Media Release

Mumbai, 15th July 2016

QUARTERLY CONSOLIDATED NET PROFIT OF ₹ 7,113 CRORE ($ 1.1 BILLION), UP 18.1%

QUARTERLY CONSOLIDATED PBDIT OF ₹ 13,589 CRORE ($ 2.0 BILLION), UP 16.7%

RECORD QUARTERLY REFINING AND PETROCHEMICALS SEGMENT EBIT

Reliance Industries Limited (RIL) today reported its financial performance for the quarter ended 30th June, 2016. Highlights of the un-audited financial results as compared to the previous year are:

CONSOLIDATED FINANCIAL PERFORMANCE

(In ₹ Crore)	**1Q FY17***	**4Q FY16***	**1Q FY16***	**% chg. wrt 4Q FY16**	**% chg. wrt 1Q FY16**
Turnover	71,451	63,930	82,509	11.8%	(13.4%)
PBDIT	13,589	13,291	11,642	2.2%	16.7%
PBDIT (Excluding Exceptional Items)	13,589	13,219	11,642	2.8%	16.7%
Profit Before Tax	9,658	9,339	7,976	3.4%	21.1%
Net Profit (Excluding Exceptional Items)	7,113	6,858	6,024	3.7%	18.1%
Net Profit	7,113	6,930	6,024	2.6%	18.1%
EPS (₹)	24.1	23.5	20.5	2.6%	17.6%

(Based on Ind AS)*

HIGHLIGHTS OF QUARTER'S PERFORMANCE (CONSOLIDATED)

- Revenue (turnover) decreased by 13.4% to ₹ 71,451 crore ($ 10.6 billion)
- PBDIT increased by 16.7% to ₹ 13,589 crore ($ 2.0 billion)
- EBIT margin at 10.7%, up by 241bps
- Profit Before Tax increased by 21.1% to ₹ 9,658 crore ($ 1.4 billion)
- Cash Profit increased by 13.3% to ₹ 10,113 crore ($ 1.5 billion)
- Net Profit increased by 18.1% to ₹ 7,113 crore ($ 1.1 billion)

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HIGHLIGHTS OF QUARTER'S PERFORMANCE (STANDALONE)

- Revenue (turnover) decreased by 16.7% to ₹ 59,493 crore ($ 8.8 billion)
- Exports decreased by 9.4% to ₹ 33,282 crore ($ 4.9 billion)
- PBDIT increased by 18.0% to ₹ 12,850 crore ($ 1.9 billion)
- Profit Before Tax increased by 20.7% to ₹ 9,976 crore ($ 1.5 billion)
- Cash Profit increased by 13.8% to ₹ 9,734 crore ($ 1.4 billion)
- Net Profit increased by 18.5% to ₹ 7,548 crore ($ 1.1 billion)
- Gross Refining Margin (GRM) of $ 11.5/bbl for the quarter

CORPORATE HIGHLIGHTS FOR THE QUARTER (1Q FY17)

- In May 2016, Reliance signed Agreements for the sale of its interest in Gulf Africa Petroleum Corporation to TOTAL.
- In June 2016, The Subscription and Shareholders Agreement for setting up of Payments Bank was signed by RIL as promoter with a 70% equity contribution and SBI as Joint Venture partner with a 30% equity contribution.

Commenting on the results, Mukesh D. Ambani, Chairman and Managing Director, Reliance Industries Limited said: *"At Reliance, we continued to harness the power of our integrated energy and materials business portfolio. We maintained our earnings growth trajectory during this quarter, as the world grappled with new dimensions of economic uncertainty.*

Though regional refining margins trended downwards, our high-conversion refining system was able to take advantage of higher margins on middle distillates and wider discounts on sour crude oils. Our refining business delivered another record performance and achieved industry leading GRM. Our petrochemicals business has a wide product portfolio, superior feedstock linkages and serves high-growth end-markets in India. As a result, we achieved yet another quarter of margin expansion in petrochemicals business and delivered EBIT growth of more than 20.5% Y-o-Y.

Our major investments in new projects at Jamnagar will enhance our unparalleled feedstock linkage and increase integration synergies. At Reliance Jio, we have built an entire ecosystem that will allow Indians to live the digital life to the fullest. This transformational ecosystem consists of broadband connectivity, devices and powerful applications and services which will be available to every consumer in India."

1Q FY 2016-17: FINANCIAL PERFORMANCE REVIEW AND ANALYSIS (CONSOLIDATED)

Result for the quarter ended 30th June 2016 are in compliance with Ind AS notified by the Ministry of Corporate Affairs. Consequently, result for the quarter ended 31st March 2016, 30th June 2015 and previous year ended 31st March 2016 have been restated to comply with Ind AS to make them comparable.

For the quarter ended 30th June 2016, RIL achieved a turnover of ₹ 71,451 crore ($ 10.6 billion), a decrease of 13.4%, as compared to ₹ 82,509 crore in the corresponding period of the previous year. Decline in revenue was led by the 26% Y-o-Y decline in benchmark (Brent) oil price which averaged at $ 45.6/bbl in 1Q FY17 as compared to $ 61.9/bbl in the corresponding period of the previous year. Impact of lower prices was partially offset by higher volumes in refining and petrochemicals segments.

Cost of raw materials declined by 25.5% to ₹ 37,469 crore ($ 5.5 billion) from ₹ 50,305 crore on Y-o-Y basis primarily on account of decline in feedstock prices.

Exports from India operations were lower by 9.4% at ₹ 33,282 crore ($ 4.9 billion) as against ₹ 36,717 crore in the corresponding period of the previous year due to lower product prices in line with lower feedstock prices.

Employee costs were higher by 10.2% at ₹ 2,111 crore ($ 313 million) as against ₹ 1,915 crore in corresponding period of the previous year due to higher payouts and increased employee base.

Other expenditure decreased by 3.1% to ₹ 8,598 crore ($ 1.3 billion) as against ₹ 8,870 crore in corresponding period of the previous year due to lower fuel cost.

Operating profit before other income and depreciation increased by 12.7% on a Y-o-Y basis to ₹ 11,223 crore ($ 1.7 billion) from ₹ 9,959 crore in the previous year. Strong operating performance from refining and petrochemicals businesses coupled with favorable exchange rate movement enhanced the operating profit. This was partially offset by lower contribution from Oil & Gas business due to lower volumes and weak price environment.

Other income was higher at ₹ 2,378 crore ($ 352 million) as against ₹ 1,584 crore in corresponding period of the previous year due to higher interest income and profit on sale of investments.

Depreciation (including depletion and amortization) was ₹ 2,725 crore ($ 404 million) as compared to ₹ 2,751 crore in corresponding period of the previous year.

Interest cost was at ₹ 1,206 crore ($ 179 million) as against ₹ 915 crore in corresponding period of the previous year due to higher average exchange rate during the quarter.

Profit after tax including exceptional items was higher by 18.1% at ₹ 7,113 crore ($ 1.1 billion) as against ₹ 6,024 crore in the corresponding period of the previous year.

Basic earnings per share (EPS) for the quarter ended 30th June 2016 was ₹ 24.1 as against ₹ 20.5 in the corresponding period of the previous year.

Outstanding debt as on 30th June 2016 was ₹ 186,692 crore ($ 27.6 billion) compared to ₹ 180,388 crore as on 31st March 2016.

Cash and cash equivalents as on 30th June 2016 were at ₹ 90,812 crore ($ 13.4 billion) compared to ₹ 89,966 crore as on 31st March 2016. These were in bank deposits, mutual funds, CDs and Government Bonds and other marketable securities.

The capital expenditure for the quarter ended 30th June 2016 was ₹ 26,690 crore ($ 4.0 billion) including exchange rate difference capitalization. Capital expenditure was principally on account of ongoing expansions projects in the petrochemicals and refining business at Jamnagar, Dahej, Hazira, US Shale gas projects and Digital services business.

RIL retained its domestic credit ratings of AAA from CRISIL and FITCH and an investment grade rating for its international debt from Moody's as Baa2 and BBB+ from S&P.

REFINING & MARKETING BUSINESS

(In ₹ Crore)	1Q FY17	4Q FY16	1Q FY16	% chg. wrt 4Q FY16	% chg. wrt 1Q FY16
Segment Revenue	56,568	48,063	68,729	17.7%	(17.7%)
Segment EBIT	6,593	6,380	5,235	3.3%	25.9%
Crude Refined (MMT)*	16.8	17.8	16.6		
GRM* ($ / bbl)	11.5	10.8	10.4		
EBIT Margin (%)	11.7%	13.3%	7.6%		

(* *Standalone RIL)*

During 1Q FY17 revenue from the Refining and Marketing segment decreased by 17.7% Y-o-Y to ₹ 56,568 crore ($ 8.4 billion). Segment EBIT was at record level of ₹ 6,593 crore ($ 1.0 billion), up 25.9% Y-o-Y. Gross Refining Margins (GRM) for 1Q FY17 stood at $ 11.5/bbl as against $ 10.4/bbl in 1Q FY16. RIL's GRM outperformed Singapore complex margins by $ 6.5/bbl, highest level achieved in the last eight years. The refineries achieved an average utilization rate of 109%. Improved middle distillate cracks, advantaged crude sourcing, continuing robust demand growth supported refining margin.

PETROCHEMICALS BUSINESS

(In ₹ Crore)	1Q FY17	4Q FY16	1Q FY16	% chg. wrt 4Q FY16	% chg. wrt 1Q FY16
Segment Revenue	20,718	20,915	20,858	(0.9%)	(0.7%)
Segment EBIT	2,806	2,704	2,329	3.8%	20.5%
EBIT Margin (%)	13.5%	12.9%	11.2%		
Production in India (MMT)	6.1	6.3	5.8		

1Q FY17 revenue from the Petrochemicals segment decreased by 0.7% Y-o-Y to ₹ 20,718 crore ($ 3.1 billion), reflecting lower product prices resulting from decline in feedstock prices. This was partially offset by higher volumes mainly on account of new PTA and PET capacities. Revenues declined marginally on Q-o-Q basis primarily on account of lower volumes caused by disruption at Dahej. Petrochemicals segment EBIT was at a record level of ₹ 2,806 crore ($ 416 million), supported by demand led strength in polymer deltas. Polyester chain margins remained stable with subdued demand growth. Petrochemicals segment EBIT margins expanded to 13.5% during the quarter as product deltas held up well despite lower prices.

OIL AND GAS (EXPLORATION & PRODUCTION) BUSINESS

(In ₹ Crore)	**1Q FY17**	**4Q FY16**	**1Q FY16**	**% chg. wrt 4Q FY16**	**% chg. wrt 1Q FY16**
Segment Revenue	**1,340**	**1,634**	2,054	(18.0%)	(34.8%)
Segment EBIT	**(312)**	**(392)**	199	-	-
EBIT Margin (%)	**(23.3%)**	**(24.0%)**	9.7%		

1Q FY17 revenues for the Oil & Gas segment decreased by 34.8% Y-o-Y to ₹ 1,340 crore. The decline in revenue was led by lower upstream production in domestic blocks coupled with sharply lower oil and gas prices in both the domestic and US shale segments. The unfavorable upstream price environment impacted segment EBIT which was at ₹ (-) 312 crore, as against ₹ 199 crore in the corresponding period of the previous year.

ORGANIZED RETAIL

(In ₹ Crore)	**1Q FY17**	**4Q FY16**	**1Q FY16**	**% chg. wrt 4Q FY16**	**% chg. wrt 1Q FY16**
Segment Revenue	**6,666**	5,646	4,572	18.1%	45.8%
Segment EBIT	**148**	128	113	15.6%	31.0%
EBIT Margin (%)	**2.2%**	2.3%	2.5%		
Business PBDIT	**240**	221	198	8.6%	21.2%

Revenues for 1Q FY17 grew by 45.8% Y-o-Y to ₹ 6,666 crore from ₹ 4,572 crore. The increase in turnover was led by growth in Digital, Fashion & lifestyle and petroleum products. The business delivered strong PBDIT of ₹ 240 crore in 1Q FY17 as against ₹ 198 crore in the corresponding period of the previous year. During the quarter, Reliance Retail added 138 stores across various store concepts, strengthened its distribution network for consumer electronics and enhanced omni commerce channel offerings by launching www.footprint360.com.

As on 30th June 2016, Reliance Retail operated 3,383 stores across 679 cities with an area of over 13 million square feet. Reliance Retail operates 361 fuel retailing outlets through its subsidiary Reliance Petro Marketing Limited.

BUSINESS ENVIRONMENT UPDATE

REFINING & MARKETING BUSINESS

Global oil demand has grown 1.45 Mbpd in 2016 with robust growth in India and USA. The demand elasticity to lower prices seen in 2015 has continued in 2016. Demand growth in India was at 7.8% during the quarter led by 10% growth in gasoline, 4.7% in diesel and 11.1% in jet-kero.

During 1Q FY17, RIL Jamnagar refineries processed 16.8 MMT of crude with an average utilization of 109%. In comparison, average utilization rates for refineries globally in 1Q FY17 were 86.1% in North America, 82.0% in Europe and 85.1% in Asia. The North American utilization increased in response to an anticipated surge in summer gasoline demand while European utilization rates were impact by strike in French refineries.

RIL's exports of refined products from India were at ₹ 28,610 crore ($ 4.2 billion) during 1Q FY17 as compared to ₹ 32,352 crore in 1Q FY16. In terms of volume, exports of refined products was at 9.8 MMT during 1Q FY17 as compared to 8.5 MMT in 1Q FY16.

During 1Q FY17, the benchmark Singapore complex margin averaged $ 5.0/bbl as compared to $ 7.7/bbl in 4Q FY16 and $ 8.0/bbl in 1Q FY16. On a Q-o-Q basis, margins reduced on back of weak light distillate cracks and sharp decline in fuel oil cracks. However, middle distillate cracks remained firm with recovery in gasoil cracks.

Singapore gasoil cracks averaged $ 10.5/bbl during 1Q FY17 as against $ 9.6/ bbl in 4Q FY16 and $ 13.8 /bbl in 1Q FY16. On a Q-o-Q basis, cracks recovered on yield switching and strong drought related demand from Southeast Asian countries, despite persistent supply overhang.

Singapore gasoline cracks averaged $ 14.5 /bbl during 1Q FY17 as against $ 18.8/bbl in 4Q FY16 and $ 19.8 /bbl in 1Q FY16. On a Q-o-Q basis, cracks fell from elevated levels as strong supply side response by refiners exceeded the healthy demand growth. Demand from China and India continued to be higher over the previous year.

Asian naphtha cracks averaged $ 0.7/bbl in 1Q FY17 as compared to $ 6.1/bbl in 4Q FY16 and $ (-0.5)/bbl in 1Q FY16. On a Q-o-Q basis, cracks edged down due to weaker gasoline blending demand, seasonal decline post winter and competition from LPG feedstock.

Fuel oil cracks averaged $ (-9.5)/bbl in 1Q FY17 as compared to $(-5.8)/bbl in 4Q FY16 and $ (-4.9/)bbl in 1Q FY16. Fuel oil cracks fell sharply due to high inventory levels in Singapore and falling demand for fuel oil feedstock from Chinese teapot refiners.

Arab Light - Arab Heavy crude differential remained flat at previous quarter level of $2.8/bbl. Brent-Dubai differential narrowed to $ 2.4/bbl as compared to $ 3.5/bbl in the previous quarter.

PETROCHEMICALS BUSINESS

During the quarter, energy prices showed healthy recovery on improved supply demand fundamentals. The strength in energy markets and product demand reflected in strong polymer deltas and stable polyester chain economics.

Polymer & Cracker

The Asian Naphtha prices tracked higher crude albeit with lower increase. On Q-o-Q basis, crude oil prices increased by 35% while Asian naphtha prices were higher by 19%. Ethylene and propylene prices were up by 9% and 6% respectively due to lower supply on account of planned and unplanned cracker shutdowns.

Polymer prices were higher by 4%-12% on Q-o-Q basis. PP-Propylene delta continued to remain high and improved by 30% Q-o-Q on account of firm PP prices due to seasonal turnarounds and well-supplied propylene markets. PE deltas softened marginally as product prices lagged increase in feedstock prices. PVC deltas also improved due to firm PVC prices driven by improved demand, mainly from the Indian-Subcontinent.

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The domestic polymer market continued to witness double digit growth rates. On Y-o-Y basis, domestic polymer demand was higher by 12% during 1Q FY17. PVC witnessed the highest growth rate of 22% across the Polymer segment, with higher demand from pipe and calendaring sector. PP demand witnessed a growth rate of 11% driven by strong demand from raffia packaging, nonwoven, fibre filament and appliances sector. PE demand witnessed the growth rate of 6% aided by firm demand from flexible packaging and moulded products.

RIL's polymer production was up by 6% to 1.15 MMT. RIL continues to maintain its leadership position in the domestic market.

Elastomers

Butadiene prices increased by 12% Q-o-Q to $998/MTdue to planned and unplanned shutdown of plants in the Asian region. Also, use of lighter feed in some crackers led to restricted product availability.

PBR and SBR prices recovered sharply by around 21% on Q-o-Q basis on the back of rising natural rubber prices and higher feedstock costs. As a result, PBR delta increased by 55% to $ 433/MT and SBR deltas improved by 53% to $456/MT on Q-o-Q basis.

After the start-up of the new PBR plant in Hazira, Reliance being the sole Indian producer has increased its market share further in the domestic market.

Polyester Chain

During 1Q FY17, PX witnessed strong demand supported by healthy downstream PTA market and tight supplies. PX prices improved 9% Q-o-Q which supported delta at higher levels. PX delta averaged at $391/MT during the quarter.

PTA markets were healthy on account of supportive downstream demand and balanced supplies. PTA prices gained 7% Q-o-Q tracking firm upstream PX and energy prices. PTA-PX Delta remained stable at $103/MT in 1Q FY17. Functional PTA units in China were running at above 80% during the quarter. MEG markets softened owing to excess supply and rising Chinese port inventory. Firmer naphtha Prices and largely flat MEG prices led to 11% reduction in Q-o-Q margins to $366/MT.

Polyester markets witnessed stable demand and recovery in prices. Operating rates of polyester fibre and yarn plants in China were in the range of 75-85% towards the end of the quarter. Polyester filament yarn (PFA) and staple fibre (PSF) prices improved by 2% and 7% Q-o-Q respectively. PFY delta was largely stable on account of low recovery in price with respect to feedstock prices while PSF delta strengthened to above 5 year average delta, primarily due to strong demand.

During the quarter, the demand for polyester products was largely stable. PFY demand was largely supported specific segments like school uniform and denims. PSF demand was supported by non-wovens and auto upholstery segments.

Global PET markets remained healthy in 1Q FY17 strengthened by firm beverage consumption. PET prices in 1Q FY17 improved 8% Q-o-Q. PET delta improved sharply by 23% on Q-o-Q basis to $156/MT, which is around the five year average.

However, domestic demand for PET remained subdued as converters had built inventories in the previous quarter. Additionally, demand was affected by regulations imposed on sale of certain pharmaceuticals formulations as well as drought across the country forcing bottling plants to curtail operations.

Government of India has prioritized the development of the textile sector and has approved ₹ 6,000 crore special package for textile and apparel sector. This is expected to support growth of textile industries and boost polyester consumption in the medium term.

RIL's PTA and PET plant operations at Dahej were disrupted due to water shortage. However, within a short span both PTA and PET plants resumed operations and are currently operating at full capacity. RIL's fibre intermediate production in 1Q FY17 was up 6% Y-o-Y to 1.5 MMT while polyester production remained stable at 0.51 MMT.

OIL AND GAS (EXPLORATION & PRODUCTION) BUSINESS

DOMESTIC OPERATIONS

(In ₹ Crore)	1Q FY17	4Q FY16	1Q FY16	% chg. wrt 4Q FY16	% chg. wrt 1Q FY16
Segment Revenue	**783**	**901**	1,200	(13.1%)	(34.8%)
Segment EBIT	**48**	**(242)**	234	-	(79.5%)
EBIT Margin (%)	**6.1%**	**(26.9%)**	19.5%		

1Q FY17 revenues for domestic E&P operations was at ₹ 783 crore. Lower oil/condensate prices and decline in gas production from KG-D6 block led to the 34.8% Y-o-Y fall in revenues. Lower realisation for liquids and natural decline in production impacted segment EBIT, which declined to ₹ 48 crore.

KG-D6

Production and project update:

KG-D6 field produced 0.28 MMBBL of crude oil and 28.05 BCF of natural gas in 1Q FY17, a reduction of 35% and 23% respectively on a Y-o-Y basis. Condensate production in 1Q FY17 was at 0.04 MMBBL. Fall in oil and gas production was mainly on account of natural decline in the fields.

The JV has submitted Declaration of Commerciality (DoC) report of D-29 & D-30 discovery to Management Committee (MC). Side track campaign for two wells in MA field has commenced.

Block CYD5

During the quarter, RIL has relinquished this Block as the discovery D56 is techno-economically challenging for development and consequently assessed to be non-commercial.

Panna-Mukta and Tapti

Production and project update:

Panna-Mukta fields produced 1.7 MMBBL of crude oil and 17.0 BCF of natural gas in 1Q FY17, an increase of 8% and 2% respectively on Y-o-Y basis. This was due to restoration of production from Mukta-A field, better than expected gains from work-overs of Panna-B wells and production coming from development of Mukta-B field.

Post cessation of production in Tapti in March 2016, processing facilities and export pipelines have been handed over to ONGC.

CBM and Shahdol-Phulpur Gas Pipeline

Project update:

Test gas production from Phase I facilities of Sohagpur West Block has commenced from GGS 11 (Gas Gathering Station) and 107 well-sites.

GGS 12 is also nearing completion and is likely to be ready for start-up by 3Q FY17. One WGS (Water Gathering Station) has been completed and work is in progress for 3 WGS in GGS 12. Infield pipeline laying work is in progress.

Testing, pre-commissioning and commissioning activities are in progress for Shahdol - Phulpur pipeline.

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Oil & Gas (US Shale)

(In ₹ Crore)	**1Q CY16**	**4Q CY15**	**1Q CY15**	**% chg. wrt 4Q CY15**	**% chg. wrt 1Q CY15**
Segment Revenue	**556**	734	854	(24.3%)	(34.9%)
Segment EBIT	**(354)**	(144)	(33)	-	-
EBIT Margin (%)	**(63.7%)**	(19.6%)	(3.9%)		

Note: 1Q/ CY16 financials for US Shale are consolidated in 1Q/ FY17 results as per accounting standards

Review of US Shale Operations (1Q FY17)

The commodity markets improved sequentially benefiting the Shale Gas business. There was a sharp recovery in condensate prices and lower benchmark differentials which was partly offset by marginally lower Natural Gas prices. Operational trends remained strong across the joint ventures (JVs), with improving costs and declining capex.

Overall volume trends remained subdued reflecting the impact of zero development strategy being pursued to reduce capex and conserve cash flows in current environment. Despite lower volumes, revenues and EBITDA were higher sequentially by 13% and 43% respectively, supported by 26% improvement in realization and continued strong opex trends during 1Q FY17. However, on Y-o-Y basis, overall revenue and EBITDA were substantially lower and reflected the impact of 29% Y-o-Y fall in unit realization.

WTI averaged 36% higher sequentially at $45.6/bbl and reached a high of $52/bbl towards end of the quarter 1Q FY17. Supply interruptions and strong demand trends improved overall market sentiment, notwithstanding overhang of elevated inventory levels. Meanwhile, Henry Hub Gas price averaged 7% lower sequentially at $1.95/Mmbtu in 1Q FY17, but overall trends improved significantly towards end of the quarter. Favorable weather conditions, improved user demand, rising exports including expectations of further increase in export volumes of LNG through new terminals and falling production have eased market concerns over high inventory levels.

NGL realization improved by ~22% Q-o-Q in 1Q FY17, supported by improved demand from petrochemical sector and exports. Propane prices remained strong through the quarter on record US exports and renewed demand from crackers. With favorable economics on improved NGL prices, Ethane rejection has been discontinued at Eagle Ford operations during 1Q FY17, and JV has re-started recoveries.

Natural Gas differentials improved with take-away capacity additions, weak benchmark prices and growing exports to Mexico and LNG exports, helping overall gas realizations. Condensate differentials also reduced on improved exports.

In view of the challenging environment, Reliance and its partners had shifted to a 'zero development' strategy in 4Q FY16 and the same continued during the quarter. Capex for the quarter was at $39 MM – lower by 65% sequentially and 84% Y-o-Y. Similarly, thrust remained on further lowering of operating costs as reflected in encouraging opex trends across JVs.

At the quarter end, total producing well count stood at 1,058 compared to 1,055 in 4Q FY16. Average gross production was at 1,095 Mcfe/day compared to 1,252 Mcfe/day in 4Q FY16. While production declined by 10% on Y-o-Y basis, sequential drop was 12% to 44.5 Bcfe in 1Q FY17. Net sales volume (Reliance share) stood 9% lower sequentially at 38.9 Bcfe in 1QFY17.

Business environment remains challenging given strong macro headwinds. To overcome the challenge, the business remained focused on maintaining low activity levels to conserve cash while retaining optionality and preparedness for ramp-up, when price outlook improves.

Focus remains on preserving long term value through high-grading of development and adopting innovative practices on well cost reduction, production optimization, well spacing optimization, high impact completions, optimizing recoveries by targeting new horizons and longer laterals.

ORGANIZED RETAIL

Reliance Retail recorded continued growth momentum and strong profitability in 1Q FY17.

Reliance Retail continues to be the dominant retailer in fresh produce and Reliance Fresh stores sold nearly 200 metric tonnes of Fruits and over 300 metric tonnes of Vegetables each day during this period. Reliance Retail has extended the 'Reliance Smart' store concept to more Reliance Mart stores. Reliance Smart is a destination store concept with strong value proposition across staples, FMCG and general merchandise categories.

Reliance Market, the Cash and Carry stores of Reliance Retail continues to expand with new store openings at Dehradun and Sangli during the quarter. Reliance Market is focused on building a compelling B2B proposition for channel partners and serves over 2 million registered member partners.

Reliance Retail added 16 Reliance Trends stores during the year taking the store count to 287 stores and further consolidating the position as the largest fashion destination in the country. The new store concept launched during the last quarter is being extended to other Reliance Trends stores as well and is receiving highly positive reviews.

Reliance Retail strengthened its presence through its partnerships during this period. The JV with Marks and Spencer has undertaken rapid expansion with opening up of 5 new stores during the period and witnessed strong sales growth from existing stores. During the quarter, Reliance Brands launched BCBG Generation, a brand offering young contemporary collection for women's apparel and accessories.

Reliance Retail 2.0 initiatives encompassing fashion & lifestyle ecommerce, development of market place platform and building distribution ecosystem for 4G devices are on track and are being rolled out in a phased manner.

Reliance Retail’s curated fashion initiative www.ajio.com continues to see strong traction as it builds a strong emotional connect with consumers. The site currently offers a wide range of selection of products across clothing, footwear, accessories and much more for women, with Men’s and kids planned for launch during the course of the year to complete the portfolio.

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Reliance Retail launched www.footprint360.com, a multi-channel commerce platform for Reliance Footprint. Reliance Footprint is a leading specialty family footwear retailer that caters to the footwear needs of the entire family.

Reliance Retail is a dominant consumer electronics retailer and operates 1,862 stores in over 650 cities in the country as Reliance Digital and Digital Express Mini stores. Reliance Digital consolidated its leadership position further for high end electronics and appliances such as UHD 4K TVs, TVs > 50 inch, Side by Side Refrigerators, Front Load Washing Machines and Invertor ACs. Reliance Digital was awarded 'Retailer of the Year' by India Retail Awards 2016. Reliance Digital was the leading Electronics Retail Brand in equity index study by Nielsen.

Reliance Retail's device distribution business for 4G devices has evolved into a robust distribution network with widest reach. Reliance Retail has so far introduced 20 LYF smartphone models ranging from ₹ 3,000 to ₹ 20,000 in the market. More than 2 million smartphones have been sold through the distribution network since operationalising the channel.

As on 30th June 2016, Reliance Retail operated 3,383 stores across 679 cities with an area of over 13 million square feet.

DIGITAL SERVICES

Reliance Jio Infocomm Limited ("RJIL"), a subsidiary of RIL, is rolling out a state-of-the-art pan India digital services business. In addition to fixed and wireless broadband connectivity offering superior voice and data services on an all-IP network, RJIL will also offer end-to-end solutions that address the entire value chain across various digital services in key domains such as education, healthcare, security, communication, financial services, government-citizen interfaces and entertainment. RJIL aims to provide anytime, anywhere access to innovative and empowering digital content, applications and services, thereby propelling India into global leadership in digital economy. RJIL envisages to usher in the era of "visuality", where video will replace voice as the new communication medium. RJIL will have one of the most comprehensive and powerful Video networks in the world.

RJIL's customer offering is built on four key strategic dimensions viz widest coverage of LTE services, substantially superior network quality, transformational data capacity and affordable services. RJIL's deployment of LTE, FTTH and Wi-Fi will make high speed broadband access widely available to customers across India. This type of broadband access network offers high capacity, low latency services at an affordable price, a first for most Indian customers. RJIL will enable IP-centric and content focused services, with the ability to offer rich, multimedia communication and digital services.

RJIL is the first telecom operator to hold pan India Unified License. It has total liberalised spectrum holdings of 846.10 MHz, including 440.0 MHz in the 2300 MHz band (one block of 20 MHz in all 22 circles), 213.60 MHz in the 1800 MHz band (blocks ranging from 2x3 MHz to 2x10 MHz in 18 circles) and 192.50 MHz in the 800 MHz band (blocks ranging from 2x2.5 MHz to 2x5 MHz in all 22 circles, including spectrum acquired from Reliance Communications Limited ("RCOM") across 13 circles). All of this spectrum is liberalised and can be used for rolling out any technology. In addition, RJIL has entered into agreement with RCOM for sharing of spectrum in the 800 MHz band across 21 circles. Only RJIL is using sub-GHz spectrum band for LTE services in the country today. The combined spectrum footprint across frequency bands provides significant network capacity and deep in-building coverage for RJIL. RJIL is also creating a multi-terabit capacity international network.

During the quarter, RJIL extended its trial services to all LYF devices users under the Jio LYF Preview Offer. This has enabled testing of all the services to customers outside the initial set of test users. The feedback has been very encouraging. All the digital applications have also been tested extensively as part of this program. RJIL now has over 1.5 million test users on its network. The average monthly consumption per user is in excess of 26 GB and is increasing rapidly. Average voice usage per month is over 355 minutes. The test program will be progressively upgraded into commercial operations in coming months.

RJIL has joined some of the leading global telecom operators like China Unicom, China Mobile, China Telecom, Singtel, T-Mobile US, Telefonica and Axiata Group for an initiative for a universal Rich Communications Services (RCS) profile worldwide. This global initiative will provide a common universal profile which will enable these mobile operators to deploy an interoperable RCS implementation with a core feature set and configuration.

RJIL was awarded for JioSon deployment and architecture in the HetNet Management software category while competing with leading operators across the world at the Small Cell Forum awards.

RJIL has retained its credit ratings of “AAA (SO)/ Stable” by CRISIL and “CARE AAA (SO)” by CARE for series PPD 1 and series PPD 2 and “CRISIL AAA/ Stable” by CRISIL and “ICRA AAA/ Stable” by ICRA Limited for all other series.

MEDIA BUSINESS

Network18 Media & Investments Limited reported consolidated segment revenue of ₹ 820 crores and Segment EBIT at ₹ (-) 77 crores. During the quarter Network18 has invested aggressively in new channel launches and in upgrading existing properties, talent and digital businesses. Three new regional news channels were launched in Kerala, Tamil Nadu and Assam/N.E. CNN-IBN was re-branded and re-launched as CNN-News18. With the re-launch, the channel is #2 in Urban India. In the entertainment space, hindi movie channel ‘Rishtey Cineplex’ and factual entertainment channel ‘FYI’ and in the digital Over The Top or OTT space, ‘VOOT’ were launched. During the quarter, Bookmyshow continued to attract healthy traffic by selling 30+ mn tickets. Bookmyshow raised USD $75 mn fresh round of funding from the investors. NW18 invested ₹ 191 crores and maintained its shareholding interest as the largest shareholder.

(All $ numbers are in US$)

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2016

(₹ in crore, except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30 Jun'16	31 Mar'16	30 Jun'15	31 Mar'16
1	**Income from Operations**				
	(a) Net Sales/Income from operations (Net of excise duty and service tax)	64,990	59,671	76,615	274,126
	Total income from operations (net)	**64,990**	**59,671**	76,615	**274,126**
2	**Expenses**				
	(a) Cost of materials consumed	37,469	29,064	50,305	158,199
	(b) Purchases of stock-in- trade	8,143	7,277	7,231	28,055
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(2,554)	968	(1,665)	2,584
	(d) Employee benefits expense	2,111	1,838	1,915	7,420
	(e) Depreciation, amortization and depletion expense	2,725	3,110	2,751	11,589
	(f) Other expenses	8,598	9,321	8,870	36,157
	Total Expenses	**56,492**	**51,578**	**69,407**	**244,004**
3	**Profit from operations before other income, finance costs and exceptional items**	**8,498**	**8,093**	**7,208**	**30,122**
4	Other Income	2,378	1,953	1,584	7,437
5	**Profit from ordinary activities before finance costs and exceptional items**	**10,876**	**10,046**	**8,792**	**37,559**
6	Finance costs	1,206	842	915	3,695
7	**Profit from ordinary activities after finance costs but before exceptional items**	**9,670**	**9,204**	**7,877**	**33,864**
8	Exceptional items	-	72	-	4,382
9	**Profit from ordinary activities before tax**	**9,670**	**9,276**	**7,877**	**38,246**
10	Tax expense	2,581	2,351	1,961	8,844
11	**Net Profit for the Period**	**7,089**	**6,925**	**5,916**	**29,402**
12	Share of profit / (loss) of associates and joint ventures	(12)	63	99	249
13	Minority interest (profit) /loss	36	(58)	9	(107)
14	**Net Profit after taxes, minority interest and share in profit /(loss) of associates and joint ventures**	**7,113**	**6,930**	**6,024**	**29,544**
15	**Other Comprehensive Income (including relating to associates and joint ventures(JV) (after tax)) (OCI)**	**351**	**(78)**	**201**	**648**
16	**Total Comprehensive Income (after tax)**	**7,464**	**6,852**	**6,225**	**30,192**
17	Paid up Equity Share Capital, Equity Shares of ₹ 10/- each.	2,950	2,948	2,944	2,948
18	Reserves excluding revaluation reserves				235,878
19	Earnings per share (Face value of ₹ 10)				
	(a) Basic	24.1	23.5	20.5	100.3
	(b) Diluted	24.1	23.5	20.4	100.1

Notes:

1. Result for the quarter ended 30th June 2016 are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs, Consequently, result for the quarter ended 31st March 2016, 30th June 2015 and previous year ended 31st March 2016 have been restated to comply with Ind-AS to make them comparable.

2. The Government of India (GOI), by its letters dated 2nd May, 2012, 14th November, 2013, 10th July, 2014 and 3rd June 2016 has communicated that it proposes to disallow certain costs which the Production Sharing Contract (PSC), relating to Block KG-DWN-98/3 entitles the Company to recover. Based on legal advice received, the Company continues to maintain that a Contractor is entitled to recover all of its costs under the terms of the PSC and there are no provisions that entitle the Government to disallow the recovery of any Contract Cost as defined in the PSC. The Company has already referred the issue to arbitration and already communicated the same to GOI for resolution of disputes. Pending decision of the arbitration, the demand from the GOI of $ 148 million (for ₹ 1,000 crore) being the Company`s share (total demand $ 247 million) towards additional Profit Petroleum has been considered as contingent liability.

3. The listed non-convertible debentures of the Company aggregating ₹ 1,270 crore as on 30th June, 2016 are secured by way of first mortgage/charge on the Company's certain properties and the asset cover thereof exceeds hundred percent of the principal amount of the said debentures.

   The listed non-convertible debentures of the subsidiary Reliance Jio Infocomm Limited aggregating ₹ 10,500 crore as on 30th June, 2016 are secured by way of pari passu charge on certain movable properties of Reliance Jio Infocomm Limited and the asset cover thereof exceeds hundred percent of the principal amount of the said debentures.

4. **Transition to Ind-AS:**

The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015 and all the periods presented have been restated accordingly.

RECONCILATION OF PROFIT AND RESERVE BETWEEN INDAS AND PREVIOUS INDIAN GAAP FOR EARLIER PERIOD AND AS AT MARCH 31, 2016

(₹ in crore)

Sr. No	Nature of adjustments	Note ref.	Profit reconciliation			Reserve reconciliation
			Quarter ended	Quarter ended	Year ended	As at
			31-Mar-16	30-Jun-15	31-Mar-16	31-Mar-16
	Net Profit / Reserves as per Previous Indian GAAP		7,398	6,222	27,630	2,40,703
1	Change in accounting policy for Oil & Gas Activity - From Full Cost Method (FCM) to Successful Efforts Method (SEM)	1	(318)	65	(1,270)	(39,570)
2	Fair valuation as deemed cost for Property, Plant and Equipment	2	(99)	-	3,959	45,272
3	Fair Valuation for financial assets	3	229	(263)	(230)	4,188
4	Deferred Tax	4	(180)	60	(311)	(13,665)
5	Others	5	(100)	(60)	(234)	(215)
	Total		(468)	(198)	1,914	(3,990)
	Net profit before OCI / Reserves as per Ind AS		6,930	6,024	29,544	2,36,713

Notes:

I. **Change in accounting policy for Oil & Gas Activity – From Full cost method (FCM) to Successful Efforts Method (SEM):** The impact on account of change in accounting policy from FCM to SEM is recognised in the Opening Reserves on the date of transition and consequential impact of depletion and write offs is recognised in the Profit and Loss Account. Major differences impacting such change of accounting policy are in the areas of;

– Expenditure on surrendered blocks, unproved wells, abandoned wells, seismic and expired leases and licenses which has been expensed under SEM.

– Depletion on producing property in SEM is calculated using Proved Developed Reserve, as against Proved Reserve in FCM.

II. **Fair valuation as deemed cost for Property, Plant and Equipment:** The Company and its subsidiaries have considered fair value for property, viz land admeasuring over 33000 acres, situated in India, with impact of ₹ 51,101 crore and gas producing wells in USA Shale region with impact of ₹ (-) 5,829 crore in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves. The consequential impact on depletion and reversal of impairment is reflected in the Profit and Loss account.

III. **Fair valuation for Financial Assets:** The Company has valued financial assets (other than investment in subsidiaries, associate and joint ventures which are accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Profit and Loss Account or Other Comprehensive Income, as the case may be.

IV. **Deferred Tax:** The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves, on the date of transition, with consequential impact to the Profit and Loss account for the subsequent periods.

V. **Others:** Other adjustments primarily comprises of :

a. Attributing time value of money to Assets Retirement Obligation: Under Ind AS, such obligation is recognised and measured at present value. Under previous Indian GAAP it was recorded at cost. The impact for the periods subsequent to the date of transition is reflected in the Profit and Loss account.

b. Loan processing fees / transaction cost: Under Ind AS such expenditure are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Profit and Loss account.

5. The Audit Committee has reviewed the above results and the Board of Directors has approved the above results and its release at their respective meetings held on 15th July 2016. The Statutory Auditors of the Company have carried out a Limited Review of the results for the current quarter and of the previous periods / year.

UNAUDITED CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER ENDED 30th JUNE 2016

₹ in crore

Sr. No.	Particulars	Quarter Ended 30 Jun'16	Quarter Ended 31 Mar'16	Quarter Ended 30 Jun'15	Year Ended 31 Mar'16
1.	Segment Revenue				
	- Petrochemicals	20,718	20,915	20,858	82,410
	- Refining	56,568	48,063	68,729	234,945
	- Oil and Gas	1,340	1,634	2,054	7,514
	- Organized Retail	6,666	5,646	4,572	21,075
	- Others	2,419	2,366	2,153	9,340
	Gross Turnover (Turnover and Inter Segment Transfers)	87,711	78,624	98,366	355,284
	Less: Inter Segment Transfers	16,260	14,694	15,857	61,842
	Turnover	71,451	63,930	82,509	293,442
	Less: Excise Duty / Service Tax Recovered	6,461	4,259	5,894	19,316
	Net Turnover	64,990	59,671	76,615	274,126
2.	Segment Results				
	- Petrochemicals	2,806	2,704	2,329	10,186
	- Refining	6,593	6,380	5,235	23,534
	- Oil and Gas	(312)	(392)	199	3,391
	- Organized Retail	148	128	113	504
	- Others	127	318	251	1,104
	Total Segment Profit before Interest and Tax	9,362	9,138	8,127	38,719
	(i) Interest Expense	(1,206)	(842)	(915)	(3,695)
	(ii) Interest Income	927	856	839	3,245
	(iii) Other Un-allocable Income (Net of Expenditure)	575	187	(75)	226
	Profit before Tax	9,658	9,339	7,976	38,495
	(i) Provision for Current Tax	(2,306)	(2,140)	(1,812)	(8,042)
	(ii) Provision for Deferred Tax	(275)	(211)	(149)	(802)
	Profit after Tax (including share of profit / (loss) of associates & JV)	7,077	6,988	6,015	29,651
3.	Segment Assets				
	- Petrochemicals	93,363	89,740	62,566	89,740
	- Refining	175,273	164,824	174,716	164,824
	- Oil and Gas	44,759	43,644	37,750	43,644
	- Organized Retail	10,742	10,023	8,290	10,023
	- Others	167,962	153,605	114,337	153,605
	- Unallocated	152,685	150,904	147,231	150,904
	Total Segment Assets	644,784	612,740	544,890	612,740
4.	Segment Liabilities				
	- Petrochemicals	15,883	14,189	11,150	14,189
	- Refining	70,095	61,229	55,828	61,229
	- Oil and Gas	44,491	43,322	42,921	43,322
	- Organized Retail	5,312	4,332	3,603	4,332
	- Others	106,793	92,578	69,679	92,578
	- Unallocated	402,210	397,090	361,709	397,090
	Total Segment Liabilities	644,784	612,740	544,890	612,740

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Notes to Segment Information (Consolidated) for the Quarter Ended 30th June 2016

1. As per Indian Accounting Standard 108 'Operating Segment' (Ind-AS 108), the Company has reported 'Segment Information', as described below:

   a) The **petrochemicals** segment includes production and marketing operations of petrochemical products namely, High density Polyethylene, Low density Polyethylene, Linear Low density Polyethylene, Polypropylene, Polyvinyl Chloride, Polyester Yarn, Polyester Fibres, Purified Terephthalic Acid, Paraxylene, Ethylene Glycol, Olefins, Aromatics, Linear Alkyl Benzene, Butadiene, Acrylonitrile, Poly Butadiene Rubber, Caustic Soda and Polyethylene Terephthalate.

   b) The **refining** segment includes production and marketing operations of the petroleum products.

   c) The **oil and gas** segment includes exploration, development and production of crude oil and natural gas.

   d) The **organized retail** segment includes organized retail business in India.

   e) Other business segments including broadband access & media which are not separately reportable have been grouped under the **others** segment.

   f) Other investments / assets and income from the same are considered under **unallocable**.

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Reliance Industries Limited

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2016

(₹ in crore, except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended
		30 Jun'16	31 Mar'16	30 Jun'15	31 Mar'16
1	Income from Operations				
	(a) Net Sales/Income from operations (Net of excise duty and service tax)	53,496	49,957	65,817	233,158
	Total income from operations (net)	53,496	49,957	65,817	233,158
2	Expenses				
	(a) Cost of materials consumed	35,801	27,617	48,976	152,769
	(b) Purchases of stock-in- trade	802	858	1,300	4,241
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,734)	2,635	(1,903)	4,171
	(d) Employee benefits expense	1,251	1,013	1,217	4,262
	(e) Depreciation, amortization and depletion expense	1,950	2,327	2,010	8,590
	(f) Other expenses	6,559	7,493	7,053	28,368
	Total Expenses	44,629	41,943	58,653	202,401
3	Profit from operations before other income and finance costs	8,867	8,014	7,164	30,757
4	Other Income	2,033	2,141	1,716	7,821
5	Profit from ordinary activities before finance costs	10,900	10,155	8,880	38,578
6	Finance costs	924	586	617	2,562
7	Profit from ordinary activities before tax	9,976	9,569	8,263	36,016
8	Tax expense	2,428	2,342	1,894	8,590
9	Net Profit for the Period	7,548	7,227	6,369	27,426
10	Other comprehensive income (after tax)	258	204	297	696
11	Total comprehensive income (after tax) (OCI)	7,806	7,431	6,666	28,122
12	Paid up Equity Share Capital, Equity Shares of ₹ 10/- each.	3,242	3,240	3,236	3,240
12	Reserves excluding revaluation reserves				2,50,155
14	Earnings per share (Face value of ₹ 10)				
	(a) Basic	23.3	22.3	19.7	84.7
	(b) Diluted	23.2	22.3	19.6	84.5

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Notes:

1. Result for the quarter ended 30th June 2016 are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs, Consequently, result for the quarter ended 31st March 2016, 30th June 2015 and previous year ended 31st March 2016 have been restated to comply with Ind-AS to make them comparable.

2. The Government of India (GOI), by its letters dated 2nd May, 2012, 14th November, 2013,10th July, 2014 and 3rd June 2016 has communicated that it proposes to disallow certain costs which the Production Sharing Contract (PSC), relating to Block KG-DWN-98/3 entitles the Company to recover. Based on legal advice received, the Company continues to maintain that a Contractor is entitled to recover all of its costs under the terms of the PSC and there are no provisions that entitle the Government to disallow the recovery of any Contract Cost as defined in the PSC. The Company has already referred the issue to arbitration and already communicated the same to GOI for resolution of disputes. Pending decision of the arbitration, the demand from the GOI of $ 148 million (for ₹ 1,000 crore) being the company`s share (total demand $ 247 million) towards additional Profit Petroleum has been considered as contingent liability.

3. The listed non-convertible debentures aggregating ₹ 1,270 crore as on 30th June, 2016 are secured by way of first mortgage/charge on the Company's certain properties and the asset cover thereof exceeds hundred percent of the principal amount of the said debentures.

4. **Transition to Ind-AS:**
   The Company has adopted Ind AS with effect from 1st April 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2015 and all the periods presented have been restated accordingly.

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RECONCILATION OF PROFIT AND RESERVE BETWEEN INDAS AND PREVIOUS INDIAN GAAP FOR EARLIER PERIOD AND AS AT MARCH 31, 2016

(₹ in crore)

Sr. No	Nature of adjustments	Note ref.	Profit reconciliation			Reserve reconciliation
			Quarter ended	Quarter ended	Year ended	As at
			31-Mar-16	30-Jun-15	31-Mar-16	31-Mar-16
	Net Profit / Reserves as per Previous Indian GAAP		7,320	6,318	27,417	236,944
1	Change in accounting policy for Oil & Gas Activity - From Full Cost Method (FCM) to Successful Efforts Method (SEM)	1	(149)	152	279	(20,114)
2	Fair valuation as deemed cost for Property, Plant and Equipment	2	-	-	-	41,292
3	Fair Valuation for financial assets	3	266	(119)	167	4,110
4	Deferred Tax	4	(156)	51	(306)	(11,947)
5	Others	5	(54)	(33)	(131)	(130)
	Total		(93)	51	9	13,211
	Net profit before OCI / Reserves as per Ind AS		7,227	6,369	27,426	250,155

Notes:

I. **Change in accounting policy for Oil & Gas Activity – From Full cost method (FCM) to Successful Efforts Method (SEM):** The impact on account of change in accounting policy from FCM to SEM is recognised in the Opening Reserves on the date of transition and consequential impact of depletion and write offs is recognized in the Profit and Loss Account. Major differences impacting such change of accounting policy are in the areas of;

– Expenditure on surrendered blocks, unproved wells and abandoned wells, which has been expensed under SEM.

– Depletion on producing property in SEM is calculated using Proved Developed Reserve, as against Proved Reserve in FCM.

II. **Fair valuation as deemed cost for Property, Plant and Equipment:** The Company have considered fair value for property, viz land admeasuring over 30000 acres, situated in India, with impact of ₹ 41,292 crore in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.

III. **Fair valuation for Financial Assets:** The Company has valued financial assets (other than Investment in subsidiaries, associate and joint ventures which are accounted at cost), at fair value. Impact of fair value changes as on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Profit and Loss Account or Other Comprehensive Income, as the case may be.

IV. **Deferred Tax:** The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Reserves, on the date of transition, with consequential impact to the Profit and Loss account for the subsequent periods.

V. **Others:** Other adjustments primarily comprises of :

a. Attributing time value of money to Assets Retirement Obligation: Under Ind AS, such obligation is recognised and measured at present value. Under previous Indian GAAP it was recorded at cost. The impact for the periods subsequent to the date of transition is reflected in the Profit and Loss account.

b. Loan processing fees / transaction cost: Under Ind AS such expenditure are considered for calculating effective interest rate. The impact for the periods subsequent to the date of transition is reflected in the Profit and Loss account.

5. The Audit Committee has reviewed the above results and the Board of Directors has approved the above results and its release at their respective meetings held on 15th July 2016. The Statutory Auditors of the Company have carried out a Limited Review of the results for the current quarter and of the previous periods / year.

UNAUDITED STANDALONE SEGMENT INFORMATION FOR THE QUARTER ENDED 30th JUNE 2016

₹ in crore

Sr. No.	Particulars	Quarter Ended 30 Jun'16	Quarter Ended 31 Mar'16	Quarter Ended 30 Jun'15	Year Ended 31 Mar'16
1.	Segment Revenue				
	- Petrochemicals	19,409	19,548	19,552	76,982
	- Refining	48,946	40,329	61,358	202,504
	- Oil and Gas	783	901	1,200	4,259
	- Others	234	360	196	1,086
	Gross Turnover (Turnover and Inter Segment Transfers)	69,372	61,138	82,306	284,831
	Less: Inter Segment Transfers	9,879	6,949	10,894	33,590
	Turnover	59,493	54,189	71,412	251,241
	Less: Excise Duty / Service Tax Recovered	5,997	4,232	5,595	18,083
	Net Turnover	53,496	49,957	65,817	233,158
2.	Segment Results				
	- Petrochemicals	2,901	2,720	2,449	10,264
	- Refining	6,581	6,362	5,123	23,201
	- Oil and Gas	48	(242)	234	373
	- Others	99	88	63	295
	Total Segment Profit before Interest and Tax	9,629	8,928	7,869	34,133
	(i) Interest Expense	(924)	(586)	(617)	(2,562)
	(ii) Interest Income	1,128	1,121	1,055	4,169
	(iii) Other Un-allocable Income (Net of Expenditure)	143	106	(44)	276
	Profit before Tax	9,976	9,569	8,263	36,016
	(i) Provision for Current Tax	(2,192)	(2,077)	(1,722)	(7,802)
	(ii) Provision for Deferred Tax	(236)	(265)	(172)	(788)
	Profit after Tax	7,548	7,227	6,369	27,426
3.	Segment Assets				
	- Petrochemicals	88,572	86,280	59,565	86,280
	- Refining	174,266	163,123	171,716	163,123
	- Oil and Gas	25,234	24,467	22,291	24,467
	- Others	59,047	58,977	46,863	58,977
	- Unallocated	150,954	149,246	139,867	149,246
	Total Segment Assets	498,073	482,093	440,302	482,093
5.	Segment Liabilities				
	- Petrochemicals	13,902	12,205	8,933	12,205
	- Refining	67,790	59,900	54,236	59,900
	- Oil and Gas	4,653	4,457	3,682	4,457
	- Others	558	687	895	687
	- Unallocated	411,170	404,844	372,556	404,844
	Total Segment Liabilities	498,073	482,093	440,302	482,093

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Notes to Segment Information (Standalone) for the Quarter Ended 30th June 2016

1. As per Indian Accounting Standard 108 'Operating Segment' (Ind-AS 108), the Company has reported 'Segment Information', as described below:

   a) The **petrochemicals** segment includes production and marketing operations of petrochemical products namely, High density Polyethylene, Low density Polyethylene, Linear Low density Polyethylene, Polypropylene, Polyvinyl Chloride, Polyester Yarn, Polyester Fibres, Purified Terephthalic Acid, Paraxylene, Ethylene Glycol, Olefins, Aromatics, Linear Alkyl Benzene, Butadiene, Acrylonitrile, Poly Butadiene Rubber, Caustic Soda and Polyethylene Terephthalate.

   b) The **refining** segment includes production and marketing operations of the petroleum products.

   c) The **oil and gas** segment includes exploration, development and production of crude oil and natural gas.

   d) The smaller business segments not separately reportable have been grouped under the **others** segment.

   e) Other investments / assets and income from the same are considered under **unallocable**.

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