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Reliance Shares Plunge to Worst Day Since 2024 on Indian Retail Sector Fears

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Shares of **Reliance Industries Ltd.** dropped sharply this week, marking the company's worst single?day performance since June 2024, as investors reacted to increasing worries over the prospects for India's retail sector and growing competition within it.

Reliance's stock closed down around **4.5%**, a notable reversal after a strong 2025 rally that saw the share price outperform many benchmark indices. The fall erased more than **$10?billion in market value** and dragged down key domestic indices such as the BSE Sensex and NSE Nifty 50, where Reliance holds one of the largest weightings.

Retail Sector Weakness and Competition

Investor unease was largely sparked by weak performance signals from India's organised retail segment, with rival companies reporting lower revenues and slower growth in key metrics such as same?store sales. Retail analysts highlighted that intensified competition from both domestic players and international entrants is putting pressure on incumbents' market shares.

Although Reliance Retail — the unlisted retail arm that spans groceries, fashion, electronics and lifestyle — is seen as a critical driver of the conglomerate's long?term valuation, concerns over consumer demand, margin compression and competitive dynamics weighed on sentiment.

Broader Business Challenges

The stock slide comes amid broader challenges across segments of Reliance's business. Its traditional oil?to?chemicals operations have faced weakening margins amid global oversupply and volatile energy markets, while overall corporate growth momentum is being tested.

Despite these pressures, some analysts see potential drivers for recovery, including planned strategic initiatives such as the **listing of Jio Platforms** — the telecom and digital services division — and anticipated consumer segment expansion. The Jio IPO, expected to be one of the largest in India when it occurs, has been highlighted as a future growth catalyst.

Market Outlook

While the immediate reaction has been negative, brokerages and market watchers note that current valuations may already account for much of the adverse news, and that selective growth in consumer demand and strategic unit performance could help stabilise the stock. Investor focus in coming quarters will likely centre on retail segment performance, refining margins, and execution of growth drivers across core businesses

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