	8.3	7.6	7.7	7.2	7.9	8.2	8.6
Consolidated - Balance Sheet								(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Equity Share Capital	64	68	68	68	135	135	135	135
Total Reserves	6,937	7,727	8,144	7,867	8,297	8,997	9,761	10,612
<b>Net Worth</b>	<b>7,002</b>	<b>7,795</b>	<b>8,212</b>	<b>7,935</b>	<b>8,432</b>	<b>9,133</b>	<b>9,896</b>	<b>10,747</b>
Minority Interest	993	1,095	1,130	1,323	1,664	1,794	1,956	2,161
Total Loans	2,426	3,192	4,524	4,590	4,787	4,747	4,707	4,667
Deferred Tax Liabilities	370	496	603	722	835	835	835	835
<b>Capital Employed</b>	<b>10,790</b>	<b>12,578</b>	<b>14,469</b>	<b>14,570</b>	<b>15,718</b>	<b>16,509</b>	<b>17,395</b>	<b>18,410</b>
Gross Block	7,802	8,938	10,289	11,321	13,981	16,730	18,320	19,678
Less: Accum. Deprn.	2,492	2,790	3,193	3,701	4,233	4,817	5,455	6,137
<b>Net Fixed Assets</b>	<b>5,310</b>	<b>6,148</b>	<b>7,096</b>	<b>7,620</b>	<b>9,749</b>	<b>11,913</b>	<b>12,865</b>	<b>13,541</b>
Goodwill on Consolidation	102	130	137	150	245	245	245	245
Capital WIP	1,260	1,725	2,938	3,389	2,624	1,175	885	827
<b>Total Investments</b>	<b>3,648</b>	<b>3,943</b>	<b>3,366</b>	<b>2,257</b>	<b>1,355</b>	<b>1,355</b>	<b>1,355</b>	<b>1,355</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>2,892</b>	<b>3,051</b>	<b>3,598</b>	<b>4,145</b>	<b>4,796</b>	<b>4,990</b>	<b>5,511</b>	<b>6,208</b>
Inventory	817	1,078	1,400	1,528	1,461	1,488	1,579	1,671
Account Receivables	190	236	285	316	421	429	455	482
Cash and Bank Balance	174	362	747	972	1,065	1,188	1,478	1,940
Loans and Advances	1,711	1,375	1,167	1,329	1,849	1,884	1,999	2,115
<b>Curr. Liability &amp; Prov.</b>	<b>2,422</b>	<b>2,419</b>	<b>2,666</b>	<b>2,990</b>	<b>3,051</b>	<b>3,170</b>	<b>3,467</b>	<b>3,767</b>
Account Payables	1,089	1,593	1,472	1,784	1,868	1,903	2,019	2,136
Other Current Liabilities	1,277	788	1,157	1,164	1,113	1,195	1,372	1,551
Provisions	56	38	38	42	70	71	75	80
<b>Net Current Assets</b>	<b>470</b>	<b>632</b>	<b>932</b>	<b>1,155</b>	<b>1,745</b>	<b>1,820</b>	<b>2,045</b>	<b>2,441</b>
<b>Appl. of Funds</b>	<b>10,790</b>	<b>12,578</b>	<b>14,469</b>	<b>14,570</b>	<b>15,718</b>	<b>16,509</b>	<b>17,395</b>	<b>18,410</b>

## RIL: Consolidated financials and valuations

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>EPS</b>	<b>33.9</b>	<b>43.2</b>	<b>49.3</b>	<b>51.4</b>	<b>51.5</b>	<b>57.7</b>	<b>63.5</b>	<b>70.4</b>
Cash EPS	54.5	65.2	79.1	89.0	45.4	100.9	110.6	120.7
BV/Share	543.2	576.1	606.8	586.4	311.6	674.9	731.3	794.2
DPS	3.2	3.5	3.9	5.0	2.8	12.5	7.0	7.5
Payout (%)	8.4	7.8	8.0	9.7	10.7	19.5	11.0	10.7
<b>Valuation (x)</b>								
P/E	43.6	34.2	29.9	28.7	28.7	25.6	23.3	21.0
Cash P/E	27.1	22.6	18.7	16.6	32.5	14.6	13.3	12.2
P/BV	2.7	2.6	2.4	2.5	4.7	2.2	2.0	1.9
EV/Sales	4.8	3.3	2.7	2.6	2.5	2.4	2.2	2.1
EV/EBITDA	27.5	20.6	16.6	14.5	14.3	12.7	11.3	10.0
Dividend Yield (%)	0.2	0.2	0.3	0.3	0.2	0.8	0.5	0.5
FCF per share	-120.0	-8.4	-24.8	24.8	27.0	12.0	16.4	26.6
<b>Return Ratios (%)</b>								
RoE	7.6	7.9	8.3	8.6	8.5	8.9	9.0	9.2
RoCE	8.0	7.5	7.5	7.6	7.7	8.6	8.8	9.3
RoIC	10.7	10.6	11.5	10.9	9.2	8.4	8.2	8.7
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	0.6	0.8	0.9	0.8	0.7	0.6	0.6	0.6
Asset Turnover (x)	0.4	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Inventory (Days)	64	56	58	62	55	55	55	55
Debtor (Days)	15	12	12	13	16	16	16	16
Creditor (Days)	85	83	61	72	71	71	71	71
<b>Leverage Ratio (x)</b>								
Current Ratio	1.2	1.3	1.3	1.4	1.6	1.6	1.6	1.6
Interest Cover Ratio	2.6	5.5	5.2	4.8	4.6	4.3	4.6	5.2
Net Debt/Equity	0.3	0.4	0.5	0.5	0.4	0.4	0.3	0.3

### Consolidated - Cash Flow Statement

(INR b)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
PBT	555	839	948	1,043	1,060	1,278	1,339	1,521
Depreciation	266	298	403	508	531	585	638	681
Tax paid	-32	-38	-207	-257	-252	-278	-318	-364
Change in deferred tax liability	0	0	0	119	112	0	0	0
Change in net working capital	-507	7	-196	64	237	8	26	26
Misc	-19	1	202	110	98	-130	-162	-205
<b>Operating cash flow</b>	<b>262</b>	<b>1,107</b>	<b>1,150</b>	<b>1,588</b>	<b>1,787</b>	<b>1,462</b>	<b>1,522</b>	<b>1,659</b>
Capex	-1,035	-1,163	-1,318	-1,420	-1,422	-1,300	-1,300	-1,300
Change in investments	-473	3	294	170	-118	0	0	0
Misc	92	-124	154	107	164	0	0	0
<b>Investing cash flows</b>	<b>-1,416</b>	<b>-1,285</b>	<b>-870</b>	<b>-1,143</b>	<b>-1,375</b>	<b>-1,300</b>	<b>-1,300</b>	<b>-1,300</b>
Change in borrowings	-837	99	381	266	163	0	0	0
Misc	-241	-285	-231	-372	-414	130	162	205
Issuance of equity	2,136	402	5	0	0	0	0	0
Others	1,895	117	-225	-372	-414	130	162	205
Dividend paid	-39	-43	-51	-61	-68	-169	-95	-101
<b>Financing cash flow</b>	<b>1,019</b>	<b>173</b>	<b>105</b>	<b>-166</b>	<b>-319</b>	<b>-39</b>	<b>67</b>	<b>103</b>
Net change in cash	-135	-5	385	278	93	123	290	463
<b>Closing cash balance</b>	<b>174</b>	<b>169</b>	<b>747</b>	<b>972</b>	<b>1,065</b>	<b>1,188</b>	<b>1,478</b>	<b>1,940</b>

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Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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