Media Release

Reliance Industries Limited

**Mumbai, 18th April 2014**

**RECORD REVENUE OF ₹ 401,302 CRORE ($ 67.0 BILLION), UP 8.1%**

**RECORD NET PROFIT OF ₹ 21,984 CRORE ($ 3.7 BILLION), UP 4.7%**

**RECORD PBDIT OF ₹ 39,813 CRORE ($ 6.6 BILLION), UP 2.7%**

**HIGHEST EVER ANNUAL AND QUARTERLY EBIT FOR REFINING BUSINESS**

**RECORD CONSOLIDATED NET PROFIT OF ₹ 22,493 CRORE ($ 3.8 BILLION), UP 7.7%**

***Reliance Industries Limited (RIL) today reported its financial performance for the quarter / year ended 31st March, 2014. Highlights of the audited financial results as compared to the previous year are:***

| (In ₹ Crore) | **4Q FY14** | **3Q FY14** | **4Q FY13** | **% Change wrt 3Q FY14** | **% Change wrt 4Q FY13** | **FY14** | **FY13** | **% Change wrt FY13** |
|---|---|---|---|---|---|---|---|---|
| Turnover | **97,807** | **106,383** | 86,618 | (8.1%) | 12.9% | 401,302 | 371,119 | 8.1% |
| PBDIT | **10,367** | **9,927** | 10,068 | 4.4% | 3.0% | 39,813 | 38,785 | 2.7% |
| Profit Before Tax | **7,293** | **6,992** | 7,120 | 4.3% | 2.4% | 27,818 | 26,284 | 5.8% |
| Net Profit | **5,631** | **5,511** | 5,589 | 2.2% | 0.8% | 21,984 | 21,003 | 4.7% |
| EPS (₹) | **17.4** | **17.1** | 17.3 | 1.8% | 0.6% | 68.0 | 64.8 | 4.9% |

## HIGHLIGHTS OF YEAR PERFORMANCE

- Revenue (turnover) increased by 8.1% to ₹ 401,302 crore ($ 67.0 billion)
- Exports increased by 15.3% to ₹ 275,825 crore ($ 46.0 billion)
- PBDIT increased by 2.7% to ₹ 39,813 crore ($ 6.6 billion)
- Profit Before Tax increased by 5.8% to ₹ 27,818 crore ($ 4.6 billion)
- Cash Profit increased by 1.0% to ₹ 30,795 crore ($ 5.1 billion)
- Net Profit increased by 4.7% to ₹ 21,984 crore ($ 3.7 billion)
- Gross Refining Margin of $ 8.1/bbl for the year and $ 9.3/bbl for the quarter
- Dividend of 95%, payout of ₹ 3,268 crore ($ 545 million)

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**HIGHLIGHTS OF YEAR PERFORMANCE (RIL CONSOLIDATED)**

- Revenue (turnover) increased by 9.3% to ₹ 446,339 crore ($ 74.5 billion)
- PBDIT increased by 7.1% to at ₹ 43,800 crore ($ 7.3 billion)
- Profit Before Tax increased by 9.7% to ₹ 28,763 crore ($ 4.8 billion)
- Cash Profit increased by 5.8% to ₹ 33,980 crore ($ 5.7 billion)
- Net Profit increased by 7.7% to ₹ 22,493 crore ($ 3.8 billion)

**CORPORATE HIGHLIGHTS**

- RIL and its partners announced two significant hydrocarbon discoveries during the year. In May 2013, RIL, BP and NIKO announced a significant gas and condensate discovery in the KG-D6 block off the eastern coast of India. The discovery, named 'D55', is expected to add to the hydrocarbon resources in the KG-D6 block. In August 2013, RIL and BP announced a new gas condensate discovery off the east coast of India in the Cauvery basin. The discovery, in the deepwater block CY-DWN-2001/2 (CY-D5), is situated 62 kilometers from the coast in the Cauvery basin and is the second gas discovery in the block.
- In July 2013, RIL signed a Memorandum of Understanding with the Oil and Natural Gas Corporation (ONGC) to explore the possibility of sharing RIL's infrastructural facility in the East Coast. In line with global practice of sharing infrastructure, the MoU aims at working out the modalities for sharing of infrastructure, identifying additional requirements as well as firming up the commercial terms.
- In March 2014, The Ministry of Energy (MOE) of the Republic of the Union of Myanmar selected RIL for two offshore exploration blocks (M17 and M18) in Myanmar Offshore Block Bidding Round – 2013. Both the blocks are located offshore in the Moattama basin of Myanmar in water depths up to 3000 ft and together encompass an area of 27,600 sq. kms.
- Reliance Jio Infocomm Ltd ("RJIL"), a subsidiary of RIL, successfully acquired the right to use spectrum in 14 key circles across India in the 1800 MHz band in the spectrum auction conducted by DoT, Government of India in February 2014. RJIL plans to use this spectrum, ranging from 2x5 MHz to 2x7 MHz in each of these 14 circles, in conjunction with its pan India

2300 MHz spectrum to address the expected surge in demand for digital services as well as to enhance in-building coverage. RJIL plans to provide seamless 4G services using FDD-LTE on 1800 MHz and TDD-LTE on 2300 MHz through an integrated ecosystem.

- RJIL received Unified License for all 22 Service Areas across India in October 2013, and became the first telecom operator in the country to get pan India Unified License. The Unified License would allow RJIL to offer all telecom services including voice telephony under a single license. With grant of Unified License, RJIL has migrated its existing ISP license along with Broadband Wireless Access (BWA) spectrum to the Unified License with authorization for all services except Global Mobile Personal Communication by Satellite Service (GMPCS) under Unified License in all service areas.
- During the year, Reliance Jio announced telecom infrastructure sharing arrangements with Reliance Communications, Bharti Airtel, Bharti Infratel and Viom Networks. These agreements are aimed at avoiding duplication of infrastructure, wherever possible, to preserve capital and the environment. The infrastructure tie-ups will enable the accelerated roll-out of RJIL's state-of-the-art 4G services.
- In April 2013, RJIL and Bharti Airtel Limited signed an Indefeasible Right to Use (IRU) Agreement, under which Bharti will provide Reliance Jio data capacity on its i2i submarine cable. Reliance Jio will utilize a dedicated fiber pair on i2i. The high speed link will enable Reliance Jio to extend its network and service reach to customers across Asia Pacific region.
- In April 2013, Telekom Malaysia Berhad (TM) (Malaysia), Vodafone Group (UK), Omantel (Oman), Etisalat (UAE), Reliance Jio Infocomm Limited (India) and Dialog Axiata (Sri Lanka) – signed the Construction and Maintenance Agreement (C&MA) and the Supply Contract for "Bay Of Bengal Gateway" Cable System (BBG) in Kuala Lumpur. The construction of BBG is planned not only to provide connectivity between South East Asia, South Asia and the Middle East, but also to Europe, Africa and to the Far East Asia through interconnections with other existing and newly built cable systems landing in India, the Middle East and the Far East Asia.
- Standard & Poor's raised the long-term corporate credit rating on Reliance to 'BBB+' from 'BBB', one of the highest ratings by S&P for an Indian corporate and the highest rating by S&P for an Indian Oil & Gas company. The new rating which is two notches above the S&P rating for the Indian sovereign is testament to Reliance's strong financial and business profile.

Furthermore, Reliance is the only Asian company in the oil & gas sector to be rated two notches above the sovereign by S&P. With this upgrade, Reliance is now rated higher than some of its global emerging market peers demonstrating the strength and competitive position of Reliance in the refining and petrochemicals sector. The rating also underpins Reliance's position as a leading large scale, integrated and efficient oil refining and petrochemicals Company.

**Commenting on the results, Mukesh D. Ambani, Chairman and Managing Director, Reliance Industries Limited said:** *"FY 2013-14 was a satisfying year for RIL. Refining business delivered the highest ever profits with a sharp recovery in GRMs towards the end of the year. Petrochemical earnings grew sharply with margin expansion across polymers and downstream polyester products. While we continue to face technical challenges in growing domestic upstream production, the US shale gas business grew significantly during the year and has become a material contributor to our earnings. Retail business has turned around and is now India's largest retail chain. We have also accelerated efforts to roll-out our state-of-the-art 4G services across the country which will add an exciting new dimension to our consumer facing service offerings."*

## FINANCIAL PERFORMANCE REVIEW AND ANALYSIS

RIL achieved a turnover of ₹ 401,302 crore ($ 67.0 billion) for the year ended 31st March 2014, an increase of 8.1%, as compared to ₹ 371,119 crore in the previous year. Higher prices accounted for 7.7% growth in revenue while increase in volumes accounted for 0.4% growth in revenue. Exports were higher by 15.3% at ₹ 275,825 crore ($ 46.0 billion) as against ₹ 239,226 crore in FY 2012-13.

Higher crude oil prices resulted in 7.6% increase in cost of raw materials from ₹ 306,127 crore to ₹ 329,313 crore ($ 55.0 billion) on Y-o-Y basis.

Revenues and raw material expenses were impacted by 10.4% depreciation of Indian rupee vis-a-vis US$.

Employee costs were at ₹ 3,370 crore ($ 562 million) as against ₹ 3,354 crore in the previous year.

Other expenditure increased by 12.2% on a Y-o-Y basis from ₹ 22,844 crore to ₹ 25,621 crore ($ 4.3 billion) primarily due to higher expenses on account of power and fuel consumption.

Operating profit before other income and depreciation increased by 0.3% on a Y-o-Y basis from ₹ 30,787 crore to ₹ 30,877 crore ($ 5.2 billion) due to higher contribution from the petrochemical and refinery business partly offset by lower contribution from the upstream oil & gas business.

Other income was higher at ₹ 8,936 crore ($ 1.5 billion) as against ₹ 7,998 crore in the previous year, mainly on account of higher liquid investments.

Depreciation (including depletion and amortization) was lower by 7.1% to ₹ 8,789 crore ($ 1.5 billion) as compared to ₹ 9,465 crore in the previous year. This was primarily due to lower production of oil & gas in the upstream business.

Interest cost was higher at ₹ 3,206 crore ($ 535 million) as against ₹ 3,036 crore in the previous year mainly on account of depreciation of the Indian rupee. This resulted in gross interest cost being higher at ₹ 3,907 crore ($ 652 million) as against ₹ 3,421 crore in FY 2012-13. Interest capitalized was higher at ₹ 701 crore ($ 117 million) as against ₹ 385 crore.

Profit after tax was higher by 4.7% at ₹ 21,984 crore ($ 3.7 billion) as against ₹ 21,003 crore in the previous year.

Basic earnings per share (EPS) for the year ended 31st March 2014 was ₹ 68.0 against ₹ 64.8 in the previous year.

Outstanding debt as on 31st March 2014 was ₹ 89,968 crore ($ 15.0 billion) compared to ₹ 72,427 crore as on 31st March 2013.

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RIL had cash and cash equivalents of ₹ 88,190 crore ($ 14.7 billion). These were in bank deposits, mutual funds, CDs and Government securities / bonds.

The net addition to fixed assets for the year ended 31st March 2014 was ₹ 35,210 crore ($ 5.9 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, Silvassa and Hazira.

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. S&P has raised the long term corporate credit rating to BBB+ from BBB.

### OIL AND GAS (EXPLORATION & PRODUCTION) BUSINESS

| (In ₹ Crore) | 4Q FY14 | 3Q FY14 | 4Q FY13 | % Change wrt 3Q FY14 | % Change wrt 4Q FY13 | FY14 | FY13 | % Change wrt FY13 |
|---|---|---|---|---|---|---|---|---|
| Segment Revenue | **1,417** | **1,733** | 1,597 | (18.2%) | (11.3%) | **6,068** | 8,280 | (26.7%) |
| Segment EBIT | **378** | **540** | 460 | (30.0%) | (17.8%) | **1,626** | 2,887 | (43.7%) |
| EBIT Margin (%) | **26.7%** | **31.2%** | 28.8% | | | **26.8%** | 34.9% | |

## DOMESTIC OPERATIONS

## KG-D6

### Production Update:

KG-D6 field produced 2.03 million barrels of crude oil, 0.28 million barrels of condensate and 178 BCF of natural gas in FY14, a reduction of 30%, 30% and 47% respectively on a Y-o-Y basis. Fall in production is mainly attributed to the geological complexity and natural decline in the fields and higher than envisaged water ingress.

**Key Project Update:**

- Exploration – Appraisal of D55 discovery
    - Drilling of first appraisal well MJ-A1 was completed in 4Q FY14 and results are encouraging. The drilling of the second appraisal well MJ-A2 has commenced. As part of the appraisal program, the high end broadband seismic activity is completed.
- Base management activities in D1-D3 and MA field
    - During the year, the following activities were undertaken to sustain production and enhance recovery from the existing producing fields
        - Completion and commencement of production from development well MA08
        - Commencement of side-track and water shut off jobs in the existing non-producing wells
        - Engineering and construction activity for booster compressor is underway and expected to be completed by early 2015
- R-Cluster Development
    - Concept validation, Front End Engineering & Design (FEED) and geo-mechanical studies have been completed. Contracting activity is underway for long lead items.
- Drilling activity – Two rigs are currently in operation in the KG-D6 block. One rig is deployed in MA-6H location performing side-track activity and the other rig is drilling appraisal well MJ-A2

**Panna-Mukta and Tapti**

**Production update:**

Panna-Mukta fields produced 7.4 million barrels of crude oil and 65.4 BCF of natural gas in FY14, decline of 9% and 8% respectively on a Y-o-Y basis. The decrease in production was due to a 17-day shutdown (of which 3 days were in April 2013) for field maintenance activities and commissioning of new single point mooring (SPM) system coupled with natural decline. The decline in production was partly compensated by incremental production from Panna "L" area and infill wells drilled and put to production during the year.

Tapti fields produced 0.28 million barrels of condensate and 27.3 BCF of natural gas in FY14, decline of 48% and 38% respectively on Y-o-Y basis. The decrease is due to the underperformance of newly drilled wells in the previous year as well as on account of natural decline in the existing wells.

**Key project update:**

During the year, JV completed 6 wells in Panna "L" area and 6 infill wells in the PJ/ PG areas which has resulted in additional volumes to partially arrest the production decline.

As part of the Mukta field development, the Mukta-B development plan was submitted and approved by Management Committee. The production from Mukta-B development is likely to start in FY16.

Due to poor performance of wells in Tapti field resulting in downgrading of ultimate recoverable reserves, the JV has submitted its proposal to the Ministry of Petroleum and Natural Gas (MoPNG) for early abandonment of this field and the same is under review with Government of India.

**Other Domestic Blocks**

As part of the rationalisation of domestic portfolio, during the year RIL relinquished 4 exploration blocks which include KG-DWN-2004/4, MN-DWN-2004/1, MN-DWN-2004/2 and KG-DWN-2005/2.

As part of the exploration program, two exploratory wells were drilled in CY-D5 block during the year. Well CY-D5-S1 resulted in hydrocarbon discovery and the same was notified as D56 discovery in August 2013. The appraisal program for this discovery has been submitted to DGH for review.

**International Ventures**

REP-DMCC, wholly owned subsidiary, has successfully concluded assignment of its interest in the Peru Block-108 to Pluspetrol and Woodside.

During the year, RIL has been selected for two offshore exploration blocks (M17 and M18) in Myanmar while competing in the Myanmar Offshore Block bidding round 2013.

**CBM**

Development activities in two CBM blocks, Sohagpur East and Sohagpur West were augmented by placing orders for all major equipment and services. Currently 3 rigs are in operation and have completed drilling of 90 surface holes, 72 production holes and performed 51 hydro-fracturing jobs till March 14. Concept and FEED for surface facilities has been completed and detailed engineering work is underway.

**Shahdol-Phulpur Gas pipeline project:**

In June 2013, Petroleum and Natural Gas Regulatory Board (PNGRB) issued Grant of Authorisation to Reliance Gas Pipeline Limited, a subsidiary of RIL, for laying natural gas pipeline connecting Shahdol (Madhya Pradesh) and Phulpur (Uttar Pradesh). The pipeline will transport natural gas from the Sohagpur CBM block to GAIL's HVJ pipeline. Project activities have commenced to meet project timelines. FEED has been completed and detailed engineering work is in progress.

**INTERNATIONAL OPERATIONS (SHALE GAS)**

Reliance's shale gas business continued on its growth path and has now achieved materiality in many respects. During FY2013-14, revenues were at $ 893.3MM and EBITDA was at $659.4MM reflecting Y-o-Y growth of 45% and 37% respectively. RIL share of net sales was at 137.9 bcfe; growth of 37% Y-o-Y on account of ~1.5 fold increase in number of wells put on production from end of FY12-13. Overall capex was lower on Y-o-Y basis at $ 1.4 billion in FY2013-14.

In the quarter 4Q FY 2013-14, Reliance share of net sales volumes averaged of 37.5 Bcfe, from the 653 wells put on line. Revenues were at $266.1 MM and EBITDA of $198.8 MM in the quarter, reflecting Q-o-Q growth of 20% and 14% respectively on sequential basis. While the business benefited from improved realisation on sequential basis, the impact was partly offset by optional shut-in taken to overcome high gas price differentials, as well as downtimes due to operational/midstream issues and extreme cold weather conditions.

During this period, Pioneer JV continued on its path of liquid focused growth in Eagle Ford, producing at gross JV level 635 Mmcfe/d (including ~60,730 bbl of condensate). Production at Chevron JV in Marcellus also stayed strong at 310 Mmcfe/d.

Reliance was successful in its portfolio high-grading efforts. Implementation of new development concepts such as down spaced wells, drilling in Upper Eagle ford and Marcellus and multi pad drilling with longer laterals would drive gain in resource base leading to sustainable growth of the business.

Shale Gas Business posted a 43% reserve accretion with the proved reserves at 2.66 Tcfe at the end of CY 2013. Further nearly 64% of its leases are Held-by-production (HBP) providing significant flexibility in development operations. The liquid component improved from 13% to 19% of overall resources. Proved reserves are less than 30% of total resource base underscoring significant development upside in the joint ventures.

## REFINING & MARKETING BUSINESS

| (In ₹ Crore) | **4Q FY14** | **3Q FY14** | **4Q FY13** | **% Change wrt 3Q FY14** | **% Change wrt 4Q FY13** | **FY14** | **FY13** | **% Change wrt FY13** |
|---|---|---|---|---|---|---|---|---|
| Segment Revenue | **87,624** | **95,432** | 77,872 | (8.2%) | 12.5% | 361,970 | 333,774 | 8.4% |
| Segment EBIT | **3,954** | **3,141** | 3,520 | 25.9% | 12.3% | 13,220 | 12,788 | 3.4% |
| Crude Refined (Mn MT) | **16.3** | **17.0** | 16.1 | | | 68.0 | 68.5 | |
| GRM ($ / bbl) | **9.3** | **7.6** | 10.1 | | | 8.1 | 9.2 | |
| EBIT Margin (%) | **4.5%** | **3.3%** | 4.5% | | | 3.7% | 3.8% | |

FY14 revenue from the Refining and Marketing segment increased by 8.4% Y-o-Y to ₹ 361,970 crore ($ 60.4 billion). Refining EBIT increased by 3.4% Y-o-Y to ₹ 13,220 crore, supported by stable middle distillate cracks, favorable crude differentials and currency movement. Refining earnings were at the highest levels ever achieved by the Company for the quarter, as well as for the year.

During FY14, RIL Jamnagar refineries processed 68.0 MMT of crude, an average utilization of 110%. In comparison, average utilization rates for refineries globally in FY14 were 84.8% in North

America, 76.4% in Europe and 85.4% in Asia. In Europe, utilization rates were significantly lower due to run cuts on account of weak margins while North American refiners increased their utilization rates to benefit by processing cheaper advantaged local crudes. Average utilisation rates in Asia were marginally lower by 0.4%.

Total exports of refined products from both refineries reached $ 41.1 billion during the year as compared to $ 39.3 billion in the previous year. Exports of refined products were 43.8 MMT as compared to 41.2 MMT during the same period last year.

RIL's Gross Refining Margin (GRM) for FY14 was at $ 8.1/bbl as against $ 9.2 /bbl in the previous year. GRMs improved sharply in 4Q FY14 to $ 9.3/bbl as compared to $ 7.6/bbl in the previous quarter.

During FY14, the benchmark Singapore complex margin averaged $ 5.9/bbl as compared to $7.7/bbl in FY13. Overall cracks environment remained supportive but marginally subdued as compared to the previous year.

Middle distillates, which have been the driver for complex refining margins continued to witness stable demand from the emerging economies despite price adjustments in some countries. Demand growth was supported by severe winter in North America. Asian gasoil cracks for the year averaged at $ 17.4/bbl as against $ 19.5/bbl last year. The overall demand prospect for gasoil continues to remain promising in Asia Pacific region on account of rising demand for transportation fuels, robust industrial and agricultural activities.

Gasoline cracks weakened in Asia on a y-o-y basis. The cracks averaged $ 12.7/bbl for the year as compared to $ 15.4/bbl in FY13. Gasoline showed seasonal strength during the US driving season and some demand spurt in Asia during Ramadan. Gasoline demand growth during the year was healthy at 9-10% in China and India. While overall oil demand in these economies slowed, transportation-led demand was stronger than industrial-led demand. After a weak start to CY13, gasoline demand growth has accelerated as stronger US economic activity boosted vehicle miles travelled.

FY14 average Asian naphtha cracks strengthened y-o-y to $ -4.3/bbl from $ -5.0/bbl in the previous year. This was primarily due to higher cracks in the second half of the year on robust demand from petrochemical industry as alternative feedstock LPG cost was comparatively higher.

Fuel oil cracks witnessed a sharp correction from $ -5.0/bbl to $ -8.3/bbl on y-o-y basis due to stable inflows from the West and weak Japanese demand. FO cracks went as low as $ -15.0 /bbl during 2Q FY14 which weighed in on the overall FO cracks. Arab light – Arab heavy crude differential widened by $ 0.6/bbl to $ 4.2/bbl due to increased demand for light crudes from new refineries during startup and stabilization, which supported complex margins.

On a trailing quarter basis, Singapore benchmark refining improved from $ 5.4/bbl to $ 6.2/bbl. The improvement in the margins was led by strength in gasoline and stability in gasoil cracks. This quarter witnessed a start of the maintenance season, tightening the markets for some products. Naphtha cracks, after a strong start of the quarter tapered due to weaker demand from the petrochemical sector as a result of plant stoppages during the Lunar New Year holidays. For the quarter, naphtha cracks improved to $ -1.5/bbl compared to $ -3.0/bbl in the previous quarter.

On a Q-o-Q basis, gasoline cracks recovered sharply to $ 14.6/bbl from $ 9.2/bbl. The strength in gasoline crack was supported by planned and unplanned refinery turnarounds and continued demand growth in Asia and US. Gasoil cracks remained firm at $ 17/bbl, supported by refinery outages/maintenance, stable regional demand and higher demand from US due to extreme weather conditions. Asian complex margins were also supported by widening of light-heavy crude differentials to $ 5.1/bbl from $ 4.6/bbl.

In addition to the market dynamics, RIL performance was driven by its operational excellence and well executed strategies around crude sourcing and product placement. Continuing its emphasis on processing challenging and most advantageous crudes, RIL processed 10 new crudes during the year and 2 new secondary feedstocks. The ability to operate at high utilisation levels and switch product slate to suit market conditions enabled RIL to capture limited opportunities in the market.

### PETROCHEMICALS BUSINESS

| (In ₹ Crore) | 4Q FY14 | 3Q FY14 | 4Q FY13 | % Change wrt 3Q FY14 | % Change wrt 4Q FY13 | FY14 | FY13 | % Change wrt FY13 |
|---|---|---|---|---|---|---|---|---|
| Segment Revenue | 24,343 | 25,280 | 22,158 | (3.7%) | 9.9% | 96,465 | 88,108 | 9.5% |
| Segment EBIT | 2,096 | 2,124 | 1,895 | (1.3%) | 10.6% | 8,612 | 7,328 | 17.5% |
| EBIT Margin (%) | 8.6% | 8.4% | 8.6% | | | 8.9% | 8.3% | |
| Production (Million Tonnes) | 5.3 | 5.6 | 5.4 | | | 21.9 | 22.0 | |

FY14 revenue from the Petrochemicals segment increased by 9.5% Y-o-Y to ₹ 96,465 crore ($ 16.1 billion). Revenue growth was led by 8.6% increase in prices and 0.9% growth in volumes.

EBIT for the year increased sharply by 17.5% to ₹ 8,612 crore, led by strong polymer and downstream polyester margins coupled with favourable exchange rate movement. This was partly offset by weak fibre intermediate margins, particularly in the second half of the year. EBIT margin improved to 8.9% in FY14 as compared to 8.3% in the previous year.

**Polymer & Cracker Business:**

During the year, Indian polymer demand grew by 3% compared to previous year due to higher demand in end-use sectors like packaging, non-woven, telecom duct and blow moulded products. The demand slow down reflects lower economic activity which impacted industrial production and consumer durable demand. However, 4Q FY14 saw some recovery and witnessed 7% Q-o-Q demand growth.

During the year, PP demand was higher by 5% due to growth in packaging and non-woven sectors. Moderate demand was also observed in appliances and housewares segments. The demand growth for PVC at 2% was impacted by extended monsoon, hailstorms, volatile currency and limited government/institutional purchases of pipes. PE demand growth (+1%) was led by packaging, telecom duct and blow moulded products partly offset by de-growth in pipes and roto-moulding sector (slower growth in infrastructure sector).

Ethylene prices were firm through the year with stable feedstock cost and tight supply. Global cracker operating rate improved to 86.4%, the highest level in the last five years. Product prices were higher by 2-8% Y-o-Y during FY14.

PP deltas improved by 12% on Y-o-Y basis as higher propylene inventories in the region and lower downstream activity in China kept feedstock prices lower. PE deltas improved sharply by 23% on account firm prices due to limited ethylene supply from Middle East and stronger demand from China. PVC deltas declined for the year as EDC prices increased sharply by 36% due to stronger ethylene prices and lower availability from the US.

During the year, RIL maintained its leadership in the domestic polymer market with a share of 40%. For the year, RIL polymer production increased by 2% to 4.5 MMT.

**Polyester Chain:**

The global polyester industry was affected by the uncertainty prevailing in the upstream feedstock industry. Lack of definite direction about market balance and consequent price directions impacted the polyester markets and resulted in a cautious stance. Continued capacity growth added to the industry overhang and lowered operating rates during the year. PET producers rationalised operating rates and were able to improve margins (+29%) over the previous year. Downstream polyester (PFY/PSF) margins were stable on account of weak intermediate markets.

Feedstock prices remained volatile, particularly in the second half of the year. The PX market was dislocated due to lack of clarity on commissioning schedule of new plants. As a result, contract prices remained unsettled several times during the year. The margins declined from the previous year as naphtha prices remained firm, and acceptability of PX prices by the strained PTA sector remained weak.

PTA margins continued to be impacted by overcapacity specially in China and consequently operating rates remained low. FY14 MEG deltas were marginally lower due to firm ethylene prices and high inventory levels at ports in China.

Domestic polyester demand grew by 6% during the year led by Fully Drawn Yarn (FDY) and PET. FDY witnessed the highest growth rate of 17% owing to increased applications and newer areas of consumer demand. PET demand increased with demand from expansions in the downstream beverage segments, but was slower due to the early and prolonged monsoon. With the depreciation of the Indian Rupee during the year textile exports increased for most categories.

For the year, production of fibre intermediates (PX, PTA and MEG) was around 4.7 MMT, marginally lower compared to previous year. Polyester (PFY, PSF and PET) production was at 1.6 MMT, up 1% on a Y-o-Y basis.

RIL commissioned its new PFY facility at Silvassa. The new PFY plant at Silvassa is the most automated and one of the most environment friendly plants globally. It is co-located with RIL's existing texturizing facility at Silvassa eliminating the packaging and logistics costs. The entire production from this facility has been successfully placed in the domestic and international markets.

With the commissioning of this ultra-modern PFY facility, Reliance's total PFY capacity, including the facilities at Recron (wholly owned subsidiary at Malaysia) is now in excess of 1.5 MMTPA.

**Chemicals and Elastomers:**

Benzene markets globally remained tight and as a result margins remained firm during the year. Benzene deltas improved by 10% Y-o-Y and are significantly above five year average. The domestic consumption of Benzene was lower by 5% as no new major consumption unit was

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commissioned. RIL has exported record of volume of 475 KT of Benzene during the year taking advantage of the higher prices and margins.

Demand for Butadiene (BD) in Asian region remained sluggish due to poor market conditions for downstream customers. Several downstream plants (especially synthetic rubber sector) continued operating at reduced throughput resulting in low BD demand in Asia. BD margins declined sharply in FY14 due to new capacity additions in Asia and higher inventory levels in China and Taiwan. During the year, India BD demand was approximately 116 KT vis-à-vis domestic installed capacity is 300 KTPA. RIL's FY14 production was at 174 KT and it maintained domestic market leadership.

PBR demand continued to remain under severe pressure due to sluggish demand in the downstream industries especially automobile sector. This has led to softening of international prices and reduction in margins. RIL, with an installed capacity of 75 KTPA, is at present India's only PBR producer with ~41% of domestic market share.

RIL's upcoming 40 KTPA PBR swing plant based on nickel/neodymium catalyst will make it one of the few worldwide producers of all the three grades of PBR. RIL is also working towards commissioning of 150 KTPA of SBR capacity during FY 2014-15.

**ORGANIZED RETAIL**

Reliance Retail achieved record performance in sales and profits for the year. Total revenue grew by 34% to ₹ 14,496 crore and achieved PBDIT of ₹ 363 crore for the year. This achievement was in spite of the continued challenging macroeconomic environment.

The Retail business has established market leadership in mostly all of the sectors it operates in. The company added 225 stores and 2.7 million operating square feet in the year across the sectors. As on 31st March 2014, Reliance Retail operated 1,691 stores across 146 cities, with 11.7 million of operating square feet.

Driven by strong customer response to the product, service and value proposition across formats, the business recorded a LFL growth of up to 23% across various format sectors during the year. Revenues grew to ₹ 3,639 crore in the fourth quarter compared to ₹ 3,051 crore during the same period in the previous year, an increase of 19%.

Value Formats recorded a market share gain of 1% in the year, to solidify leadership position in the grocery retail business. Reliance Market, the cash and carry format continued its rapid geographical expansion. Reliance Market now operates 32 stores across the country and established a leadership position in just two years of its launch. Reliance Market now serves over 1.2 million registered members.

The Fashion and Lifestyle sector delivered strong performance in the quarter fuelled by its focus on providing customers with fashionable, high quality products at great value. Reliance Trends won several coveted awards during the year and continued its geographical penetration and expansion. The focus on customer and product proposition delivered record revenues and growth both in the quarter and for the year.

Digital sector built upon its leadership position and achieved a distinction of crossing 250 stores. A new format Digital Express Mini was launched in the quarter. The format focuses on mobility and communication products and being of a compact size, is eminently scalable across Tier 1 to Tier 3 cities in the country.

The JV with Marks & Spencer continued its pace of robust growth. Marks and Spencer enjoyed a year of record sales as well as new store openings.

Given the macro environment challenges in the Jewellery sector, Reliance Jewels continued to focus on operational improvements in systems and processes that would result in building a robust platform for growth in the coming years.

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**BROADBAND ACCESS**

RIL's subsidiary, Reliance Jio Infocomm Limited ("RJIL"), which is the only private player with Broadband Wireless Access spectrum in all the 22 telecom circles of India, plans to provide reliable fast internet connectivity and rich digital services on a Pan India basis. In addition to fixed and wireless broadband connectivity, RJIL also plans to enable end-to-end solutions that address the entire value chain across various digital services in key domains of national interest such as education, healthcare, security, financial services, government-citizen interfaces and entertainment. RJIL aims to comprehensively address the requisite components of the customer need, thereby fundamentally enhancing the opportunity and experience of hundreds of millions of Indian citizens and organizations.

From less than 700 employees last year, most of them based in RJIL's Navi Mumbai campus, the RJIL team has grown rapidly to a national footprint of over 3,000 employees today. The key leadership positions required to execute the project are in place.

RJIL has finalized the key vendor and supplier partnerships that are required for the launch of our services, and is making rapid progress in building the critical infrastructure needed to launch its services.

In the past year, RJIL has announced key definitive agreements with Reliance Communications (RCOM) for inter-city optic fibre sharing, for sharing of up to 45,000 of RCOM's nationwide telecom towers, and for joint working arrangements to configure the scope of additional towers to be built at new locations. RJIL also announced a key agreement for international data connectivity with Bharti to utilise dedicated fiber pair on Bharti's i2i submarine cable that connects India and Singapore.

RJIL has been awarded with a Facility Based Operator License ("FBO License") in Singapore which will allow RJIPL to buy, operate and sell undersea and/or terrestrial fibre connectivity, setup its internet point of presence, offer internet transit and peering services as well as data and voice roaming services in Singapore.

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RJIL has been granted Unified License for all 22 Service Areas across India by the Department of Telecom (DoT) to become the first telecom operator in the country to get pan India Unified License. The Unified License would allow RJIL to offer all telecom services including voice telephony under a single license.

RJIL was allotted MSC, MCC & MNC codes for Mobile Access Services across all 22 circles by the DoT providing it with about 22 million mobile phone numbers across India to provide mobile access services.

RJIL and Bharti Airtel Limited announced a comprehensive telecom infrastructure sharing arrangement under which they will share infrastructure created by both parties to avoid duplication of infrastructure, wherever possible, and to preserve capital and the environment.

In the recently concluded spectrum auctions, RJIL successfully acquired 1800 MHz spectrum across 14 critical circles to strengthen in-building coverage in LTE. RJIL plans to provide seamless 4G services using FDD-LTE on 1800 MHz and TDD-LTE on 2300 MHz through an integrated ecosystem.

At Mobile World Congress 2014 in Barcelona, RJIL showcased LTE-TDD interoperability use case with Chinese giant China Mobile by making a VoLTE voice call across the two operator's network.

RJIL signed an agreement to use Viom Networks' pan India passive telecom infrastructure having a footprint of over 42,000 telecom towers.

RJIL and Reliance Communications Ltd. signed an agreement for sharing of RCOM's extensive intra-city optic fiber infrastructure of nearly 500,000 fiber pair kilometres, across the top more than 300 cities and towns in India.

(All $ numbers are in US$)

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# Media Release

Reliance Industries Limited

## AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31st MARCH 2014

(₹ in crore, except per share data)

| Sr. No. | Particulars | Quarter Ended | | | Year Ended | |
|---|---|---|---|---|---|---|
| | | 31 Mar'14 | 31 Dec'13 | 31 Mar'13 | 31 Mar' 14 | 31 Mar'13 |
| 1 | **Income from Operations** | | | | | |
| | (a) Net Sales/Income from operations (Net of excise duty and service tax ) | 95,193 | 103,521 | 84,198 | 390,117 | 360,297 |
| | **Total income from operations (net)** | **95,193** | **103,521** | **84,198** | **390,117** | **360,297** |
| 2 | **Expenses** | | | | | |
| | (a) Cost of materials consumed | 81,095 | 86,124 | 70,982 | 329,313 | 306,127 |
| | (b) Purchase of stock-in- trade | 13 | 3 | 222 | 524 | 502 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (1,236) | 2,579 | (1,289) | 412 | (3,317) |
| | (d) Employee benefits expense | 948 | 715 | 792 | 3,370 | 3,354 |
| | (e) Depreciation and amortization expense | 2,275 | 2,143 | 2,239 | 8,789 | 9,465 |
| | (f) Other expenses | 6,042 | 6,478 | 5,666 | 25,621 | 22,844 |
| | **Total Expenses** | **89,137** | **98,042** | **78,612** | **368,029** | **338,975** |
| 3 | **Profit from operations before other income, finance costs** | **6,056** | **5,479** | **5,586** | **22,088** | **21,322** |
| 4 | Other Income | 2,036 | 2,305 | 2,243 | 8,936 | 7,998 |
| 5 | **Profit from ordinary activities before finance costs** | **8,092** | **7,784** | **7,829** | **31,024** | **29,320** |
| 6 | Finance costs | 799 | 792 | 709 | 3,206 | 3,036 |
| 7 | **Profit from ordinary activities before tax** | **7,293** | **6,992** | **7,120** | **27,818** | **26,284** |
| 8 | Tax expense | 1,662 | 1,481 | 1,531 | 5,834 | 5,281 |
| 9 | **Net Profit for the Period** | **5,631** | **5,511** | **5,589** | **21,984** | **21,003** |
| 10 | Paid up Equity Share Capital, Equity Shares of ₹ 10/- each. | 3,232 | 3,231 | 3,229 | 3,232 | 3,229 |
| 11 | Reserves excluding revaluation reserves | | | | 1,93,842 | 1,75,711 |
| 12 | Earnings per share (Face value of ₹ 10) | | | | | |
| | (a) Basic | 17.4 | 17.1 | 17.3 | 68.0 | 64.8 |
| | (b) Diluted | 17.4 | 17.1 | 17.3 | 68.0 | 64.8 |
| **A** | **PARTICULARS OF SHAREHOLDING** | | | | | |
| 1 | Public shareholding (including GDR holders) | | | | | |
| | - Number of Shares (in crore) | 176.79 | 176.73 | 176.47 | 176.79 | 176.47 |
| | - Percentage of Shareholding (%) | 54.70 | 54.69 | 54.66 | 54.70 | 54.66 |
| 2 | Promoters and Promoter Group shareholding | | | | | |
| | a) Pledged / Encumbered | | | | | |
| | - Number of shares (in crore) | - | - | - | - | - |
| | - Percentage of shares (as a % of the total shareholding of Promoters and Promoter Group) | - | - | - | - | - |
| | - Percentage of shares (as a % of the total share capital of the company) | - | - | - | - | - |
| | b) Non – Encumbered | | | | | |
| | - Number of shares (in crore) | 146.40 | 146.40 | 146.39 | 146.40 | 146.39 |
| | - Percentage of shares (as a % of the total shareholding of Promoters and Promoter Group) | 100 | 100 | 100 | 100 | 100 |
| | - Percentage of shares (as a % of the total share capital of the company) | 45.30 | 45.31 | 45.34 | 45.30 | 45.34 |

*31st December 2013 figures are unaudited.*

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**Notes:**

1. The figures for the corresponding previous period have been restated/regrouped wherever necessary, to make them comparable. The figures of last quarters are the balancing figures between audited figures in respect of the full financial years and the published year to date figures up to the third quarters of the respective financial years.

2. The Company had revalued the plants, equipments and buildings situated at Patalganga, Hazira, Naroda, Jamnagar, Gandhar and Nagothane in the earlier years. Consequent to the revaluation, there is an additional charge for depreciation of ₹ 1,845 crore for the year ended 31st March 2014 which has been withdrawn from Revaluation Reserve/ General Reserve.

3. The Government of India (GoI), by its letters dated 2nd May, 2012 and 14th November, 2013 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.

4. The Board of directors have approved an appropriation of ₹ 18,000 crore ($ 3.0 billion) to the General Reserve.

5. The Board of Directors have recommended, subject to approval of shareholders, a dividend of ₹ 9.50 per fully paid up equity shares of ₹ 10/- each, aggregating to ₹ 3,268 crore ($ 545 million), including dividend distribution tax.

6. There were no investors' complaints pending as on 1st January, 2014. During the quarter 589 complaints were received. Out of the total complaints, 588 were resolved and the balance 1 complaint was outstanding as on 31st March 2014.

7. The Audit Committee has reviewed the above results and the Board of Directors have approved the above results and its release at their respective meetings held on 18th April 2014.

## Audited Standalone Statement of Assets and Liabilities

*₹in Crore*

| Sr. No. | Particulars | | As at 31st March 2014 | As at 31st March 2013 |
|---|---|---|---|---|
| **A** | **EQUITY AND LIABILITIES** | | | |
| **1** | **Shareholders' funds** | | | |
| | (a) | Share Capital | 3,232 | 3,229 |
| | (b) | Reserves and Surplus | 193,842 | 176,766 |
| | | **Subtotal - Shareholders' funds** | **197,074** | **179,995** |
| **2** | **Share application money pending allotment** | | **17** | **25** |
| **3** | **Non - current liabilities** | | | |
| | (a) | Long-Term borrowings | 62,711 | 43,012 |
| | (b) | Deferred Tax Liability (net) | 12,215 | 12,193 |
| | | **Subtotal -Non - current liabilities** | **74,926** | **55,205** |
| **4** | **Current liabilities** | | | |
| | (a) | Short-term borrowings | 22,770 | 11,511 |
| | (b) | Trade Payables | 57,862 | 45,787 |
| | (c) | Other current liabilities | 10,767 | 21,640 |
| | (d) | Short term provisions | 4,167 | 4,348 |
| | | **Subtotal -Current liabilities** | **95,566** | **83,286** |
| | | **TOTAL- EQUITY AND LIABILITIES** | **367,583** | **318,511** |
| **B** | **ASSETS** | | | |
| **1** | **Non-current assets** | | | |
| | (a) | Fixed Assets | 151,122 | 128,864 |
| | (b) | Non-current investments | 52,692 | 24,143 |
| | (c) | Long-term loans and advances | 28,436 | 21,528 |
| | | **Sub Total – Non-current assets** | **232,250** | **174,535** |
| **2** | **Current assets** | | | |
| | (a) | Current investments | 33,370 | 28,366 |
| | (b) | Inventories | 42,932 | 42,729 |
| | (c) | Trade receivables | 10,664 | 11,880 |
| | (d) | Cash and Bank Balances | 36,624 | 49,547 |
| | (e) | Short-term loans and advances | 11,277 | 10,974 |
| | (f) | Other current assets | 466 | 480 |
| | | **Sub Total - Current assets** | **135,333** | **143,976** |
| | | **TOTAL ASSETS** | **367,583** | **318,511** |

**AUDITED STANDALONE SEGMENT INFORMATION FOR THE QUARTER / YEAR ENDED 31st MARCH 2014**

₹ in Crore

| Sr. No. | | Quarter Ended | | | Year Ended | |
|---|---|---|---|---|---|---|
| | | 31 Mar' 14 | 31 Dec' 13 | 31 Mar' 13 | 31 Mar' 14 | 31 Mar'13 |
| 1. | **Segment Revenue** | | | | | |
| | - Petrochemicals | 24,343 | 25,280 | 22,158 | 96,465 | 88,108 |
| | - Refining | 87,624 | 95,432 | 77,872 | 361,970 | 333,774 |
| | - Oil and Gas | 1,417 | 1,733 | 1,597 | 6,068 | 8,280 |
| | - Others | 394 | 209 | 359 | 1,549 | 953 |
| | **Gross Turnover (Turnover and Inter Segment Transfers)** | **113,778** | **122,654** | **101,986** | **466,052** | **431,115** |
| | Less: Inter Segment Transfers | 15,971 | 16,271 | 15,368 | 64,750 | 59,996 |
| | **Turnover** | **97,807** | **106,383** | **86,618** | **401,302** | **371,119** |
| | Less: Excise Duty / Service Tax Recovered | 2,614 | 2,862 | 2,420 | 11,185 | 10,822 |
| | **Net Turnover** | **95,193** | **103,521** | **84,198** | **390,117** | **360,297** |
| 2. | **Segment Results** | | | | | |
| | - Petrochemicals | 2,096 | 2,124 | 1,895 | 8,612 | 7,328 |
| | - Refining | 3,954 | 3,141 | 3,520 | 13,220 | 12,788 |
| | - Oil and Gas | 378 | 540 | 460 | 1,626 | 2,887 |
| | - Others | 199 | 94 | 48 | 419 | 255 |
| | **Total Segment Profit before Interest and Tax** | **6,627** | **5,899** | **5,923** | **23,877** | **23,258** |
| | (i) Interest Expense | (799) | (792) | (709) | (3,206) | (3,036) |
| | (ii) Interest Income | 1,446 | 1,847 | 1,979 | 6,472 | 6,245 |
| | (iii) Other Un-allocable Income (Net of Expenditure) | 19 | 38 | (73) | 675 | (183) |
| | **Profit before Tax** | **7,293** | **6,992** | **7,120** | **27,818** | **26,284** |
| | (i) Provision for Current Tax | (1,526) | (1,459) | (1,415) | (5,812) | (5,244) |
| | (ii) Provision for Deferred Tax | (136) | (22) | (116) | (22) | (37) |
| | **Profit after Tax** | **5,631** | **5,511** | **5,589** | **21,984** | **21,003** |
| 3. | **Capital Employed (Segment Assets – Segment Liabilities)** | | | | | |
| | - Petrochemicals | 44,601 | 44,910 | 38,816 | 44,601 | 38,816 |
| | - Refining | 66,373 | 54,828 | 66,811 | 66,373 | 66,811 |
| | - Oil and Gas | 28,571 | 29,888 | 25,167 | 28,571 | 25,167 |
| | - Others | 38,709 | 33,799 | 22,201 | 38,709 | 22,201 |
| | - Unallocated | 124,288 | 125,124 | 114,737 | 124,288 | 114,737 |
| | **Total Capital Employed** | **302,542** | **288,549** | **267,732** | **302,542** | **267,732** |

**Notes to Segment Information (Standalone) for the Quarter/ Year Ended 31st March 2014**

1. As per Accounting Standard 17 on 'Segment Reporting' (AS 17), 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) Capital employed on other investments / assets and income from the same are considered under 'unallocable'.

## AUDITED CONSOLIDATED RESULTS FOR THE YEAR ENDED 31st MARCH 2014

(₹ in crore, except per share data)

| Sr. No. | | Year Ended 31 Mar'14 | Year Ended 31 Mar'13 |
|---|---|---|---|
| 1 | **Income from Operations** | | |
| | **(a)** Net Sales/Income from operations (Net of excise duty and service tax) | 434,460 | 397,062 |
| | **Total income from operations (net)** | **434,460** | **397,062** |
| 2 | **Expenses** | | |
| | (a) Cost of materials consumed | 346,491 | 326,779 |
| | (b) Purchases of stock-in- trade | 17,091 | 10,425 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (560) | (4,954) |
| | (d) Employee benefits expense | 5,572 | 5,179 |
| | (e) Depreciation and amortization expense | 11,201 | 11,232 |
| | (f) Other expenses | 31,067 | 26,588 |
| | **Total Expenses** | **410,862** | **375,249** |
| 3 | **Profit from operations before other income and finance costs** | **23,598** | **21,813** |
| 4 | Other Income | 8,911 | 7,800 |
| **5** | **Profit from ordinary activities before finance costs** | **32,509** | **29,613** |
| 6 | Finance costs | 3,836 | 3,463 |
| 7 | **Profit from ordinary activities before tax** | **28,673** | **26,150** |
| 8 | Tax expense | 6,215 | 5,331 |
| **9** | **Net Profit for the Period** | **22,458** | **20,819** |
| 10 | Share of profit/(loss) of associates | 90 | 67 |
| 11 | Minority interest | (55) | (7) |
| 12 | **Net Profit/(loss) after taxes, minority interest and share of profit/ (loss) of associates** | **22,493** | **20,879** |
| 13 | Paid up Equity Share Capital, Equity Shares of ₹ 10/- each. | 2,940 | 2,936 |
| 14 | Reserves excluding revaluation reserves | 194,882 | 177,433 |
| 15 | Earnings per share (Face value of ₹ 10) | | |
| | (a) Basic | 76.5 | 70.7 |
| | (b) Diluted | 76.5 | 70.7 |
| **A** | **PARTICULARS OF SHAREHOLDING** | | |
| **1** | Public shareholding (including GDR holders) | | |
| | - Number of Shares (in crore) | 159.61 | 159.28 |
| | - Percentage of Shareholding (%) | 54.30 | 54.25 |
| **2** | Promoters and Promoter Group shareholding | | |
| | a) Pledged / Encumbered | | |
| | - Number of shares (in crore) | - | - |
| | - Percentage of shares (as a % of the total shareholding of Promoters and Promoter Group) | - | - |
| | - Percentage of shares (as a % of the total share capital of the company) | - | - |
| | b) Non – Encumbered | | |
| | - Number of shares (in crore) | 134.35 | 134.35 |
| | - Percentage of shares (as a % of the total shareholding of Promoters and Promoter Group) | 100 | 100 |
| | - Percentage of shares (as a % of the total share capital of the company) | 45.70 | 45.75 |

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## Notes on Consolidated Accounts:

1. The consolidated accounts have been prepared as per Accounting Standard (AS) 21 on Consolidated Financial Statements and Accounting Standard (AS) 23 on Accounting for Investments in Associates in Consolidated Financial Statements notified in the Companies (Accounting Standard) Rules 2006.

2. The consolidated financial results should be read in conjunction with the notes to the financial results for the year ended 31st March 2014.

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## Audited Consolidated Statement of Assets and Liabilities

*₹in Crore*

| Sr. No. | Particulars | | As at 31st March 2014 | As at 31st March 2013 |
|---|---|---|---|---|
| A | **EQUITY AND LIABILITIES** | | | |
| 1 | **Shareholders' Funds** | | | |
| | (a) | Share Capital | 2,940 | 2,936 |
| | (b) | Reserves and Surplus | 195,730 | 179,094 |
| | | **Subtotal - Shareholders' Funds** | **198,670** | **182,030** |
| 2 | **Share application money pending allotment** | | **17** | **25** |
| 3 | **Minority Interest** | | **959** | **949** |
| 4 | **Non - Current Liabilities** | | | |
| | (a) | Long-Term borrowings | 101,019 | 70,960 |
| | (b) | Deferred Tax Liability (net) | 11,925 | 11,588 |
| | (c) | Other Long Term Liabilities | 807 | - |
| | (d) | Long Term Provisions | 290 | 531 |
| | | **Subtotal -Non - Current liabilities** | **114,041** | **83,079** |
| 5 | **Current Liabilities** | | | |
| | (a) | Short-term borrowings | 32,792 | 18,362 |
| | (b) | Trade Payables | 60,860 | 49,700 |
| | (c) | Other current liabilities | 17,058 | 23,655 |
| | (d) | Short term provisions | 4,446 | 4,557 |
| | | **Subtotal - Current Liabilities** | **115,156** | **96,274** |
| | | **TOTAL- EQUITY AND LIABILITIES** | **428,843** | **362,357** |
| B | **ASSETS** | | | |
| 1 | **Non-Current Assets** | | | |
| | (a) | Fixed Assets | 232,911 | 183,439 |
| | (b) | Non-current investments | 26,867 | 13,979 |
| | (c) | Long-term loans and advances | 17,996 | 9,025 |
| | (d) | Other Non-Current Assets | - | - |
| | | **Sub Total – Non-Current Assets** | **277,774** | **206,443** |
| 2 | **Current Assets** | | | |
| | (a) | Current investments | 34,458 | 28,869 |
| | (b) | Inventories | 55,997 | 54,601 |
| | (c) | Trade receivables | 9,411 | 9,750 |
| | (d) | Cash and Bank Balances | 37,984 | 50,456 |
| | (e) | Short-term loans and advances | 9,965 | 10,455 |
| | (f) | Other current assets | 3,254 | 1,783 |
| | | **Sub Total - Current Assets** | **151,069** | **155,914** |
| | | **TOTAL ASSETS** | **428,843** | **362,357** |

## AUDITED CONSOLIDATED SEGMENT INFORMATION FOR THE YEAR ENDED 31st MARCH 2014

₹ in Crore

| Sr. No. | Particulars | Year Ended 31st March 2014 | Year Ended 31st March 2013 |
|---|---|---|---|
| 1. | **Segment Revenue** | | |
| | - Petrochemicals | 104,018 | 94,177 |
| | - Refining | 405,852 | 372,923 |
| | - Oil and Gas | 10,902 | 11,208 |
| | - Others | 20,827 | 14,578 |
| | **Gross Turnover (Turnover and Inter Segment Transfers)** | **541,599** | **492,886** |
| | Less: Inter Segment Transfers | 95,260 | 84,494 |
| | **Turnover** | **446,339** | **408,392** |
| | Less: Excise Duty / Service Tax Recovered | 11,879 | 11,330 |
| | **Net Turnover** | **434,460** | **397,062** |
| 2. | **Segment Results** | | |
| | - Petrochemicals | 8,403 | 7,159 |
| | - Refining | 13,392 | 12,815 |
| | - Oil and Gas | 2,811 | 3,668 |
| | - Others | 1,178 | 323 |
| | **Total Segment Profit before Interest and Tax** | **25,784** | **23,965** |
| | (i) Interest Expense | (3,836) | (3,463) |
| | (ii) Interest Income | 5,907 | 5,816 |
| | (iii) Other Un-allocable Income (Net of Expenditure) | 908 | (101) |
| | **Profit before Tax** | **28,763** | **26,217** |
| | (i) Provision for Current Tax | (5,929) | (5,327) |
| | (ii) Provision for Deferred Tax | (286) | (4) |
| | **Profit after Tax (including share of profit/(loss) of associates)** | **22,548** | **20,886** |
| 3. | **Capital Employed (Segment Assets – Segment Liabilities)** | | |
| | - Petrochemicals | 47,753 | 41,960 |
| | - Refining | 67,747 | 67,421 |
| | - Oil and Gas | 63,099 | 49,319 |
| | - Others | 52,270 | 32,520 |
| | - Unallocated | 122,731 | 113,683 |
| | **Total Capital Employed** | **353,600** | **304,903** |

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**Notes to Segment Information (Consolidated) for the Year Ended 31st March 2014**

1. As per Accounting Standard 17 on Segment Reporting (AS 17), 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) Capital employed on other investments / assets and income from the same are considered under ‘unallocable’.

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