Reliance

Industries Limited

Growth is Life

2Q FY 2014-15

Financial Results

13 October 2014

Forward Looking Statements

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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.

Financial Results

Consolidated Financial Results : 1H FY15

(in ₹ Crore)	1H FY15	1H FY14	% Change Y-o-Y
Turnover	221,301	219,054	1.0%
Segment EBIT	14,310	12,148	17.8%
Net Profit	11,929	11,110	7.4%

- Robust growth in operating profit led by strong performance across all business segments
  - EBIT for Refining up 24%, Oil & Gas up 29%
  - Retail EBIT up 3x
- Record net profit at ₹ 11,929 crore, up 7.4%
  - Lower non-operating income due to lower investible surplus
- On standalone basis, RIL net profit at ₹ 11,391 crore, up 5.1% Y-o-Y

Consolidated Financial Results : 2Q FY15

1Q FY15	(in ₹ Crore)	2Q FY15	% Change Y-o-Y	% Change Q-o-Q
107,905	Turnover	113,396	-4.3%	5.1%
6,916	Segment EBIT	7,394	9.2%	6.9%
5,957	Net Profit	5,972	1.7%	0.3%

- Y-o-Y decline in turnover primarily on account of lower crude oil prices (-8%)
- Q-o-Q increase in turnover was led by higher crude throughput
- Net profit stable on Y-o-Y as well as Q-o-Q basis
- Q-o-Q EBIT growth led by strength in petchem
  - Strong polymer and aromatics margins led rebound in petchem earnings
  - Higher throughput offset marginally lower GRM

Operational Highlights – 2Q FY15

Refining

- Crude throughput of 17.3 MMT, operating rate of 112%.
- GRM at $ 8.3/bbl as compared to $ 7.7/bbl last year ($ 8.7/bbl in 1Q FY15)
  - GRM marginally lower on Q-o-Q; lower product cracks offset by crude differentials
  - Light-heavy differential continue to be supportive for complex refiners

Petrochemicals

- Petrochemicals production remains flat at 5.7 MMT
- New PBR facility stabilized at Hazira; SBR and PET plants commissioned
- EBIT margins improved to 8.9% (up 160 bps Q-o-Q)
  - Strong polymer margins and rebound in PX deltas partially offset by weak polyester margins

Oil & Gas

- US shale production at 49.8 BCFe, up 36% Y-o-Y
  - Average realization of $ 5.69 /Mcfe as compared to $ 6.19 /Mcfe a year ago
- Domestic production at 35.8 BCFe, down 10% Y-o-Y

Retail

- Presence in > 150 cities, No. of stores 2006 – net addition of 283 stores
- Quarterly turnover crosses ₹ 4,000 crore

Consolidated Segment Revenue : 2Q FY15

1Q FY15	(in ₹ Crore)	2Q FY15	% Change Y-o-Y	% Change Q-o-Q
98,081	Refining	103,590	-5.9%	5.6%
25,398	Petrochemicals	26,651	-1.8%	4.9%
3,178	Oil & Gas	3,002	11.9%	-5.5%
3,999	Organised Retail	4,167	20.1%	4.2%
1,772	Others	2,455	89.0%	38.5%

- Weak crude oil prices and lower volume resulted in lower revenues on Y-o-Y for the domestic energy chain businesses
  - Volume growth in US shale business led to higher Oil & Gas segment revenue
- Store network expansion along with high LFL sales growth reflect in Retail business revenue growth

Consolidated Segment EBIT : 2Q FY15

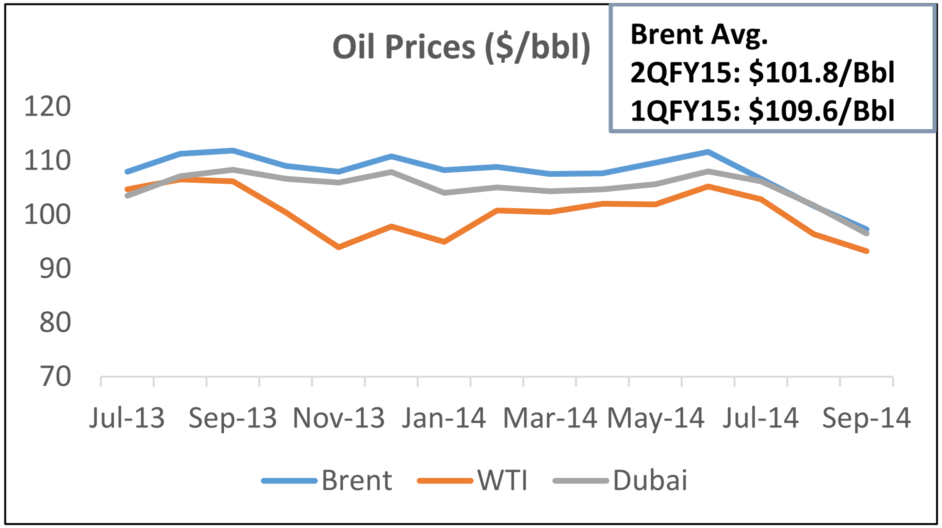
1Q FY15	(in ₹ Crore)	2Q FY15	% Change Y-o-Y	% Change Q-o-Q
3,814	Refining	3,844	19%	1%
1,863	Petrochemicals	2,361	-1%	27%
1,042	Oil & Gas	818	-14%	-21%
81	Organised Retail	99	41%	22%
116	Others	272	127%	134%

- Refining EBIT increased sharply on Y-o-Y due to higher GRM ($ 8.3/bbl vs. $ 7.7/bbl), supported by crude differentials / sourcing advantage
- Petchem EBIT stable on Y-o-Y; sharp Q-o-Q improvement led by strength in polymers, aromatics
- Oil & Gas EBIT lower on account of declining domestic production, lower realization and higher depreciation charge
- Retail business continues to improve profitability

Refining & Marketing

Business Environment

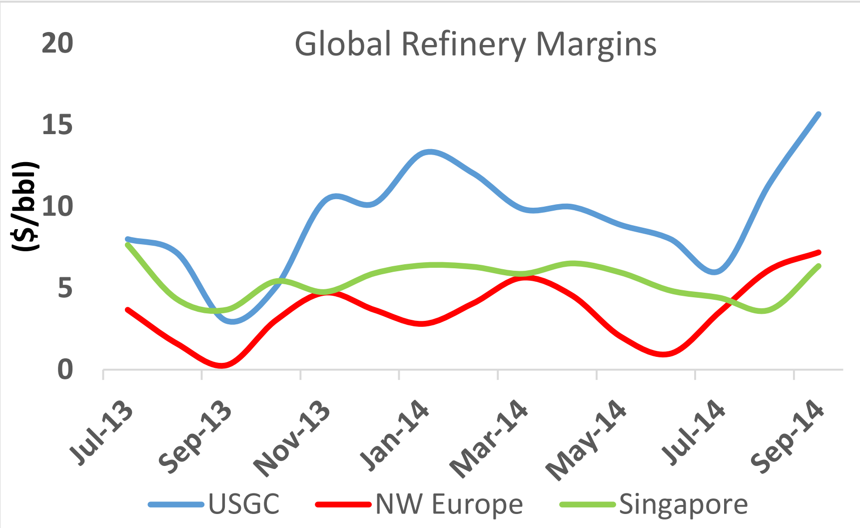
- Uneven and weak global recovery continues
  - US indicators continue to remain positive
  - Economies in EU struggling with stagnation
  - China economy underperforming
- 2014 oil demand expected to grow at moderate rate of 0.9 mbd to 92.6 mbd
- Continuing production growth in US and recovery of Libyan supplies
  - Subdued demand causing oversupply, leading to fall in oil prices
- Effect of ongoing conflicts in Iraq, Libya and Ukraine on oil prices remains muted
- IEA forecast reduced call on OPEC for 2014 from 30.6 mb/d to 29.9 mb/d

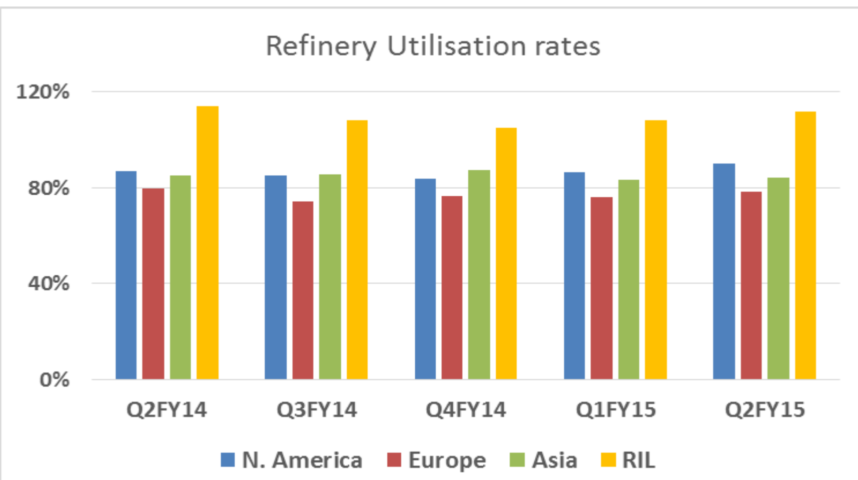


- WTI – Brent differentials narrow due to easing of logistics bottlenecks, weakness in light sweet barrels
- Brent-Dubai spread narrowed sharply as Brent slid lower
- LNG prices fell due to mild summer demand from Far East leading to inventory build up amid ample supplies and early start-up of PNG LNG

Demand growth slowing down and crude price falling amid ample supplies

Global Refining Margins



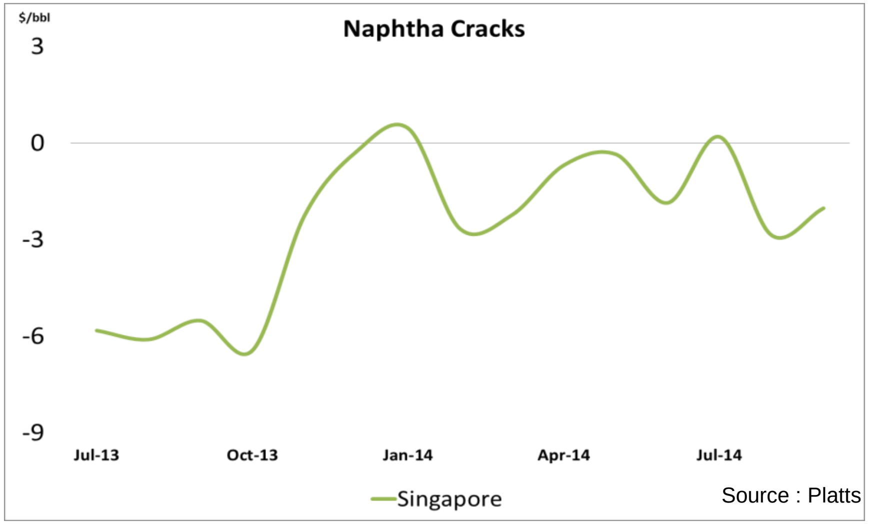


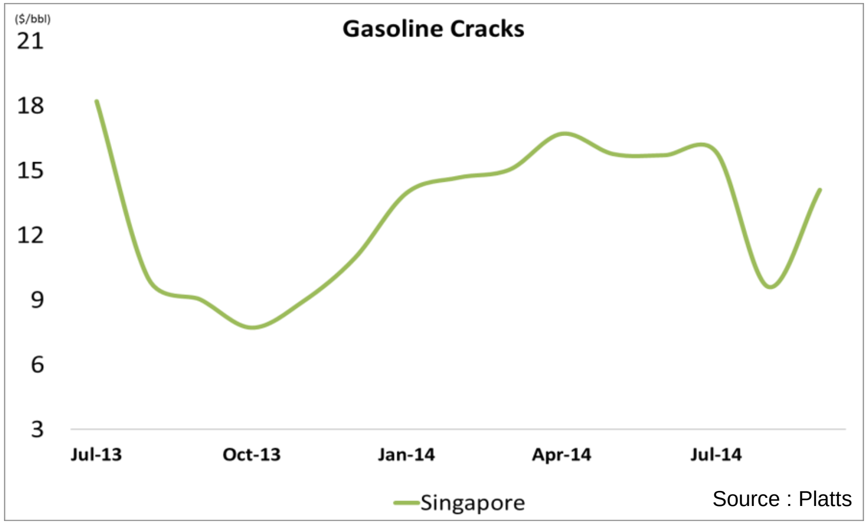
- GRMs recovered in USGC and NWE but fell in Singapore on Q-o-Q basis
- US refiners continue to witness high operating rates
  - Rising shale oil supply
  - Low cost of energy
- EU refinery margins recovered on robust performance by middle distillates, especially Jet/Kero
  - Holiday travel boosted demand for middle distillates leading to stronger margins
- Singapore complex margins weakened by $ 1.0/bbl to $ 4.8/bbl on a Q-o-Q basis
  - Weakness in Gasoline/ gasoil cracks pulled the margins down
  - Margins recovered sharply towards end of the quarter

Asian margins declined on new supply concerns and weak demand

 Source : ESAI

Light Distillates Cracks





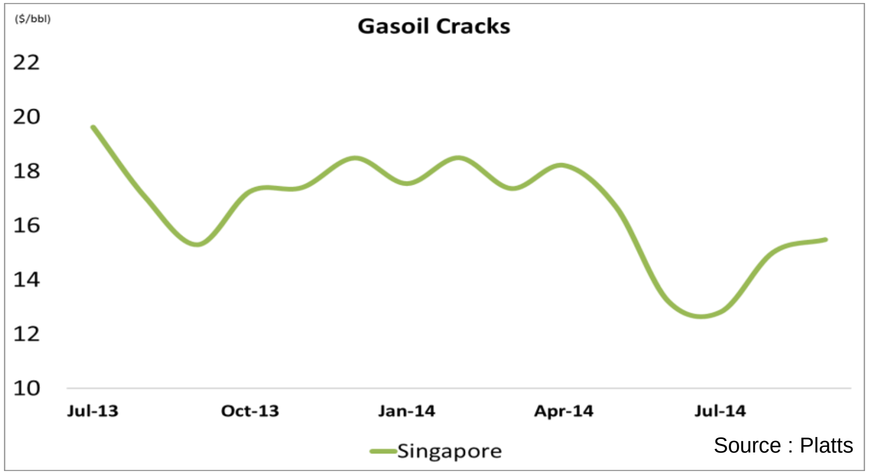
- Naphtha cracks lost steam
  - Asia – Weak demand from petchem due to LPG substitution and ample supplies
  - Europe – Exports to Asia / Africa supported cracks despite drop in gasoline blending demand
  - US – Naphtha cracks were flat with exports balancing seasonal decline in demand for gasoline blending

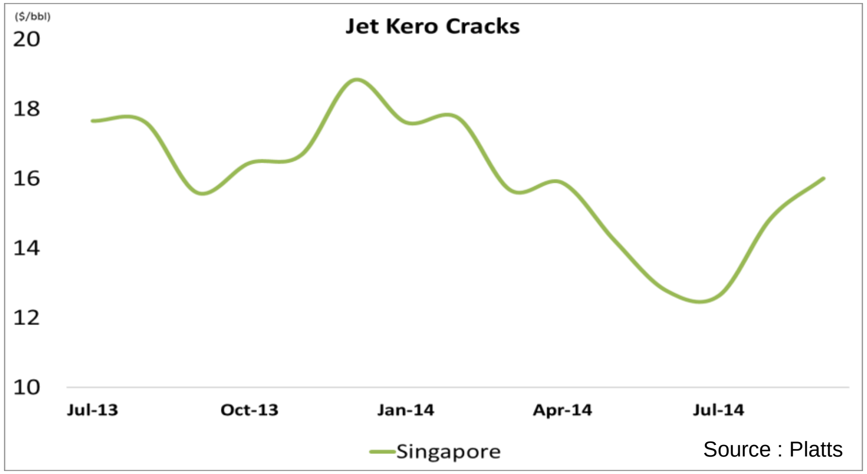
- Weak gasoline cracks pulled Singapore margins down
  - Asia – Gasoline demand weakened seasonally, later supported by unplanned outages
  - Europe - Exports to US due to summer demand and outages in the region provided support
  - US – Despite summer driving demand and unplanned outages cracks declined in 2Q

Weakness in light distillates impacted regional refining margins

 Source : Platts

Middle Distillates Cracks – 2QFY15



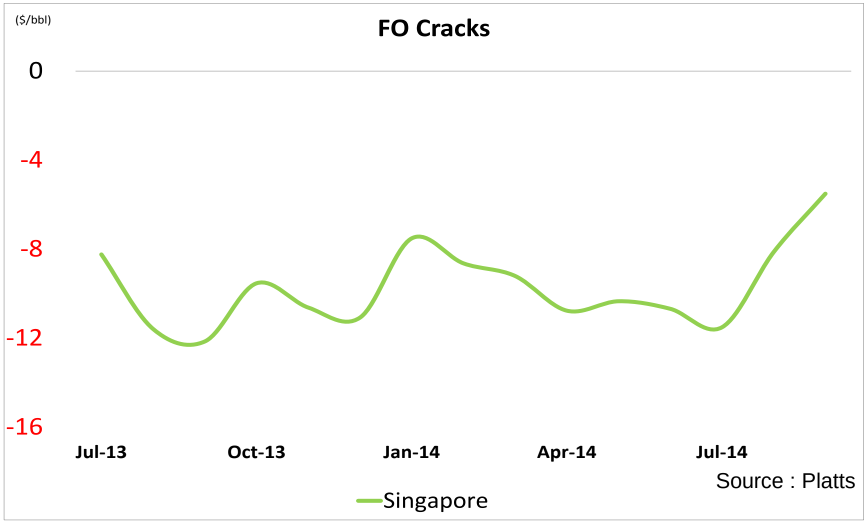


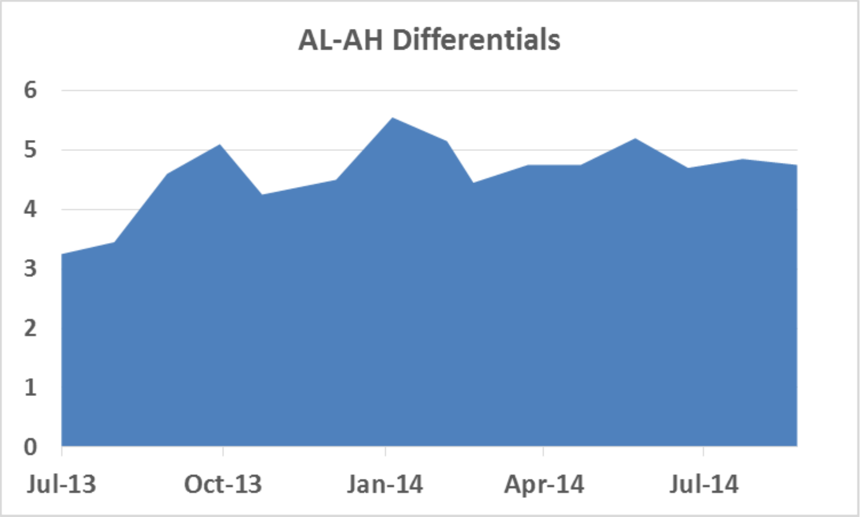
- **Weak gasoil cracks in US & Asia**
  - Asia – Weak regional demand amid ample supplies and lower exports opportunities impacted cracks
  - Europe – Reduced imports from Russia coupled with weakness in crude prices buoyed gasoil cracks
  - US – Cracks recovered a bit from lows in June/ July, buoyed by fall in crude and improving demand in US

- **Jet-kero cracks supported margins in all regions**
  - Asia – Improved Asia-Pacific passenger activity kept the cracks supported in the region. Stockpiling for winter also helped cracks move up
  - Seasonal flying demand and regional maintenance supported the cracks in Europe and US

Improved passenger demand and tight supplies kept Jet-kero cracks strong; Gasoil cracks remained depressed due to muted demand

Fuel Oil Cracks





- Asian FO cracks trended higher supporting regional margins, but are still in the $ -8 to $ -10 /bbl range
  - Improved buying due to low absolute prices along with falling crude prices supported the cracks
  - Low demand from Chinese teakettle refineries checked the gains
- AL-AH differential remained stable at $ 4.8/bbl in 2Q FY15

Fuel oil strength due to low prices supported the margins

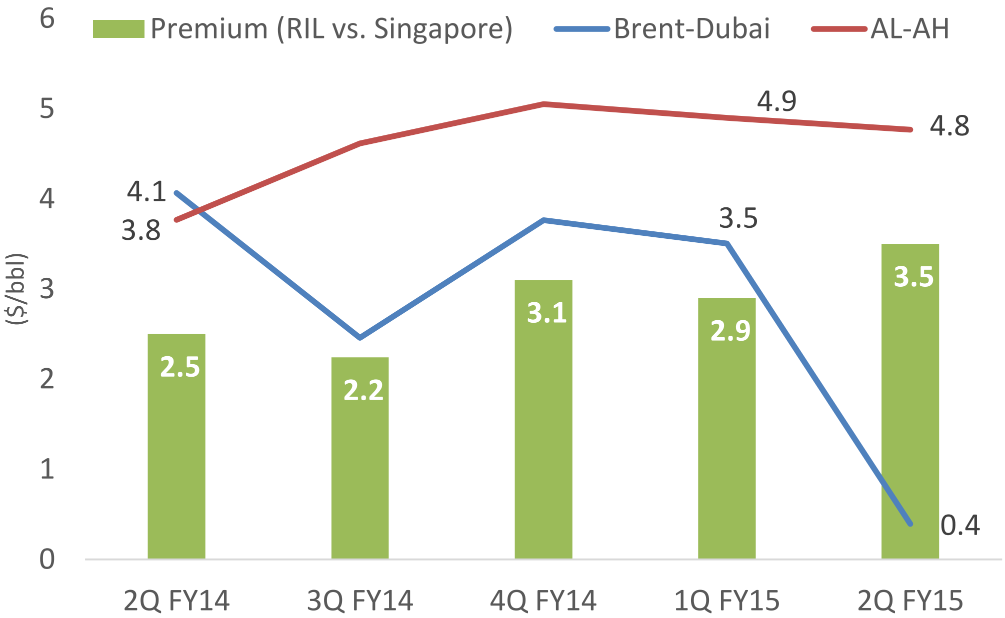
Performance Highlights

- Crude processing of 17.3 MMT in 2Q FY15
  - Operating rate at 112%
  - GRM : $ 8.3/bbl ($ 8.7/bbl in 1Q FY15)
- Continuous emphasis on advantaged feedstock acquisition
  - 2 new crudes processed during the quarter
- Focus on operational excellence through implementation of several Energy conservation schemes
- Awards and accreditations:
  - Second prize in **Global Performance Excellence Awards (GPEA) - 2014** under large manufacturing sector category by Asia-Pac Quality Organization
  - "**Refiner of the Year**" award from PetroFed

Superior configuration and sourcing flexibility helped R&M deliver strong performance

 Source : ESAI

Business Performance – 2Q FY15



Asian Product Cracks ($/bbl)	2Q FY15	1Q FY15	Q-o-Q Change	Q-o-Q % change
Naphtha	-1.6	-1.0	-0.6	-60%
Gasoline	13.2	16.1	-2.9	-18%
Jet/Kero	14.5	14.3	0.2	1.4%
Gasoil	14.4	16.0	-1.6	-10%
Fuel Oil	-10.5	-12.8	2.3	18%

- Strong performance despite weak regional margin environment
- Crude processing of 17.3 MMT, up 3.6% Q-o-Q; Operating rate at 112%
- GRM at $ 8.3/bbl - premium over regional benchmark widened to $ 3.5/bbl; highest in the last four years
  - AL-AH differentials favorable
  - Brent-Dubai spread reduced sharply to $ 0.40/bbl

Product Placement

India Domestic Demand (KT)				% Change	
Product	**2Q FY14**	**1Q FY15**	**2Q FY15**	**2Q - 2Q**	**2Q vs 1Q**
MS	4121	4796	4578	11.1	(4.5)
HSD	15351	18536	15741	2.5	(15.1)
ATF	1321	1390	1381	4.5	(0.6)
Kerosene	1783	1771	1775	(0.5)	0.2
LPG	3932	4032	4321	9.9	7.2
Naphtha	2614	2624	2682	2.6	2.2
Others	5506	6185	5333	(3.1)	(13.8)
Total	**34629**	**39333**	**35811**	**3.4**	**(9.0)**

Refinery Sales (KT)					
(Unit in KT)	**2Q FY15**	**1Q FY15**	**% Change**	**2Q FY14**	**% Change**
PSU Sales	1,955	1,843	6%	1,320	48%
Exports	10,461	10,167	3%	11,784	-11%
Captive	2,654	2,348	13%	2,566	3%
Domestic (Bulk + Retail + Industrial)	1,975	1,906	3%	2,021	-2%
Total	**17,046**	**16,265**	5%	17,691	-4%

- **Domestic Market : Product wise Demand**
  - Overall domestic demand growth of 3.4% Y-o-Y for the second quarter, with strong growth in MS and LPG demand
  - Diesel demand growth is marginal on account of domestic retail price adjustment

- **Refinery Product Sales**
  - Sustained sales growth across domestic as well as exports markets on quarterly basis
  - Robust YoY growth in PSU sales
  - Increased gasoline sales to PSU replacing imports

Aligned to meet the changing market requirements

Source: IPR

Petcoke Gasification Project

- Significant progress made on engineering work, on the verge of completion
- Ordering of almost all equipment achieved
- Construction work in full swing at the Jamnagar site
- Major equipment erection has commenced in accordance with plan

Gasifier Reactor erection in Progress

Petcoke Storage Dome and Material Handling System under construction

Committed towards building a best-in-class, robust and energy efficient complex

R&M Business Outlook

- Global macro-economy remains sluggish except in US
  - IMF trimmed global growth forecast to 3.3 % in 2014 (from 3.4%) and 3.8 % (from 4.0%) for 2015
- Global oil demand set to grow at 1.3% p.a. in 2015
  - Asia along with Middle East and Africa to lead demand growth in 2015
- Refinery capacity additions in ME and Asia to add pressure to already surplus capacity
- Gasoline markets may recover in winter as supplies to remain tight on refinery maintenance
- Autumn refinery maintenance to support gasoil cracks in short term
  - Refinery startup in ME and India likely to weigh on distillate cracks in long term
- New condensate splitting capacity that came online is Asia (also in US) - expected to increase naphtha supplies impacting cracks

RIL to focus on high capacity utilisation levels, operations excellence while ensuring safe and reliable operations

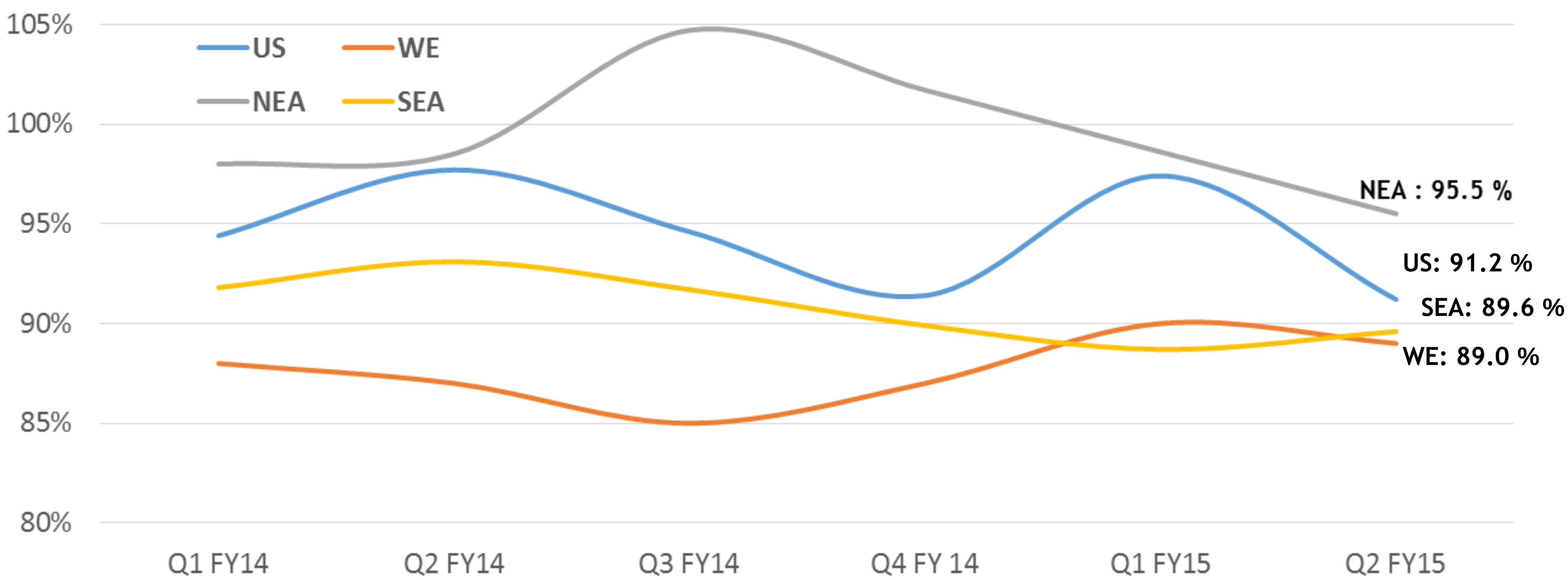
Petrochemicals

Business Environment

- Naphtha declined on the back of weakening crude oil price
- Large planned and unplanned outages kept ethylene supply tight
  - Supply disruptions due to extended maintenance downtime, mechanical troubles, fires etc reduced global capacity by ~ 6%
  - Operating rates declined in most regions
- 1H FY15 Indian polymer demand up 4.9%
  - PE: up 5.6%, PP : 4.7%, PVC : 4.1%
- April-Aug'14 vs. April-Aug'13 China all polymer demand up by 7.1%
  - PP: up 7.1%, PE: up 9.5% and PVC: up 4%
- Ethylene spread close to all-time high of more than $ 600/ MT
- Polymer prices remained firm on Q-o-Q basis
- Overall product margin environment remained strong in 2Q FY15
- PP deltas improved 11% as propylene prices continue to fall on increased supplies in Asia
- PE delta improved by 12% as PE prices were stable while naphtha prices were soft
- PVC margins were higher by 9% due to softening of feedstock EDC prices (-5%)

Global ethylene operating rates expected to remain high in the medium term

Global Ethylene Operating Rates



- US operating rates declined sharply to 91% due to scheduled and unscheduled shutdowns
- SE Asia operating rates at 90% - marginally higher on Q-o-Q basis taking advantage of global tightness
- Western European operating rates at 89% - slightly lower on account of production cutbacks

Naphtha based crackers continue to be the marginal price setter

 (Source: IHS)

Price Movement

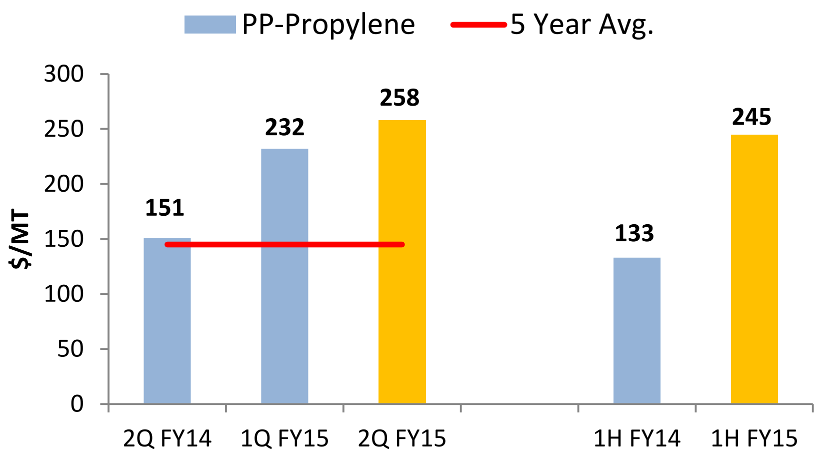
$/MT	2Q FY14	1Q FY15	2Q FY15	% Change Q-o-Q	% Change Y-o-Y
Oil - Dubai ($/bbl)	106	106	101	-4.7%	-4.7%
Naphtha	904	946	899	-5.0%	-0.6%
Ethylene	1325	1450	1484	2.3%	12.0%
Propylene	1337	1309	1282	-2.1%	-4.1%
EDC	359	460	439	-4.6%	22.3%
PE	1471	1555	1581	1.7%	7.5%
PP	1487	1541	1539	-0.1%	3.5%
PVC	1023	1031	1040	0.9%	1.7%

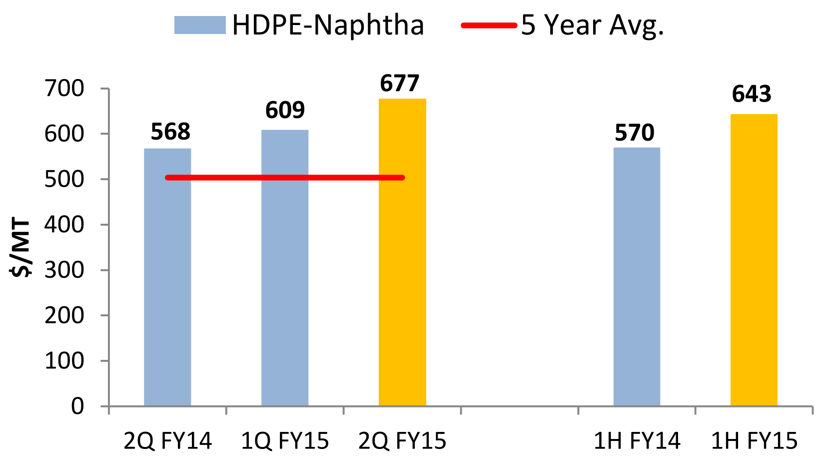
On Q-o-Q basis polymer prices stable to higher

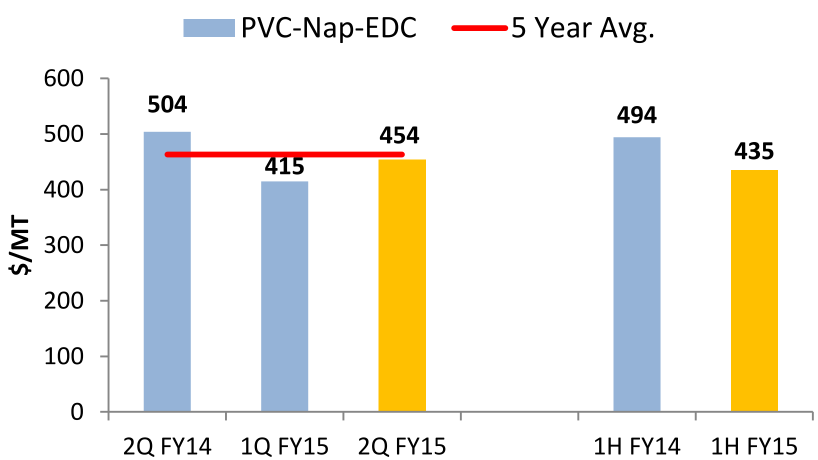
Key feedstock (Naphtha, propylene, EDC) prices remained weak resulting in improved deltas

(Source: Platts)

Polymer Delta Scenario







- PP deltas remained high as propylene prices continued to fall on increased supplies in Asia and lower demand from non-PP applications
- PE delta improved sharply due to firm PE prices on the back of strong ethylene prices – weak naphtha price also supported margins
- PVC margins improvement led by softening of feedstock EDC prices

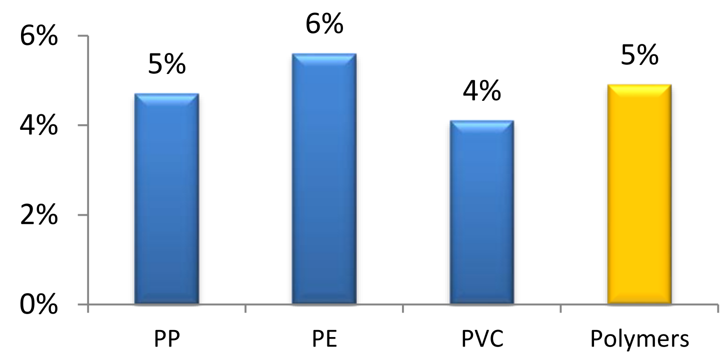
Firm polymer demand and weak feedstock prices underpinned strong deltas

 Source: Platts

India Polymer Demand: 1H FY15

- Domestic demand up 5%
- End use demand across all majority sectors remained healthy during the first half
- RIL Polymer production was marginally lower at 2.2 MMT
- Overall RIL's polymers production share was 63% in 1H FY14
  - Domestic market share stood at ~38%
  - RIL remained major player in PP segment with market share of 60%
- RIL polymer export was : ~ 0.4 MMT up by 5.2%

India Demand (1H FY15 vs. 1H FY14)



RIL Production

Production (KT)	1H FY14	1H FY15
PE	526	519
PP	1,411	1,393
PVC	336	302
TOTAL	2,273	2,214

Rebound in polymer demand during 2Q reflect improving domestic business and consumer confidence

New PP Application: Composite for Truck Battery Cover

- OEMs in auto sector are constantly upgrading their technology and focusing on parts with lower weight and improved performance at lower cost
- Battery Cover used to be in metal earlier but now being converted to PP Composite especially PP long glass fibre
- The PP based product offers following advantages:
  - Economical
  - Light weight
  - No corrosion
  - Easy processing
- Successfully commercialized new PP application and development is being extended to other OEMs

Objective of new product development is to offer cost effective and higher performance polymer for Automobile Sector

New initiatives - Ethane Imports from USA

- Providing feedstock flexibility and long-term supply security to existing crackers
- RIL's crackers to receive ethane imported from the US
  - Long term feedstock competitiveness.
  - Exploring de-bottlenecking options for existing plants
- Project Status
  - Executed storage and capacity agreements for liquefaction and export of ethane with a North American Terminal
  - VLECs for transporting liquefied ethane ordered
  - Construction started for receiving facility at Dahej
  - Work started for Cross country pipeline for supplying ethane to sites

End-to-end integration to improve long term competitiveness of cracker portfolio through dedicated feedstock

ROGC (Refinery off-gas Cracker)

Feedstock from Refinery

- Refinery off-gases from primary and secondary units

ROGC at Jamnagar

- Ethylene 1.4 MMTPA
- Propylene150 KTPA

Downstream Capacity

- LLDPE – 550 KTPA
- LDPE – 400 KTPA
- MEG – 730 KTPA
- PP – 156 KTPA

Feedstock Integration

- Off-gases rich in C2/C3
- Light feedstock advantage
- Maximize value addition to in-house streams

Cost Advantage

- World scale capacity
- Producing ethylene in a cost efficient manner

End Uses

- Bulk / Flexible Packaging
- Automobile
- Medicare
- Infrastructure / Agriculture
- Polyester

New ROGC at Jamnagar will have globally competitive cash cost and help RIL sharply reduce its blended ethylene cost

Project on track - construction work in progress

ROGC Furnace

PX 4 Equipment

Outlook

- Global operating rates expected to remain firm
  - SE Asia operating rates to firm up to over 89% in the near term
- SE Asia polymer demand growth estimated at 5.5% in 2014; global growth 4.7%
- Demand growth in India likely to rebound to long term average of ~10%
- Rapid execution of ROGC project at Jamnagar - design activities completed and procurement/ construction commenced
  - Capacity addition to cater to growing Indian demand
- Improving feedstock sourcing - importing ethane from US for existing crackers to provide cost advantages

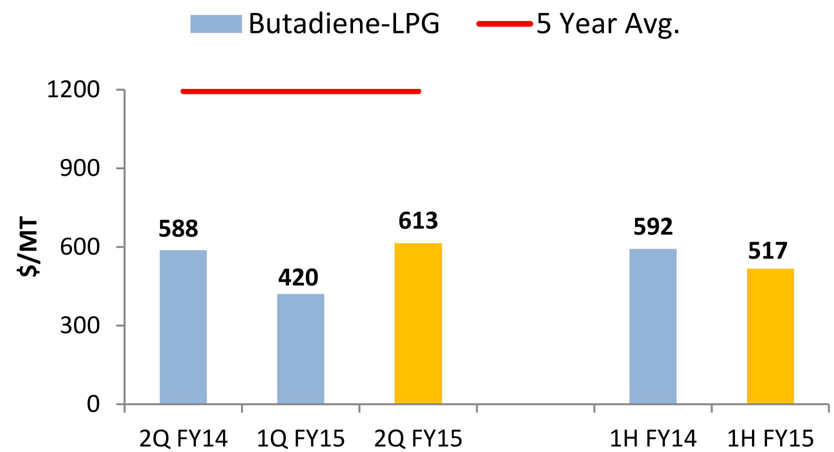
RIL to focus on growing market opportunities with its distribution reach, higher operating rates and new capacity additions

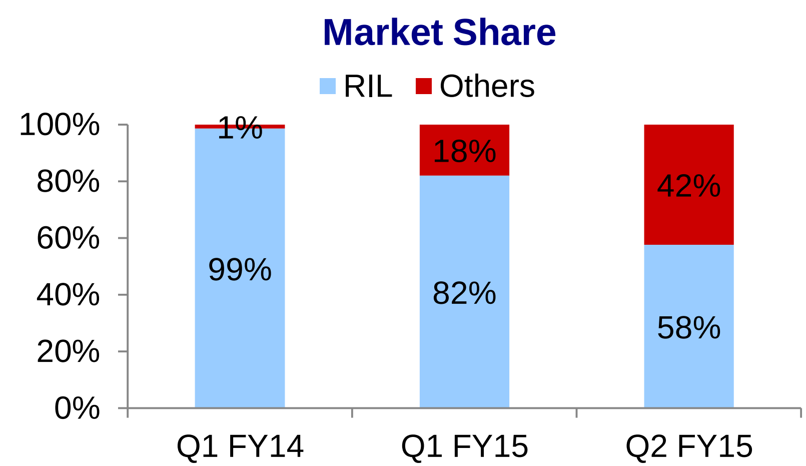
 (Source: IHS)

Elastomers

Butadiene

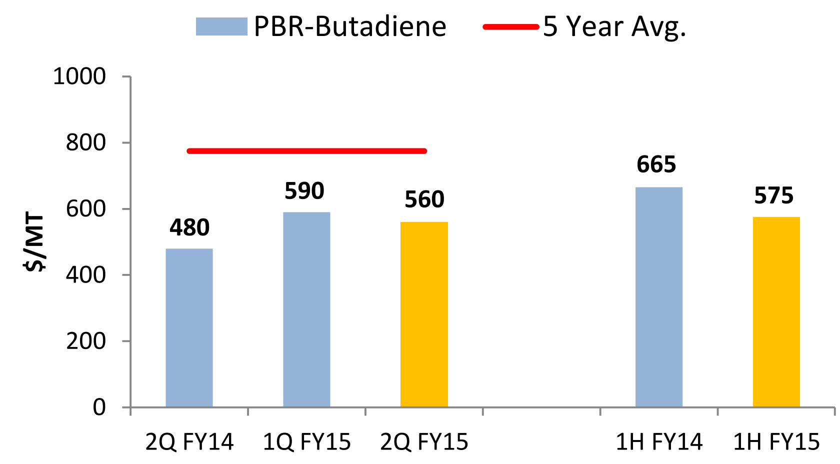
- Butadiene prices remained low at $1300 – $1500 /MT
  - New capacities coming online
  - Lackluster demand from synthetic rubber and ABS sectors in Asia
- Temporary shutdowns and shift to LPG cracking heightened volatility in prices
- Low natural rubber prices also impacted downstream synthetic rubber price trends
- Deltas improved on Q-o-Q basis, but significantly below long-term averages

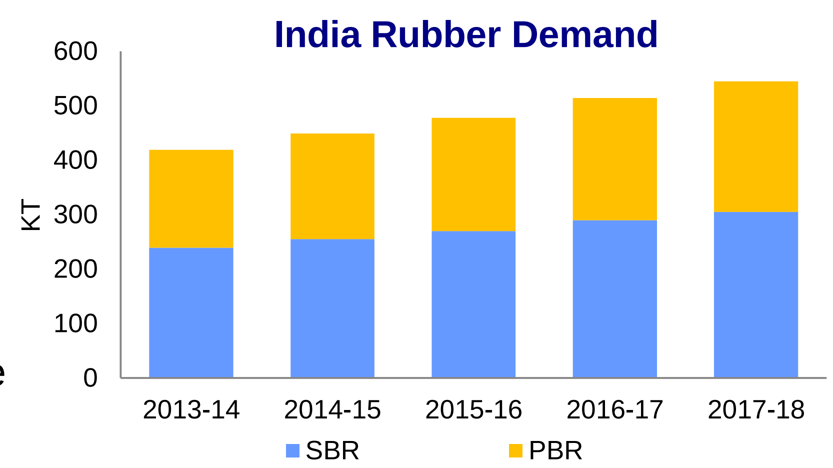




Polybutadiene Rubber (PBR)

- RIL stabilized operations of its new swing 40 KTPA PBR plant at Hazira
  - Total capacity now at 114 KTPA
- Product from new plant successfully placed in the market after due approvals from the end-users
- Local availability of additional PBR has helped domestic rubber industry to reduce their dependence on imports
- Uptrend in Indian auto sector sales since May 2014
  - Positive impact on the synthetic rubber consumption in India
- With the new capacity addition RIL's market share improved to 51% at the end of the quarter





Polyester & Fibre Intermediates

Business Environment

Fibre Intermediates

- High volatility across feedstock and intermediates prices
- Weak naphtha prices provide uplift to FID deltas, Q-o-Q
- PX contracts remained unsettled during 2Q; spot prices increased 7% Q-o-Q
  - Margins rebounded 40% Q-o-Q
  - Operation cutbacks aided margins, new startups impacted in Sept'14
- PTA prices remained volatile. Margins recovered Q-o-Q, touching highest level in a year
  - Chinese imports decline sharply
  - India imposed provisional ADD on PTA imports
- MEG prices up 3% Q-o-Q. Margins increased sharply 17%

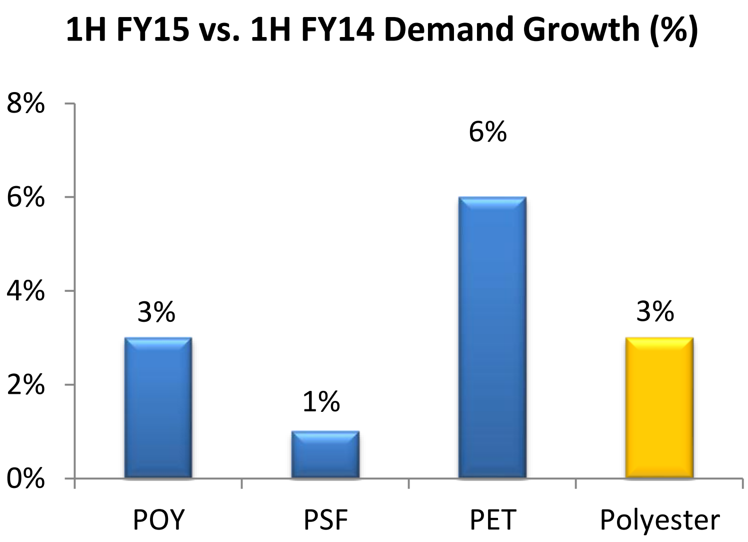
Polyester

- Feedstock volatility affected market sentiments
  - Margins remained stable Q-o-Q, higher Y-o-Y due to production curtailment
  - PSF sentiments weak, but inventory not alarmingly high
  - PSF markets in America remain strong both for knitting and weaving
  - Winter wear demand pick-up at quarter end
- PET demand across regions weakened due to seasonality
- Overall polyester demand up 3% in 1H FY15
- Lower cotton prices dampened sentiments, but not a threat to polyester pricing

Cautious buying slowed demand growth across industry

Domestic Polyester Demand

- Demand growth led by PET and FDY
- Spinners inability to pass on costs impacted PSF demand
  - Cheaper yarn imports impacting demand growth for PSF
- PFY market growth lower than expected in festive season
  - Downstream players destocking inventories
- RIL's PFY markets share increased with the start up of Silvassa facility
- PET demand better than last year owing to delayed monsoon



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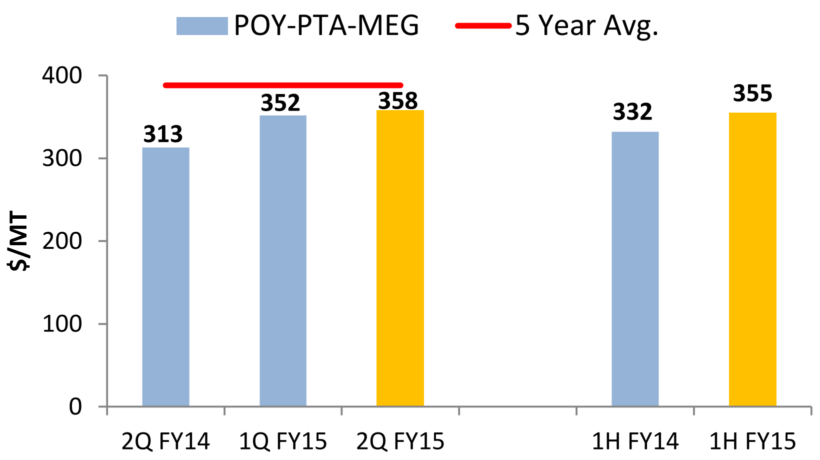
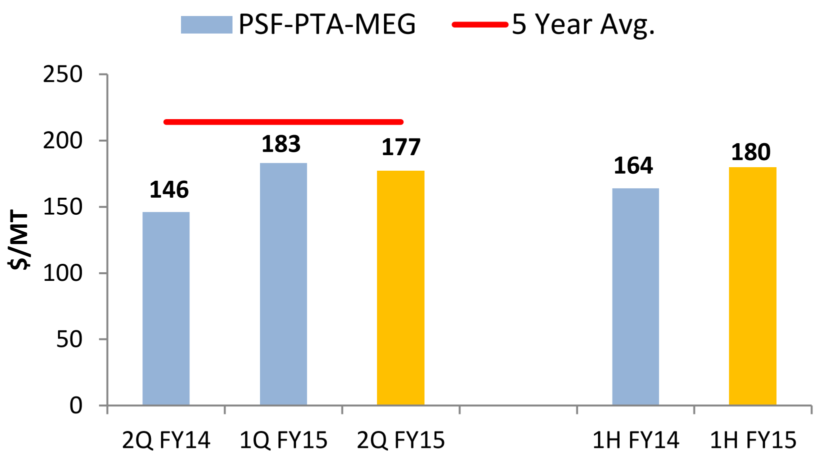
$/MT	2Q FY14	1Q FY15	2Q FY15	% Change Q-o-Q	% Change Y-o-Y
Oil - Dubai ($/bbl)	106	106	101	-4.7%	-4.7%
Naphtha	904	946	899	-5.0%	-0.6%
PX	1462	1264	1350	6.8%	-7.7%
Benzene	1256	1292	1305	1.0%	3.9%
LAB	1834	1778	1779	0.1%	-3.0%
PTA	1107	943	1007	6.8%	-9.0%
MEG	1065	943	972	3.1%	-8.7%
POY	1638	1493	1564	4.8%	-4.5%
PSF	1471	1324	1383	4.5%	-6.0%
PET	1430	1293	1315	1.7%	-8.0%

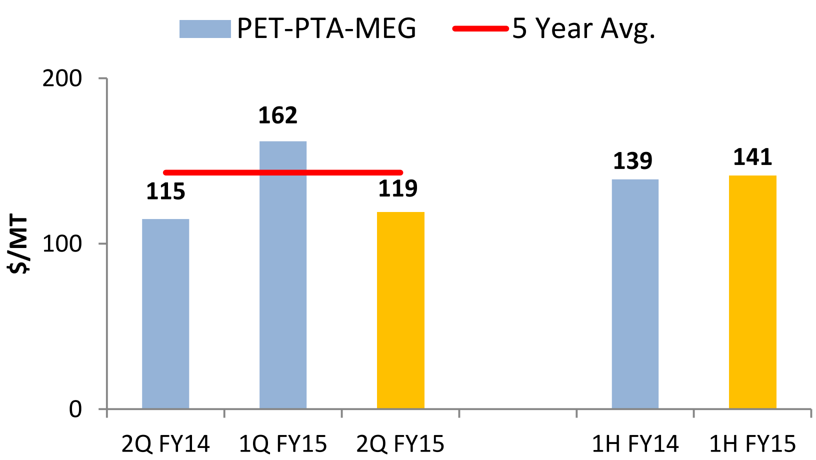
Polyester price increase lagged FID price rise on Q-o-Q basis

(Source: Platts, ICIS)

Polyester Delta Scenario

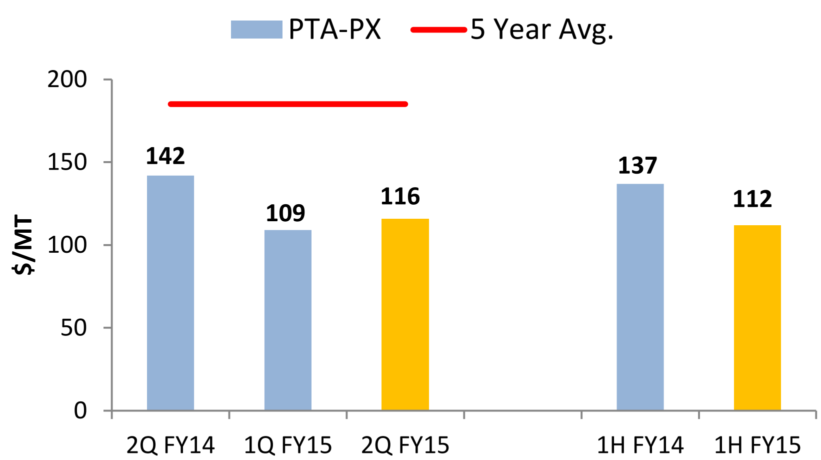


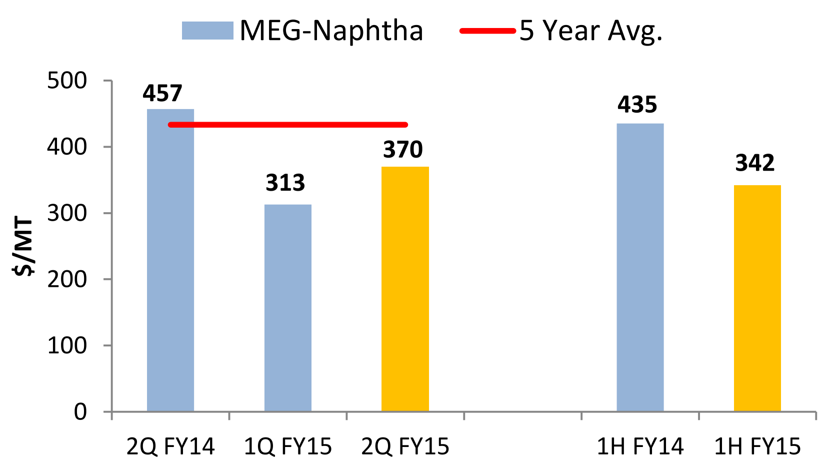




- POY margins remained stable on Q-o-Q basis despite feedstock volatility
- PSF margins impacted due to lower demand and firm intermediate prices
- PET margins were marginally lower due to seasonal factors
- Margins on Y-o-Y basis were up across products

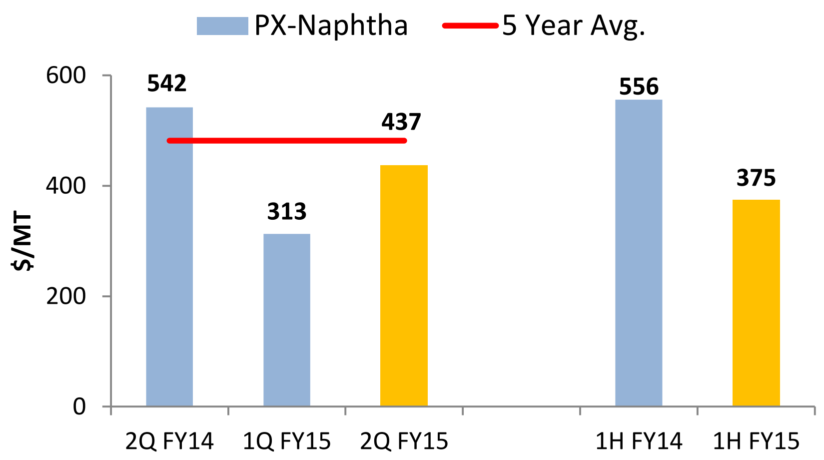
Fibre Intermediates Delta Scenario

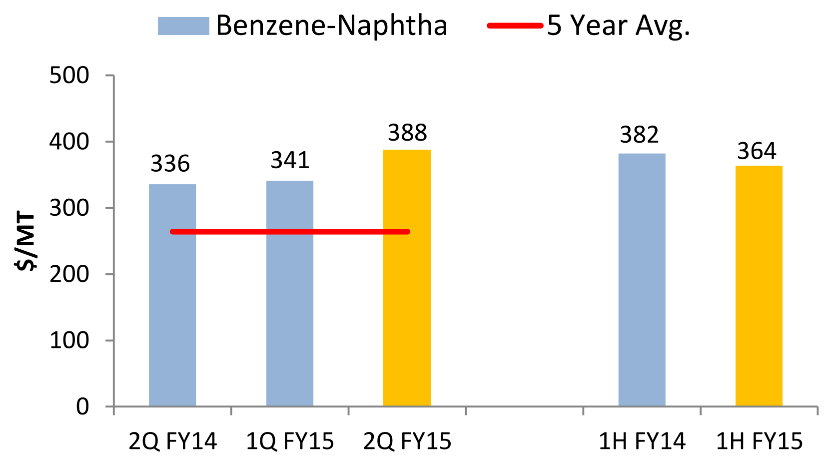


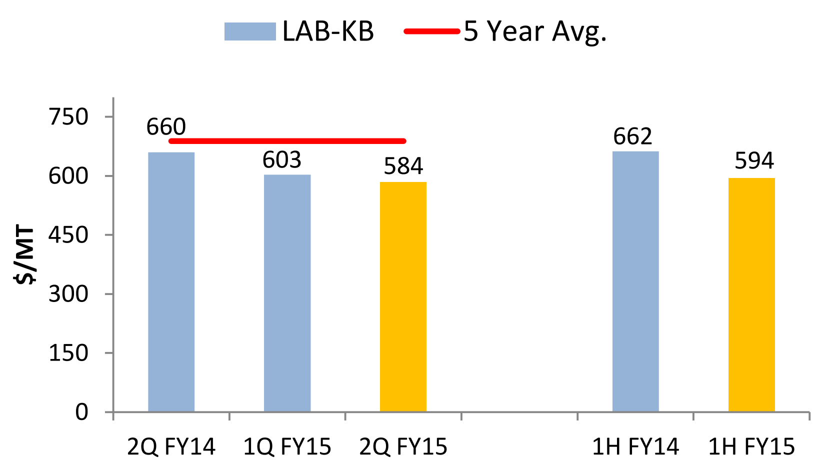


- PTA margins were stable in 2Q
  - Formula based pricing partially adopted – stemming losses, producers continued to curtail operations
  - India has overtaken China as the top destination for Korean exports
- Lower naphtha prices aided MEG margins (+18%) towards end of the quarter
  - Margins still below 5 year average despite decline in China port inventory

Aromatics Delta Scenario







- PX margins recovered sharply in 2Q, however continues to remain volatile
- Benzene margins improved despite steady price decline, lower Naphtha favoured; Continued above long term average
- LAB margins under pressure amidst glut in market owing to capacity additions in Asia
  - Stable demand in Asia and ME /Africa region
  - Indian markets fared better on base effect

RIL Operational Highlights

Production (KT)	1H FY14	1H FY15
PX	963	1,046
PTA	1,016	1,021
MEG	335	323
TOTAL	**2,314**	**2,391**

Production (KT)	1H FY14	1H FY15
POY	326	435
PSF	318	308
PET	172	200
TOTAL	**816**	**943**

- Polyester production increased with the start-up of Silvassa facility early this year
  - Polyester filament market share increased to 27%
- RIL polyester exports increased 8% Y-o-Y
- Intermediates production higher due to planned turnaround in PX last year

New Product Developments

Apparel fibre and yarns

- Recron® Sparkle – For rugs, fancy yarn and hand knitting
- Recron® GreenGold – For sustainable apparel & denim
- Recron® EcoD – Dope dyed PSF for apparel & home textiles

Recron Certified Products

- Mattress – Specially engineered mattress using EHS (Enhanced Healthy-Sleep) System for a healthier sleep and better comfort

Business Outlook

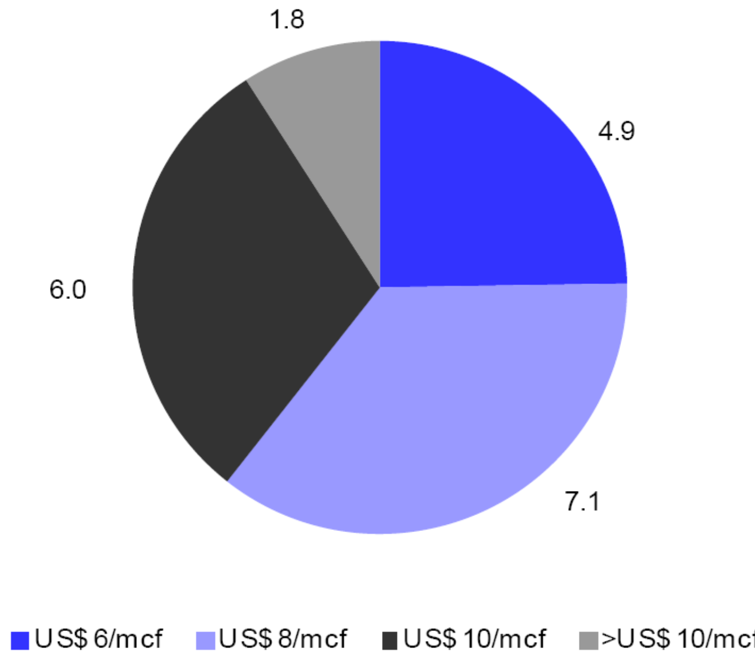
- Possible China slowdown is a concern for overall textile growth
  - Polyester facilitates better inventory management, thus would continue to be preferred over cotton
- PX prices settled for the first time since Jan 2014, likely to improve sentiment and bring stability
- Polyester demand likely to gain support in short term with seasonal / festive buying
  - Emerging signs of increasing orders for garments and textiles from the export market
  - Manageable inventory at the quarter end, unlikely to impact next quarter
- PX capacity addition surpassed demand growth pressurizing margins
  - 7 MMT added in 2014 compared to estimated demand growth of 2 MMT
  - Operation rationalization would determine demand supply dynamics

Oil and Gas – Exploration and Production

Business Environment

- LNG markets to stay tighter for longer
  - Asian LNG markets growing at 5% p.a.
  - Japan nuclear restart limited; Uncertainties over China's shale gas outlook
  - Delays in FIDs of greenfield projects
  - Gas supply cutbacks by key exporters Egypt, Algeria and Angola
- Wood Mackenzie estimates
  - Shallow/ onshore /deepwater cluster fields needs at least $ 8/MMBTU for monetization
  - Stand-alone deepwater /ultra-deepwater needs $10 /MMBTU to be monetized
- Higher domestic gas prices to incentivize deepwater resource development – reducing dependence on LNG imports

Incremental reserves development at various gas prices (tcf)



 (Source: Wood Mackenzie – June 2013)

Domestic E&P Production Update

2Q FY 15		1H FY15	1H FY14	% Chg.
	Panna-Mukta			
1.8	Oil (MMBBL)	3.8	3.6	6%
16.5	Gas (BCF)	34.7	33.8	3%
	Tapti			
0.1	Oil (MMBBL)	0.1	0.1	-15%
3.9	Gas (BCF)	8.5	14.9	-43%
	KG-D6			
0.5	Oil (MMBBL)	1.0	1.0	3%
40.6	Gas (BCF)	82.6	94.6	-13%
0.1	Condensate (MMBBL)	0.2	0.1	24%

Note: JV Production volumes

- RIL share of domestic production at 35.8 BCFe (vs. 39.7 BCFe in 2Q FY14)
- Average KG-D6 production at 12.8 MMSCMD of gas and 6,508 BOPD of oil/condensate
- Panna-Mukta – production increase on Y-o-Y basis due to new wells including infills drilled during Q3/Q4 FY14 and revival of shut in wells
  - Tapti – Fall in production was on account of natural decline
- Average crude oil price realization for 2Q FY15 was $ 94.89/bbl for KG-D6 and $ 106.14/ bbl for PMT
- Gas prices unchanged - $ 5.73/MMBTU from Panna-Mukta, $ 5.57/MMBTU from Tapti and $ 4.20/MMBTU from KG-D6

KG-D6 Block – Project Update

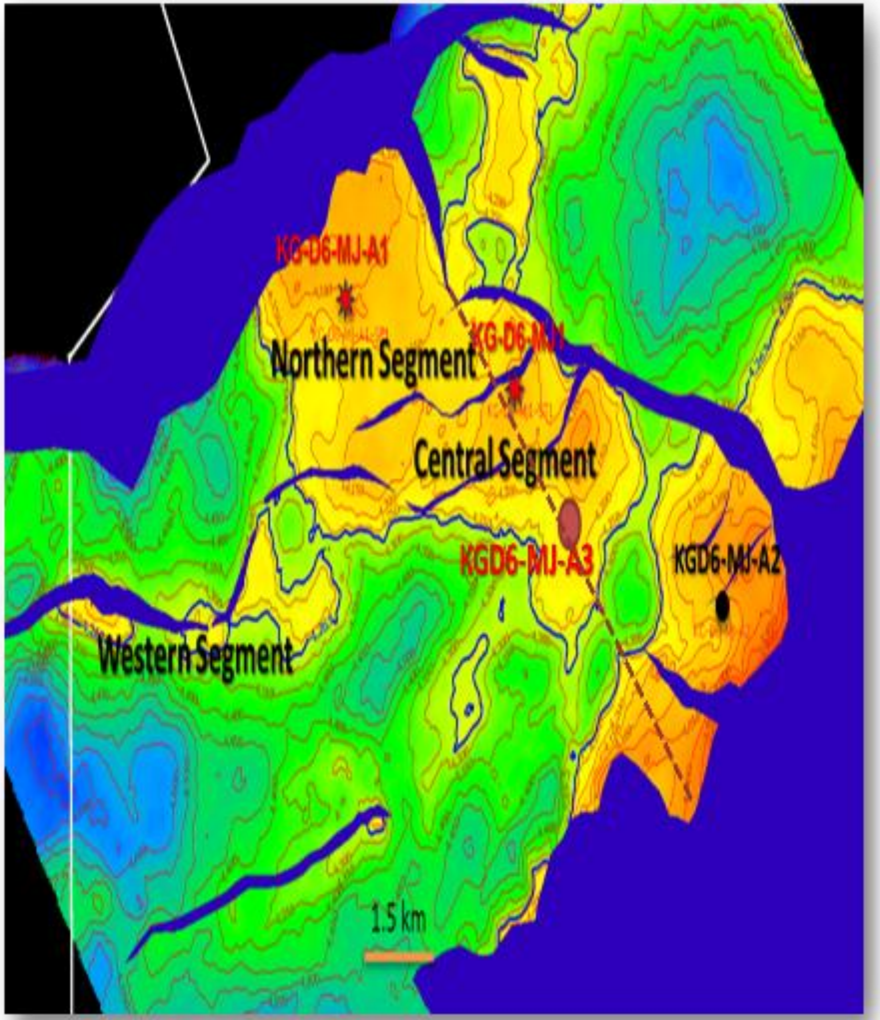
- Onshore Terminal Booster Compressor (OTBC):
  - Compressors and Gas Turbine package installed on foundation. Construction activities underway
  - Working towards commissioning of 2 compressors by 1H 2015
- Activities in D1-D3 and MA to augment production
  - Results of initial interventions (water shut off jobs) in D1-D3 field not as per expectation
    - Revival actions in these wells are being considered post commissioning of OTBC
  - Currently intervention activities being planned in the D1-D3 field include side track and substitute well(s)
  - Based on successful side track in MA6H well, side track options are being considered in other MA field wells
- R-Cluster development
  - FEED and Geo-mechanical studies completed
  - Contracting activity underway for the long lead items, EPIC and deepwater rig
  - Clarity on gas price required for FID

OTBC : AIR COOLER , COMPRESSOR STACK

OTBC :GAS TURBINES ERECTED ON FOUNDATIONS

KG-D6 Block – Update on D55 Discovery

- D55 discovery made in May'13 in central segment
  - Appraisal period available up to May'16
- Successful appraisal of North segment by well MJ-A1
- Appraisal well MJ-A2 in East segment did not encounter hydrocarbon
- Drilling of third appraisal well MJ-A3 is under way to appraise southern portion of central segment
- Detailed subsurface studies underway for resource appraisal
- Conceptual engineering studies initiated for assessing possible exploitation scheme



Other Updates

- Panna-Mukta and Tapti
  - Work-overs planned in Panna-Mukta fields to arrest decline
  - MB Development - rig contract in place, drilling to commence during 2015, EPIC execution underway – first oil expected by 1Q FY16
  - Abandonment activity process in Tapti field underway – Concept selection and FEED planned
- Other Domestic Exploratory Blocks
  - CB-10 – Entry into Phase II discussion with DGH underway
  - CY-D5 – Appraisal program submitted, under discussion with DGH
  - NEC-25 – DST proposal submitted – waiting for Government directions
- International Ventures
  - Current portfolio comprises of 3 blocks – 2 in Yemen and 1 in Peru
  - Discussions are underway with Myanmar Government for signing PSC of 2 blocks (M17 and M18) awarded to RIL in March 2014

Coal Bed Methane – Development Update

– Phase 1 development on track - more than 60% of project activity completed

– First gas by 2H 2015

Land Acquisition

- ✓ Land acquisition completed for 193 Well sites out of 229
- ✓ Land acquisition for GGS and WGS completed
- ✓ ROU for infield pipeline available for 30.5 KM out of 225 KM

Drilling and Completion

- ✓ 3 rigs is in operation
- ✓ Completed drilling of 135 surface holes, 114 production holes and performed 82 hydro-fracturing jobs out of 229 wells as part of Phase 1

Surface facilities and Civil Construction

- ✓ Concept and FEED for surface facilities is completed and detailed engineering is underway
- ✓ Construction activity is in progress

String Test of Low Capacity Compressor

Separator Skids ready for dispatch

GDU- Regenerator Skid

Coal Bed Methane (CBM) – Pipeline Project

- Laying of 312 KMs natural gas pipeline from Shahdol in MP to Phulpur in UP to transport gas from CBM blocks
- FEED, detailed engineering and ordering for long lead items completed
- 100 % completion of Land acquisition and RoU Notification under PMP Act
- Construction work is underway - project on track with completion of more than 52%

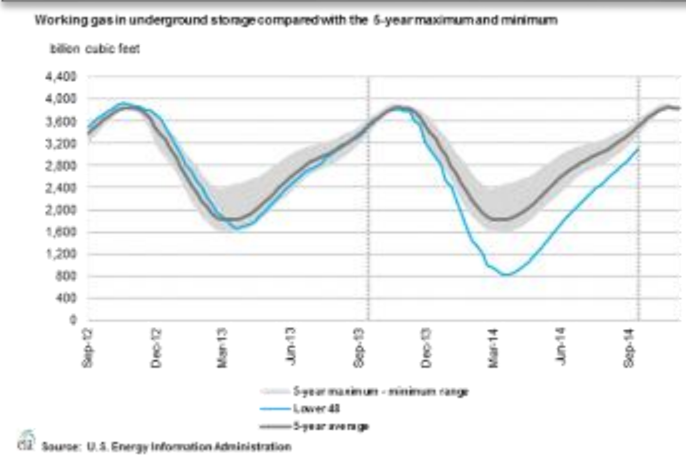
Pipeline lowering in Progress | **HDPE Pipeline welding in progress** | **Laying of HV & LV cables in progress**

Shale Gas Business

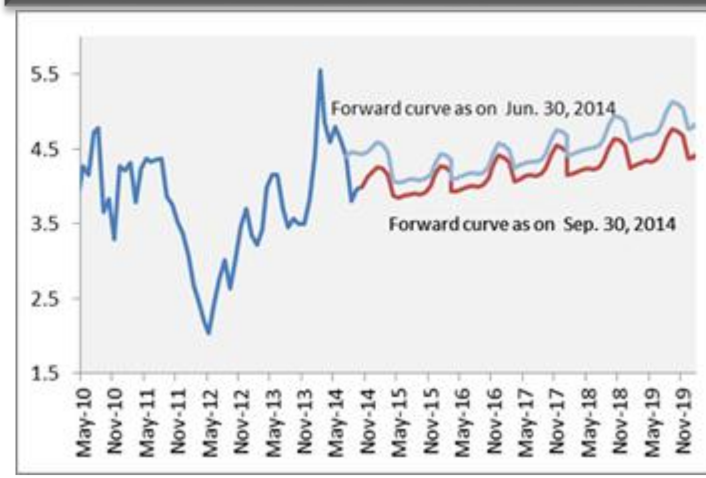
Price Environment

- Q-o-Q softening of prices and high differentials - a key challenge
- HH gas averaged at $ 4.1/MMBTU in 2Q vs. $4.7/MMBTU in 1Q
  - US dry gas production at a record high of 69.6 BCFD in Aug'14
  - Strong production growth, mild summer led to increased gas injections and lower prices
  - Gas inventory at 3.1 TCF, ~11% below last year and 5 year avg
  - Winter weather forecasts to drive near term outlook
- Supply growth ahead of takeaway capacity additions impacted gas differentials during summer in the NE region
- WTI remained below $95/bbl since Mid-Aug'14 and averaged lower Q-o-Q
  - Moderated global growth outlook, increasing ME / US supplies
- NGL prices avg. 7% lower Q-o-Q, though stable ~32.4% of WTI
  - Low ethane prices reflect excess supplies over demand in US
  - Record build-up of propane inventories

US Natural Gas Inventory Levels (Bcf)



Gas Prices (Henry Hub) ($/MMbtu)



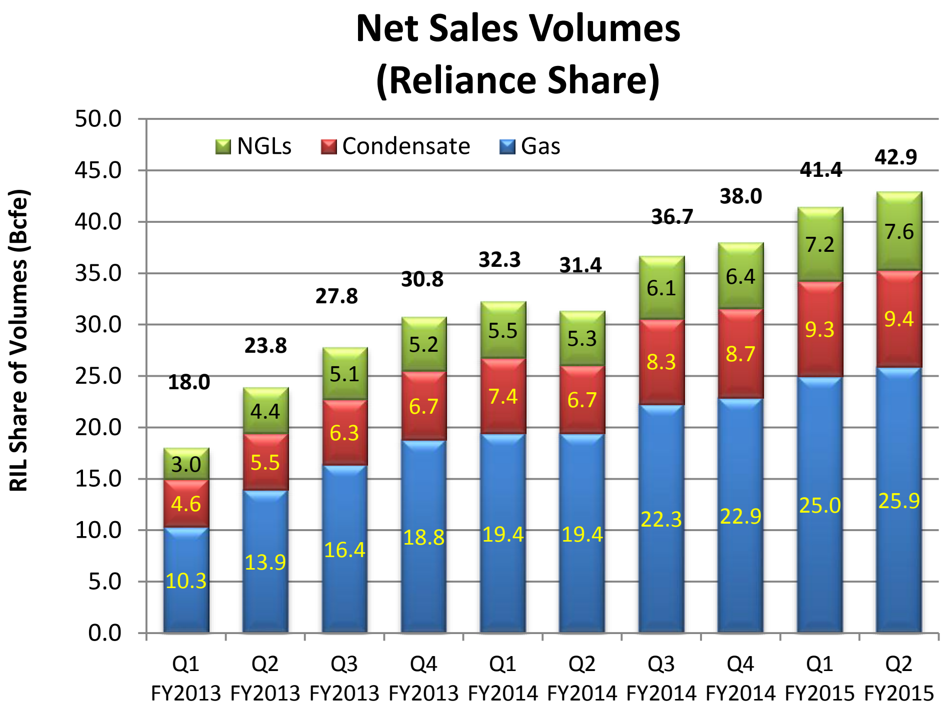
Source: Historical data from EIA; NYMEX Strip prices

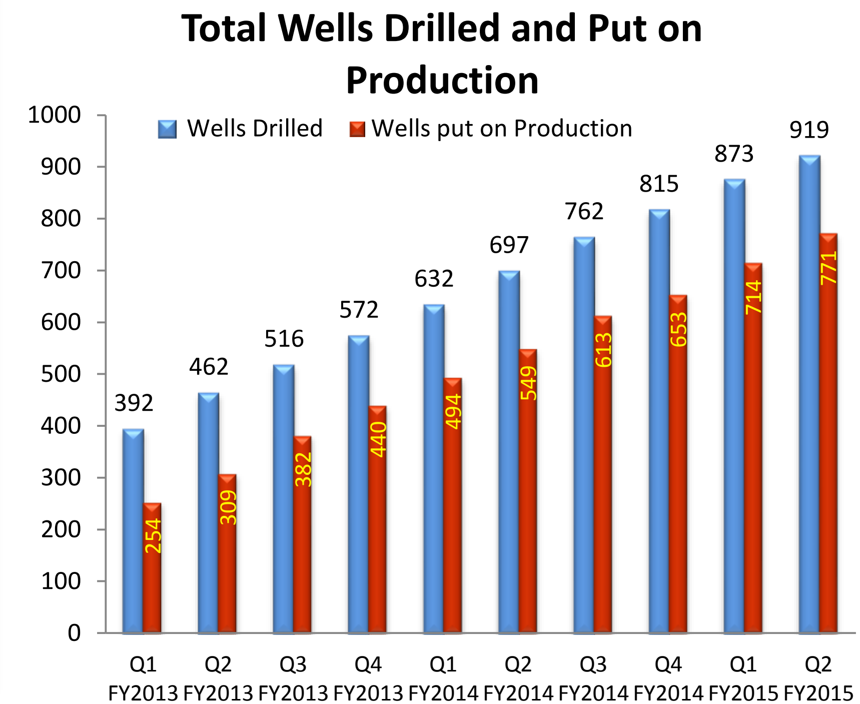
Business Performance Highlights

	2Q FY15	1Q FY15	2Q FY14	% Chg. from 2Q FY14	1H FY15	1H FY14	% Chg. from 1HFY14
Production (BCFe)	49.8	48.6	36.5	36%	98.4	74.4	32%
Revenues ($ MM)	244	270	193	26%	514	408	26%
EBITDA ($ MM)	202	201	127	59%	403	292	38%

- New production records at Pioneer and Chevron JVs; Gross JV production averaged around 1.2 BCFED
- Condensate exports commenced in Jul'14; JV exported 1.0 MMbbl of condensates (~16% of JV gross production) in 2Q FY15. Access to new markets to enable improved differentials going forward.
- Strong growth momentum on Y-o-Y basis; Q-o-Q growth impacted by lower pricing, higher gas differentials
  - Well shut-in for offset frac'ing, midstream maintenance and forced shut-in to prevent lower realization restricted Marcellus volumes below well potential
  - Unit realization at $5.69/Mcfe in 2QFY15, compared to $6.58/Mcfe in 1QFY15 and $6.19 in 2QFY14
  - EBITDA remained steady, benefiting from lower opex across all JVs. Y-o-Y growth impressive at 59%
- Significant progress on ongoing value creation initiatives - Down-spacing and Completion Optimization
- 2Q capex at $ 321 MM; Cumulative investment across all JVs at $ 7.7 bn
- Positive cash from operations at Pioneer and Carrizo JVs; Chevron JV accounts for substantial part of ongoing capex and funding needs

Business Growth Trends





- Development growth momentum remained strong. 46 wells drilled and 57 wells put on production in 2Q
- Aggregate producing well count at 771 wells, reflects growth of 40% Y-o-Y and 8% Q-o-Q
- Share of liquids stable at 40% of sales volumes
- Net sales volume (Reliance share) at 42.9 Bcfe - reflects growth of 4% QoQ and 37% YoY
- Moderated Q-o-Q growth reflects impact of higher downtime, forced shut-in due to higher differentials

Shale Gas JVs: Development Progress Overview

Particulars	Pioneer JV	Carrizo JV	Chevron JV	TOTAL
Average Rigs in operation	9	-	2	11
Wells Drilled in 2Q FY15	30	-	16	46
Wells put online in 2Q FY15	35	2	20	57
Total Wells Drilled (Inception-to-date)	502	98	319	919
Total Wells Hooked up(Inception-to-date)	469*	77	225	771
Gross JV Avg. production (MMscfed) 2QFY15	704	143	346	1,193
% Production Growth YoY (2QFY15 – 2QFY14)	36%	38%	35%	36%
Total Investments (Inception-to-date) ($ Billion)	4.1 (incl. EFS midstream)	0.9	2.7	7.7

Continued progress on ongoing value creation initiatives across all JVs

Focus remains on high-grading of development activity, improving costs and delivering efficiencies

Pioneer JV

- Uniquely positioned to capitalize on the Stabilized Condensate export opportunity.
- Development growth momentum strong, meeting expectations.
- Midstream constraints resolved.
- Production growth strong – up 5% QoQ and 36% YoY in 2QFY15.
- Continued focus on Down-spacing and Middle EF development across liquid rich areas.

Carrizo JV

- NEPA development maturing.
- Down-spacing / infill drilling presents upside potential. Evaluation of test drilling results ongoing.
- NEPA wells performing inline or above expectation. Current production below true well potential.
- Capex momentum slowing; JV has positive cash from operations in 2014.

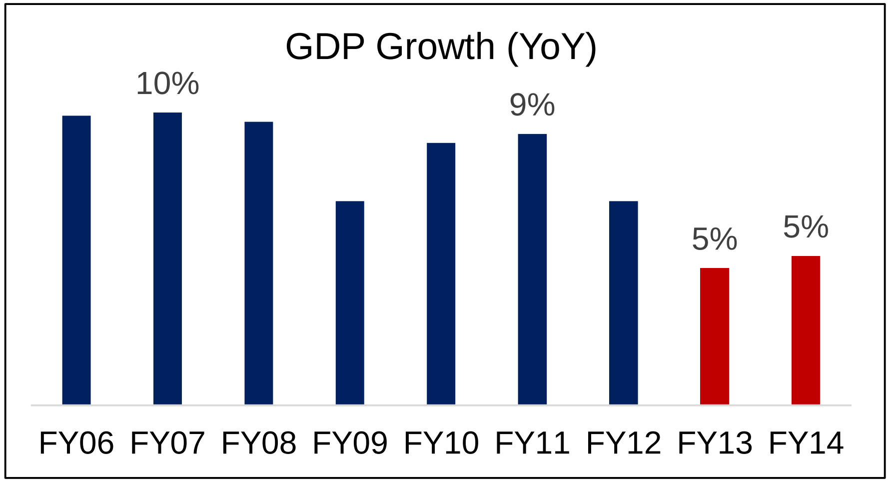
Chevron JV

- Strong well performance trend continued.
- Improving capital and operational efficiency remain a key focus area.
- New completion practices implemented; Expected to result in higher IP / EUR

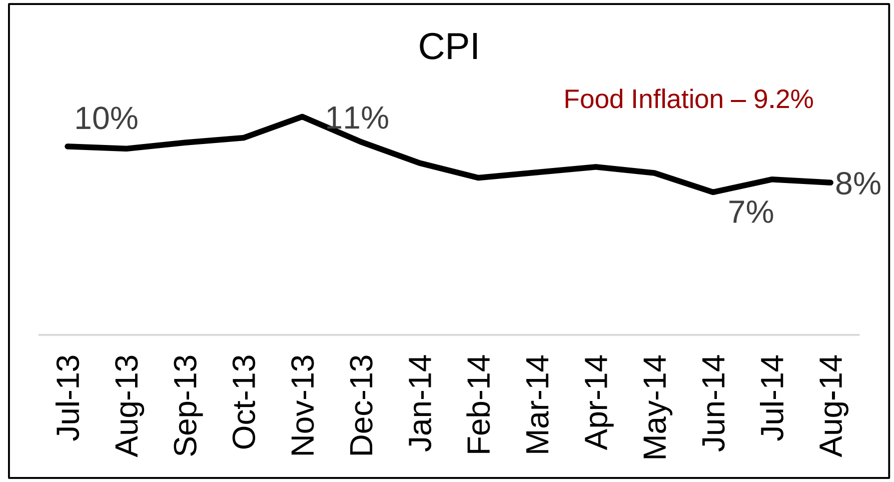
* Includes 2 abandoned wells

Reliance Retail

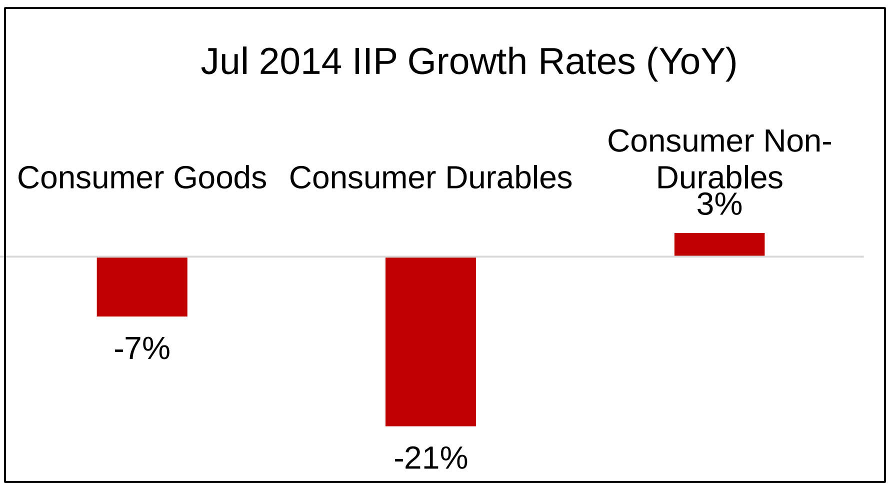
Macro Environment



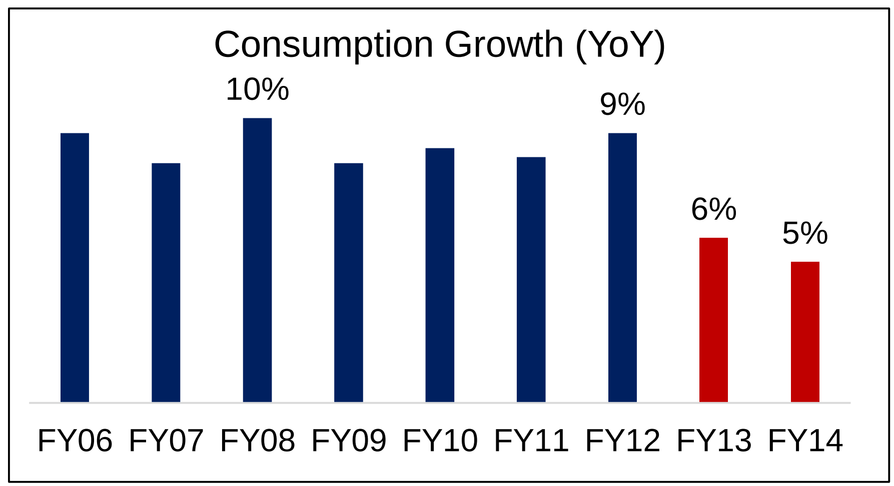
Subdued growth in last two financial years



Higher food and overall inflation as compared to last quarter



Consumer sectors continue to see negative to flat growth in consumer sectors



Consumption growth at lowest in last eight years

2Q FY15 – Key Highlights

- Turnover for 2Q FY15 at ₹ 4,149 crore, up 20% Y-o-Y
  - LFL growth of up to 21% across formats
- Record quarterly PBDIT of ₹ 186 crore, up 96% Y-o-Y
  - PBDIT at 4.5% of sales compared to 2.7% in the same period last year
- Business crossed three major milestones
  - Surpassing turnover of ₹ 4,000 crore in a quarter
  - Operating over 2,000 stores
  - Presence in over 150 cities
- Gross margin improvement across most sectors driven by enhanced inventory management and higher penetration of own brands (in relevant sectors)
- Leverage of scale/fixed costs and strong variable expense control

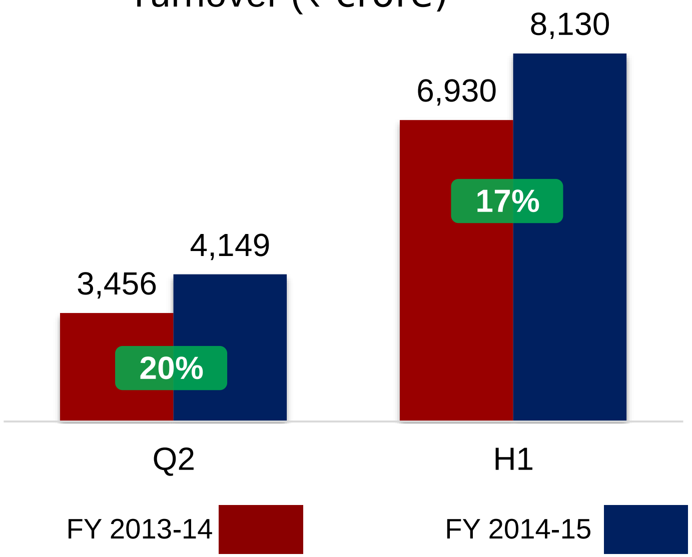
2Q FY15 – Key Highlights

- Successful "Independence Day" sales event, with all formats exceeding targets
- Opened first set of "Payless Shoesource" stores in the country
  - Payless is the largest specialty family footwear retailer in the Western hemisphere
- Piloted Reliance Fresh Direct – Grocery home service
- Opened over 250 Digital Xpress Mini stores this quarter
  - Total of 438 operational stores; overall Digital sector stores now at 689
- Jewelry sector stabilized during the quarter
  - Gold and Diamond Saving Schemes will be closed for redemption by 31st October 2014 in compliance with SEBI directive; exploring alternate schemes
- Pure play on-line retailers extremely aggressive on pricing especially in mobile phones

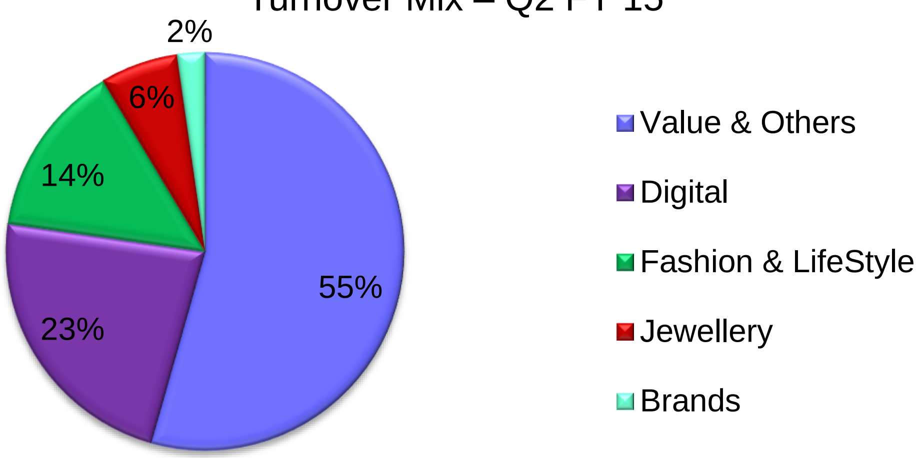
2Q FY15 – Turnover & Mix

- 2Q FY15 turnover at ₹ 4,149 crore
  - Growth of 20% Y-o-Y
- PBDIT of ₹ 186 crore
  - Growth of 96% Y-o-Y

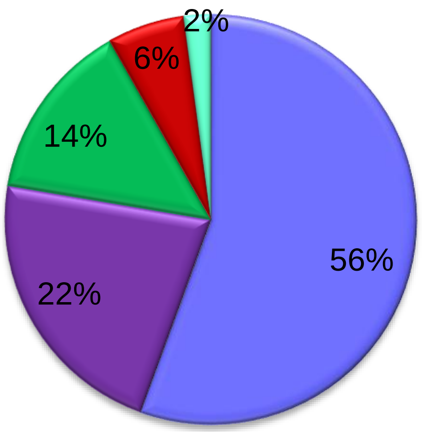
Turnover (₹ crore)



Turnover Mix – Q2 FY 15

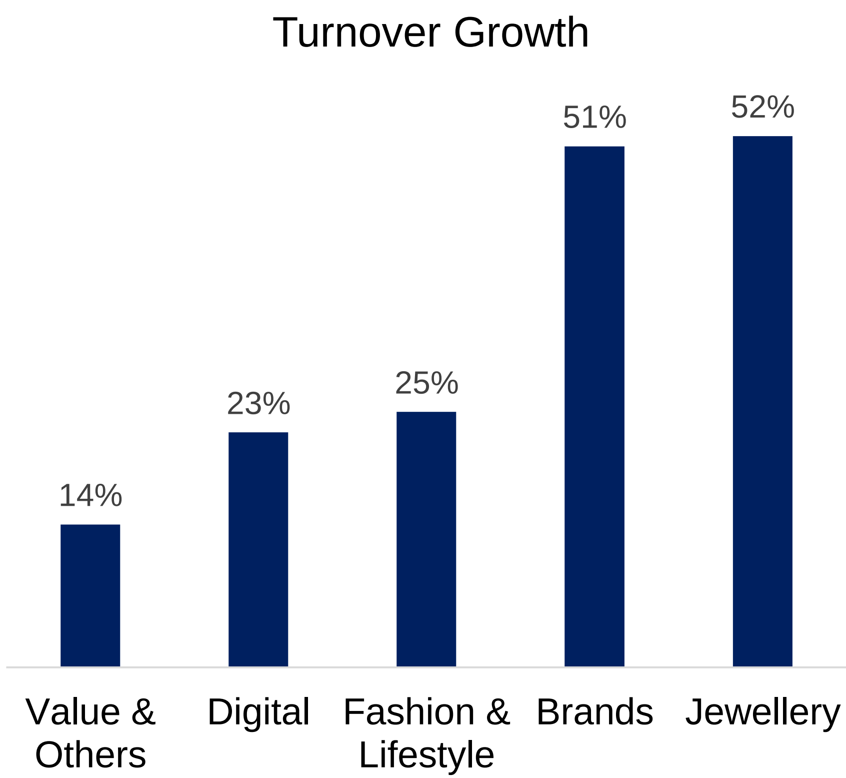


Turnover Mix – H1 FY 15

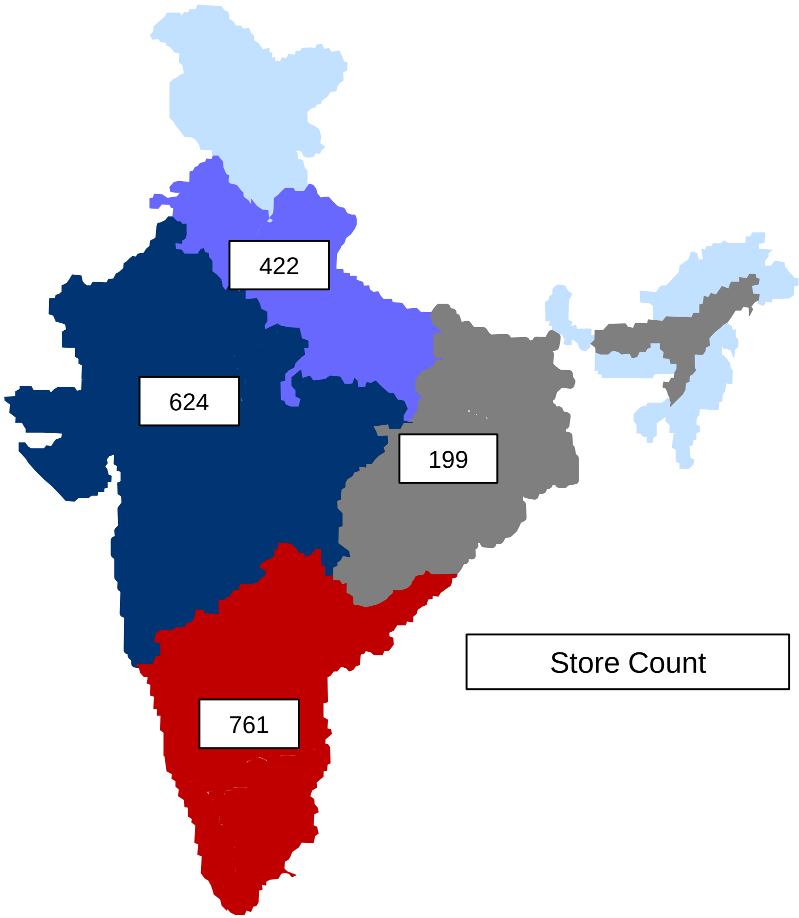


2Q FY15 – Turnover Growth

- Headwinds of persistent inflation and slow consumption growth
- Value sector revenue impacted due to Reliance Fresh store network optimization
- Digital and Fashion & Lifestyle sustained strong growth
- Jewellery sector turnover growth positively impacted due to redemption of gold and diamond saving schemes
- Brands continue strong growth albeit of a smaller base



Pan-India Presence



Store Count by Format Sector

	Jun 30, 2014	Sep 30, 2014
Jewellery	54	53
Brands	100	100
Digital	427	689
Fashion & Lifestyle	540	569
Value & Others	602	595
Total	**1,723**	**2,006**

Operating in 155 Indian cities

Index

Business Performance

- Macro Environment
- Key Highlights
- Financial Performance
- Store Network

Sector Updates

- Value Format
- Digital
- Fashion & Lifestyle
- Brands

Value

- Focusing on increasing store density in core cities for growth and scale efficiency
  - Began augmenting Reliance Fresh portfolio
- Limited roll-out of Reliance Fresh Direct – home delivery of fresh grocery
- Own brand products delivering on promise of value and quality to customers
  - Own brand contribution at 14% for the quarter
- Reliance Market added 3 new stores in Tamil Nadu and Gujarat
  - Over 1.5 million members onboard and growing

Digital

- Continuing to rapidly scale up Digital Xpress Mini concept
  - added over 250 stores in the quarter
  - operating 438 stores in 68 cities
- Deep understanding of consumer needs and strong partnerships with brands
- Extensive product assortment, highly trained staff and dependable service
- Increasing market share and dominance in high end TV's and large appliances
- Strengthening social media presence with 1.6 million+ fans on Facebook in India

Fashion & Lifestyle

- Strengthened own design studio capabilities to enable superior fashion quotient and speed to market
- Launched own design studio and sampling facility to enable superior fashion quotient and speed to market
  - Own brand contribution at 67%
- Launched first set of Payless Shoesource stores in the country
- Reliance Footprint crosses major milestone
  - Presence in 100 cities
- Partnership with Marks and Spencer continues to witness strong growth

Fashion & Lifestyle – Payless Shoesource

- Payless Shoesource is the largest footwear retailer in the world with 4,400 stores in 30 countries
- Stylish products positioned at competitive price points. Primarily mall based stores in the initial growth stage
- Relevant product in all categories and serve the entire family for all occasions
- Several recognized and proven own brands / products
- Opportunity to localize sourcing to optimize cost and speed to market

Brands

- Continuing growth momentum of the first quarter
  - Second quarter turnover also increased by 50% on Y-o-Y basis
- Continue leveraging Iconix Lifestyle India brand portfolio
  - Initiated retail of Cannon – an American furniture brand – through license partner
- Continually exploring partnership opportunities to extend reach of brands in the country

CANNON'S
Fine Home Furnishings & Interiors

Summary

Summary

- Robust operating performance reflecting strong integrated energy portfolio of RIL
  - Refining – Crude differential offset weakness in product cracks; stable demand outlook
  - Petrochemicals – Rebound in polymer and aromatics; weakness persists in polyester
- Retail business witnessed strong growth in EBITDA, margin expansion
- Volume growth momentum driving US Shale operations – JV production up 36% Y-o-Y
- Significant progress made on projects in petchem and refining business
  - Projects expected to fructify over the next 12-18 months
- Clarity on gas pricing to enable achieving goal of enhanced production towards ensuring India's energy security

RIL's investments to provide sustainability of growth and profitability

Thank You