HINDUSTAN TIMES, Delhi, 24.7.2023
Page No. 10, Size:(7.22)cms X (23.38)cms.

Limiting China's Lankan toehold

Greater economic integration between New Delhi and Colombo could help deter Beijing

Sri Lankan President Ranil Wickremesinghe's visit to India last week concluded with the unveiling of an ambitious new economic partnership aimed at firming up trade, energy and physical connectivity between the two countries and simultaneously helping the island nation overcome its continuing balance of payments crisis. Some measures included in the vision document for this partnership, such as an agreement on the acceptance of India's Unified Payments Interface (UPI) system, are expected to be in place within the coming months. Other elements, such as a planned petroleum pipeline and land connectivity (a move proposed by Mr Wickremesinghe himself during talks with Prime Minister Narendra Modi), will require more time and considerable preparation, including feasibility studies. However, it is clear the economic partnership is aimed at countering China's growing footprint in the neighbouring country. It was in this context that Mr Modi spoke about the security interests and development of the two countries being intertwined and emphasised the need for India and Sri Lanka to work together while keeping in mind "each other's safety and sensitivities".

Sri Lanka's decision to allow a visit by a Chinese surveillance vessel to the Chinese-controlled Hambantota port in August 2022 after India extended support to the island to cope with the unprecedented crisis didn't go down well with New Delhi. The Chinese vessel's visit was opposed by both India and the US, and New Delhi was particularly irked as Beijing had done virtually nothing to help Colombo address its economic problems. India extended aid worth almost $4 billion to Sri Lanka last year, whereas Colombo's efforts to secure a bailout from the International Monetary Fund (IMF) were held up for many months because of the stance adopted by Beijing. Indian officials made it clear that any fresh measures under the new economic partnership won't add to Sri Lanka's debt burden.

Greater integration between the economies of India and Sri Lanka – especially through steps such as a power grid interconnection, expediting work on a solar power project, LNG infrastructure and the development of the Trincomalee oil tank farms as a regional hub for energy and industrial activities – should effectively reduce China's ability to establish a greater foothold in the immediate neighbourhood. This is why the vision document highlighted the salience of bilateral economic engagements, especially during Sri Lanka's economic crisis. It is now for India to step up to the plate and deliver.

MINT, Delhi, 24.7.2023
Page No. 5, Size:(18.76)cms X (21.27)cms.

OVL's wait for dividend from Sakhalin-1 oil field lengthens

Sakhalin-1 shares are yet to be transferred to ONGC Videsh, delaying the dividend payout

Utpal Bhaskar
utpal.b@livemint.com
NEW DELHI

With state-run ONGC Videsh Ltd (OVL) yet to get equity rights for its shares in Russian energy project Sakhalin-1, the overseas arm of Oil and Natural Gas Corp. has not received any dividend payments, two people aware of the development said.

The project is India's most lucrative energy equity investment overseas and has been a significant source of returns for ONGC since its acquisition in 2001. However, despite efforts to address the issue with Rosneft and at various levels of the Russian government, a resolution has not yet been reached.

OVL purchased the stake for around $331 million, and the investment has since yielded significant gains in the form of equity oil. Rosneft, on its part, has invested nearly $13 billion in India.


OVL purchased the stake for around $331 million, and the investment has since yielded significant gains in the form of equity oil. BLOOMBERG

Mint reported on 21 April about Rosneft offering dividend payments to OVL for its 20% stake in Sakhalin-1 instead of lucrative equity oil for India. Following Russia's invasion of Ukraine, Moscow took control of Sakhalin-1 through a presidential decree in October and transferred it to Rosneft subsidiary, Sakhalinmorneftegazshelf. Consequently, ExxonMobil, the operator, exited Russia.

ExxonMobil had a 30% stake in the asset spread over 1,140 square km, while Japan's Sakhalin Oil and Gas Development Co. held 30%, and Rosneft units held 20%.

$13 bn
Amount invested by Rosneft in India

Post the Russian presidential decree, while OVL received its previous shareholding in Sakhalin-1, the shares are yet to be transferred to it. In the absence of ownership of the shares, OVL is not getting dividend payments.

"While we earlier used to get equity oil for our stake in Sakhalin-1, we were offered dividends. Given that our share has not been transferred to us, we are neither getting dividend nor equity energy from there," said one of the two people seeking anonymity.

Queries emailed to the spokespeople for Rosneft, Russian Federation embassy in New Delhi, India's ministries of external affairs, and petroleum and natural gas, and OVL on 18 July remained unanswered till press time.

State-run energy firms, including Bharat Petroresources Ltd, Indian Oil Corp, Oil India Ltd, and OVL, are facing a challenge with about $400 million in dividend payments from CSJC Vankorneft and LLC Taas-Yuryakh, which are stuck in Russia.

Mint had reported on the difficulty in transferring these dividend payments from Russia.

A Rosneft spokesperson in a 19 April response said: "In October, in accordance with the presidential decree, a new Russian legal entity was created to manage the asset and resume full-scale operations in accordance with Russian law. At the same time, the opportunity was preserved for all existing shareholders to participate in the new project in proportion to their pre-existing interests in the Sakhalin-1 project. The only condition for continued participation was the formation of a liquidation fund for the project in the Russian Federation, previously organized by Exxon in Great Britain. Indian partners have not fulfilled this condition for the time being."

249.36 mtpa
India's total installed refining capacity

Besides, despite Russia emerging as a major supplier to the Indian refiners for the first time in FY23, offering oil at lower rates amid the Ukraine war, the discount rates are shrinking. India is a major Asian refining hub with an installed capacity of over 249.36 million tonnes per annum (mtpa) and 23 refineries. It plans to grow its refining capacity to 400 mtpa by 2025. Large Indian refiners include IOC, BPCL, HPCL, Nayara Energy (formerly Essar Oil) and Reliance Industries. India's import of crude oil and petroleum products grew 29.5% to $209.57 billion in FY23. It imported oil worth $4,591.46 million in May, up over three-fold from $1,341 million a year ago. In April-May, imports from Russia rose four times to $8,563.15 million from the year ago.

BUSINESS LINE, Delhi, 24.7.2023
Page No. 1, Size:(15.95)cms X (8.25)cms.

Russia's oil production cuts offer opportunity to Indian refiners

Rishi Ranjan Kala
New Delhi

A window of opportunity has opened up for Indian refiners to export diesel and other refined products to Europe as Russia cuts down on crude oil exports and demand picks up for these products in the northern hemisphere.

Trade sources said that Russia is slashing exports, particularly of the largest selling medium heavy Ural blend, to support global prices and meet domestic demand for diesel. "Russia is curbing both crude and some refined exports, which coupled with summers in the northern hemisphere, offer opportunities for Indian refiners, particularly private sector, to supply gas oil to Europe," an oil marketing company (OMC) official said.

Kpler's lead analyst (Dirty Products and Refining), Andon Pavlov, pointed out that reduction in medium (heavy) crude availability puts Indian refiners in a "very strong position" against their regional peers, as tightening availability of crude, suitable for conversion operations, will inevitably weigh on margins and operational rates.

From that perspective, India's relationship with Russia will only become stronger going forward, as it offers Indian refiners a great opportunity to maximise their margins, Pavlov told *businessline*.

REFINED PRODUCTS

During April-May FY23, India's exports of automotive diesel fuel to the EU countries rose to around $1.2 billion compared with $560 million a year ago.

The total refined petroleum products export, which stood at 6 million tonnes (mt) in March 2023, fell to 4.37 mt in April, but appreciated to 5.31 mt in May before declining to 5 mt in June. In FY23, barring March, the exports were in the range of 4-5.7 mt.

Diesel exports, which stood at 2.5 mt in March 2023, fell to 1.91 mt and 2.4 mt in April and May, respectively.

A trade source said that outbound shipments were in the range of 2 mt in June. "As medium and heavy differentials start to increase, it will be increasingly difficult for refiners in the West of Suez (WoS) to produce what their respective markets demand, opening up an opportunity for Indian refiners to try and place some excess (gasoil) molecules into Europe," Pavlov said.

East of Suez combines the Middle East and Asia Pacific, while the West of Suez (also called Atlantic Basin) includes the Americas, Europe, Africa and the former Soviet Union. "India is in a really good position to try and capitalise on any export opportunity that emerges in the WoS.

That being said, it will not be a walk in the park, since capacity in the Middle East (Al Zour, Duqm), is adding length to global gas oil balance, whereas Chinese demand doesn't look all that promising, spelling trouble for regional cracks, as exports are set to rise going forward," Pavlov explained.

He explained that India may be in a better position than some refiners that have imposed import bans on Russian material, but it is very difficult to compete with fully-integrated national oil companies that pay only production costs for supplying crude to their own refineries."

BUSINESS STANDARD, Delhi, 24.7.2023
Page No. 17, Size:(29.12)cms X (49.95)cms.

Russian oil: Trading on 'innovation'

Urals crude has passed the trading price cap imposed by the G7 but supplies to India may remain largely unscathed. Here's why

S DINAKAR
23 July

The reports of my death are greatly exaggerated, said the text of a cable sent by American writer Mark Twain from London to the press in the United States after his obituary was mistakenly published. One can say the same about the role of Russian crude oil in India's slate, after Urals, a lynchpin of India's oil imports, rose above the price cap set by the G7 countries this month prompting Indian government officials to presage a decline in the crude's fortunes. Indian officials also harbour hopes of replacing discounted Russian oil with supplies from our traditional West Asian suppliers such as Iraq and the UAE, on similar terms or extended credit periods.

But a diminishing role for Russian crude in India's crude oil basket simply on the basis of a volatile commodity such as crude oil flirting with the $60 a barrel price cap may be overstated, Indian refining officials said.

Before we examine the implications of the G7-imposed price cap on Moscow in December, let us trace the ascendancy of Russian oil.

In February 2022, when Moscow marched into Ukraine, Russia shipped zero barrels of crude oil to India. Volumes rose to 46 million barrels this month (as of July 23), capturing 45 per cent of the Indian market, according to data from Paris-based commodity intelligence provider Kpler. Urals, a high sulphur, sour grade similar to Gulf crudes traditionally supplied to Indian refineries, accounted for 27 per cent of India's total crude purchases in calendar 2023, ship tracking data show.

Vandana Hari, a Singapore-based energy expert and founder of Vanda Insights, described this rising share as "unprecedented". This is the first time that one country has accounted for over 40 per cent of India's imports, climbing at a record pace of just 18 months, she said. This surge was not possible if Indian refiners had not benefitted from the purchases, she said.

No further increases in Russian shipments are possible because of technical limitations for Indian refineries to process more Urals, Hari went on to explain. But shipments may slow because Russia is voluntarily cutting another 500,000 barrels a day (b/d) of output next month, in addition to 500,000 b/d already committed, leaving less oil for China and India. Most of the cuts will come out of cheaper Urals while shipments of premium, light grades will be steady.

But Russian crude could continue playing a significant role in India's trade basket, said Narendra Taneja, a leading energy expert. Russia depends heavily on China and India for its oil sales since Western sanctions, and Russian exporters will do everything possible to maintain this as long as sanctions persist, he said.

Indian officials claim that discounts on Russian crude have crashed to $3 a barrel after Urals turned expensive this month, potentially hurting purchases. Market sources said that surging demand for Urals has shrunk discounts from $8-$10 a barrel — on a landed basis off European benchmark Brent — to around $5-$6 a barrel. But given India's huge oil purchases, even a difference of a few cents to a barrel is adequate for refiners, a refining official said.

Indian officials claim that discounts on Russian crude oil have crashed to $3 a barrel after Urals turned expensive this month, potentially hurting purchases

Moreover, Russian oil, notably Urals, has helped Indian state refiners stay above water since early 2022, after pressure from Delhi forced them to keep pump prices of petrol and diesel flat for over a year, incurring billions of dollars in losses in the process. Discounted Urals have helped trim the loss, an industry official said.

Urals will remain competitive in Asian markets — as the fact that their discounts have been reduced suggests — and Russia does not have to offer very high discounts, as it did when it had to shift markets away from Europe, said Tilak Doshi, a London-based energy expert, previously with Saudi Aramco and Unocal among others.

So how will India cope with Urals breaching the EU-denominated price cap? First, the problems with paying for expensive Urals may be overstated. India has bought premium Russian, low sulphur grades for several months now and successfully made payments. Non-Urals crudes, comprising premium, light, sweet grades typically trade above the price cap, and accounted for 32 per cent of India's purchases in 2023, payments for which were processed via Indian and UAE banks.

"There were some hiccups initially, but we worked around it," said a state refining official. The official said that most payments for Russian oil were now made in dirhams. Some payments are in roubles, and some odd cargoes cleared in yuan, the official added. The official said that sanctions only prohibit using Western insurance and shipping services above the price cap, but do not bar payments to Russian exporters. State-run banks like SBI, PNB and BoB have been skittish, fearing Washington, but large private banks have come forward to facilitate payments.

Some refiners may have also taken to splitting invoices, an industry official said. This means an invoice of Russian oil, costing say $64 a barrel, is split in two parts. The first invoice, priced below the cap, is paid immediately to the Russian exporter on presentation of loading documents, and the remaining amount in the second invoice is bundled together with other such invoices and paid separately, out of Dubai, Singapore or Hong Kong, a Singapore-based veteran commodity trader explained.

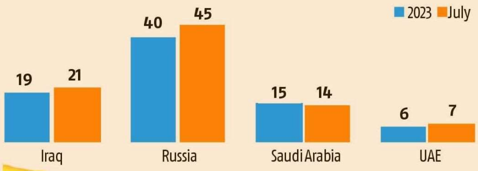
India's options for cheap oil are limited. Since March, OPEC+ nations have cut over 3 million b/d of output. Brent has firmed up to the current $79-80 a barrel but the outlook for crude prices remains bearish with questions over the pace of China's economic growth, Doshi said.

UAE and Iraq need to shore up their revenues from oil exports amid lower shipments and a less-than-expected increase in oil prices, Hari added. Moreover, their prices are typically in line with Saudi selling prices, which have been at a premium for Asian buyers. So there is little possibility of West Asian suppliers offering outright discounts to India, Hari said.

In May, UAE and Saudi Arabian oil cost $14-15 a barrel more than Russian oil on a delivered basis, according to customs data. Iraqi crude was $5 a barrel higher, according to customs data. Given the wide gap in prices, Russian oil will remain the biggest bet for Indian refiners as they find more innovative ways and dark traders to import and pay for the oil. Supplies will be hurt only if the Russians offer lower volumes.

INSIDE THE BARREL

(market share in %)



Country of consignment	2023 vols	Unit delivered cost in May
Iraq	185	75
Russia	389	70
Saudi Arabia	149	84
UAE	58	85

Volumes in million barrels; value in $ per barrel. Source: Kpler for volumes, Indian Customs data for prices

INDIAN EXPRESS, Delhi, 24.7.2023
Page No. 9, Size:(14.14)cms X (16.89)cms.

The ethanol impetus

Distilleries have diversified from molasses to a range of feedstocks, enabling blending rates with petrol to more than double to 11.75% in past five years. Modi govt's differential pricing policy for ethanol has helped

HARISH DAMODARAN

INDIA'S ETHANOL production programme has come a long way in the past five years, both in terms of the quantities supplied by sugar mills/distilleries to oil marketing companies (OMCs) and the raw material used — from cane molasses and juice to rice, damaged grains, maize and, down the line, millets.

Ethanol is basically 99.9% pure alcohol that can be blended with petrol. It is different from the 94% rectified spirit having applications in paints, pharmaceuticals, personal care products and other industries, and 96% extra neutral alcohol that goes to make potable liquor.

Prime Minister Narendra Modi, at a G20 Energy Ministers' meet on Saturday, said that India has rolled out 20% ethanol-blended petrol this year and aims to "cover the entire country by 2025".

Cane options

Till 2017-18 (December-November supply year), sugar mills produced ethanol only from 'C-heavy' molasses. The cane they crush typically has 13.5-14% TFS or total fermentable sugars content. Around 11.5% of it is recovered from the juice as sugar, with the uncrystallised, non-recoverable 2-2.5% TFS going into so-called C-heavy molasses. Every one tonne of C-heavy molasses, containing 40-45% sugar, gives 220-225 litres of ethanol.

But mills, instead of extracting the maximum recoverable 11.5%, can produce 9.5-10% sugar and divert the extra 1.5-2% TFS to an earlier 'B-heavy' stage molasses. This molasses, containing 50%-plus sugar, yields 290-320 litres per tonne.

A third route is not to produce any sugar and ferment the entire 13.5-14% TFS into ethanol. From crushing one tonne of cane, 80-81 litres of ethanol can thus be obtained, as against 20-21 litres and 10-11 litres through the B-heavy and C-heavy routes respectively.

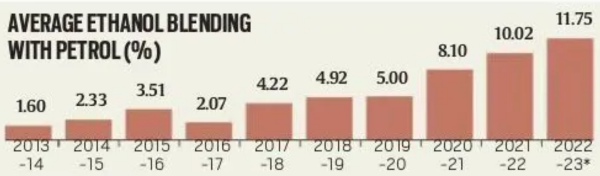
Feedstocks diversification

The table shows ethanol supplies by mills/distilleries to OMCs soaring from a mere 38 crore litres in 2013-14 to an estimated 559 crore in 2022-23. Moreover, there has been a significant diversification of feedstocks from C-heavy to not only B-heavy molasses and direct sugarcane juice, but even rice and other foodgrains.

ETHANOL SUPPLIED TO OIL MARKETING COMPANIES (CRORE LITRES)

Supply Year**	C-Heavy Molasses	B-Heavy Molasses	Sugarcane Juice	Surplus Rice	Damaged Grains	TOTAL
2013-14	38.00	0	0	0	0	38.00
2014-15	67.41	0	0	0	0	67.41
2015-16	111.40	0	0	0	0	111.40
2016-17	66.51	0	0	0	0	66.51
2017-18	150.50	0	0	0	0	150.50
2018-19	145.84	32.53	0.68	0	9.50	188.55
2019-20	74.12	68.14	14.83	0	15.96	173.05
2020-21	38.96	182.71	39.17	1.90	39.26	302.00
2021-22	10.84	264.93	85.42	48.56	23.85	433.60
2022-23*	6.49	241.47	143.78	143.43	23.80	559.08#
2022-23**	3.85	158.46	122.59	57.95	8.31	351.16

*Note: *Finalised quantity; **Supplied/lifted quantity till July 9, 2023; #Includes 0.11 crore litres from maize; ##Dec-Nov.*
Source: Indian Sugar Mills Association



Achieved till July 9, 2023

Ethanol yields from grains are actually higher than from molasses. One tonne of rice can produce 450-480 litres of ethanol, while it is 450-460 litres from broken/damaged grains, 380-400 litres from maize, 385-400 litres from jowar (sorghum) and 365-380 litres from bajra and other millets. The yields are linked to starch content: 68-72% in rice, 58-62% in maize and jowar, and 56-58% in other millets.

However, though more ethanol can be produced from grains than molasses, the process is longer. The starch in the grain has to first be converted into sucrose and simpler sugars (glucose and fructose), before their fermentation into ethanol by using yeast (saccharomyces cerevisiae). Molasses already contains sucrose, glucose and fructose.

Year-round production

Some leading sugar companies — including Triveni Engineering & Industries Ltd, DCM Shriram and Dhampur Sugar Mills — have installed distilleries with the flexibility to operate on multiple feedstocks and, hence, round the year.

Triveni Engineering's 200 kilo-litres-per-day (KLPD) distillery at Milak Narayanpur in Uttar Pradesh's Rampur district can use B-heavy molasses from its 6,000 tonnes-cane-per-day sugar mill during the crushing season from November to April. During the off-season from May to October, it is able to run on grain, mainly surplus and broken rice sourced from the Food Corporation of India (FCI) and open market.

The multi-feed distillery, commissioned in April 2022, has three 2,800-tonnes silos for storing grain, besides facilities for milling into flour, liquefaction (converting starch into glucose and fructose), fermentation (to 15% alcohol), distillation (to 94% spirit) and dehydration (to 99.9% ethanol).

"India's ethanol programme is no longer reliant on a single feedstock or crop. Earlier, it was molasses and cane. Today, it's also rice, maize and other grains. Diversification of feedstocks will minimise supply fluctuations and price volatility on account of any one crop," said Tarun Sawhney, vice chairman of Triveni Engineering, which has increased its total distillery capacity from 320 KLPD to 660 KLPD since 2021-22 and plans to further expand to 1,110 KLPD by 2024-25.

The boost

The flexibility and incentive for mills/distilleries to use multiple feedstocks has largely come from the Modi government's policy of differential pricing. Till 2017-18, the OMCs were paying a uniform price for ethanol produced from any feedstocks.

From 2018-19, the Modi government began fixing higher prices for ethanol produced from B-heavy molasses and whole sugarcane juice/syrup. The idea was to compensate mills for revenues foregone from reduced/nil production of sugar.

For the 2022-23 supply year, the ex-distillery price of ethanol payable by OMCs has been set at Rs 49.41/litre from C-heavy molasses, Rs 60.73/litre from B-heavy molasses, Rs 65.61/litre from sugarcane juice/syrup, Rs 55.54/litre from broken/damaged grains, Rs 56.35/litre from maize and Rs 58.50/litre from surplus FCI rice.

The stimulus that this has given to ethanol production can be seen from its all-India average blending with petrol touching 11.75% in 2022-23, as against 1.6% in 2013-14 (chart).

The incorporation of new feedstocks for ethanol production can create new demand for grains. Uttar Pradesh is a major sugarcane grower, just as Bihar is in maize. If their farmers were to supply rice, barley and millets as well to distilleries, these two states could well "fuel India" the way Punjab, Haryana or Madhya Pradesh "feed India".

The current year might be an exception, with likely pressure on domestic availability/stocks of cereals and sugar from El Niño-induced monsoon uncertainties. While the Modi government has already banned exports of wheat, sugar and non-parboiled non-basmati rice, it hasn't put any brakes so far on the ethanol blending programme.

Byproduct benefits

Distilleries are often synonymous with pollution. The liquid effluent (spent wash) generated during alcohol production can pose serious environmental problems, if discharged without proper treatment.

But the new molasses-based distilleries have MEE (multi effect evaporator) units, where the spent wash is concentrated to about 60% solids. The concentrated wash is used as a boiler fuel along with bagasse (the fibre remaining after crushing sugarcane) in 70:30 ratio. The resultant ash coming out from the incineration boiler in dry form contains up to 28% potash, which can be used as fertiliser.

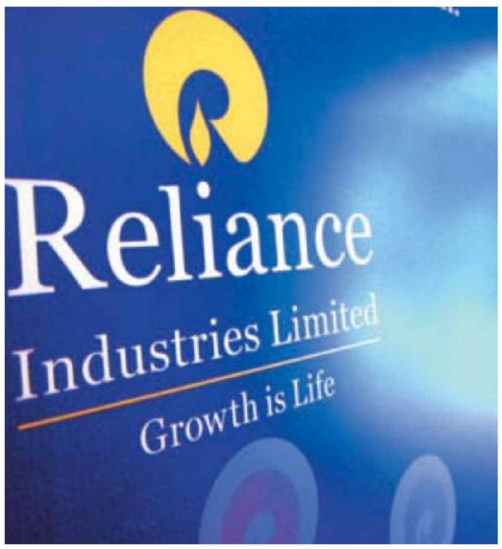
The spent wash from grain distilleries similarly goes into a decanter centrifuge, which separates the liquid from the solid. This is followed by concentrating the liquid in MEE units and drying it along with the wet cake from the decanter. The resultant byproduct, DDGS or distillers' dried grain with solubles, is sold as animal feed.

BUSINESS STANDARD HINDI, Delhi, 24.7.2023
Page No. 3, Size:(26.02)cms X (20.77)cms.

कमजोर पड़ सकता है रिलायंस का शेयर

कंपनी के जून तिमाही प्रदर्शन पर दबाव का मुख्य कारण ओ2सी सेगमेंट और इसके लिए कमजोर अल्पावधि परिदृश्य था

राम प्रसाद साहू
मुंबई, 23 जुलाई

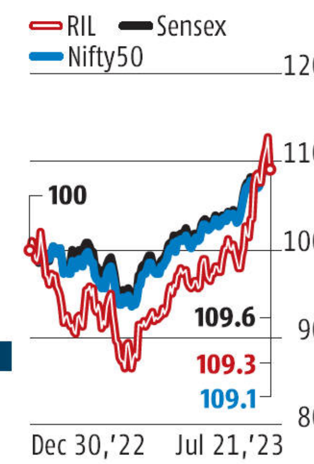


अलग-अलग हिस्से का मूल्यांकन

सेगमेंट	प्रति शेयर एंटरप्राइज वैल्यू (रुपये)
रिफाइनिंग	353
पेट्रोकेमिकल्स	353
अपस्ट्रीम	155
रिटेल	1,156
दूरसंचार	640
अन्य	124
न्यू एनर्जी	111
कुल	2,892
समायोजित शुद्ध कर्ज	233
इक्विटी वैल्यू (लक्षित कीमत)	2,660

स्रोत : एमके रिसर्च

रफ्तार का जायजा



जून तिमाही में अनुमान के मुकाबले कमजोर नतीजों, जुलाई में शेयर भाव में आई भारी तेजी और कुछ ब्रोकरों द्वारा अनुमान कटौती की वजह से भारत की सबसे ज्यादा मूल्यवान कंपनी रिलायंस इंडस्ट्रीज (आरआईएल) के शेयर पर दबाव बना रह सकता है।

आरआईएल का जीडीआर शुक्रवार को लंदन स्टॉक एक्सचेंज (एलएसई) में 5.86 प्रतिशत गिरकर बंद हुआ। शेयर में मार्च के निचले स्तरों से तेजी का रुझान बना हुआ था और तब से 24 प्रतिशत तक की तेजी आई थी। इसमें ज्यादातर तेजी पिछले तीन सप्ताह में आई। हाल में आई बड़ी तेजी (जियो फाइनैंशियल सर्विसेज डीमर्जर की वजह से) और सीमित दायरे में व्यावसायिक परिवेश की वजह से एमके रिसर्च में विश्लेषक सबरी हजारिका ने शेयर की रेटिंग घटाकर 'होल्ड' कर दी है।

कंपनी के जून प्रदर्शन पर दबाव का मुख्य कारण ऑयल-टु-केमिकल (ओ2सी) सेगमेंट और इसके लिए कमजोर अल्पावधि परिदृश्य था। जहां संपूर्ण समेकित राजस्व सालाना आधार पर 5 प्रतिशत घटा, वहीं ओ2सी व्यवसाय की बिक्री में 17 प्रतिशत की कमी आई। जून तिमाही में समेकित राजस्व में इस व्यवसाय का 57 प्रतिशत और आरआईएल के परिचालन लाभ में 36 प्रतिशत योगदान रहा।

व्यवसाय में राजस्व गिरावट काफी हद तक कच्चे तेल की कीमतों में बड़ी कमजोरी (सालाना आधार पर 31 प्रतिशत) और डाउनस्ट्रीम रसायनों की सुस्त कीमत प्राप्तियों की वजह से दर्ज की गई। कंपनी ने संकेत दिया है कि चीन संबंधित मांग अनुमान से कम रही, जिससे कुल मांग प्रभावित हुई। इसके अलावा उत्पादकों और बिचौलियों ने मंदी की आशंका के बीच लगातार स्टॉक समाप्त करने पर जोर दिया।

सेंट्रम रिसर्च के रोहित नागराज और जय भारत त्रिवेदी का मानना है कि सुस्त वैश्विक मांग परिवेश की वजह से ओ2सी व्यवसाय अल्पावधि में नरम बना रहेगा। ब्रोकरेज ने इस शेयर के लिए 'खरीदें' रेटिंग बरकरार रखी है।

उपभोक्ता व्यवसाय में मजबूत वृद्धि की वजह से ओ2सी व्यवसाय में गिरावट के प्रभाव की कुछ हद तक भरपाई करने में मदद मिली। दूरसंचार व्यवसाय में, कंपनी ने मजबूत ग्राहक वृद्धि दर्ज की और प्रति उपयोगकर्ता औसत राजस्व में सुधार दर्ज किया। जून तिमाही में कंपनी के लिए शुद्ध ग्राहक वृद्धि ब्रोकरेज के अनुमान की तुलना में बेहतर थी। ब्रोकरेज फर्म ने यह वृद्धि करीब 10 लाख कम रहने का अनुमान जताया था। कंपनी के अनुसार 4जी और 5जी नेटवर्कों की बढ़ती पहुंच के साथ सालाना आधार पर ग्राहकों की संख्या 7 प्रतिशत और तिमाही आधार पर 2 प्रतिशत वृद्धि दर्ज की गई।

वायरलेस (ब्रॉडबैंड) व्यवसाय के लिए ग्राहक वृद्धि भी मजबूत रही और अनुमानित तौर पर यह 25 प्रतिशत तक बढ़कर 8.3 लाख ग्राहक दर्ज की गई। कंपनी का कहना है कि ब्रॉडबैंड में ग्राहक आधार नई दरों और बेहतर उत्पाद पेशकशों की मदद से सालाना आधार पर 50 प्रतिशत तक बढ़ा है। एक सकारात्मक बदलाव यह भी है कि पोस्टपेड सेगमेंट में नए अधिग्रहणों से कंपनी को ज्यादा प्राप्तियां हासिल करने में मदद मिलेगी।

एआरपीयू 180.5 रुपये पर रहा, जो 2.8 प्रतिशत तक ज्यादा था और एक साल पहले की तिमाही की तुलना में 1 प्रतिशत अधिक था। यह वृद्धि बेहतर सदस्यता मिश्रण और ब्रॉडबैंड आधार में तेजी की वजह से हासिल हुई। जहां ग्राहक वृद्धि बरकरार रहने का अनुमान है, वहीं दर वृद्धि दूरसंचार व्यवसाय के लिए मुख्य कारक है। यदि अल्पावधि में कीमतें नहीं बढ़ाई गईं तो एआरपीयू वृद्धि निराशाजनक रह सकती है।

रिटेल व्यवसाय में, 19 प्रतिशत की वृद्धि को कंपनी के स्टोर नेटवर्क के विस्तार से मदद मिली। डिजिटल कॉमर्स और नए कॉमर्स (जिसका कुल बिक्री में 18 प्रतिशत योगदान है) में शानदार वृद्धि दर्ज की गई। नए अधिग्रहीत व्यवसायों के समेकन से भी राजस्व को मदद मिली।

जहां कंपनी ने जून तिमाही में 555 नए स्टोर खोले और इसके साथ ही कुल स्टोरों की संख्या बढ़कर 18,446 पर पहुंच गई, लेकिन यह शुरुआती तिमाहियों में खोले गए स्टोरों की संख्या के मुकाबले कमजोर आंकड़ा है। ग्राहकों की आवक 24.9 करोड़ थी जो 42 प्रतिशत तक ज्यादा है, जबकि कुल एरिया 70.6 प्रतिशत पर रहा जो सालाना आधार पर 55 प्रतिशत की वृद्धि है।

सेगमेंटों के संदर्भ में, किराना ने 55 प्रतिशत की शानदार वृद्धि दर्ज की। अधिग्रहणों के अलावा, सेगमेंट में वृद्धि को प्रोत्साहनों, जनरल मर्केंडाइज की भागीदारी बढ़ने और जियोमार्ट/नए कॉमर्स चैनलों की मजबूत बिक्री से मदद मिली। कंपनी ने संकेत दिया है कि वह नॉन-फूड या जनरल मर्केंडाइज बिक्री में भागीदारी बढ़ाने पर जोर दे रही है जिससे परिचालन मुनाफा मार्जिन बढ़ाने में मदद मिल सकेगी।