Reliance Industries Limited

Growth is Life

9M FY 2011-12 Financial Results

Analysts Presentation

20 January 2012

Forward Looking Statements

This presentation contains forward-looking statements which may be identified by their use of words like "plans," "expects," "will," "anticipates," "believes," "intends," "projects," "estimates" or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The companies referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. These companies assume no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events, or otherwise.

9M FY12 Performance Highlights

- Following 2 strong quarters, 3QFY12 was one of the toughest quarters for the refining business globally:
  - Margins for Asian refineries declined due to steep fall in product cracks
  - US refining was also impacted due to reduction in WTI-Brent differential and reduced gasoline cracks
  - At $ 6.8/bbl, GRM for RIL was lower by $ 3.3/bbl on Q-o-Q basis due to lower product cracks particularly light distillates and solids. 9M FY12 GRM still higher at $ 9.0/bbl vis-à-vis $8.1/bbl in the previous year
  - RIL maintained its operating leverage and processed 51.4 MMT (operated at 110%)
- Gas volume from KG-D6 was lower at 436.4 BCF (down 22%). Joint technical teams continue their review and analysis
- Marginal impact on petrochemical performance despite market weakness – RIL production up by 5% on a Y-o-Y basis
- Volume growth in US shale business even as gas prices soften - gross exit production at 233 MMCFD of gas and 34.7 MBPD of condensate
- Government approved commerciality for onshore discovery in GS-O1 and the optimised FDP for 4 satellite discoveries in KG-D6

Financial Results

Financial Results

Financial Results – 9M FY12

(in ₹Crore)	9M FY12	9M FY11	% Change
Turnover	251,958	183,368	37%
PBDIT	30,952	30,418	2%
PBDIT Margin	**12.3%**	**16.6%**	
Net Profit	15,804	14,910	6%

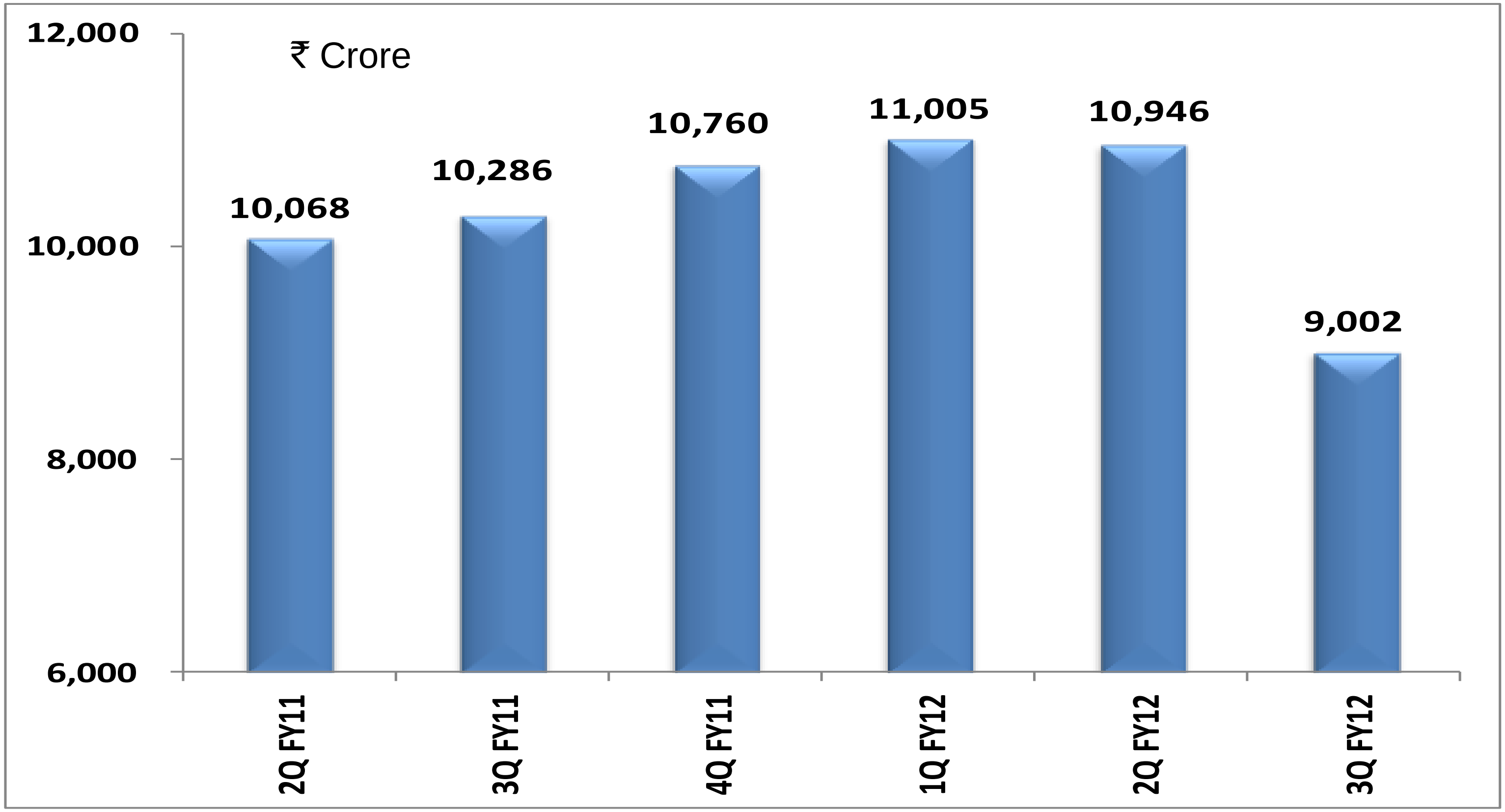
- Growth in turnover led by 33% increase in prices and 4% higher volume
- Lower contribution from the E&P business impacts PBDIT margins. E&P business impacted due to reduced volume and transfer of 30% PI in KG-D6

Financial Results – 3Q FY12

2Q FY12	(in ₹ Crore)	3Q FY12	3Q FY11	% Change
80,790	Turnover	87,480	62,399	40%
10,946	PBDIT	9,002	10,286	-12%
13.5%	PBDIT Margin	**10.3%**	**16.5%**	
5,703	Net Profit	4,440	5,136	-14%

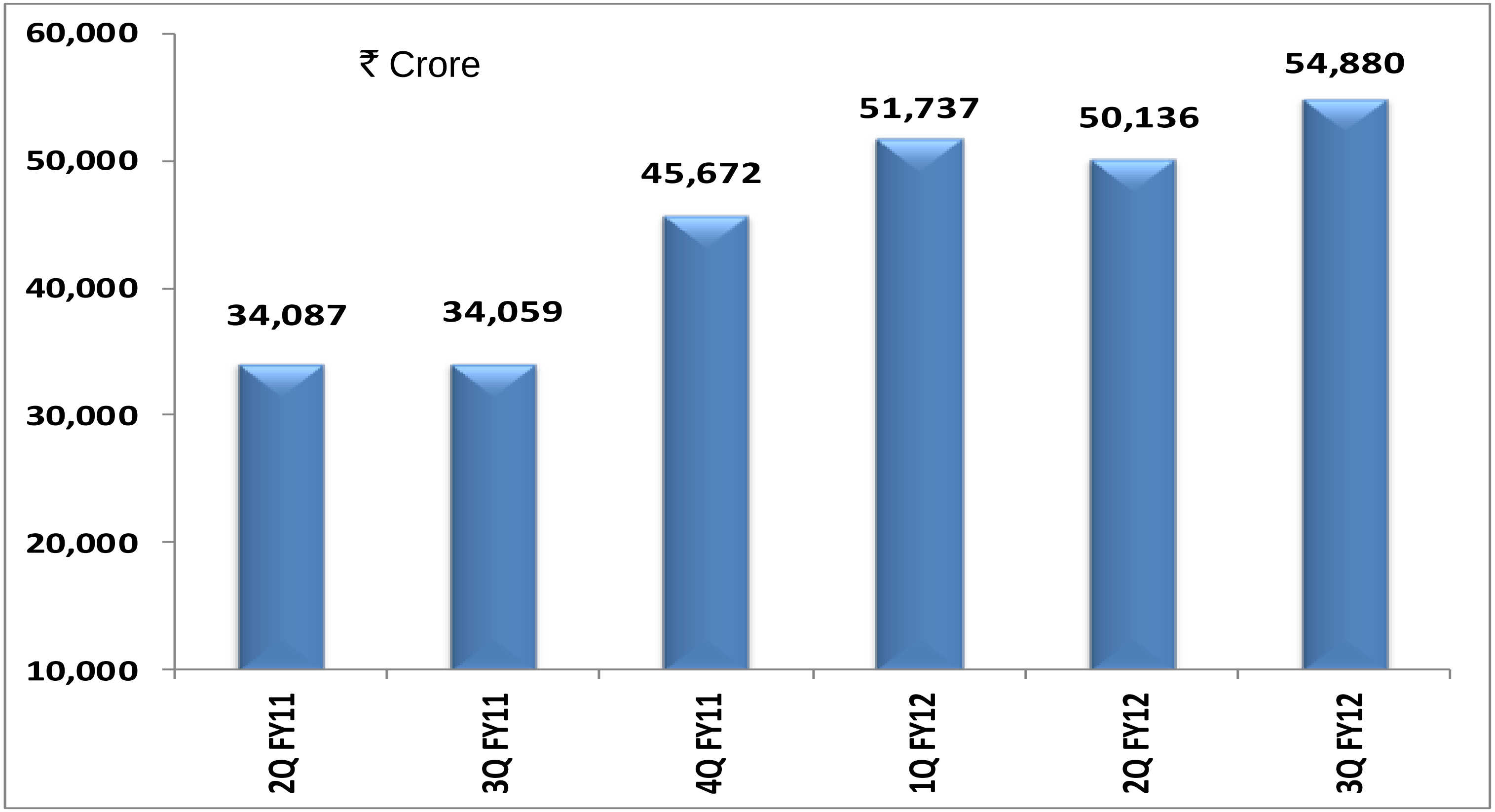
- Growth in revenue mainly due to higher price environment for R&M and Petrochemicals which were up by 34% while volumes were higher by 6%
- Challenging environment across business:
  - E&P impacted due to lower production and transfer of 30% PI in KG-D6
  - R&M impacted by lower GRM ($ 6.8 / bbl vs. $ 9.0 / bbl)
  - Petrochemicals impacted by reduction in deltas and weak demand

EBITDA Trend



Decline in quarterly EBITDA due to lower margins and lower E&P volumes (change in PI and lower production)

Exports Trend



Higher crude throughput in the SEZ refinery and higher price environment resulting in record 3Q FY12 exports (up 61% on a Y-o-Y basis)

Segment Results – 9M FY12

(in ₹ Crore)	9M FY12	9M FY11	% change	Sales Variance	
Refining				**Volume**	**Price**
Revenues	**2,18,523**	1,52,727	43.1%	3.90%	39.20%
EBIT	**7,958**	6,663	19.4%		
EBIT (%)	**3.6%**	4.4%			
Petrochemicals					
Revenues	**59,213**	44,961	31.7%	6.80%	24.90%
EBIT	**6,793**	6,679	1.7%		
EBIT (%)	**11.5%**	14.9%			
Oil and Gas					
Revenues	**10,289**	13,146	-21.7%	-28.40%	6.70%
EBIT	**4,299**	5,131	-16.2%		
EBIT (%)	**41.8%**	39.0%			

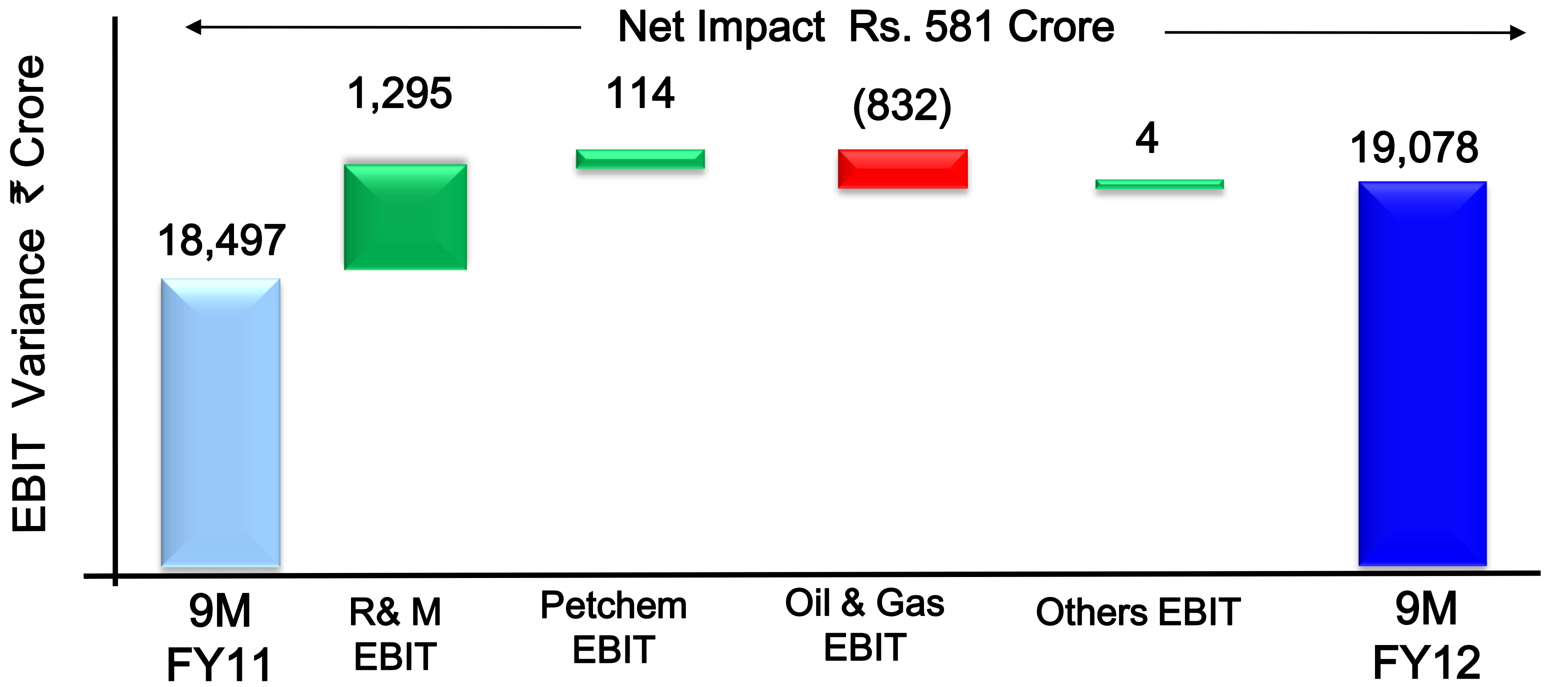
- Higher crude throughput, higher petrochemical volumes and high price environment result in higher revenues
- EBIT growth in R&M and petrochemicals segment - margins lower due to base effect

Segment Results – 3Q FY12

2Q FY12	(in ₹ Crore)	3Q FY12	3Q FY11	% change	Sales Variance	
	Refining				**Volume**	**Price**
68,096	Revenues	**76,738**	52,524	46.1%	7.7%	38.4%
3,075	EBIT	**1,685**	2,436	-30.8%		
4.5%	EBIT (%)	**2.2%**	4.6%			
	Petrochemicals					
21,066	Revenues	**19,781**	15,962	23.9%	2.6%	21.3%
2,422	EBIT	**2,157**	2,429	-11.2%		
11.5%	EBIT (%)	**10.9%**	15.2%			
	Oil and Gas					
3,563	Revenues	**2,832**	4,178	-32.2%	-45.0%	12.7%
1,531	EBIT	**1,294**	1,504	-14.0%		
43.0%	EBIT (%)	**45.7%**	36.0%			

- Lower GRM at $ 6.8 / bbl (as against $ 9.0 / bbl in 3Q FY11 and $10.1/bbl in 2Q FY12) resulting in sharp fall in R&M EBIT
- Lower deltas in both chains result in lower Petrochemicals EBIT
- Reduced production resulted in lower Oil & Gas EBIT. EBIT margin improvement due to higher crude price realisation (up 14% on a Y-o-Y basis)

Segment EBIT Bridge – 9M FY12 Vs 9M FY11



Higher 9M FY12 GRM ($ 9 /bbl versus $ 8.1 /bbl for 9M FY11) resulting in higher R&M EBIT which was partly offset by lower contribution of oil & gas

Net Profit Bridge – 9M FY12 Vs 9M FY11

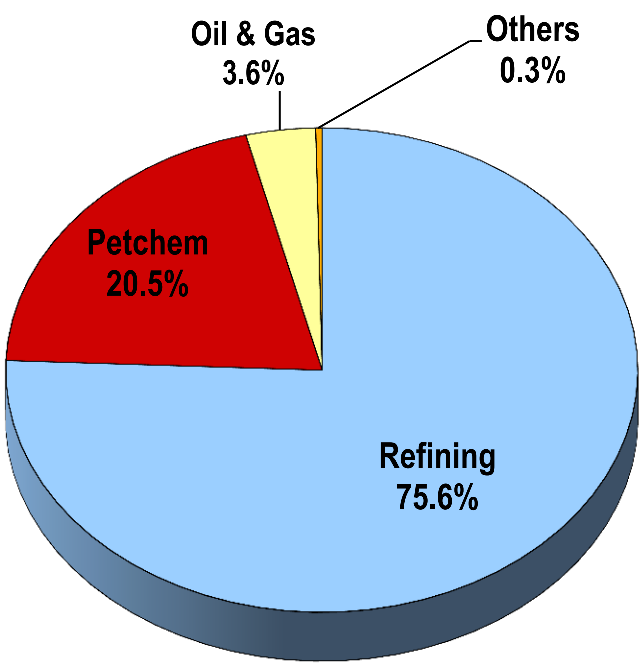
	(₹crore)
Net Profit 9M FY11	**14,910**
Operating Profit	(1,228)
Other Income	1,762
Interest	(267)
Depreciation	1,487
Tax	(860)
Net Profit 9M FY12	**15,804**

Net Profit up by ₹ 894 crore compared to previous period

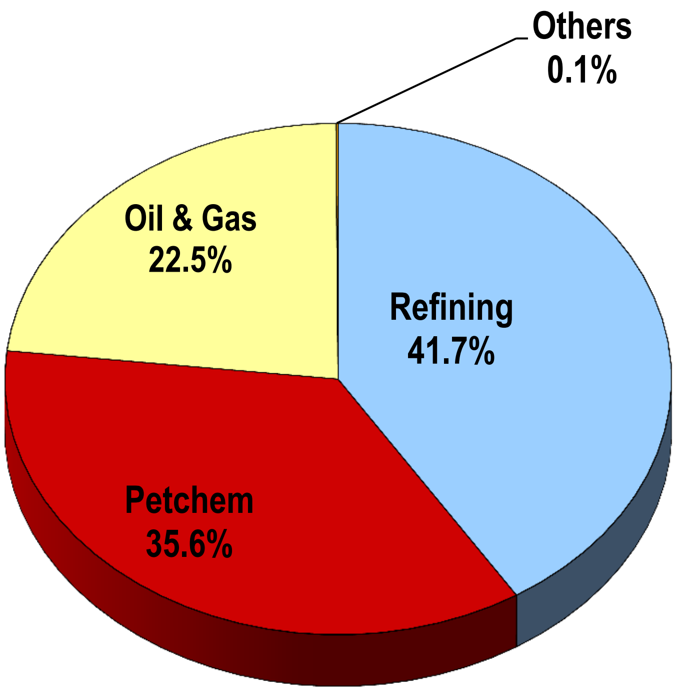
Increase in net profit due to higher other income and lower depreciation (lower gas production and transfer of 30% PI in KG-D6) partly impacted by higher interest and tax

Business Mix – 9M FY12

Revenues



EBIT



Earnings well balanced across businesses

Financial Ratios

	Dec-11	Mar-11
Cash Balance (₹ Crore)	74,539	42,393
Net Debt : Equity	Debt Free	0.17
Net Gearing	Debt Free	13.5%
Gross Interest Cover	13.5	14.7
ROCE (%)	12.8%	13.2%
ROE (%) (Adjusted)	14.2%	15.5%

- Strong financials with a conservative balance sheet
- BBB positive outlook by S&P; Baa2 positive outlook by Moody's (both ratings are 1 notch above India's sovereign rating)
- Domestic debt rated AAA by CRISIL (S&P subsidiary) and FITCH
- Weaker margin environment and higher other income impact ROCE and ROE for 9M FY12

Oil and Gas – Exploration and Production

3Q FY 12 Business Highlights

- Achieved gas production of 133 BCF & 1.4 MMBBL of condensate/oil in KG-D6
  - Cumulative production of 1,693 BCF and 18.2 MMBBL of oil / condensate
- Approvals received:
  - Commerciality for offshore discovery in GS-O1
  - Optimised FDP for 4 satellite discoveries in D6
- 10 production wells drilled in CBM blocks Sohagpur (E/W), taking total to 36
  - Commenced hydraulic-fracturing of development wells
- Relinquished onshore block AS-17

Ongoing optimisation in order to maximise resource utilisation

Production Update: 9M FY12

3Q FY12		9M FY12	9M FY11	% Chg.
	Panna-Mukta			
2.5	Oil (MMBBL)	**7.7**	6.2	**24.2%**
18.1	Gas (BCF)	**53.3**	34.3	**55.4%**
	Tapti			
0.2	Oil (MMBBL)	**0.7**	0.9	**-27.8%**
17.3	Gas (BCF)	**57.1**	74.0	**-22.9%**
	KG-D6			
1.2	Oil (MMBBL)	**3.9**	6.4	**-39.8%**
133.0	Gas (BCF)	**436.4**	558.5	**-21.9%**
0.2	Condensate (MMBBL)	**0.6**	0.6	**3.6%**

Note: Full production volumes

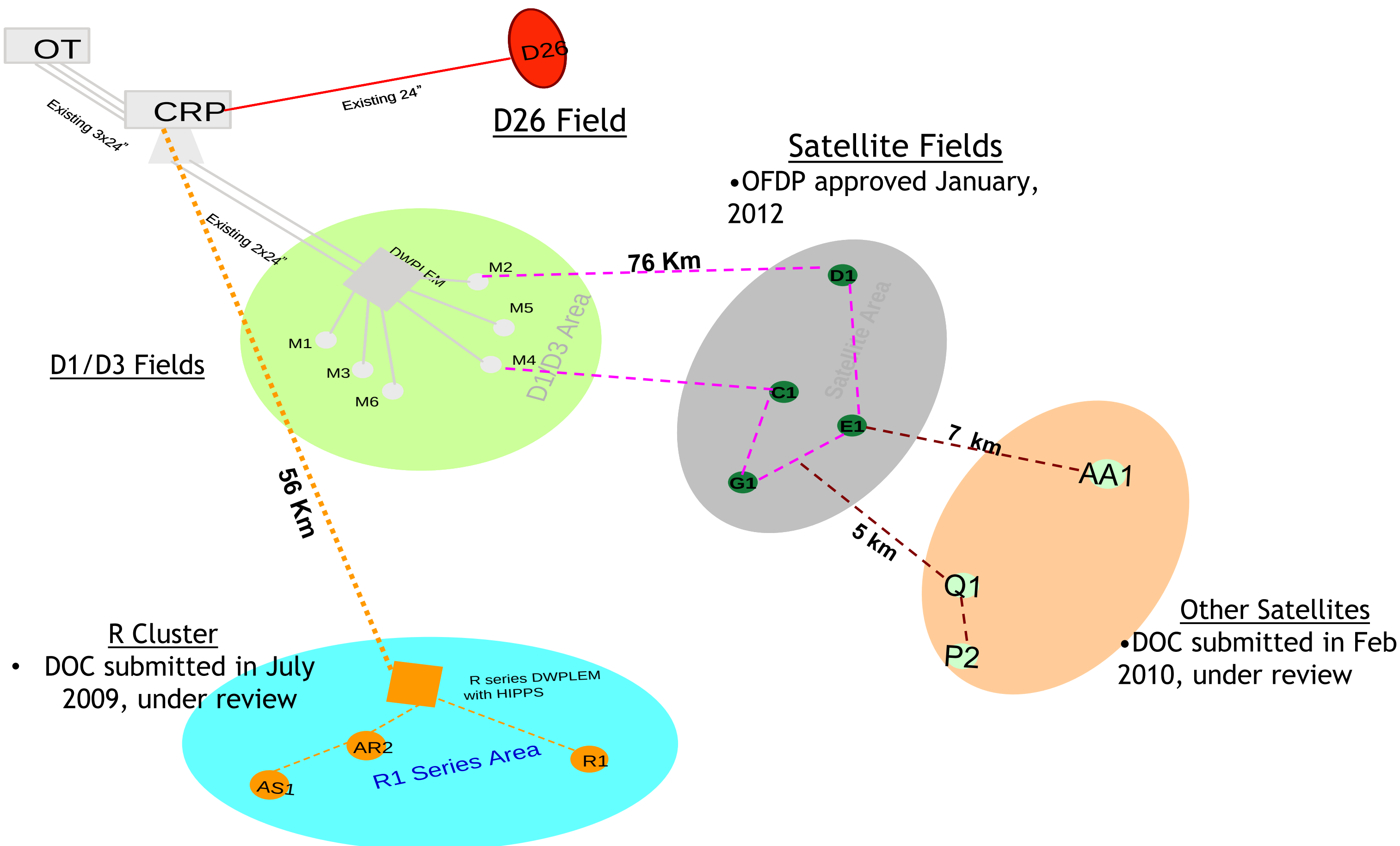
- Cumulative production from KG-D6 averaged at 45 MMSCMD of gas and 16,175 BOPD of crude oil and condensate
- Average crude oil price realization improved to $ 111/bbl for KG-D6 and $ 114/bbl for PMT ($ 80/ bbl and $ 81/ bbl respectively Y-o-Y).
- Gas price realization of $ 5.73/MMBTU from Panna-Mukta, $ 5.57/MMBTU from Tapti and $ 4.20/MMBTU from KG-D6

KG-D6 Operations & Production

- Cumulative JV gas production since inception ~ 1.69 TCF
- Average gas production rate for Q3 FY12 ~ 41 MMSCMD
- Gas production for Q3 FY12 at 133 BCF
- Cumulative oil production since inception ~ 18.2 MMBO
- Average oil & condensate production for Q3 FY 12 ~ 14,750 BOPD
- Total oil production for Q3 FY12 at ~ 1.4 MMBO
- Production decline is broadly attributed to reservoir complexities and higher than envisaged water ingress in the fields

- Significant steps undertaken by the JV technical teams in assessing complexities based on which plans for work-overs/side tracks and additional well(s) have been planned, with execution subject to necessary approvals

KG-D6 OFDP



- Integrated plan for exploitation of gas resources being conceptualized
- OFDP for 4 satellites approved – to commence engineering surveys soon

Shale Gas Business Overview

Shale Gas Business Update: 9M FY12

- 77 wells drilled during the quarter (as compared to 53 2Q)
  - New drilling in Chevron/Carrizo JVs, while focus on Pioneer JV was on improving operational efficiencies
  - 22 rigs in operation across JVs (versus 19 in 2Q)
  - 48 wells put on production vis-à-vis 39 in 2Q
- Significant growth in production, mid-stream constraints notwithstanding
  - Sales from Carrizo commenced
  - Well performance in Chevron JV better than expected, best wells drilled to date
  - Production focused on liquid rich areas in Pioneer JV- 110 wells producing with 5% more liquid in total production than 2Q
  - Gross production (all JVs) exit rate of ~ 233 MMscfpd gas and ~ 34.7 Mbpd condensate

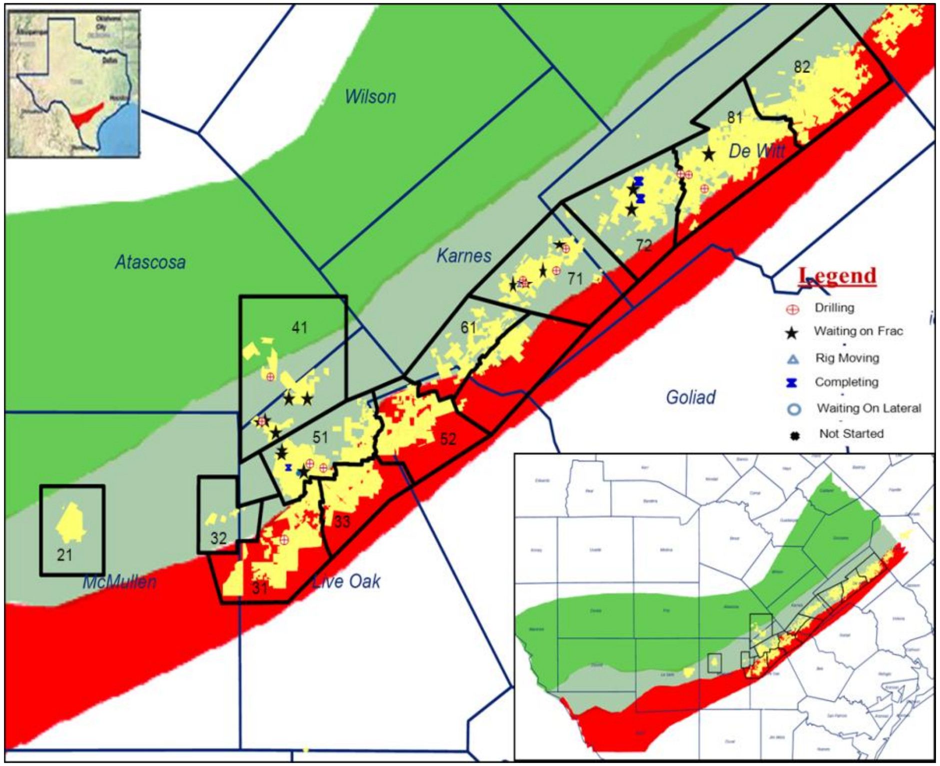
On track to making a material value contribution to Reliance

Pioneer JV: Progress Overview

- Accelerated drilling & development with 12 rigs operational & 30 wells drilled in 3Q
- Production ramping up with gross exit rate at ~356 MMscfepd, including ~34,100 Bpd of condensate or 58% liquid - Reliance's share of gross production at ~13.4 Bcfe
- Midstream JV progressing as per plan
  - Further build-out of capacity to 670 MMscfpd and 77 Kbpd for gas treatment and liquids stabilization respectively by 1H CY12
  - Commenced 3rd party volumes processing. 12% of the JV's total gas throughput processed during the quarter
- Focus going forward on developing liquid rich areas whilst meeting lease obligations & improving drilling/completion efficiencies
- Capex incurred to date of $ 1.768 billion

(As on Dec 31, 2011)

	Wells drilled	Wells completed	Wells Producing
Q2'12	106	87	75
Q3'12	136	119	111



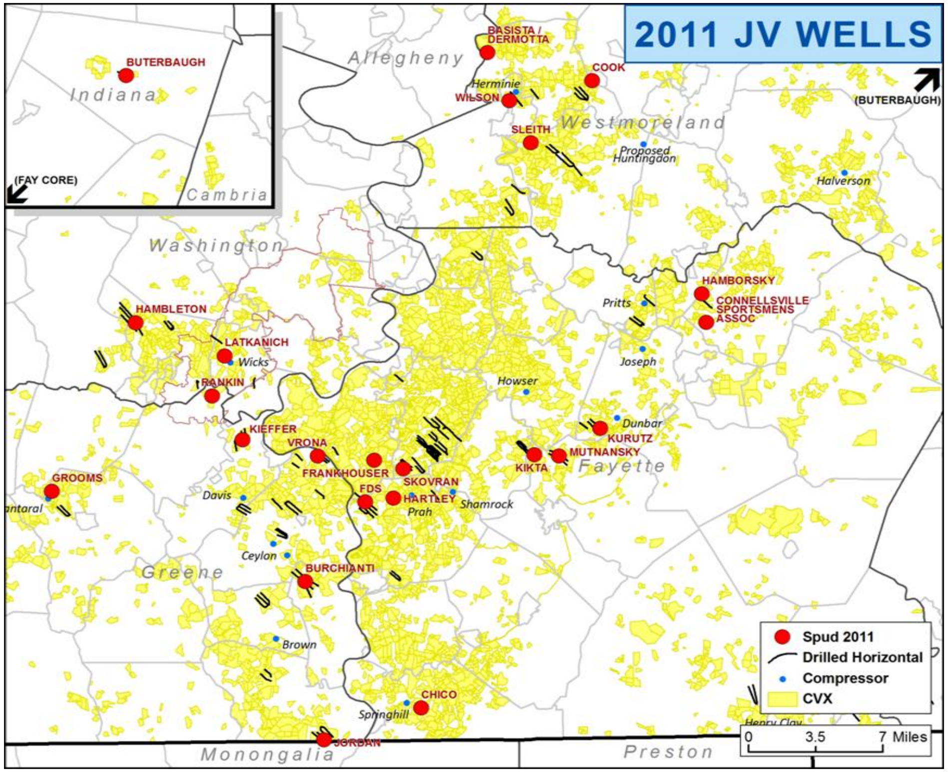
Impressive ramp-up with focus on liquid-rich areas

Chevron JV: Progress Overview

- 6 rigs and 1 frac crew operational
- High well inventory due to midstream issues - 18 wells (additional 80 MMscfed production) awaiting midstream availability
- Gross JV exit production rate ~ 76 Mmscfed- Reliance's share at ~2.5 Bcfe in 3Q, an increase of19% on a Q-o-Q basis
  - 9 wells went live in 3Q, including 2 'wet' gas wells - encouraging IP rates with overall production in-line with expectations
- Cautious progress in drilling considering well inventory & lease obligations in the current gas price environment
- Plan to improve capital efficiency by reducing well inventory & completions cost
- Capex incurred to date of $ 862 million

(As on Dec 31, 2011)

	Wells drilled	Wells Completed	Wells Producing
Q2'12	57	49	29
Q3'12	90	56	38



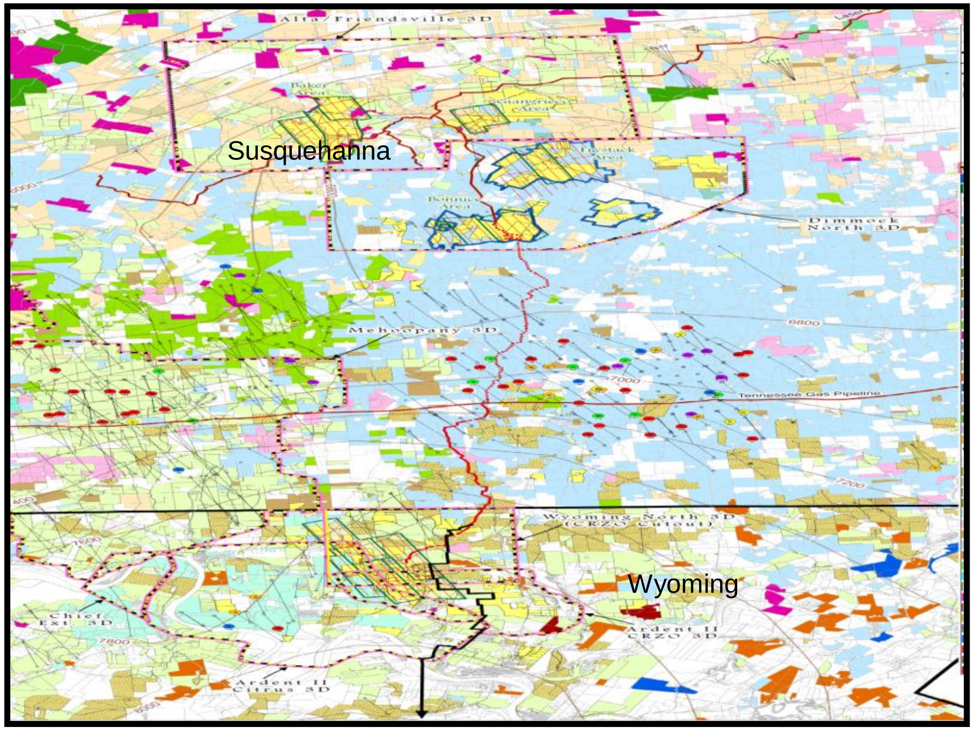
Moderating development to ensure value optimization

Carrizo JV: Progress Overview

- Core areas are Northeast PA ("NEPA") & Central PA ("C-counties")
- First production commenced - gross exit rate ~ 4.3 Mmscfed with Reliance's share at ~0.57 Bcfe
- NEPA development highlights
  - Frac crew focusing on pushing inventory of wells towards production
- C-county development highlights
  - 10 well appraisal drilling commenced; outcome to decide pace of development at current price environment
  - 1st horizontal well completion in 4Q
- Slowdown of development activities considering gas price environment
- Capex incurred to date of $ 517 million

(As on Dec 31, 2011)

	Wells drilled	Wells Completed	Wells Producing
Q2'12	18	-	-
Q3'12	31	5	5



Achieved first JV sales from NE PA in 3Q

Refining & Marketing

R & M Business Environment

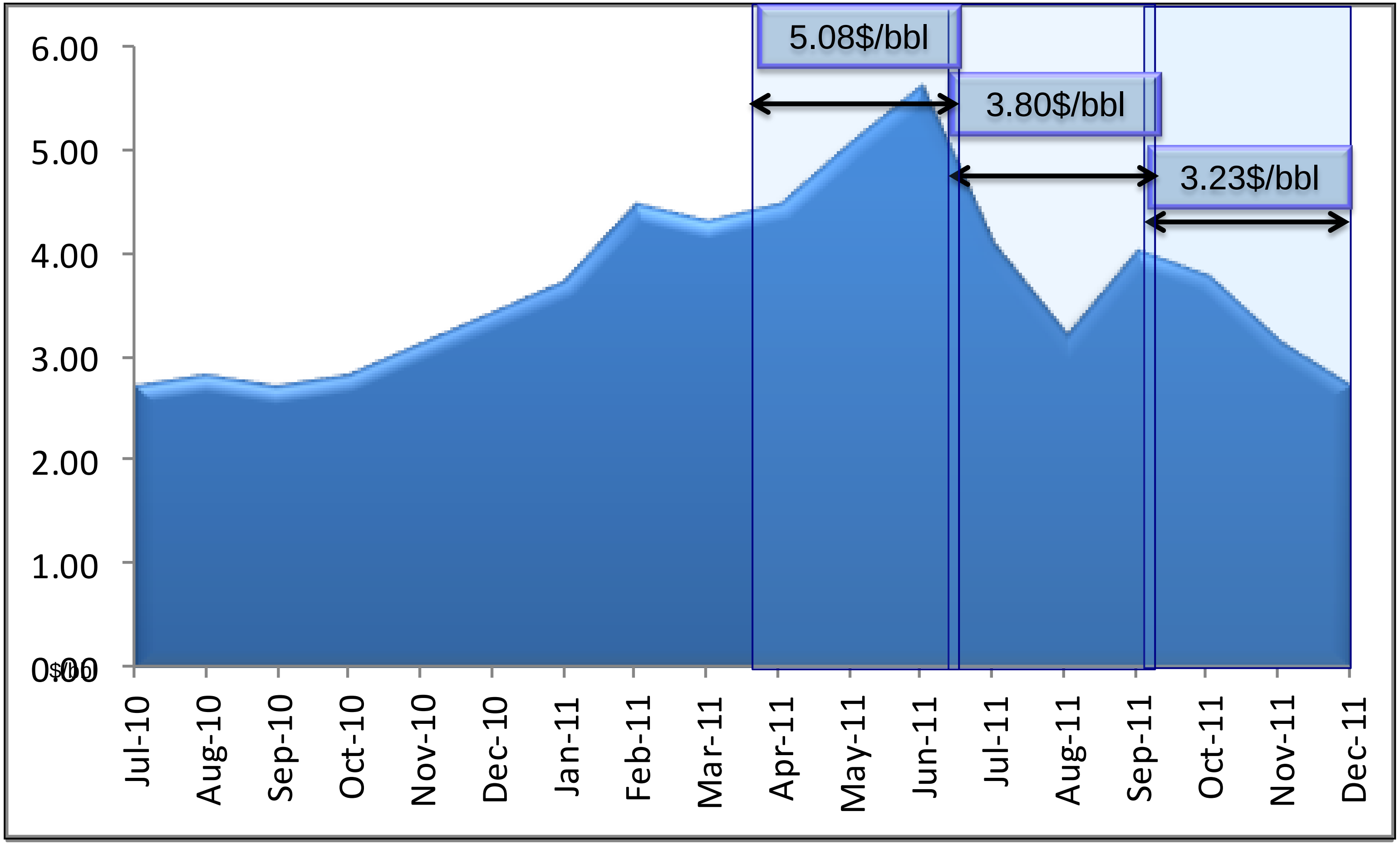
- Financial crisis in Europe and low economic growth assessment
- IEA further lowers its 2011 growth estimate to 0.7 MBD but remains optimistic for demand growth in 2012
- Margin improvement trend reversal in 3Q FY12 for refiners with sharply lower product cracks
- Gasoline margins globally and petrochemical feedstock margins in Asia affected most
- Sweet-sour spreads weaken as a result of strong FO market
- Narrowing Arab Heavy - Dubai differential hurting Asian refining margins

Product Cracks ($/bbl)

3QFY11	Product	2QFY12	3QFY12	Change	% change
8.7	Gasoline	14.7	7.6	(7.1)	(48%)
14.3	Jet Kero	18.8	18.3	(0.5)	(3%)
13.1	Gasoil	17.6	17.9	0.3	2%
3.8	Naphtha	(2.9)	(9.9)	(7.0)	(241%)
(8.2)	Fuel Oil	(3.7)	(0.4)	3.3	90%

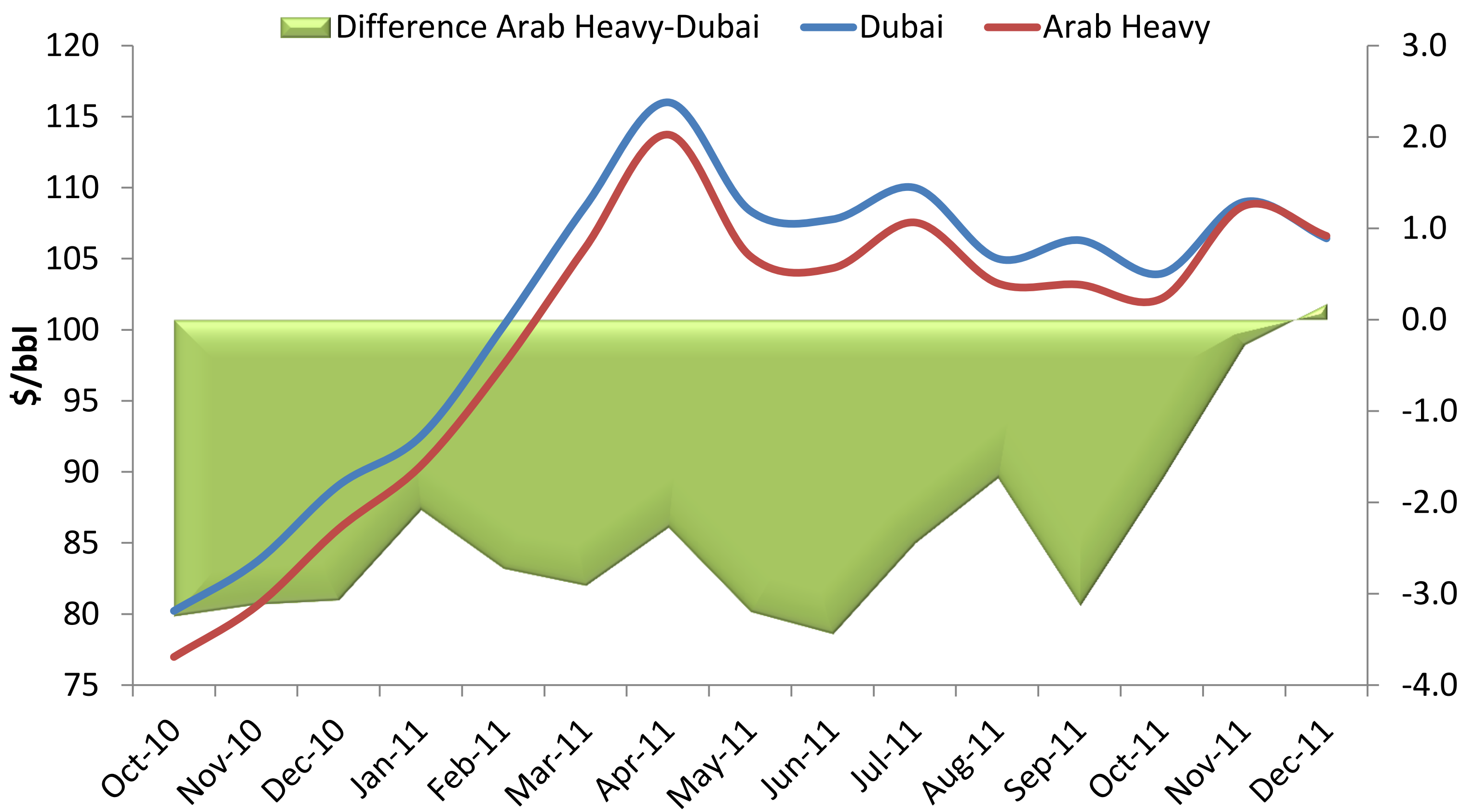
Light distillate margins declined sharply on Q-o-Q basis

Arab Light Heavy Differentials



Strong Asian FO market lowering AL-AH differentials

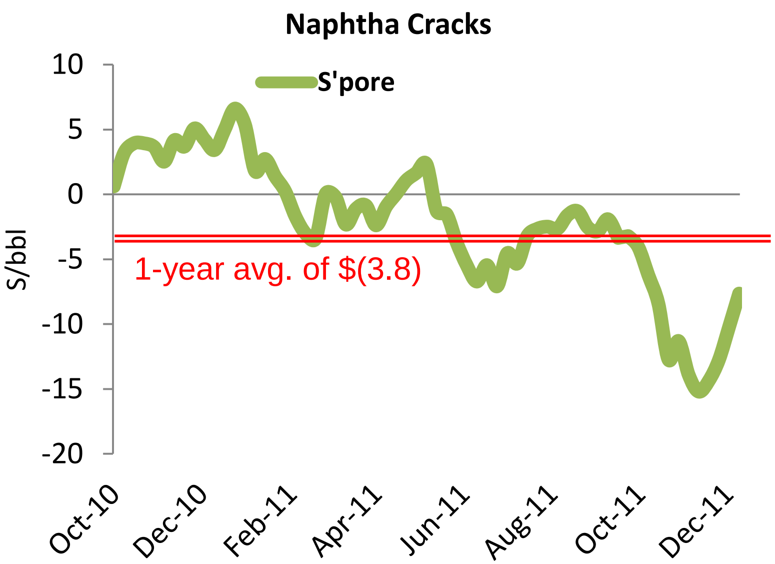
Arab Heavy – Dubai Spread

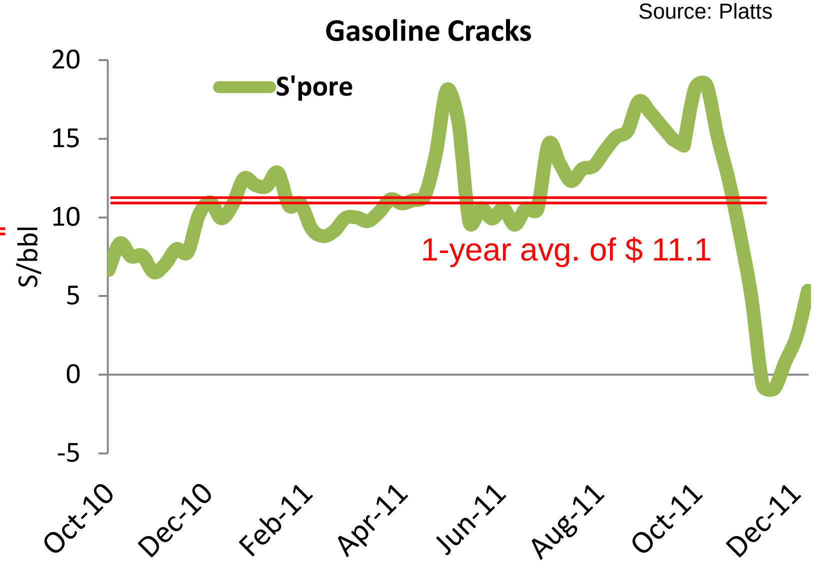


Strong demand for heavy crudes resulting in unprecedented premium vis-à-vis Dubai

Product Cracks: Light Distillates

Source: Platts

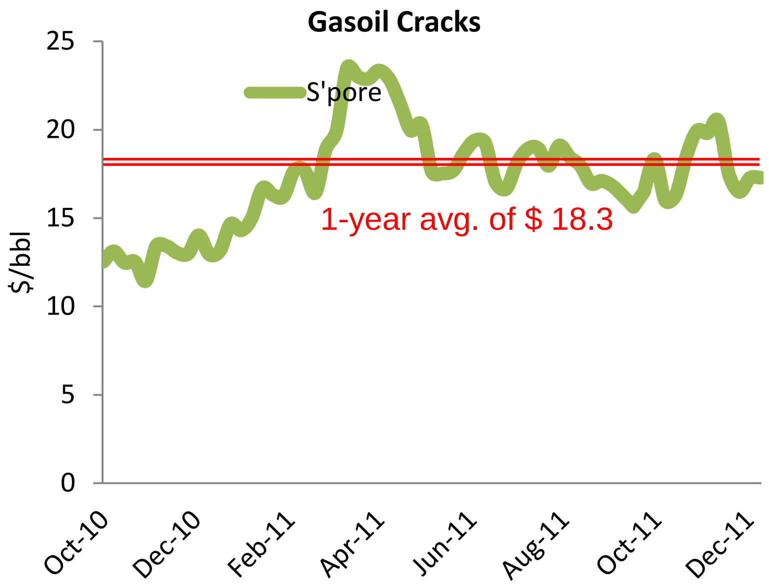


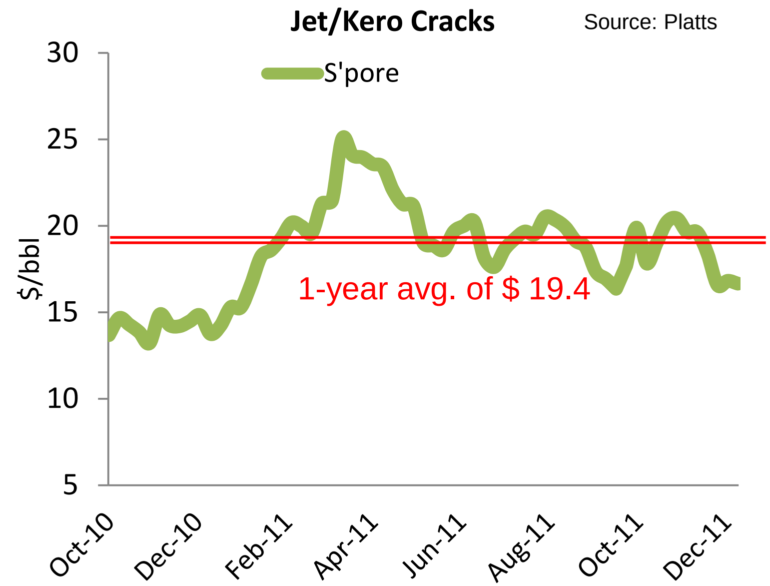


- Naphtha cracks fell sharply amid ample supply, unplanned cracker outages & slowing petrochemical demand
- Global gasoline cracks also narrowed as incremental supply came on in Asia following restart of refineries that had shut-down earlier
- Increase in refinery run rates to meet growing middle distillate demand also resulted in oversupply of gasoline

On a Q-o-Q basis, gasoline cracks halved while naphtha were at a 3 years low

Product Cracks: Middle Distillates



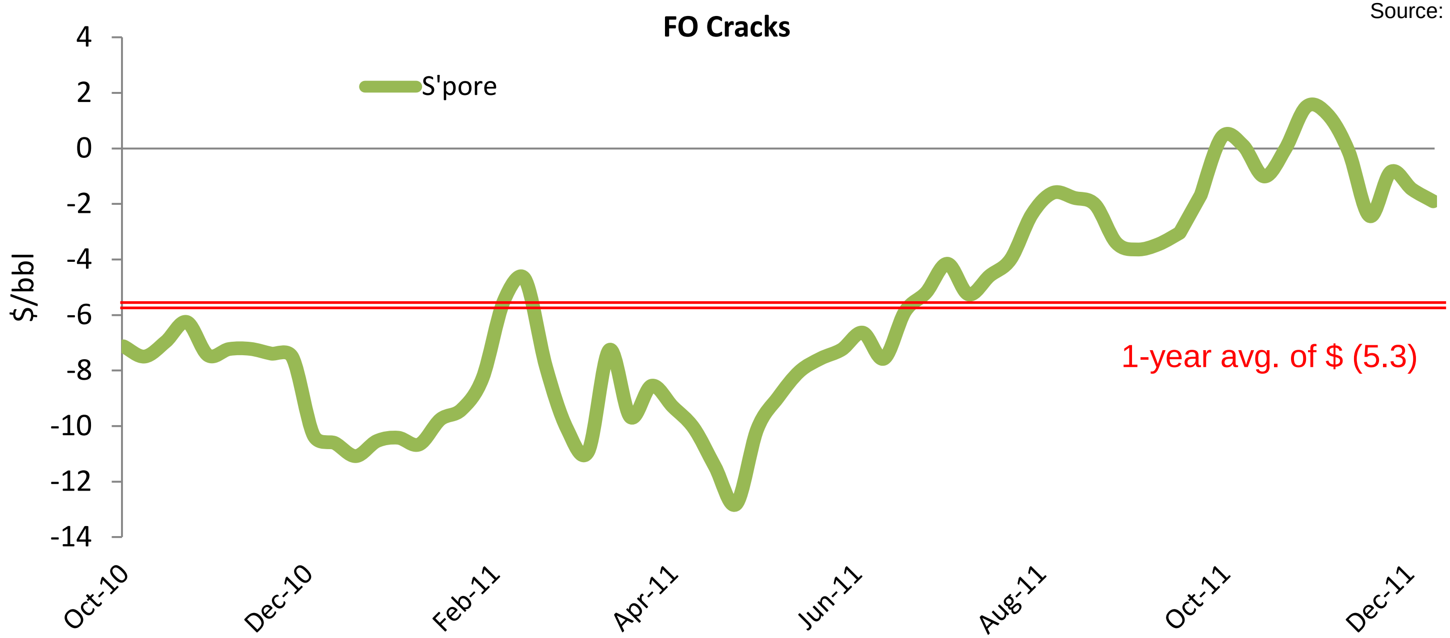


- Asia, led by China, witnessed a strong gasoil demand while seasonal heating requirements in North Asian countries supported kero demand
- Seasonal demand for heating & a strong pull from Latin America supported middle distillate cracks in US and Europe.

Middle Distillates provided support global refining margins

Product Cracks: Fuel Oil

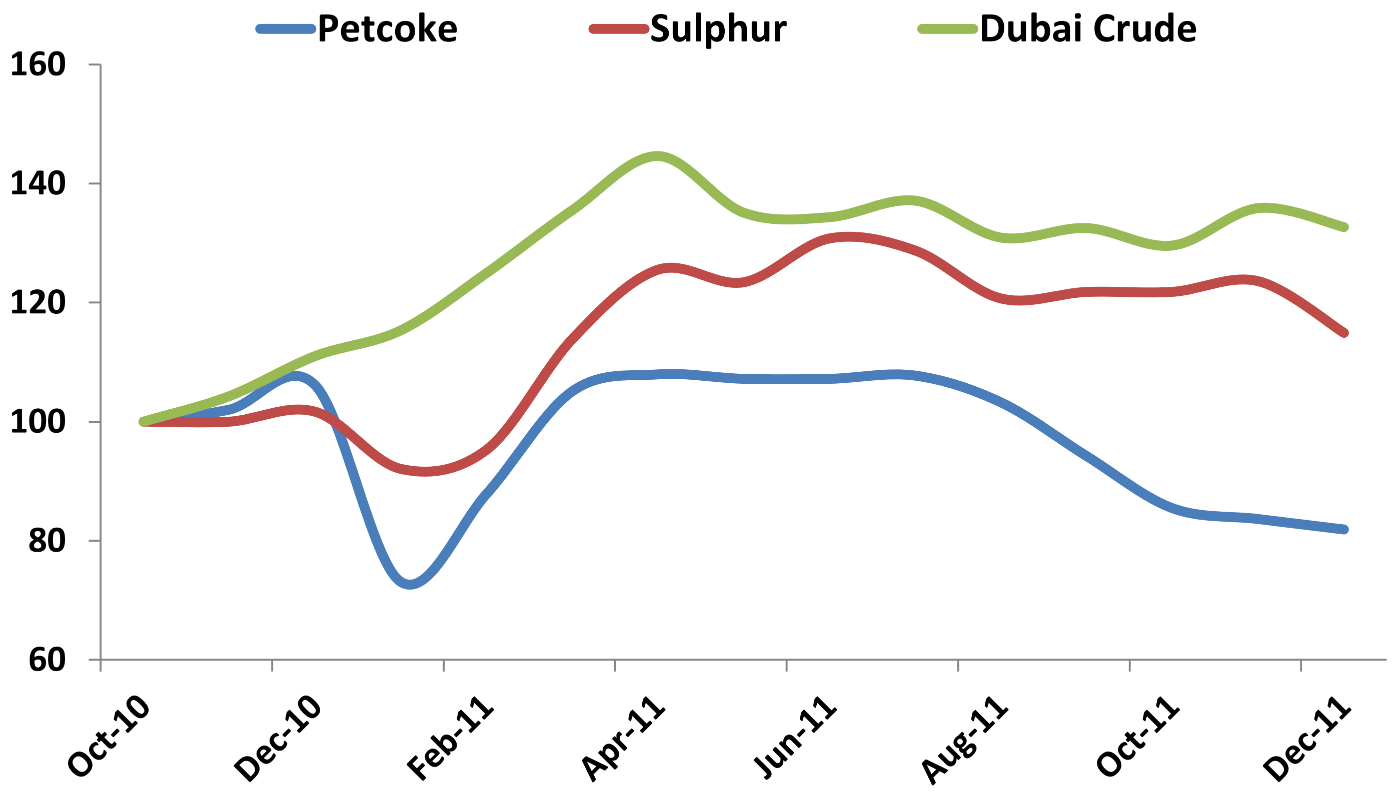
Source: Platts



- Lack of bunker-grade fuel oil supplies helped Asian FO cracks soar
- Significant improvement in cracks helped Asian refiners with higher proportion of FO mix

Record quarter for FO cracks on account of strong demand – simple refinery margins on 10-year high

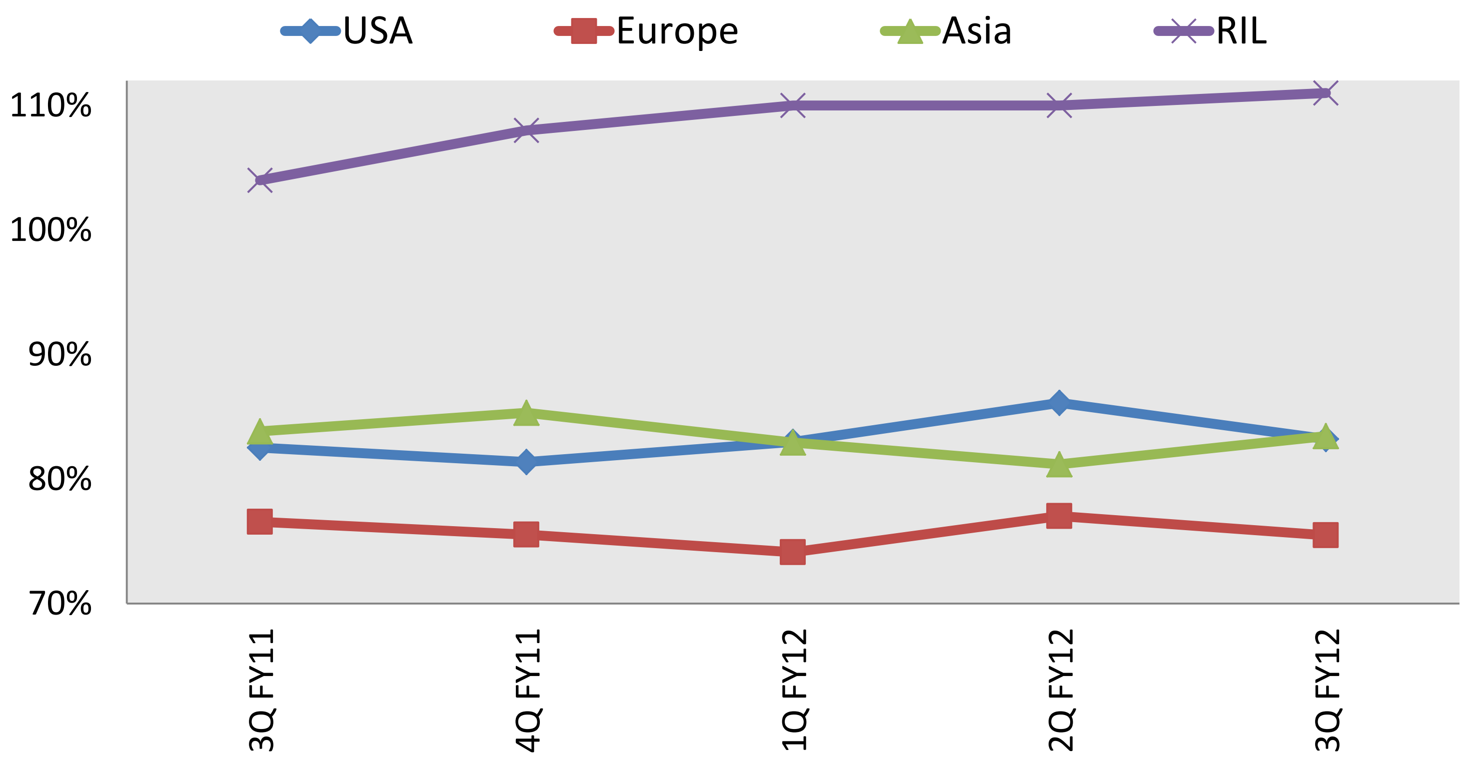
Solid Products



Pet coke and sulphur prices continue to trail increase in crude oil prices – thus creating a drag in complex refining margins

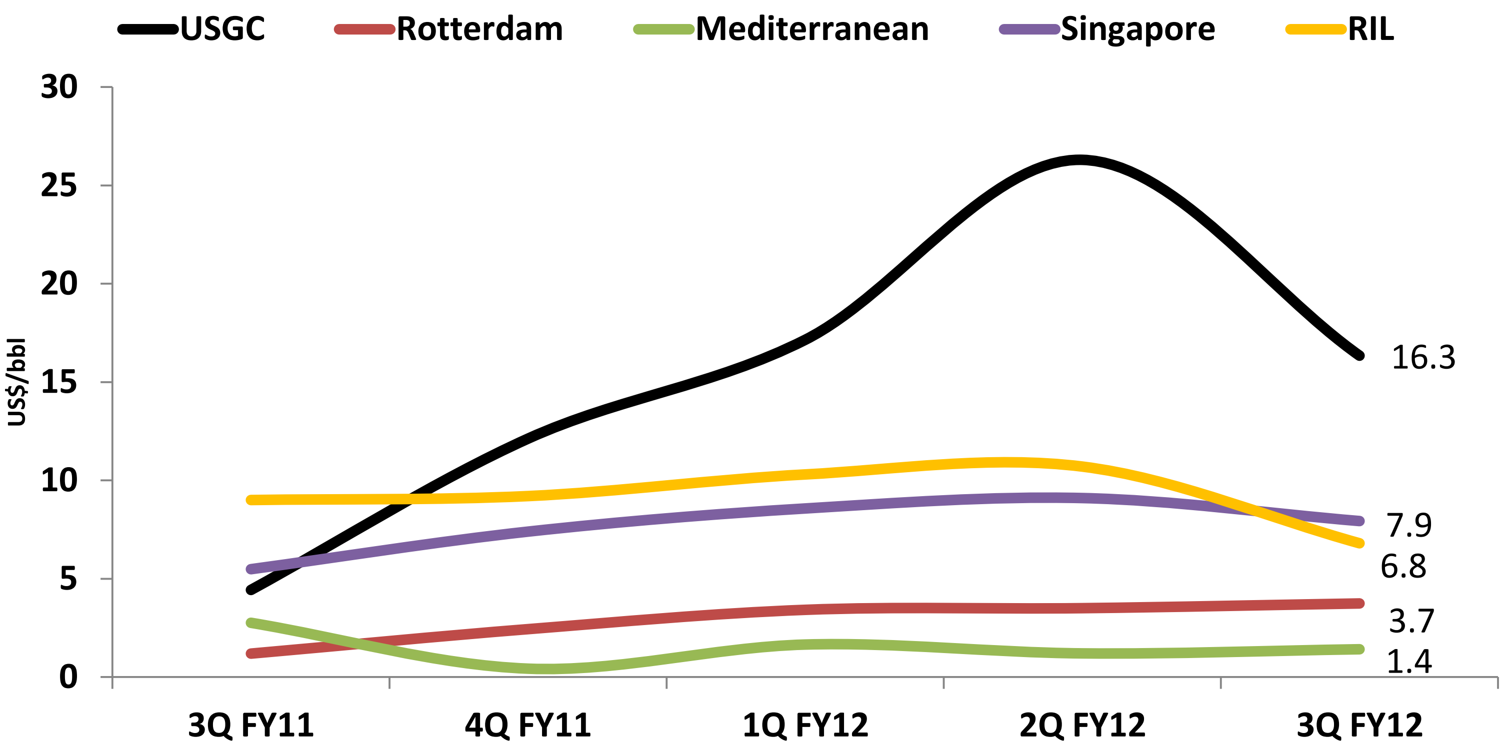
Refinery Operating Rates

Source: ESAI



- Asian utilization rates improved as refiners returned from maintenance and increased utilizations to meet growing demand for middle distillates
- US and European refiners reduced runs as demand declined and margins weakened

Margin Benchmarking



Source: Reuters

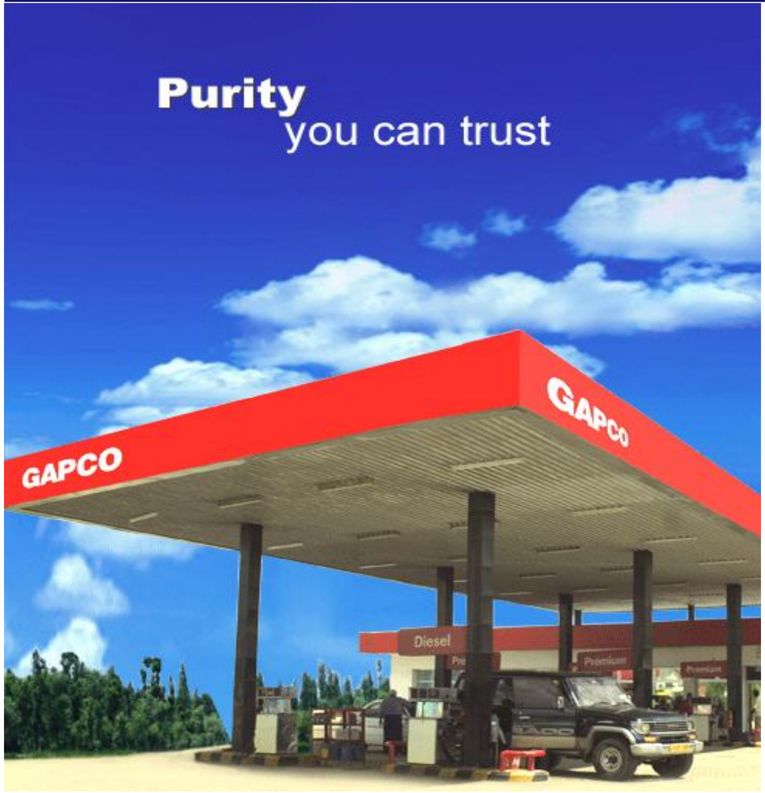
Refinery margins declined as crude oil remained firm and product cracks weakened on lower demand and reduced WTI-Brent differential

Refinery Product Sales

(Unit in KT)	9M FY12	9M FY11	% change
PSU	7,815	7,752	1%
Exports	30,500	28,594	7%
Captive	7,545	7,341	3%
Domestic (Bulk + Retail + Industrial)	4,918	4,842	2%
Total – Refinery Sales	**50,778**	**48,529**	5%
Inter Refinery Sales	*4,138*	*3,616*	*14%*

Higher throughput in the SEZ refinery resulting in higher exports

GAPCO in 2011



Segment	Sales ('000 KL)	
	2011 (P)	2010 (A)
Retail	193	167
Reseller	276	306
Industrial	131	191
Exports / High Seas / Tender	940	985
TOTAL	**1540**	**1649**

Product	Sales ('000 KL)	
	2011 (P)	2010 (A)
Gasoline	440	606
Gasoil	695	532
Jet / Kerosene	313	341
Others	92	170
TOTAL	**1540**	**1649**

Performance Highlights ($ Mn)	2011 (P)	2010 (A)
Sales Volume (TKL)	1540	1649
Sales Revenue	1395	1183
Gross Margin	59.0	44.0
EBITDA	42.4	28.7
PBT	35.5	21.0

RIL Business Highlights

- GRM of $ 6.8/bbl in 3Q FY12 (versus $ 9.0/bbl in 3Q FY11)
  - GRM of $ 9.0/bbl in 9M FY12 (versus $ 8.1 in 9M FY11)
- Consistently maintaining high operating rate
  - Operating rate of 111% in 3Q FY12 (processed 17.2 MMT)
  - Operating rate of 110% in 9M FY12 (processed 51.4 MMT)
- Marginal improvement in product exports
  - Export volumes of 10.3 Million Tonnes in 3Q FY12
  - Export volumes of 30.5 Million Tonnes in 9M FY12

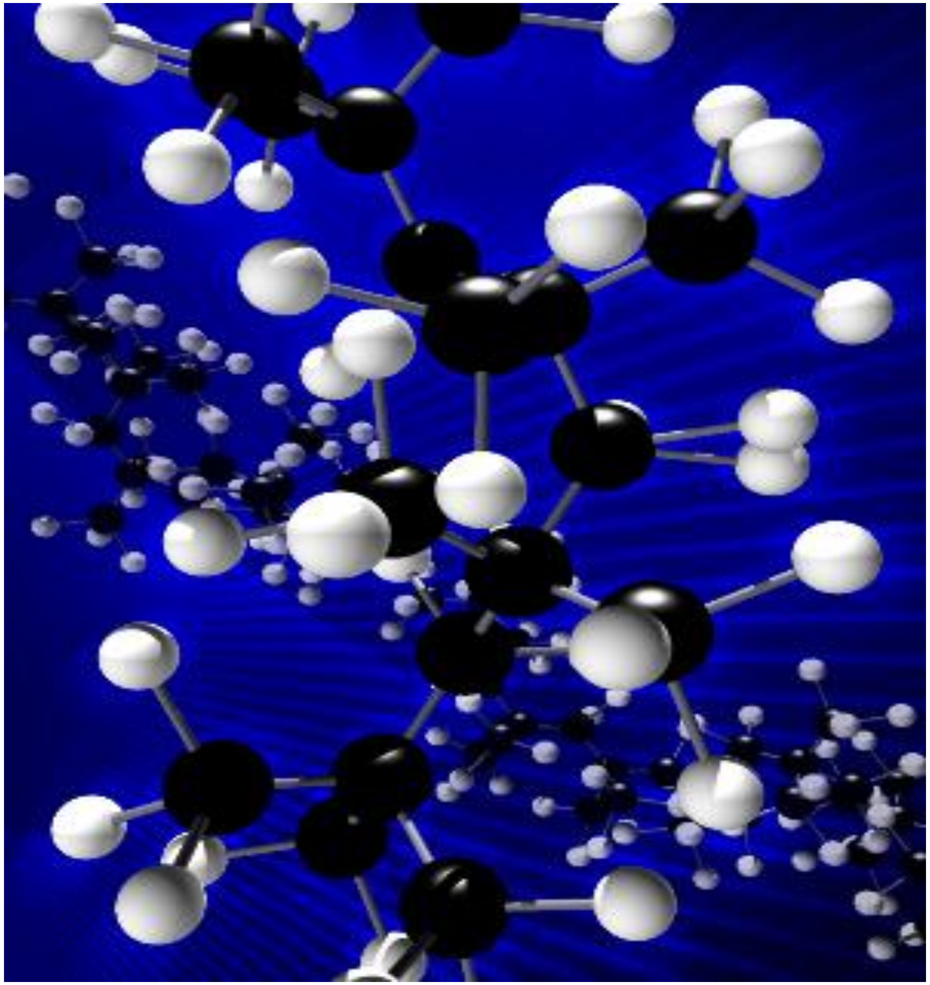
RIL operated at above rated capacity despite tough margin environment

Petrochemicals

Polymers

Business Environment

- Global demand remained weak led by China which witnessed a negative growth rate of 1.2% while Indian demand grew by 4%
- Operating rates declined across regions with the exception of NE Asia (impact of restarting of shut-down facilities in Taiwan)
- Margins across all products remained under pressure:
  - Increase in product prices trail higher feedstock prices due to weak demand
  - Increased supply from ME and US
- On 9M basis, RIL production up 8% - achieved operating rate of 100%
- On Q-o-Q basis, RIL's exports up by 45%



Weakness in demand coupled with high feedstock prices impact margins

Global Petrochemicals 2011

Demand ↓

- ME exports greater than China imports
- Stagnation in Chinese import of polymer at 13.5 MMT

Supply ↑

- Exports from ME have doubled in past 5 years to 15.5 MMT (and increased by 2.2 MMT in 2011)
- Capacity addition in PVC from China and EDC from US & China

Cost ↑

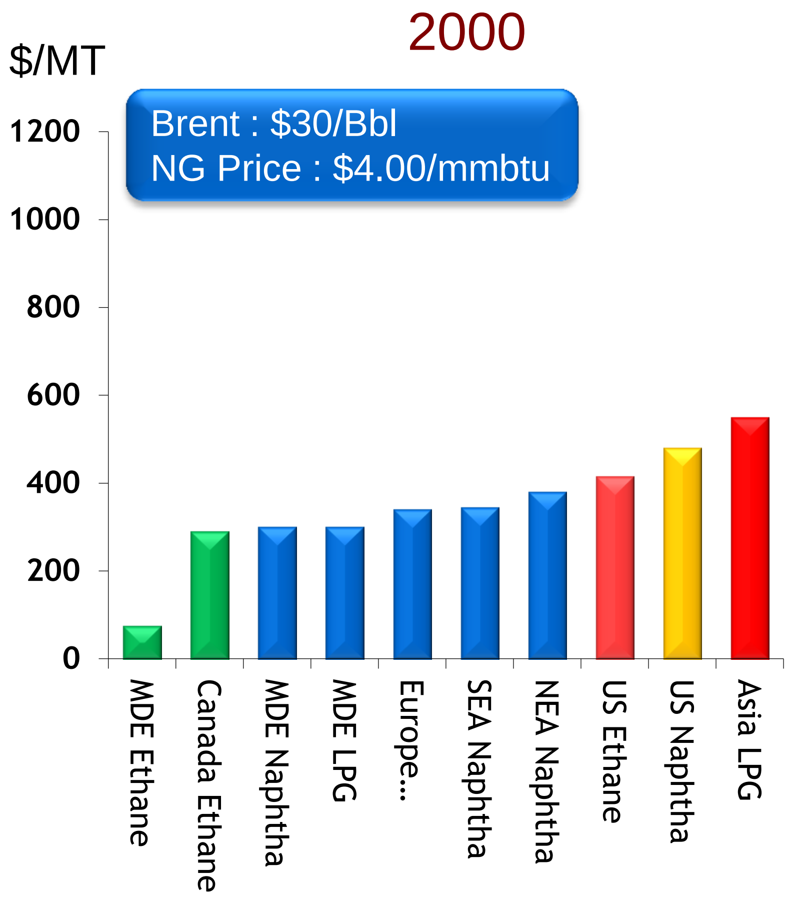
- High oil prices - naphtha continues to be least preferred feedstock for olefins production
- Large variance in cash cost resulting in windfall, survival & closures

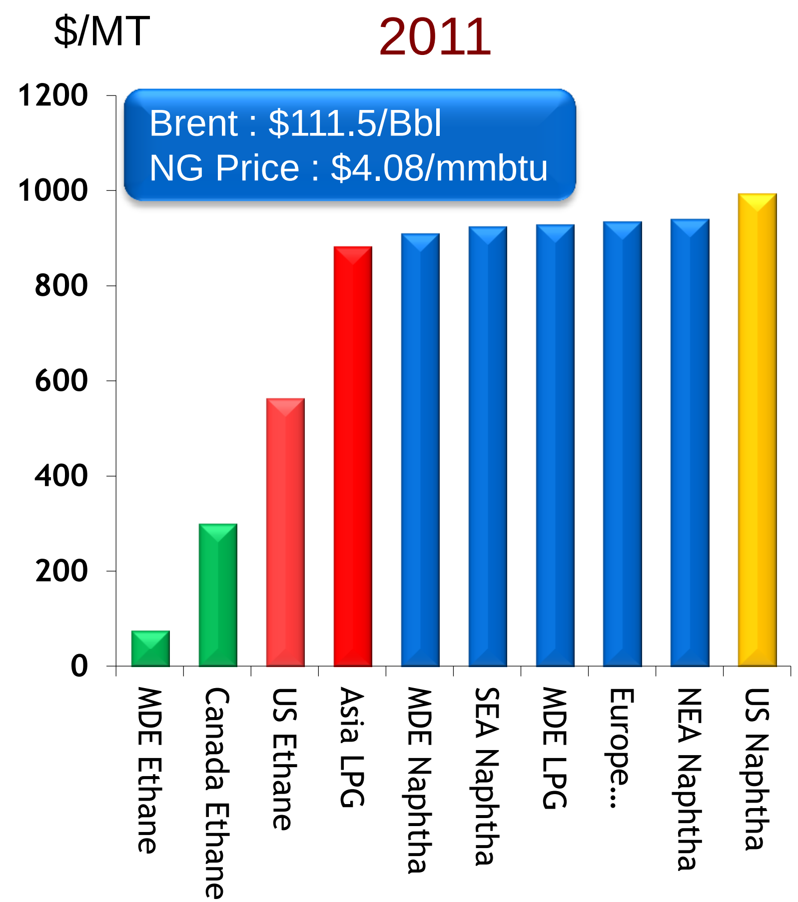
Margins ↓

- Cost push with demand slowdown
- Mid cycle operating rates but low cycle margins for naphtha based producers
- Prices remain volatile with trend indicating weak demand

Challenging environment for naphtha based producers

Ethylene Cash Cost Curves: Changing Scenario

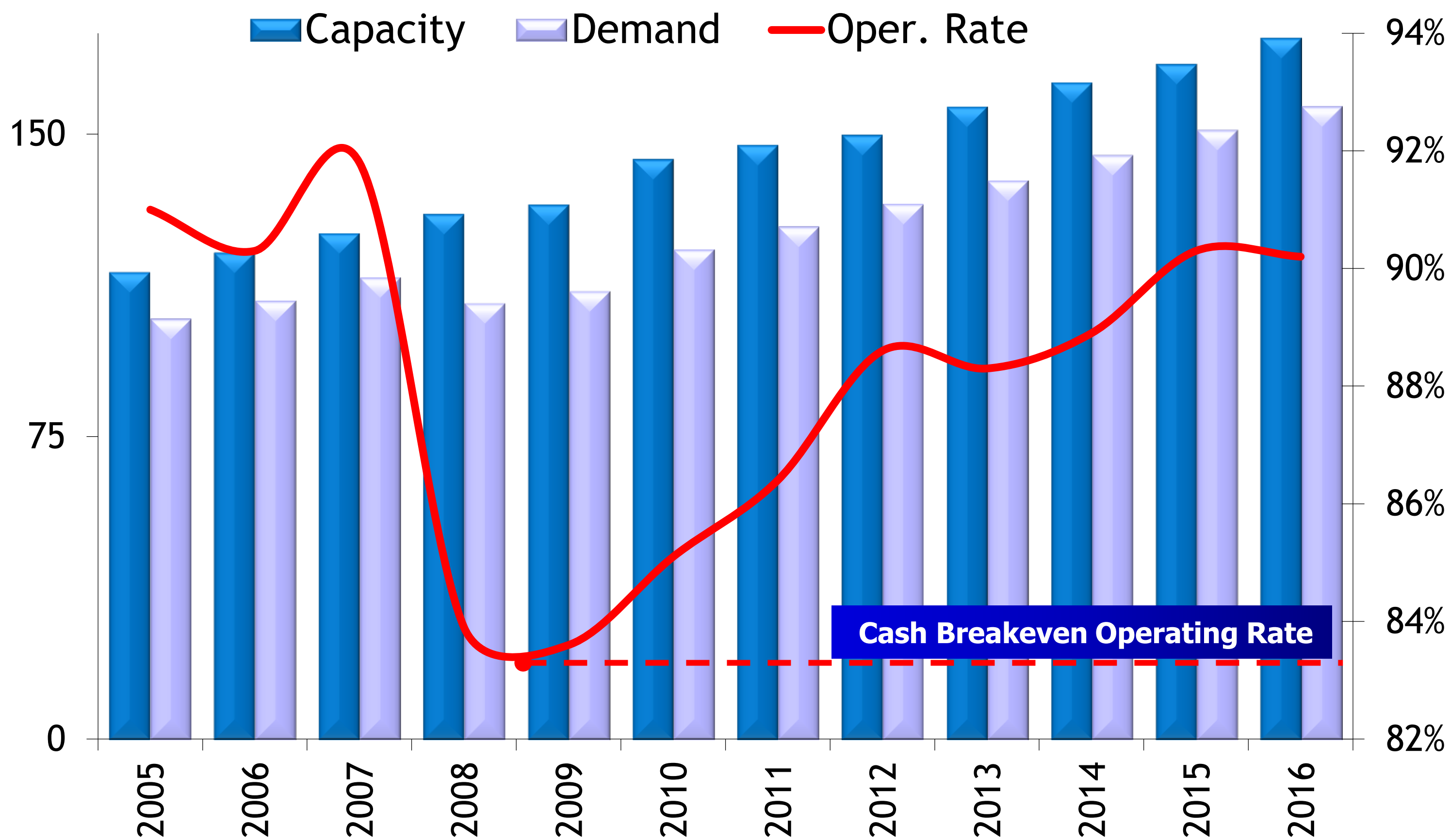




Source : Jacobs Consultancy – Ethylene & Propylene Competitiveness Report

Changing global dynamics with large variance in cash cost

Global Ethylene Operating Rates

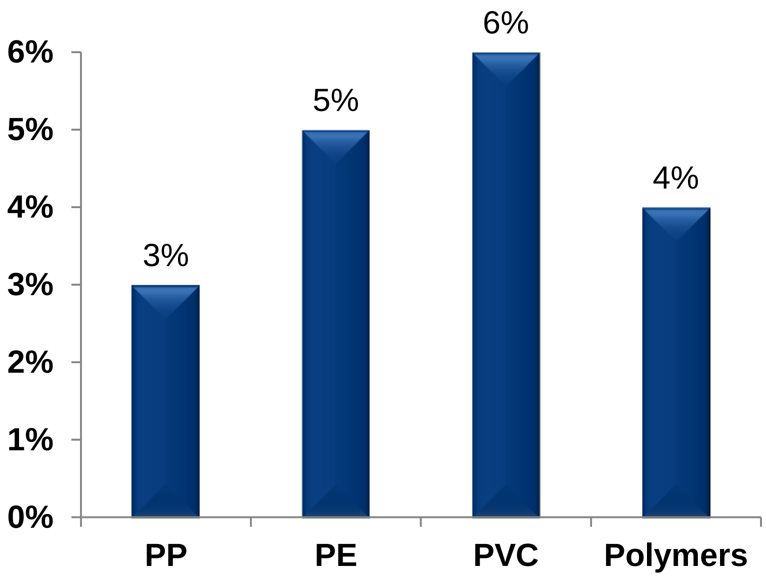


Source : CMAI

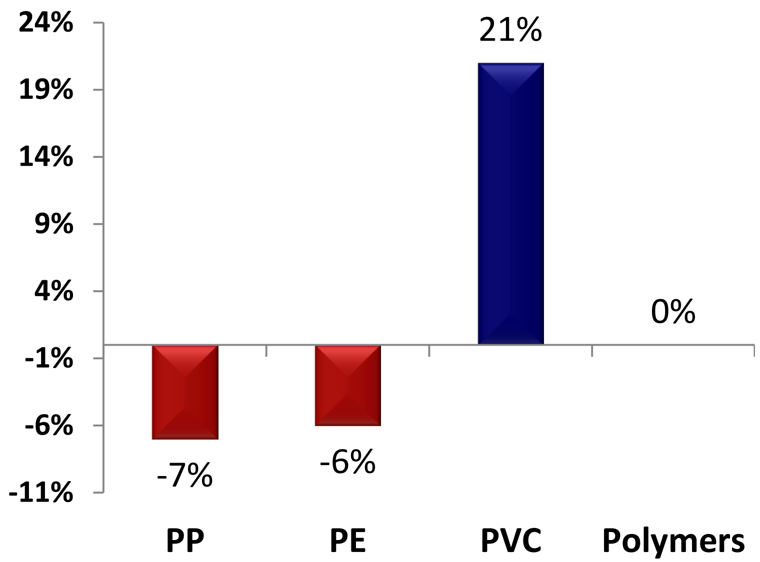
Growth in demand (4.3% p.a.) to outstrip growth in capacity (3.8%) over the next 5 years

Polymers – Domestic Demand

9M FY12 vs. 9M FY11



3Q FY12 vs. 2Q FY12



Growth in domestic market despite lower industrial output – demand for PP impacted due to temporary slow down in the auto sector

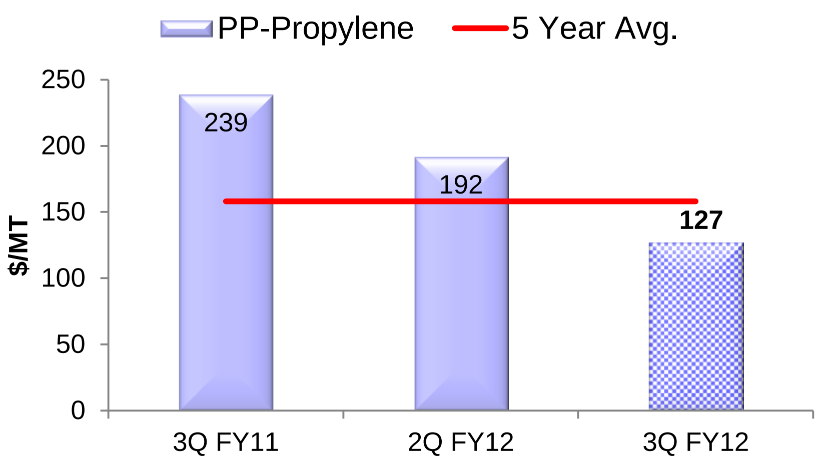
Polymer Price Trend

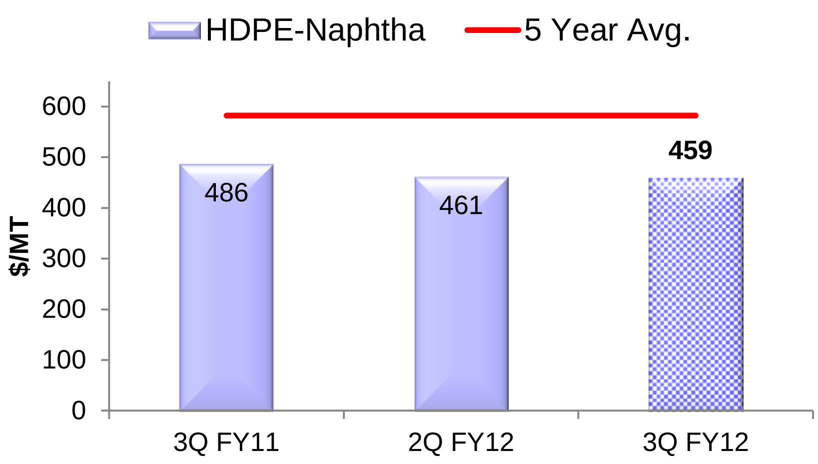
$/MT	3Q FY12	2Q FY12	% Change	9M FY12	9M FY11	% Change
Crude Oil	106	107	**-1%**	108	79	**37%**
Naphtha	857	921	**-7%**	912	697	**31%**
Ethylene	1041	1142	**-9%**	1155	1008	**15%**
Propylene	1251	1345	**-7%**	1355	1157	**17%**
EDC	306	457	**-33%**	436	494	**-12%**
HDPE	1316	1382	**-5%**	1356	1203	**13%**
PP	1378	1536	**-10%**	1516	1301	**17%**
PVC	909	1091	**-17%**	1066	983	**8%**

Source: Platt's

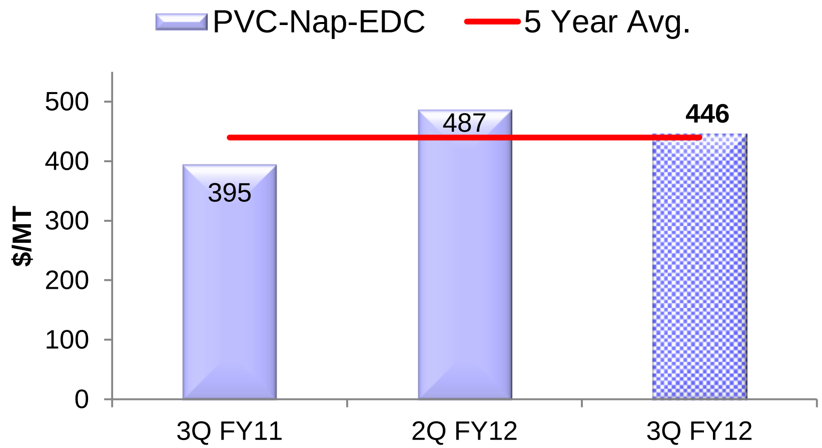
Weakness in demand together with high feedstock prices impact margins

Polymer Deltas – 3Q FY12





- PP prices remained unchanged while propylene prices were up 9% thus impacting margin
- PE margins remained stable despite influx of low cost supply from ME & US
- PVC delta were stable and above 5 years average



Source: Platt's

RIL- Strong Operating performance

- RIL's polymer production up 8% in 9M FY12 (impact of shut down in previous year)
- RIL's polymer market share increased to 47% (PP,PE,PVC)
- RIL exported 249 KT of polymers mainly to Asia and Europe representing an increase of 46.3% Y-o-Y

Production (KT)	9M FY12	9M FY11	% change
PE	819	714	15%
PP	2077	1940	7%
PVC	475	471	1%
TOTAL	**3370**	**3125**	**8%**

RIL continue to play leading role in domestic market ; increasing global presence with 46.3% rise in exports performance

Petrochemicals

Polyester and Fibre Intermediates

Business Environment

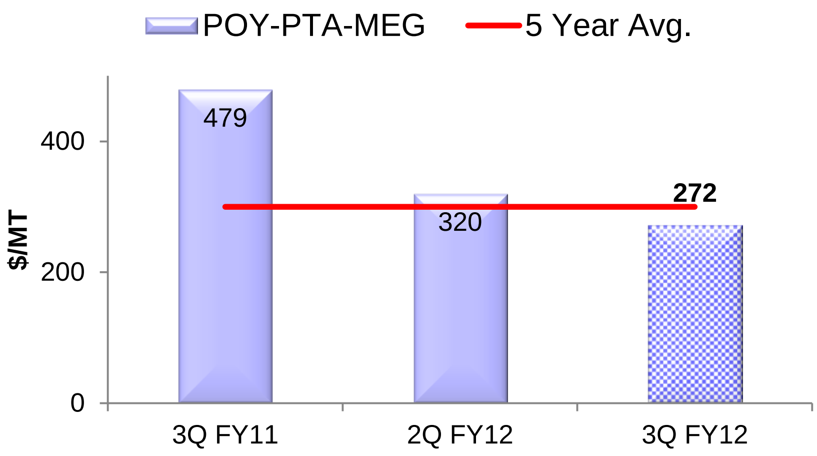
- Feedstock supply improved in 3Q FY12 following the unplanned outages during the first half:
  - Cost push due to PX price increase impacted polyester chain Y-o-Y
  - PX capacity addition to lag behind PTA expansions in China and no new MEG capacity addition in the near future
- Domestic polyester demand impacted by price volatility and cautious buying
- China's National Reserve embarks on initiatives to support domestic cotton prices
- Depreciating currency benefits local exporters

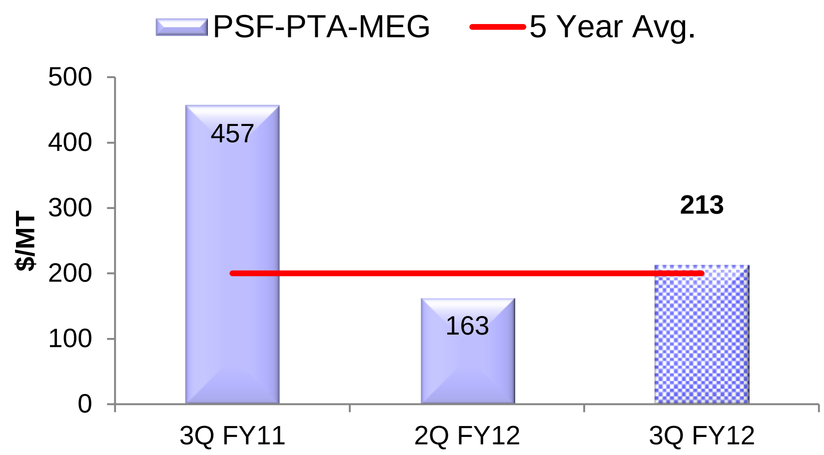
Price Movement

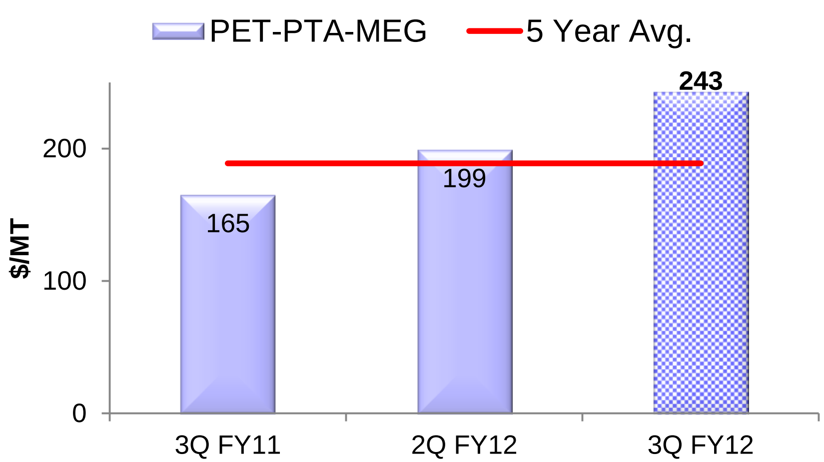
$/MT	3Q FY12	2Q FY12	% Change	9M FY12	9M FY11	% Change
Crude Oil	106	107	**-1%**	108	79	**37%**
Naphtha	857	921	**-7%**	912	697	**31%**
PX	1483	1532	**-3%**	1538	1031	**49%**
PTA	1097	1245	**-12%**	1204	963	**25%**
MEG	1117	1243	**-10%**	1171	856	**37%**
POY	1633	1857	**-12%**	1794	1578	**14%**
PSF	1575	1700	**-7%**	1690	1446	**17%**
PET	1544	1667	**-7%**	1636	1293	**27%**

Rise in feedstock prices amidst supply issues in H1

Polyester Margin Environment

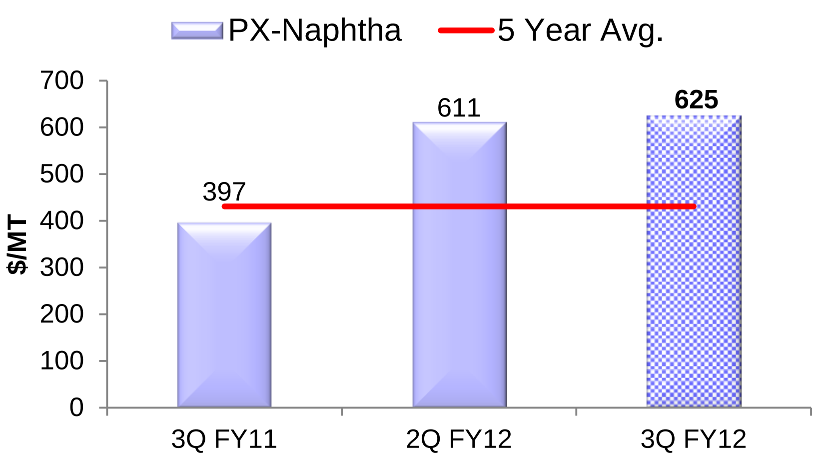


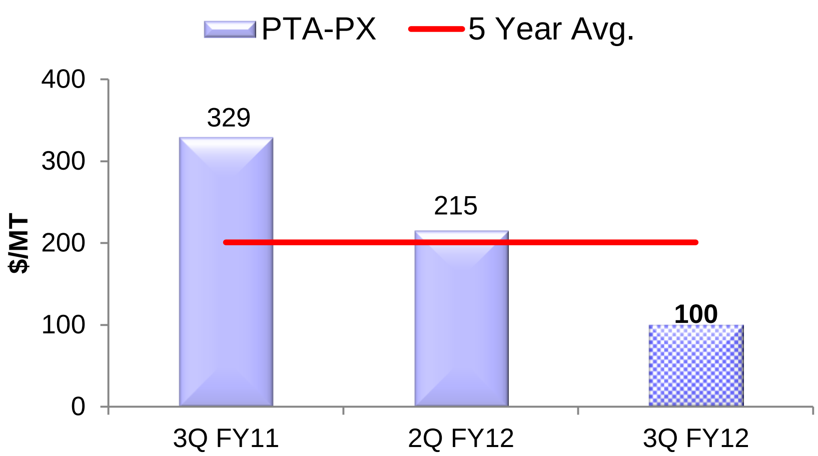


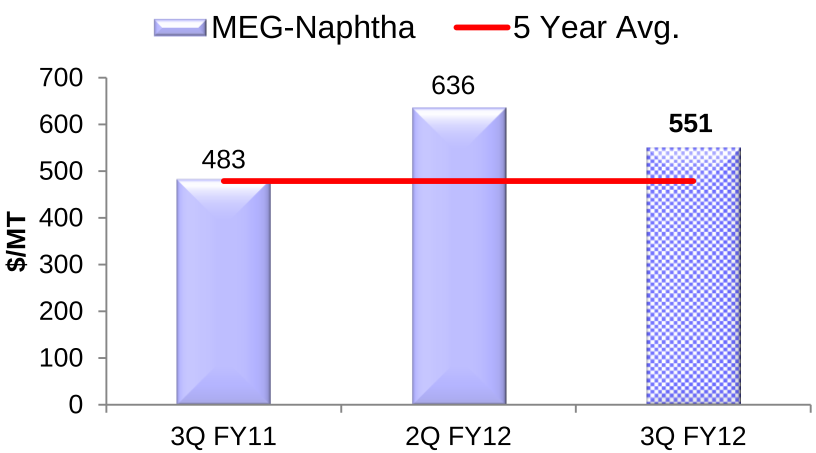


- POY/PSF deltas declined on Y-o-Y basis due to strong feedstock price environment
- PSF delta still above its long-term average
- PET delta fared better amidst healthy beverage demand

FID Margin Environment

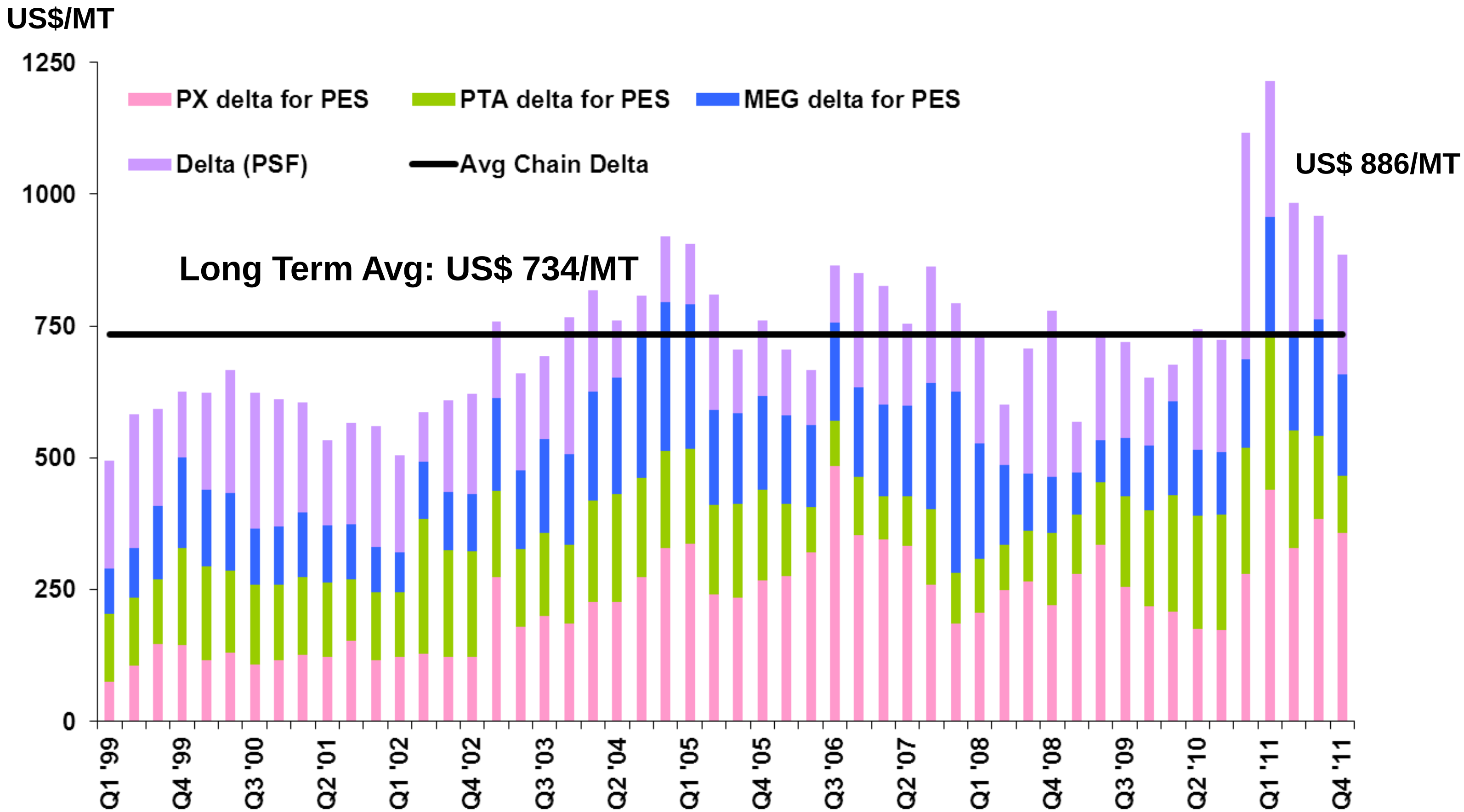






- Strength in PX and MEG delta due to supply concerns
- New capacity additions continued to impact PTA margins

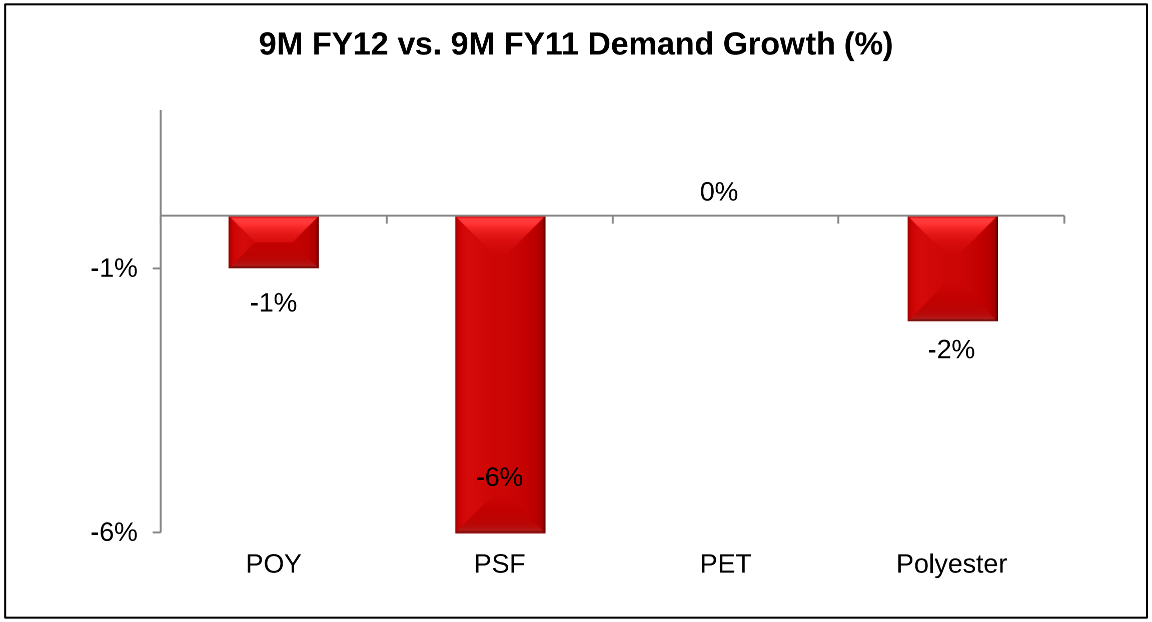
Polyester Chain Delta



Source: Platts, ICIS

Polyester chain delta up 20% over long-term average supported by PX and MEG delta

Domestic Polyester Demand



- Demand impacted by price volatility and economic concerns leading to need-based buying
- Power shortage faced in many textile hubs resulting in reduced off-take

Recron Malaysia Update: 9M FY12

$ Mn	9M FY 12	9M FY 11	Change
Revenue	892	744	20%
EBIDTA	16	51	(70%)
EBIDTA Margin	2%	7%	

Provisional Results
Exchange Rate are based on monthly average rate
EBITDA for 9 M FY 11 is excluding insurance claim amount

- Revenues up 20% Y-o-Y; EBITDA lower amidst subdued market conditions
- Export share continues at 90% spread across 65 countries
- Continued dominant domestic market share of 60% in Grey fabric, PET and DTY

Petrochemical Sector

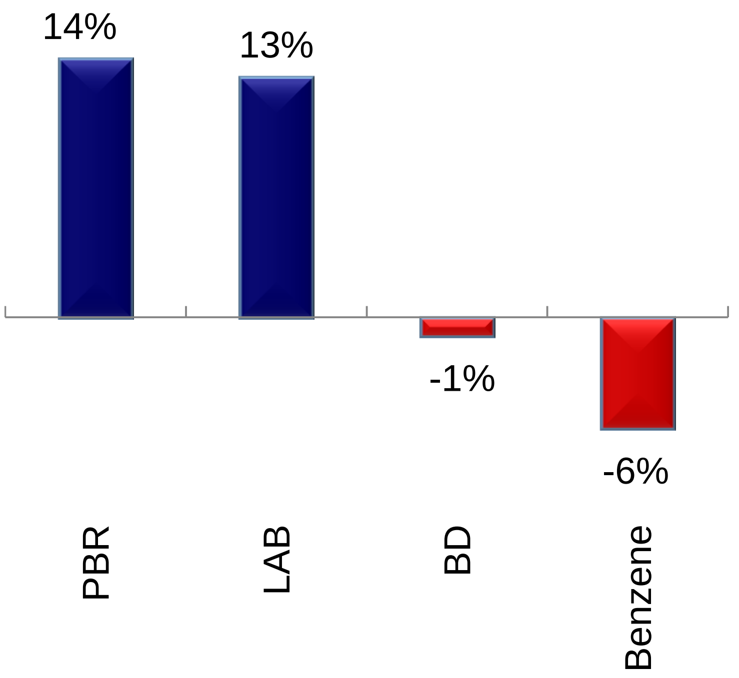
Chemicals

Chemical Business Performance

- PBR domestic demand increased in line with growth in auto sector
- LAB demand improved on the back of stronger detergent demand
- Butadiene demand was soft on account of higher prices of Butadiene
- Benzene domestic demand was lower due to low demand in end use sector and annual shutdown in a major customer
- RIL domestic market share 9MFY 12:
  - Butadiene: 97%, Benzene: 56%, PBR: 53%, LAB:23%

Domestic Demand

9M FY12 Vs 9M FY11

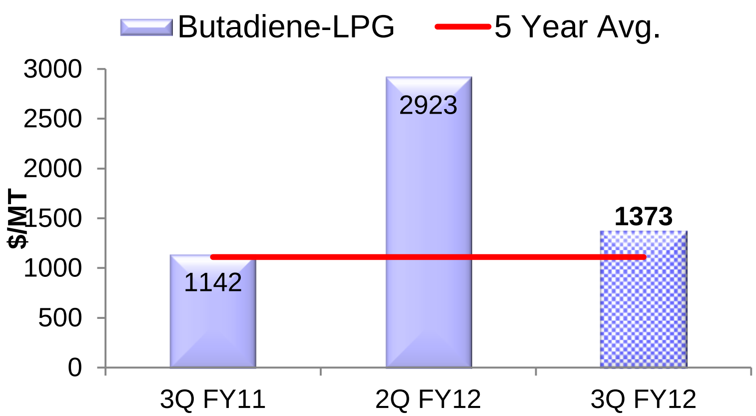


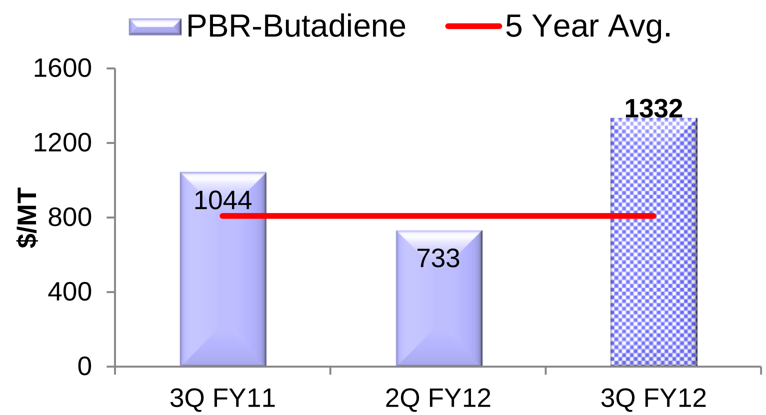
Chemical Price Trend

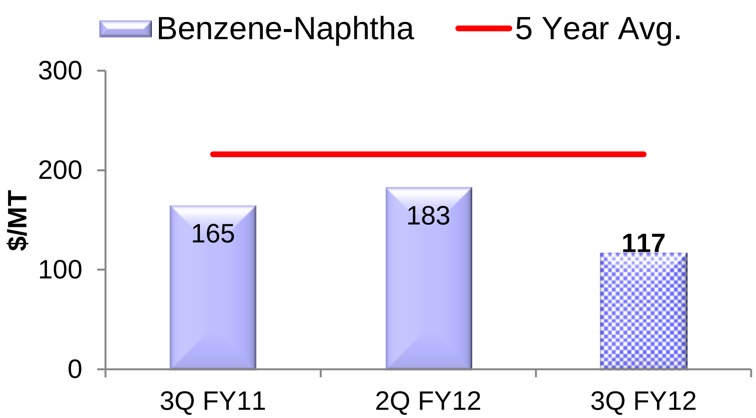
$/MT	3Q FY12	3Q FY11	% Change	9M FY12	9M FY11	% Change
LAB	1850	1510	**23%**	1922	1482	**30%**
Benzene	975	941	**4%**	1070	884	**21%**
Butadiene	2151	1943	**11%**	3103	1929	**61%**
PBR	3483	2987	**17%**	4137	2778	**49%**

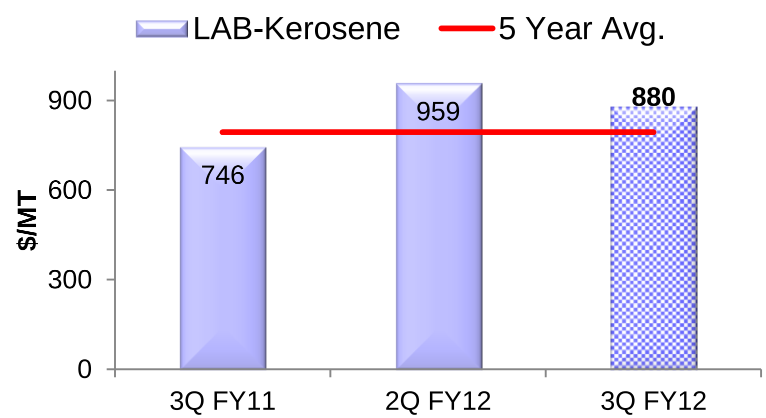
- The significant shift to light feedstock crackers (Gas Vs Liquid) resulted in the steady increase of Butadiene prices till Aug 11
- Subsequent reduction in demand (Auto) and planned shutdowns corrected prices sharply in Q3
- PBR followed Butadiene prices

Chemical Deltas









- Lower global demand of Benzene derivatives (Styrene, Phenol, Cyclohexane) depressed Benzene-Naphtha deltas
- LAB/IP deltas remained stable on account of consistent demand

Chemical Business Summary

- PBR-BD deltas improved significantly during the quarter on account of some revival in demand at lower prices
- In 3Q many of the downstream units either took shutdown or lowered throughput due to high prices and lower downstream demand. This reduced BD demand and prices. However prices smartly recovered by end of 3Q
- Revival in Benzene demand and prices seen toward end of 3Q

Summary

Summary

- Tough operating environment in this quarter with slowing demand for transportation fuels and weakness in petrochemical demand
- Margins under pressure due to high feedstock price environment
- Lowering E&P volumes remains cause for concern even as key technical resources from BP and RIL review empirical data
- Investment program in petrochemicals of $ 10-12 billion to cater to domestic market on track
- Investment grade quality balance sheet and strong cash generation provides flexibility and growth opportunities

Focus on enhancing shareholder value by leveraging an exceptionally strong balance sheet, operating top decile assets and prudent investing

Thank You