Media Release

Mumbai, 15th October 2012

## RECORD HALF YEARLY REVENUE OF ₹ 188,191 CRORE ($ 35.6 BILLION)

## RECORD HALF YEARLY EXPORTS OF ₹ 112,667 CRORE ($ 21.3 BILLION)

## NET PROFIT OF ₹ 9,849 CRORE ($ 1.9 BILLION)

## ON A Q-O-Q BASIS, NET PROFIT UP 20% TO ₹ 5,376 CRORE ($1.0 BILLION)

## PBDIT OF ₹ 18,468 CRORE ($ 3.5 BILLION)

***Reliance Industries Limited (RIL) today reported its financial performance for the quarter / half year ended 30th September, 2012. Highlights of the un-audited financial results as compared to the corresponding period of the previous year are:***

| (In ₹ Crore) | 2Q FY13 | 1Q FY13 | 2Q FY12 | % Change wrt 1Q FY13 | % Change wrt 2Q FY12 | 1H FY13 | 1H FY12 | % Change wrt 1H FY12 |
|---|---|---|---|---|---|---|---|---|
| Turnover | **93,265** | 94,926 | 80,790 | (1.7%) | 15.4% | **188,191** | 164,479 | 14.4% |
| PBDIT | **9,817** | 8,651 | 10,946 | 13.5% | (10.3%) | **18,468** | 21,950 | (15.9%) |
| Profit Before Tax | **6,803** | 5,433 | 7,317 | 25.2% | (7.0%) | **12,236** | 14,581 | (16.1%) |
| Net Profit | **5,376** | 4,473 | 5,703 | 20.2% | (5.7%) | **9,849** | 11,364 | (13.3%) |
| EPS (₹) | **16.60** | 13.7 | 17.4 | 21.2% | (4.6%) | **30.3** | 34.7 | (12.7%) |

### HIGHLIGHTS OF HALF YEAR'S PERFORMANCE

- Revenues (turnover) increased by 14% to ₹ 188,191 crore ($ 35.6 billion)
- Exports increased by 11% to ₹ 112,667 crore ($ 21.3 billion)
- PBDIT at ₹ 18,468 crore ($ 3.5 billion)
- Profit Before Tax at ₹ 12,236 crore ($ 2.3 billion)
- Cash Profit at ₹ 14,504 crore ($ 2.7 billion)
- Net Profit at ₹ 9,849 crore ($1.8 billion)
- Gross Refining Margin at $ 8.5 /bbl for the half year ended 30th September 2012

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### HIGHLIGHTS OF QUARTER'S PERFORMANCE- 2Q FY13 V 1Q FY13

- Revenues (turnover) decreased by 1.7% to ₹ 93,265 crore ($ 17.6 billion)
- Exports increased by 3.9% to ₹ 57,406 crore ($ 10.9 billion)
- PBDIT increased by 13.5% to ₹ 9,817 crore ($ 1.9 billion)
- Profit Before Tax increased by 25.2% to ₹ 6,803 crore ($ 1.3 billion)
- Cash Profit increased by 13.8% to ₹ 7,719 crore ($ 1.5 billion)
- Net Profit increased by 20.2% to ₹ 5,376 crore ($ 1.0 billion)
- Gross Refining Margin at $ 9.5/bbl for the quarter

### CORPORATE HIGHLIGHTS

- On 25 September 2012, RIL and the Venezuelan state oil company, Petroleos de Venezuela, SA (PDVSA) signed a 15 year heavy crude oil supply contract and an MOU to further develop Venezuelan heavy oil fields. PDVSA will supply between 300,000 and 400,000 barrels per day of Venezuelan heavy crude oil to Reliance's two refineries in Jamnagar under a 15-year crude oil supply contract. As per the MOU, Reliance will explore upstream options for joint participation in heavy oil projects of the Orinoco Oil Belt.
- RIL selected Fluor Corporation to provide project management services for its projects being executed at its refining and petrochemical complex in Jamnagar, India. These projects represent one of the largest investments globally.
- RIL selected Phillips 66's E-Gas™ technology for its coke gasification facility. This facility will process petroleum coke & coal into synthesis gas. Phillips 66 will license the technology to RIL and also provide process engineering design and technical support relating to the gasification technology process area.
- RIL has selected Technip as a technology supplier and engineering contractor to implement its Refinery Off-Gas Cracker (ROGC) project. This is part of the petrochemical expansion project being executed at Jamnagar, India. The ROGC plant will be amongst the world's largest ethylene crackers and will be using refinery off-gas as feedstock. This plant will provide feedstock for new downstream petrochemical plants also being built at Jamnagar.
- RIL signed a $ 2 billion equivalent loan with nine banks covered by Euler Hermes Deutschland AG. ("Euler Hermes") in May 2012. The loan will be primarily used to finance goods and services procured from German suppliers as part of the petrochemical expansion projects at Jamnagar, Hazira, Silvassa and Dahej in India.

- Reliance Exploration & Production DMCC, wholly owned subsidiary of RIL has completed the transaction for divestment of its 80% working interest and operatorship in the production sharing contracts (PSCs) for Rovi and Sarta Blocks in the Kurdistan Region to the subsidiaries of Chevron.
- The Global Reporting Initiative (GRI) has awarded A+ level to RIL's Sustainability Report 2011-12. This is the 7th consecutive year that RIL has received the highest application level on sustainability reporting. RIL is also the first Indian company to adhere to the GRI 3.1 Oil & Gas Sector Supplement, released in February 2012.
- The Government of India, by its letter of 02 May 2012 has communicated that it proposes to disallow certain costs which the PSC relating to Block KG-DWN-98/3 entitles RIL to recover. RIL maintains 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. RIL has initiated arbitration on this issue.

**Commenting on the results, Mukesh D. Ambani, Chairman and Managing Director, Reliance Industries Limited said:** ***"RIL's business and financial performance for the first half of FY 2012-13 has been satisfactory despite weakness in global economies and the resultant margin environment. RIL's facilities continued to deliver operating excellence and this is a true testimony of the quality of our manufacturing assets and human talent. On a sequential quarter basis, net profit for the quarter was up 20% at $ 1 billion. Despite current weakness in global economies, we continue to invest in our long-term growth projects to deliver sustainable value to all our stakeholders".***

**FINANCIAL PERFORMANCE REVIEW AND ANALYSIS**

For the half year ended 30th September 2012, RIL achieved a turnover of ₹ 188,191 crore ($ 35.6 billion), an increase of 14.4% on a year-on-year basis. Higher prices accounted for 15.2% growth in revenue partly offset by decrease in volumes by 0.8%. Exports were higher by 10.6% at ₹ 112,667 crore ($ 21.3 billion) as against ₹ 101,872 crore in 1H FY12.

Higher crude oil prices resulted in consumption of raw materials increasing by 21.7% to ₹ 157,131 crore ($ 29.7 billion) on a year-on-year basis.

Employee costs were at ₹ 1,691 crore ($ 320 million) for the half year as against ₹ 1,593 crore.

Other expenditure increased by 31.4% from ₹ 8,743 crore to ₹ 11,490 crore ($ 2.2 billion) due to higher power & fuel expenses and higher chemicals and stores consumption.

Operating profit before other income and depreciation decreased by 26.9% from ₹ 19,770 crore to ₹ 14,452 crore ($ 2.7 billion). Net operating margin was lower at 7.7% as compared to 12.0% in the corresponding period of the previous year due to the base effect.

Other income was higher at ₹ 4,016 crore ($ 760 million) as against ₹ 2,180 crore on a year-on-year basis primarily due to higher average liquid investments.

Depreciation (including depletion and amortization) was lower by 23.6% at ₹ 4,711 crore ($ 0.9 billion) against ₹ 6,164 crore in 1H FY12 due to lower production of Oil & Gas.

Interest cost was higher at ₹ 1,521 crore ($ 288 million) as against ₹ 1,205 crore in 1H FY12 principally due to higher foreign currency loan denomination and sharp decline in rupee exchange rate. This resulted in gross interest cost being higher at ₹ 1,615 crore ($ 306 million) as against ₹ 1,481 crore in 1H FY12. Interest capitalized was lower at ₹ 95 crore ($ 18 million) as against ₹ 276 crore.

Profit after tax was ₹ 9,849 crore ($ 1.9 billion) as against ₹ 11,364 crore for the corresponding period of the previous year.

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Basic earnings per share (EPS) for the half year ended 30th September 2012 was ₹ 30.3 ($ 0.57) against ₹ 34.7 for the corresponding period of the previous year.

Outstanding debt as on 30th September 2012 was ₹ 70,059 crore ($ 13.3 billion) compared to ₹ 68,259 crore as on 31st March 2012.

RIL had cash and cash equivalents of ₹ 79,159 crore ($ 14.9 billion). These were in fixed deposits, certificate of deposits with banks, mutual funds and Government securities / bonds. RIL is debt free on a net basis as at 30th September 2012.

The net capital expenditure towards projects for the half year ended 30th September 2012 was ₹ 8,528 crore ($ 1.6 billion). However, cash outflow on account of capex for the first half amounted to ₹ 4,479 crore ($ 847 million).

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

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

| (In ₹ Crore) | 2Q FY13 | 1Q FY13 | 2Q FY12 | % Change wrt 1Q FY13 | % Change wrt 2Q FY12 | 1H FY13 | 1H FY12 | % Change wrt 1H FY12 |
|---|---|---|---|---|---|---|---|---|
| Segment Revenue | **2,254** | 2,508 | 3,563 | (10.1%) | (36.7%) | **4,762** | 7,457 | (36.1%) |
| Segment EBIT | **866** | 972 | 1,531 | (10.9%) | (43.4%) | **1,838** | 3,004 | (38.8%) |
| EBIT Margin (%) | **38.4%** | 38.8% | 43.0% | | | **38.6%** | 40.3% | |

**DOMESTIC OPERATIONS**

**KG-D6**

Cumulative production from the block was 1.7 million barrels of crude oil and 197 BCF of natural gas in 1H FY13, reduction of 37% and 35.1% respectively on a Y-o-Y basis. This reduction was due to reservoir complexity and natural decline. Production of gas condensate was 0.3 million barrels, reduction of 25% over the previous period.

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RIL and its partners remain committed towards maximizing hydrocarbon opportunities from this block and to enable this, the following initiatives have been undertaken:

- Revised FDP for MA field to enhance gas production, submitted on Feb'12 was agreed by the Management Committee and the Management Committee Resolution is to be signed by the GOI Nominees.

- The revised FDP for D1-D3 fields was submitted to the MC for its approval in August 2012. This revised FDP updates the estimates of production levels and development activity based on the current understanding of the reservoir and reflects the installation of increased water handling capacity and additional booster compression over the next two to three years to address the decline in reservoir pressure. The revised FDP estimates that production from the D1 D3 could extend into the next decade.

- With regards to the OFPD (Satellite 1) and R-Series:
    - Field work of Geo-technical investigations were completed and lab testing is in progress
    - Geophysical survey work has been awarded and is expected to commence in Oct 2012
    - Concept validation and FEED contract has been awarded

- An integrated development strategy for the D6 block including 3 undeveloped areas is currently being studied with input from joint venture partners and the FDPs are expected to be submitted to the MC in 2H FY13.

Further, in order to target resource upside, RIL has submitted a proposal for drilling an exploratory well (MJ-1) to the Government. This will target the mesozoic synriftclastic reservoir, which is similar in characteristics to the producing MA field.

In July 2012, the Rangarajan Committee was appointed by the Government of India to study and make recommendations on various issues relating to Indian PSCs including the structure and elements of the guidelines for determining the basis or formula for the price of domestically produced gas. We believe gas market demand fundamentals are strong in India, where gas markets have historically been supply-constrained. Despite increases in LNG imports and domestic production, the gap between supply and demand in India has remained high and we believe it could grow in the future.

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The PSC for the D6 block states that natural gas must be sold at arms-length prices to the benefits of Parties to the Contract, with “Arm’s Length Price” meaning sales made freely in the open market between willing and unrelated sellers and buyers. Further, the pricing formula submitted by the Contractor be approved by the GOI taking into account the prevailing policy on natural gas, if any.

**Panna-Mukta and Tapti (PMT)**

Panna-Mukta fields produced 4.3 MMBL of crude oil and 36.0 BCF of natural gas in 1H FY13 – a reduction of 17% in case of crude oil & growth 2% in case of natural gas on a Y-o-Y basis. The decrease in oil production was due to natural decline in reserves and less than expected gains from well intervention jobs. Increase in gas production was due to higher gas-oil ratio.

The Tapti field produced 0.3 MMBL of condensate and 26.0 BCF of natural gas in 1H FY13 – a decline of 38% and 35% respectively over the previous year. This was due to natural decline in the reserves.

The following drilling activities are planned for the current fiscal:

- Drilling of 1 ERD well in Mid Tapti has been completed. This well needs to be activated using a coil tubing unit and is planned for 3Q FY13. Drilling of the 2nd ERD well is in progress, which will be followed by one more ERD well in Mid Tapti.
- 3 South Tapti Infill wells have been approved and will be taken up following completion of the Mid Tapti ERD wells.
- Contract for second rig has been awarded for drilling PL wells during the next fiscal.

**Other Domestic Blocks**

- Currently, RIL’s portfolio consists of 13 exploration blocks excluding KG-D6, CBM and PMT.
- Focus on blocks at Krishna Godavari and Cauvery Palar basins.
- Further 3D acquisition planned in CY-D6 block as part of the appraisal program.

**CBM BLOCKS**

Out of three CBM blocks in Sohagpur East, West and Sonhat North, the Sohagpur East & West blocks are in development phase. A proposal for CBM gas pricing formulae based on price discovery has been submitted to MoPNG for approval. Pricing and various regulatory approvals are awaited before embarking on further development activities.

**INTERNATIONAL OPERATIONS (CONVENTIONAL)**

- Reliance has 5 blocks in its international oil & gas portfolio including 3 in Yemen (1 producing and 2 exploratory) and 2 in Peru.
- EIA activities are in progress in Peru blocks as part of the exploration campaign.
- Average production for 1H FY13 from Yemen Block 09 was approx. 4,900 barrels per day
- Reliance relinquished one block in Australia and two blocks in Colombia after seismic data acquisition indicated poor prospects.
- REP DMCC completed the transaction for divestment of its 80% working interest and operatorship in the PSCs for the Rovi and Sarta blocks in the Kurdistan region to Chevron.
- Consent terms for the divestment of Block Yemen 9 have been filed with the Government following the signing of the Sale-Purchase Agreement. Government consent is awaited. The transaction effective date is 1st January 2012.

**INTERNATIONAL OPERATIONS (SHALE GAS)**

- Reliance's shale gas business comprises of three upstream joint ventures with Chevron, Pioneer Natural Resource and Carrizo Oil & Gas and a midstream joint venture with Pioneer. Aggregate investments since inception of these joint ventures stood at $ 4.83 billion, as at the end of 1H FY13.
- The performance of the shale gas business remained strong with development activities gaining further momentum during the quarter. Reliance's share of gross production stood at 28 Bcfe in 2Q FY13, which reflected a growth of 27% over the trailing quarter. Gross production for the first half of fiscal at 50.1 Bcfe, reflected a near three fold growth in production vis-à-vis 1H FY12. Average combined daily production for all 3 JVs stood at 667 MMscfed (including 40,380 barrels of condensate) in 2Q FY13, as compared to 529 MMscfed achieved in 1Q FY13.
- Reliance is working with its partners towards increasing operational and capital efficiency on various initiatives aimed at reducing development costs. Focus is on liquid rich areas while ensuring prudent lease hold strategy across all its joint ventures.

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**REFINING & MARKETING BUSINESS**

| (In ₹ Crore) | 2Q FY13 | 1Q FY13 | 2Q FY12 | % Change wrt 1Q FY13 | % Change wrt 2Q FY12 | 1H FY13 | 1H FY12 | % Change wrt 1H FY12 |
|---|---|---|---|---|---|---|---|---|
| Segment Revenue | **83,878** | 85,383 | 68,096 | (1.7%) | 23.1% | **169,261** | 141,785 | 19.4% |
| Segment EBIT | **3,544** | 2,151 | 3,075 | 64.8% | 15.2% | **5,695** | 6,274 | (9.2%) |
| Crude Refined (Mn MT) | **17.6** | 17.3 | 17.1 | | | **34.9** | 34.1 | |
| GRM ($ / bbl) | **9.5** | 7.6 | 10.1 | | | **8.5** | 10.2 | |
| EBIT Margin (%) | **4.2%** | 2.5% | 4.5% | | | **3.4%** | 4.4% | |

During 1H FY13, RIL processed a record 34.9 million tonnes of crude oil achieving a utilization rate of 112%. Average refining utilization rates for the same period were 84.8% in North America, 78.5% in Europe and 80.9% in Asia.

The Refining and Marketing segment achieved revenue of ₹ 169,261 crore ($ 32.0 billion), an increase of 19.4% on a Y-o-Y basis. Higher prices accounted 18.0% growth in revenue while increase in volume accounted for 1.4% of growth in revenue.

EBIT for the segment was at ₹ 5,695 crore ($1.1 billion), a decrease of 9.2% on a Y-o-Y basis. EBIT margin decreased marginally to 3.4% as compared to 4.4% in 1H FY12, due to lower refining margin. On trailing quarter basis, EBIT margin improved to 4.2% as compared to 2.5%.

Exports of refined products reached $ 18.9 billion in 1H FY13 and accounted for 59% of aggregate volume. Exports of refined products were 19.2 million tonnes as compared to 20.3 million tonnes in 1H FY12.

On a Y-o-Y basis, Singapore cracking refining margin was lower due to lower gasoline and gasoil cracks. However, the past three months have been strong as refinery outages, particularly in Japan, China and Taiwan led to tight markets and hence stronger cracks.

In the US, WTI crack margins continue to remain strong on the back of strong gasoline and gasoil cracks and depressed crude prices. Weak natural gas prices; higher seasonal gasoline demand; shortage of high octane blend stock; export opportunities to Latin America; refining shutdowns due to weather conditions; fire in a California based refinery and at one in Venezuela and closure of Atlantic basin refineries curtailing supply led to strong gasoline crack margins.

Similarly, during 1H FY13, Brent cracking margin were higher on a Y-o-Y basis due to strong gasoline and distillate cracks. Arbitrage opportunities to US and shutdowns in the region boosted gasoline cracks. Improving demand for diesel in Europe in spite of present economic crisis and product deficit kept the cracks strong.

Arab light - Arab heavy crude differentials narrowed by $ 1.6 /bbl on a Y-o-Y basis. This is due to closures of several simple refineries in Europe and in the US and availability of more light crude in US thus backing out light African crude which became available to Asian and European refiners. Lack of Iran supplies and strengthening of fuel oil cracks further contributed to the narrowing of the differential.

Gasoil cracks in Singapore averaged $ 17.3 /bbl as against $ 18.5 /bbl during the same period last year. Slowing Chinese economy, new refinery capacity and the ongoing euro zone crisis contributed to lower Singapore gasoil cracks. On a sequential quarter basis, gasoil cracks strengthened on the back of strong Indian demand due to delayed monsoon and a series of outages in Japan, China, Vietnam and Malaysia.

Gasoline cracks were $ 11.5 /bbl as against $ 13.2 /bbl for the same period last year. Higher supplies coupled with modest demand growth kept the pressure on gasoline cracks. However, on a trailing quarter basis, gasoline cracks strengthened due to seasonal demand from Indonesia, Malaysia, China and India and due to tighter supplies resulting from the outages as mentioned earlier.

Similarly, naphtha cracks were $ (-) 7.3 /bbl as against $ (-) 2.6 /bbl for the same period last year. Naphtha cracks in the region dropped further from earlier negative levels as sentiments amongst petrochemical producers deteriorated resulting in reduced run rates in naphtha-based crackers. Weak demand in China and influx of higher supplies added pressure on the margins. However, during the last quarter, naphtha cracks improved with a slight uptick in petchem prices, resurgent propane prices, healthier regional demand and a strengthening gasoline market.

RIL's Gross Refining Margin (GRM) for 1H FY13 was $ 8.5 /bbl as compared to $ 10.2 /bbl in the same period last year.

During the period, RIL and the Venezuelan state oil company, Petroleos de Venezuela, SA (PDVSA) signed a 15 year heavy crude oil supply contract and an MOU to further develop Venezuelan heavy oil fields. PDVSA will supply between 300,000 and 400,000 barrels per day of Venezuelan heavy crude oil to Reliance's two refineries in Jamnagar under a 15-year crude oil supply contract. As per the MOU, Reliance will explore upstream options for joint participation in heavy oil projects of the Orinoco Oil Belt.

**PETROCHEMICALS BUSINESS**

| (In ₹ Crore) | **2Q FY13** | **1Q FY13** | **2Q FY12** | **% Change wrt 1Q FY13** | **% Change wrt 2Q FY12** | **1H FY13** | **1H FY12** | **% Change wrt 1H FY12** |
|---|---|---|---|---|---|---|---|---|
| Segment Revenue | **22,058** | 21,839 | 21,066 | 1.0% | 4.7% | **43,897** | 39,432 | 11.3% |
| Segment EBIT | **1,740** | 1,756 | 2,422 | (0.9%) | (28.2%) | **3,496** | 4,637 | (24.6%) |
| EBIT Margin (%) | **7.9%** | 8.0% | 11.5% | | | **8.0%** | 11.8% | |
| Production (Million Tonnes) | **5.5** | 5.6 | 5.7 | | | **11.1** | 11.2 | |

On a Y-o-Y basis, petrochemical revenue increased by 11.3% from ₹ 39,432 crore to ₹ 43,897 crore ($ 8.3 billion). Increase in volume accounted for 0.8% growth in revenue and increase of prices accounted for 10.5% growth in revenue.

EBIT margin for the period was 8% as compared to 11.8% in the corresponding period of the previous year due to the base effect of higher prices. On a trailing quarter basis, EBIT margin remained flat at 7.9%.

On a Y-o-Y basis, production of ethylene was lower by 6% to 877 KT while the production of propylene decreased by 4% to 366 KT. This was due to shortage in availability of feedstock at the Nagothane and Dahej units. Production of polymers (PP, PE and PVC) remained stable at 2.2 MMT.

Demand for polymer products increased by 17% mainly on account of higher domestic consumption. RIL's PP and PVC sales were higher by 6% and 9% respectively due to higher industry demand. Domestic sales volume of PE declined by 4% due to lower production in Nagothane unit.

Demand for polyester products increased by 9% on account of higher domestic consumption. Delayed monsoons resulted in higher demand for PET which grew at 14% on a Y-o-Y basis. Higher consumption from both apparel and non-apparel sectors resulted in PFY demand growth of 11%. Demand growth for PSF at 3% was subdued due to ongoing power shortage in high demand centers in Southern India.

During the period, production of fibre intermediates (PX, PTA and MEG) remained stable at 2.4 million tonnes. The production of PTA has increased by 3% over the corresponding period of the previous year offset by the decrease in production in MEG and PX. Polyester (PFY, PSF and PET) production volumes increased by 1% to 835 thousand tonnes due to marginal changes in the product mix.

**ORGANIZED RETAIL**

During the 1H FY13 Reliance Retail witnessed strong growth through new store launches and same store sales growth.

Turnover grew by over 48% to ₹ 4,910 crore ($ 928 million) as compared to the corresponding period of the previous year. Unique shopping experience, high-quality and affordable products helped in achieving robust same store sales growth of 5% to 25% across formats over last year.

Value Format opened 2 new Reliance Marts in Coimbatore and Aurangabad and further consolidated the company's position as the largest food retailer in the country.

Strong growth in the company's specialty formats continued into the current quarter as well with more store openings. Reliance Trends and Reliance Digital formats joined Reliance Footprint in the 100 store club during this period further strengthening their position as the largest retail chain in their segments. Other specialty formats also continued to expand store network in newer geographies, strengthening their pan-India presence in the quarter.

Reliance Retail grew its presence through its partnerships during this period. Its partnership with Grand Vision that operates Vision Express stores opened 10 stores during this period taking the count to 172 stores. The period also witnessed new store openings for Hamleys, Steve Madden and Timberland.

Reliance Brands continued to make more luxury brands available to the Indian consumers by announcing partnership with Dune and Stuart Weitzman, global high-end footwear brands.

At the end of the quarter, 'Reliance One', the company's loyalty program had more than 11 million members who shopped across over 1,350 stores in 122 cities across India, covering 7 million square feet.

**BROADBAND ACCESS**

RIL's subsidiary, Infotel Broadband Services Limited (Infotel), which has emerged as a successful bidder in all the 22 circles of the auction for Broadband Wireless Access (BWA) spectrum conducted by the Department of Telecommunications, Government of India is in the process of setting up a world class Broadband network using state-of-the-art technologies and finalizing the arrangement with leading global technology players, service providers, infrastructure providers, application developers, device manufacturers and others to help usher the 4G revolution into India.

Infotel plans to provide end-to-end solutions that address the complete digital value chain across various digital services in key domains of national interest such as education, healthcare, security, financial services, government-citizen interfaces, entertainment and working on building the requisite parts of this customers' experience which fundamentally change the lives of hundreds of millions of ordinary Indians.

(All $ numbers are in US$)

Reliance Industries Limited

# Media Release

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30th SEPTEMBER 2012

(₹ in crore, except per share data)

| Sr. No. | Particulars | Quarter Ended | | | Half Year Ended | | Year Ended |
|---|---|---|---|---|---|---|---|
| | | 30 Sep'12 | 30 June'12 | 30 Sep'11 | 30 Sep'12 | 30 Sep'11 | 31 Mar'12 (Audited) |
| 1 | **Income from Operations** | | | | | | |
| | (a) Net Sales/Income from operations (Net of excise duty ) | 90,335 | 91,875 | 78,569 | 182,210 | 159,587 | 3,29,904 |
| | **Total income from operations (net)** | **90,335** | **91,875** | **78,569** | **182,210** | **159,587** | **3,29,904** |
| 2 | **Expenses** | | | | | | |
| | (a) Cost of materials consumed | 77,796 | 79,335 | 64,661 | 157,131 | 129,104 | 2,74,814 |
| | (b) Purchases of stock-in- trade | 54 | 163 | 514 | 217 | 1,087 | 1,441 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | (1,784) | (987) | (1,607) | (2,771) | (710) | (872) |
| | (d) Employee benefits expense | 844 | 847 | 715 | 1,691 | 1,593 | 2,862 |
| | (e) Depreciation and amortization expense | 2,277 | 2,434 | 2,969 | 4,711 | 6,164 | 11,394 |
| | (f) Other expenses | 5,720 | 5,770 | 4,442 | 11,490 | 8,743 | 18,040 |
| | **Total Expenses** | **84,907** | **87,562** | **71,694** | **172,469** | **145,981** | **3,07,679** |
| 3 | **Profit from operations before other income, finance costs** | **5,428** | **4,313** | **6,875** | **9,741** | **13,606** | **22,225** |
| 4 | Other Income | 2,112 | 1,904 | 1,102 | 4,016 | 2,180 | 6,192 |
| 5 | **Profit from ordinary activities before finance costs** | **7,540** | **6,217** | **7,977** | **13,757** | **15,786** | **28,417** |
| 6 | Finance costs | 737 | 784 | 660 | 1,521 | 1,205 | 2,667 |
| 7 | **Profit from ordinary activities before tax** | **6,803** | **5,433** | **7,317** | **12,236** | **14,581** | **25,750** |
| 8 | Tax expense | 1,427 | 960 | 1,614 | 2,387 | 3,217 | 5,710 |
| 9 | **Net Profit for the Period** | **5,376** | **4,473** | **5,703** | **9,849** | **11,364** | **20,040** |
| 10 | Paid up Equity Share Capital, Equity Shares of ₹ 10/- each. | 3,236 | 3,242 | 3,274 | 3,236 | 3,274 | 3,271 |
| 11 | Reserves excluding revaluation reserves as per balance sheet of previous accounting year | | | | | | 1,59,698 |
| 12 | Earnings per share (Face value of ₹ 10) | | | | | | |
| | (a) Basic | 16.6 | 13.7 | 17.4 | 30.3 | 34.7 | 61.2 |
| | (b) Diluted | 16.6 | 13.7 | 17.4 | 30.3 | 34.7 | 61.2 |
| A | **PARTICULARS OF SHAREHOLDING** | | | | | | |
| 1 | Public shareholding | | | | | | |
| | - Number of Shares (in crore) | 177.17 | 177.86 | 181.05 | 177.17 | 181.05 | 180.71 |
| | - Percentage of Shareholding (%) | 54.75 | 54.85 | 55.29 | 54.75 | 55.29 | 55.25 |
| 2 | Promoters and Promoter Group shareholding | | | | | | |
| | a) Pledged / Encumbered | | | | | | |
| | - Number of Shares | - | - | - | - | - | - |
| | - Percentage of shares (as a % of the total shareholding of promoters and Promoter Group) | - | - | - | - | - | - |
| | - Percentage of Share (as a % of the total share capital of the company) | - | - | - | - | - | - |
| | b) Non - Encumbered | | | | | | |
| | - Number of Shares | 146.39 | 146.39 | 146.39 | 146.39 | 146.39 | 146.39 |
| | - Percentage of shares (as a % of the total shareholding of promoters and Promoter Group) | 100 | 100 | 100 | 100 | 100 | 100 |
| | - Percentage of Share (as a % of the total share capital of the company) | 45.25 | 45.15 | 44.71 | 45.25 | 44.71 | 44.75 |

## Standalone Statement of Assets and Liabilities

₹in Crore

| Sr. No. | Particulars | | As at 30th September 2012 (Unaudited) | As at 31st March 2012 (Audited) |
|---|---|---|---|---|
| **A** | **EQUITY AND LIABILITIES** | | | |
| **1** | **Shareholders' funds** | | | |
| | (a) | Share Capital | 3,236 | 3,271 |
| | (b) | Reserves and Surplus | 1,69,167 | 1,62,825 |
| | | **Subtotal - Shareholders' funds** | **1,72,403** | **1,66,096** |
| **2** | **Non - current liabilities** | | | |
| | (a) | Long-Term borrowings | 44,682 | 48,034 |
| | (b) | Deferred Tax Liability (net) | 12,066 | 12,122 |
| | | **Subtotal -Non - current liabilities** | **56,748** | **60,156** |
| **3** | **Current liabilities** | | | |
| | (a) | Short-term borrowings | 11,849 | 10,593 |
| | (b) | Trade Payables | 50,549 | 40,324 |
| | (c) | Other current liabilities | 18,373 | 13,713 |
| | (d) | Short-term provisions | 1,465 | 4,258 |
| | | **Subtotal -Current liabilities** | **82,236** | **68,888** |
| | | **TOTAL- EQUITY AND LIABILITIES** | **3,11,387** | **2,95,140** |
| **B** | **ASSETS** | | | |
| **1** | **Non-current assets** | | | |
| | (a) | Fixed Assets | 1,24,061 | 1,21,477 |
| | (b) | Non-current investments | 28,788 | 26,979 |
| | (c) | Long-term loans and advances | 15,853 | 14,340 |
| | | **Sub Total – Non-current assets** | **1,68,702** | **1,62,796** |
| **2** | **Current assets** | | | |
| | (a) | Current investments | 28,410 | 27,029 |
| | (b) | Inventories | 39,632 | 35,955 |
| | (c) | Trade receivables | 17,105 | 18,424 |
| | (d) | Cash and Bank Balances | 43,643 | 39,598 |
| | (e) | Short-term loans and advances | 13,372 | 11,089 |
| | (f) | Other current assets | 523 | 249 |
| | | **Sub Total - Current assets** | **1,42,685** | **1,32,344** |
| | | **TOTAL ASSETS** | **3,11,387** | **2,95,140** |

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**Notes:**

1. The figures for the corresponding periods have been restated, wherever necessary, to make them comparable.
2. The Company had revalued plant, equipment and buildings situated at Patalganga, Hazira, Naroda, Jamnagar, Gandhar and Nagothane in earlier years. Consequent to revaluation, there is an additional charge for depreciation of ₹ 1,039 crore ($ 197 million) for the half year ended 30th September 2012 which has been withdrawn from the Reserves. This has no impact on the profit for the half year ended 30th September 2012.
3. During the half year, Company has bought and extinguished 3,53,86,616 equity shares. Consequently a sum of ₹ 35 crore has been appropriated to Capital Redemption Reserve Account from Profit & Loss account and ₹ 2,485 crore has been reduced from Securities Premium Reserve.
4. Reliance Jamnagar Infrastructure Limited, a wholly owned subsidiary of the Company has filed, on 26th March 2012, with the Hon'ble High Court of Gujarat at Ahmedabad for amalgamation with the Company. The scheme shall be given effect to in the books with effect from the appointed date of 1st April, 2011, upon receipt of necessary approvals.
5. The Government of India, by its letter of 02 May 2012 has communicated that it proposes to disallow certain costs which the PSC relating to Block KG-DWN-98/3 entitles RIL to recover. RIL 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 initiated arbitration on the above issue.
6. There were no investors' complaints pending as on 1st July 2012. All the 998 complaints received during the quarter ended 30th September 2012 were resolved and no complaints were outstanding as on 30th September 2012.
7. The audit committee reviewed the above results. The Board of Directors at its meeting held on 15th October 2012 approved the above results and its release. The statutory auditors of the Company have carried out a Limited Review of the results for the quarter / half year ended 30th September 2012.

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**UNAUDITED SEGMENT INFORMATION FOR THE QUARTER / HALF YEAR ENDED 30th SEPTEMBER 2012**

₹ in Crore

| Sr. No. | Particulars | Quarter Ended 30 Sep'12 | Quarter Ended 30 June'12 | Quarter Ended 30 Sep'11 | Half Year Ended 30 Sep'12 | Half Year Ended 30 Sep'11 | Year Ended 31 Mar'12 (Audited) |
|---|---|---|---|---|---|---|---|
| 1. | **Segment Revenue** | | | | | | |
| | - Petrochemicals | 22,058 | 21,839 | 21,066 | 43,897 | 39,432 | 80,625 |
| | - Refining | 83,878 | 85,383 | 68,096 | 1,69,261 | 141,785 | 294,734 |
| | - Oil and Gas | 2,254 | 2,508 | 3,563 | 4,762 | 7,457 | 12,898 |
| | - Others | 168 | 248 | 510 | 416 | 745 | 1,213 |
| | **Gross Turnover** ***(Turnover and Inter Segment Transfers)*** | **1,08,358** | **109,978** | **93,235** | **2,18,336** | **189,419** | **389,470** |
| | Less: Inter Segment Transfers | 15,093 | 15,052 | 12,445 | 30,145 | 24,940 | 49,678 |
| | **Turnover** | **93,265** | **94,926** | **80,790** | **1,88,191** | **164,479** | **339,792** |
| | Less: Excise Duty / Service Tax Recovered | 2,930 | 3,051 | 2,221 | 5,981 | 4,892 | 9,888 |
| | **Net Turnover** | **90,335** | **91,875** | **78,569** | **1,82,210** | **159,587** | **329,904** |
| 2. | **Segment Results** | | | | | | |
| | - Petrochemicals | 1,740 | 1,756 | 2,422 | 3,496 | 4,637 | 8,967 |
| | - Refining | 3,544 | 2,151 | 3,075 | 5,695 | 6,274 | 9,654 |
| | - Oil and Gas | 866 | 972 | 1,531 | 1,838 | 3,004 | 5,250 |
| | - Others | 8 | 1 | 10 | 9 | 18 | 35 |
| | **Total Segment Profit before Interest and Tax** | **6,158** | **4,880** | **7,038** | **11,038** | **13,933** | **23,906** |
| | (i) Interest Expense | (737) | (784) | (660) | (1,521) | (1,205) | (2,667) |
| | (ii) Interest Income | 1,370 | 1,291 | 992 | 2,661 | 1,803 | 4,414 |
| | (iii) Other Un-allocable Income Net of Expenditure | 12 | 46 | (53) | 58 | 50 | 97 |
| | **Profit before Tax** | **6,803** | **5,433** | **7,317** | **12,236** | **14,581** | **25,750** |
| | (i) Provision for Current Tax | (1,361) | (1,082) | (1,464) | (2,443) | (2,917) | (5,150) |
| | (ii) Provision for Deferred Tax | (66) | 122 | (150) | 56 | (300) | (560) |
| | **Profit after Tax** | **5,376** | **4,473** | **5,703** | **9,849** | **11,364** | **20,040** |
| 3. | **Capital Employed (Segment Assets – Segment Liabilities)** | | | | | | |
| | - Petrochemicals | 36,059 | 33,263 | 31,091 | 36,059 | 31,091 | 32,238 |
| | - Refining | 64,796 | 72,442 | 72,223 | 64,796 | 72,223 | 74,504 |
| | - Oil and Gas | 26,887 | 30,746 | 27,339 | 26,887 | 27,339 | 27,667 |
| | - Others | 16,283 | 15,351 | 12,710 | 16,283 | 12,710 | 14,526 |
| | - Unallocated Corporate | 1,10,503 | 101,437 | 101,694 | 1,10,503 | 101,694 | 97,541 |
| | **Total Capital Employed** | **2,54,528** | **253,239** | **245,057** | **2,54,528** | **245,057** | **246,476** |

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**Notes to Segment Information for Quarter / Half Year Ended 30th September 2012**

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 “un-allocable”.