

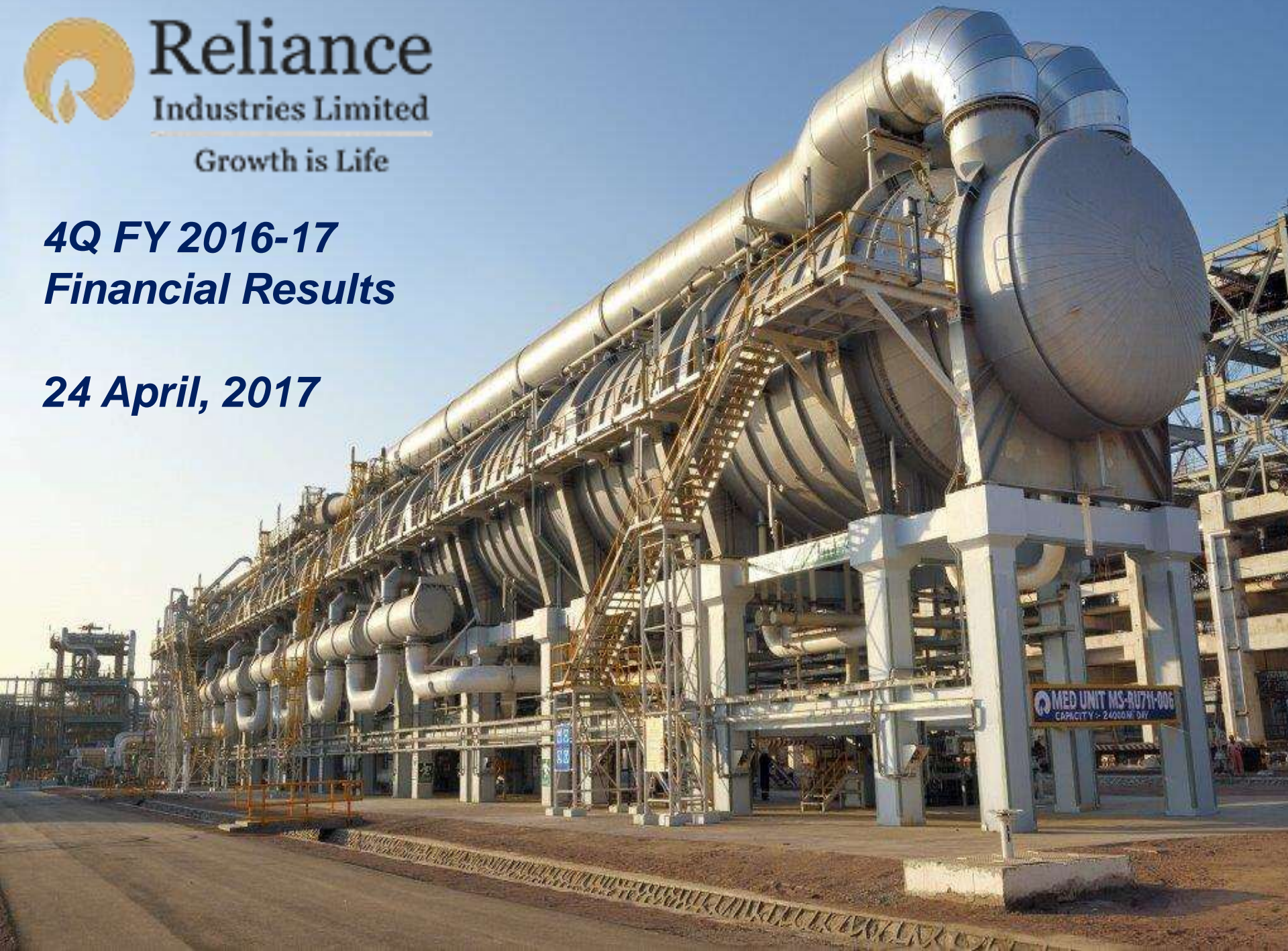


**Reliance**  
Industries Limited

Growth is Life

## ***4Q FY 2016-17 Financial Results***

***24 April, 2017***



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# Corporate Highlights – FY17

- Record EBITDA for FY17 at ₹ 55,529 crore, up 12.4%
- Record Net profit for FY17 at ₹ 29,901 crore, up 18.8%

## Energy Value Chain

### Refining and Marketing

- Record EBIT ₹ 25,056 crore, up 6.5% Y-o-Y
- GRM of \$ 11.0/bbl – highest in last 8 years
- Crude throughput of 70.1 MMT
- Gasification (DTA) - pre-commissioning underway

### Petrochemicals

- Record EBIT ₹ 12,990 crore, up 27.5% Y-o-Y
- Record production of 24.9 MMT
- Commissioned PX capacity and Ethane project
- ROGC and downstream pre-commissioning and startup activities in full swing

### Exploration and Production

- CBM phase 1 development completed. Commenced commercial production

## Consumer-centric Businesses

### Reliance Retail

- Turnover up 60% Y-o-Y to ₹ 33,765 crore
- EBITDA up 40% Y-o-Y to ₹ 1,203 crore
- 3,616 stores across 702 cities, 13.5 mn sq.ft. of retail space

### Reliance Jio

- Jio commenced operations; receiving overwhelming response
- Crossed 100 mn subscribers in record period of 170 days
- Largest migration from free to paid services in history





# *Financial Results*



# Consolidated Financial Results : FY17

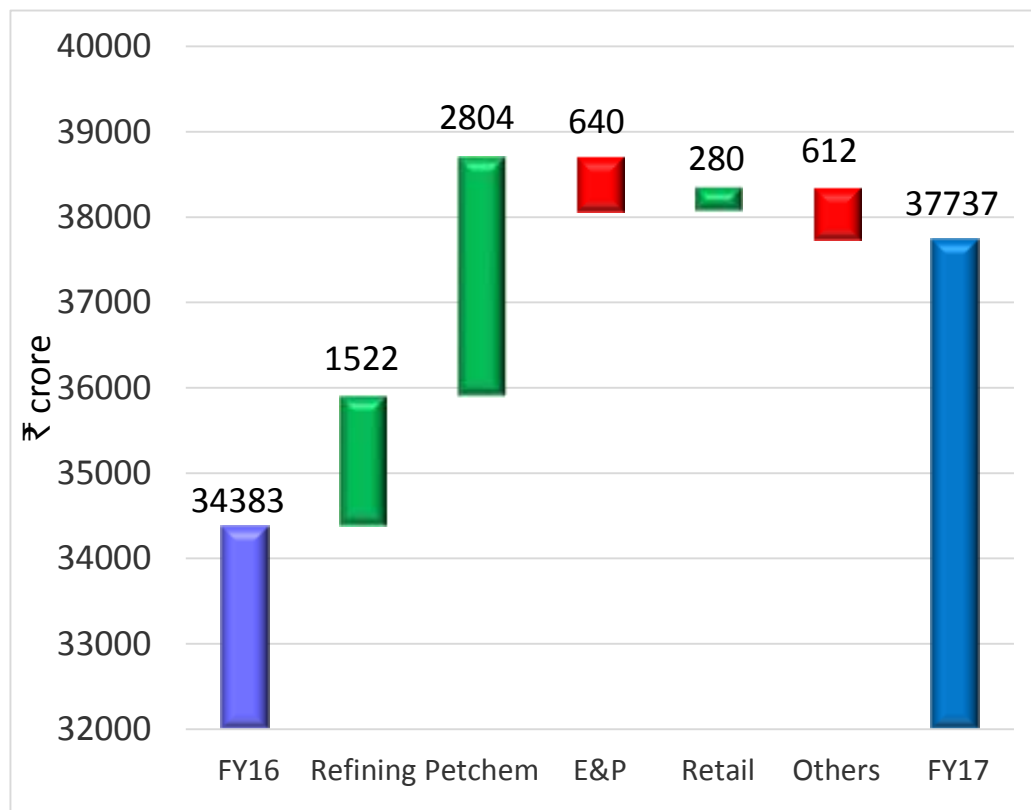
(in ₹ Crore)	FY17	FY16	% Change Y-o-Y
Turnover	330,180	293,298	12.6%
Segment EBIT *	37,737	34,383	9.8%
Net Profit*	29,901	25,171	18.8%

- Turnover increase led by higher realization for Refining and Petchem products, strong growth in retail
- Healthy earnings growth in Refining and Petchem businesses
  - Robust operating performance supported by favorable margin environment
- Highest ever standalone net profit of ₹ 31,425 crore, up 14.8%

**Record earnings from refining and petrochemicals segment; significant traction in retail business**

\* FY16 figures excludes exceptional item of ₹ 4,574 crore mainly on account of net impact of gain on sale of EFS Midstream LLC and Ind AS transition impact on upstream assets

# Consolidated EBIT : FY17 vs. FY16



- Sustained growth in segment EBIT, up 9.8% Y-o-Y
  - Refining EBIT up 6.5%
  - Petchem EBIT up 27.5%
  - Retail EBIT up by 55.6%
- Refining and Petchem business continue to benefit from low energy price environment and strong demand growth globally
- Retail segment leveraging on scale advantage and widening footprint

**Integrated business model combining strong downstream positions and rising retail contribution enabled growth in earnings**

# Consolidated Financial Results : 4Q FY17

3Q FY17	(in ₹ Crore)	4Q FY17	4Q FY16	% Change Y-o-Y	% Change Q-o-Q
84,189	Turnover	92,889	63,954	45.2%	10.3%
9,525	Segment EBIT	9,667	9,396	2.9%	1.5%
10,240	Profit Before Tax	10,254	9,597	6.8%	0.1%
7,533	Net Profit*	8,046	7,167	12.3%	6.8%

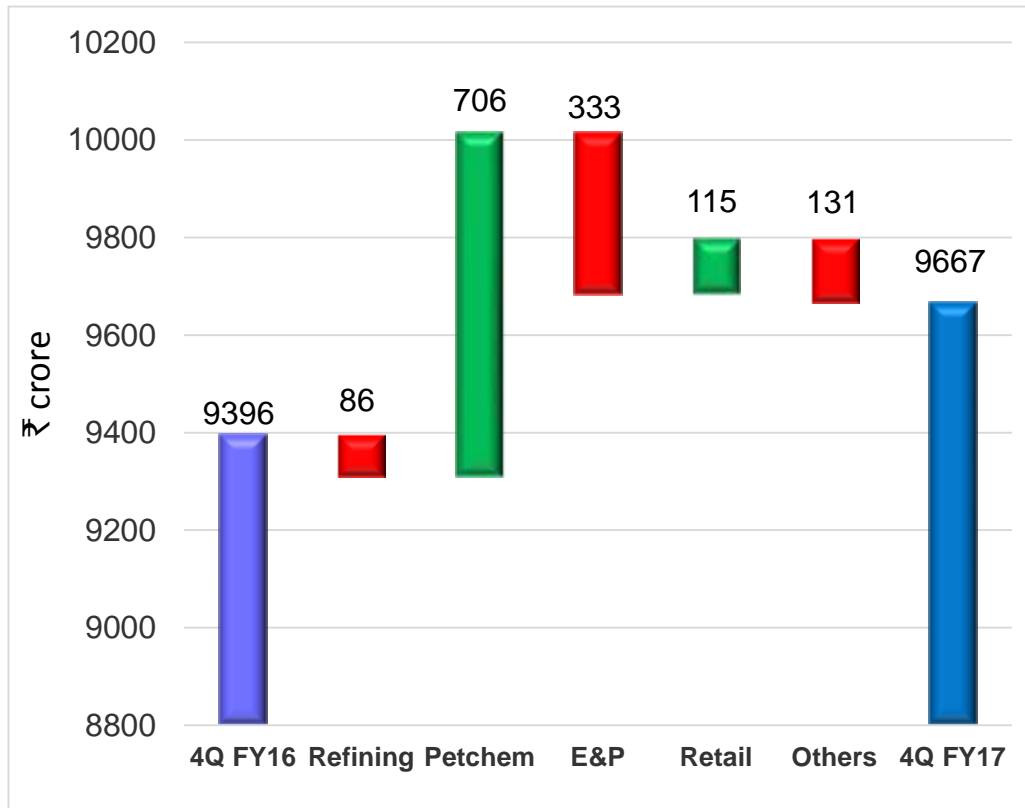
- Q-o-Q turnover increase led by 8.7% rise in oil price
  - Y-o-Y turnover growth led by sharp increase on oil prices (+58%)
- Strong operating income from refining and petchem businesses
  - GRM at \$11.5 /bbl
  - Recovery in polyester chain margins; firm PE and PVC margins
- Highest ever standalone net profit of ₹ 8,151 crore, up 12.8%

**Deep integration benefits in hydrocarbon businesses reflects in record quarterly profit**

\*Reduction in MAT liability by ₹ 868 crore due to transitional adjustments with respect to Ind AS accounting for E&P assets.



# Consolidated EBIT : 4Q FY17 vs. 4Q FY16

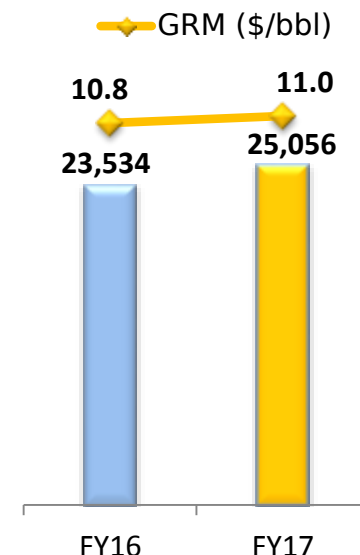
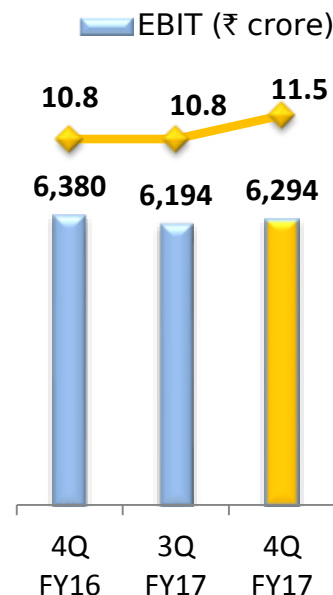


- Segment EBIT growth of 2.9% Y-o-Y
  - Refining EBIT flat
  - Petchem EBIT up 25.8% Y-o-Y
  - Retail EBIT up by 89.8% Y-o-Y
- Petchem earnings driven by strong margin in downstream polyester, MEG and PVC

**Strong performance from petrochemicals and retail offset negative E&P contribution**

# R & M Segment Performance

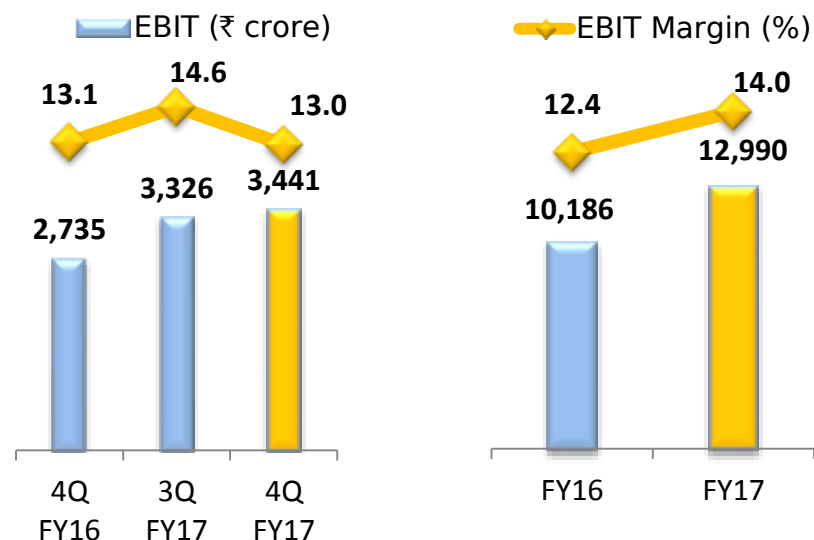
- Record FY17 EBIT at ₹ 25,056 crore, up 6.5%
  - GRM of \$ 11.0/bbl, 8-year high
  - Crude throughput of 70.1 MMT
  - Strong oil demand growth momentum
    - Global oil demand up 1.6 mb/d in 2016
    - India 2<sup>nd</sup> largest growth market (+0.3 mb/d)
  - Outperformed Singapore benchmark by \$ 5.2/bbl – highest in 8 years
    - Favorable crude sourcing and robust risk management offset weaker product cracks
- 4Q FY17 EBIT at ₹ 6,294 crore, up 1.6% Q-o-Q
  - GRM of \$ 11.5/bbl supported by stable mid distillates and improved light distillate yield
  - Increased premium over Singapore with weak FO cracks, favorable Brent-Dubai



- 1,221 Retail outlets operational
- Throughput per outlet in 4Q FY17 was 300 KLPM

# Petrochemicals Segment Performance

- Record FY17 EBIT of ₹ 12,990 crore, up 27.5%
  - EBIT margin at five year high level
  - Recovery in polyester chain deltas, firm polymer deltas and favourable naphtha cracking economics
  - Record production at 24.9 MMT
  - India petrochemical demand growth moderated partly due to demonetization effect
    - Polymer +7%, Polyester +3%
- Record 4Q FY17 EBIT at ₹ 3,441 crore, up 25.8% Y-o-Y and 3.5% Q-o-Q
  - Q-o-Q strength in MEG (+24%), PSF (+20%), PET (+16%) and Butadiene (+68%)
  - Volumes partly impacted by planned turnarounds at Jamnagar, Dahej and Hazira



- Commissioned PX capacity
  - Integration benefit and superior crystallization economics to improve margins
- Successfully commissioned world's largest and most complex Ethane project
  - Optimize feed mix and improve cost competitiveness



# Oil & Gas Segment Performance

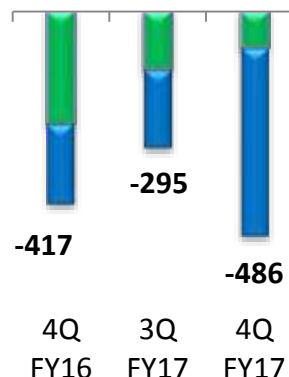
## ■ FY17 EBIT at ₹ -1,584 crore

- Upstream business impacted by low commodity price environment
- US shale production at 162.5 BCFe, down 20%, development slowdown and natural declines impacted volumes
- Unit realization at \$ 2.8/Mcfe, up 5%
- Domestic production at 95 BCFe, down 23%
- KG-D6 gas production at 7.8 MMSCMD and liquids at 3,450 BOPD

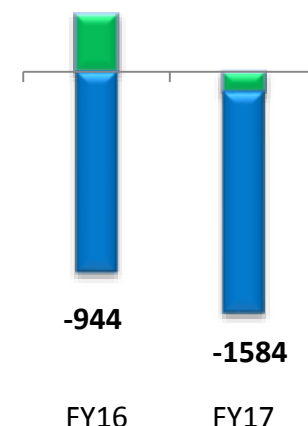
## ■ 4Q FY17 EBIT at ₹ -486 crore

- US shale production at 39.1 BCFe, up 4% Q-o-Q
- Unit realization at \$ 3.37/Mcfe, up 18% Q-o-Q
- KG-D6 gas production at 7.4 MMSCMD
- KG-D6 gas price realization at \$ 2.52/MMBTU (GCV)

■ US Shale (₹ crore)



■ Domestic (₹ crore)

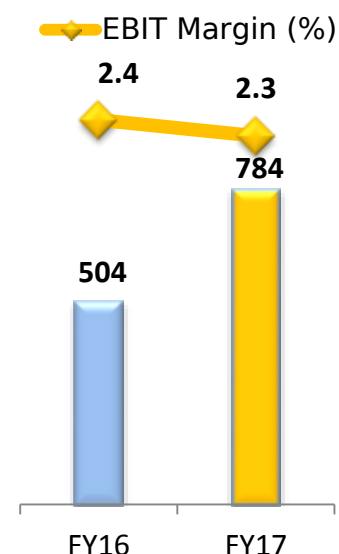
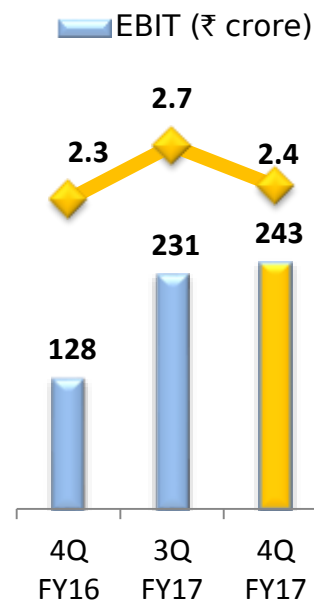


## ■ CBM block commenced commercial production from March'17

- NIO published calling for bids from prospective customers
- Shadhol Phulpur Pipeline connected to India gas grid - line fill in progress

# Retail Segment Performance

- FY17 turnover at ₹ 33,765 crore, up 60.2%
  - Led by strong growth in digital, petroleum retail and fashion & lifestyle segments
  - Positive impact of demonetization for organized retail sector
  - EBIT at ₹ 784 crore, up 55.6%
  - Net addition of 371 stores during the year
  - Pan India retail footprint of over 13.5 Mn. sq. ft. across 702 cities
- 4Q FY17 turnover at ₹ 10,332 crore, up 83.0% Y-o-Y
  - Strong growth in petroleum sale volume and mobility product sales in digital
  - EBIT of ₹ 243, up 89.8% Y-o-Y



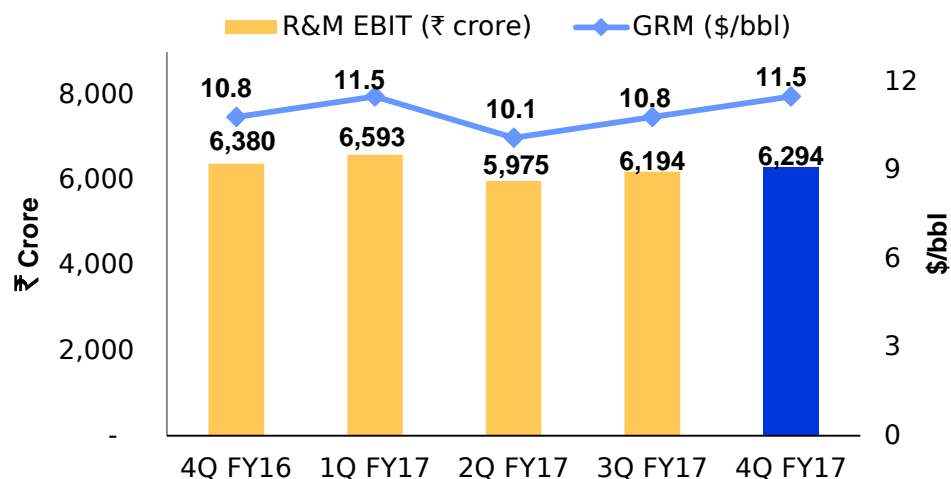
- Omni channel strategy being rolled out
  - Ajoio.com, Reliancetrends.com and footprints360.com were launched successfully

# ***Refining & Marketing***





# Performance Highlights

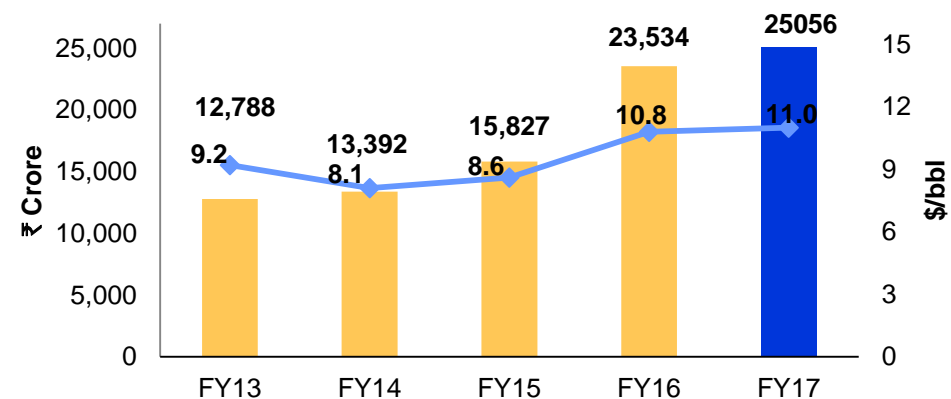


## Operational Flexibility Drives Record Performance

- FY17 record EBIT of ₹ 25,056 crore, up 1.8%
  - GRM of \$ 11.0/bbl
  - Crude throughput 70.1 MMT
- 4Q FY17 EBIT of ₹ 6,294 crore, down 1.3%
  - GRM of \$ 11.5/bbl
  - Crude throughput 17.5 MMT

## Sustained Strength in 4Q FY17 GRMs

- Optimized between gasoil and jet-kero production in view of stronger gasoil cracks
- Maximized domestic offtake of gasoline and diesel
- Active feedstock management in view of weaker Brent



**Strong refining EBIT reflecting operational excellence and flexibility**

# Oil Demand : Continuing Growth Momentum

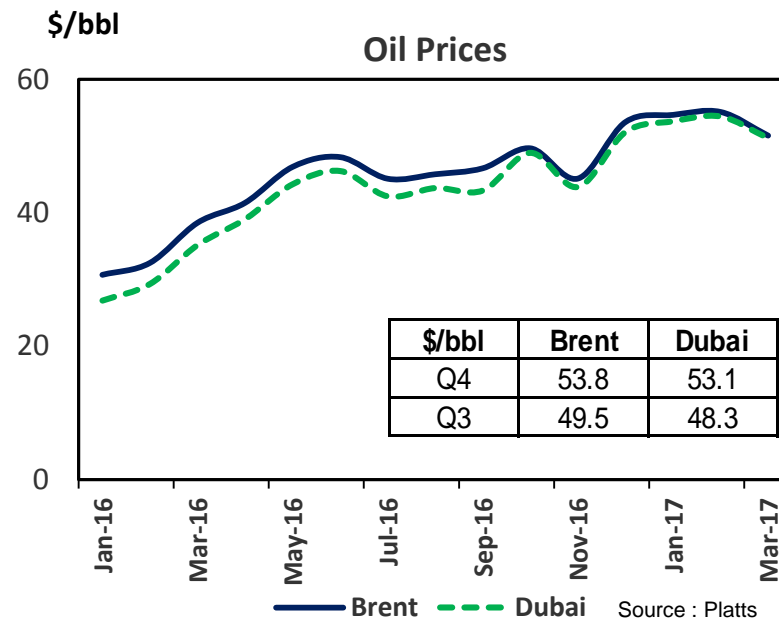
- Strong demand growth continued in 2016 led by low price environment
  - 5th consecutive year of >1Mb/d growth
  - >40% of growth led by India and China
- Gasoline demand growth remained strong across key markets
  - India – 8.8%
  - China- 3.0%
  - US- 1.6%
- Gasoil demand remained flat due to lower industrial and economic activity
- Global fuel oil demand grew Y-o-Y for the first time in the last 10 years
- Oil demand growth outpacing refinery capacity additions supported high operating rates in CY 2016

Oil Demand Growth				
mb/d	2014	2015	2016	2017 (E)
US	0.15	0.42	0.10	0.05
Russia	0.20	-0.04	0.14	0.07
China	0.35	0.74	0.38	0.39
India	0.08	0.15	0.29	0.23
South Korea	0.01	0.06	0.16	0.06
Others	0.44	0.64	0.57	0.52
<b>Total</b>	<b>1.23</b>	<b>1.97</b>	<b>1.64</b>	<b>1.32</b>

Regional Refinery Utilization				
%	2014	2015	2016	5 Yr Avg
US	90.4	91.0	89.8	89.6
Europe	79.4	85.4	84.4	81.6
Asia	81.9	83.3	86.1	83.1

**High refinery utilizations supported by growing demand and reduced inventory build**

- Global oil demand grew by 1.1 mb/d Y-o-Y in 4Q led by Asia, Middle East and Europe
  - Strong heating fuel oil demand in Europe
- Uptick in oil prices— 18-month-high reached in Feb
  - Brent averaged \$ 53.8/bbl, up 8.7% Q-o-Q
  - High compliance to planned production cuts during the quarter by key OPEC members
- Product overview
  - Gasoline and fuel oil demand firm on low prices
  - Gasoil market rebalancing with moderating supply
  - Heavy seasonal turnarounds in US and Asia supported margins
- No significant refinery capacity additions

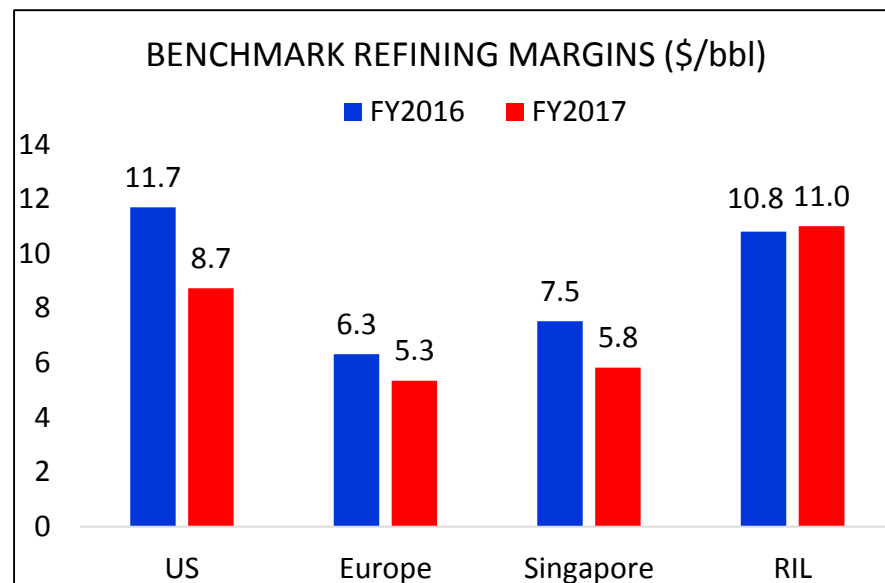
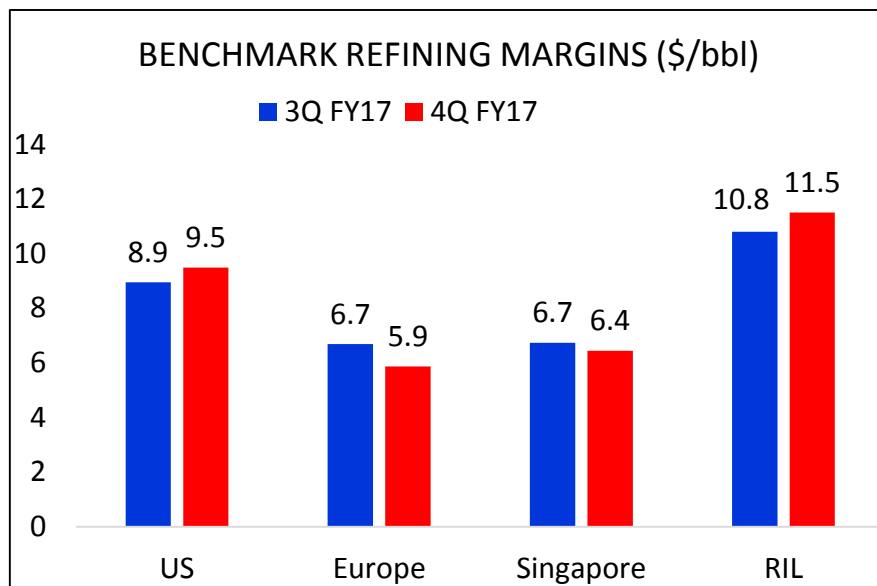


- Brent-Dubai spread narrowed sharply during the quarter to \$ 0.7/bbl

**Crude price recovery led by OPEC compliance to production cuts**

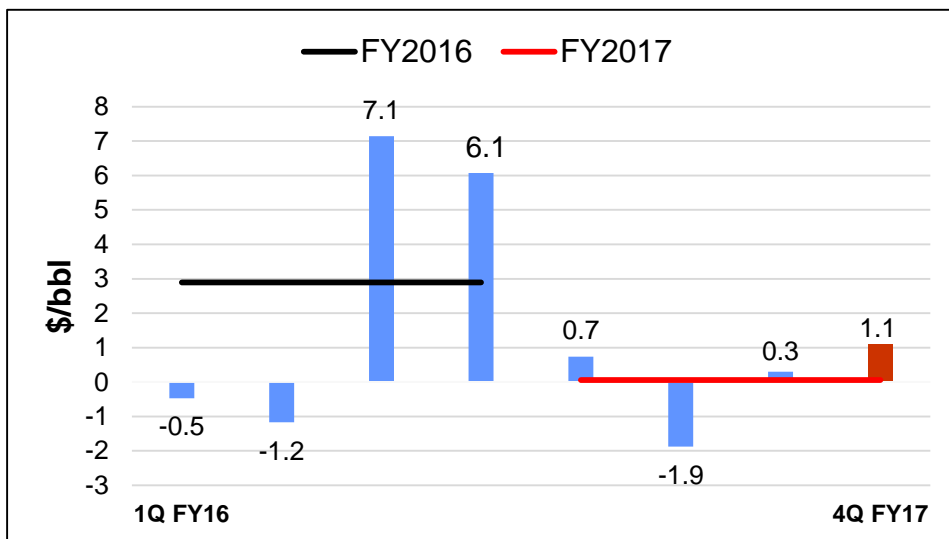


# Global Refining Margins



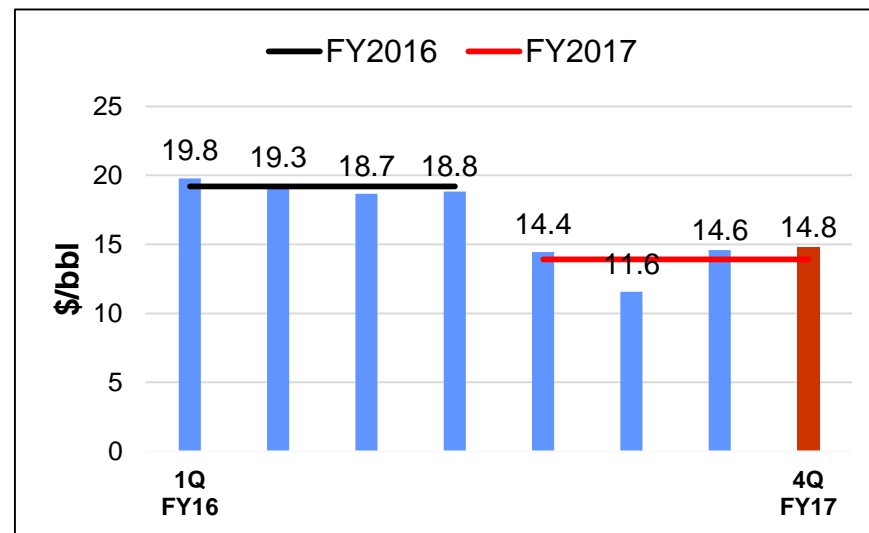
- On a Q-o-Q basis, refining margins were lower in Europe and Asia but higher in US
  - Asian benchmark led down by lower fuel oil and jet-kero cracks
  - US margins supported by peak maintenance season
- On a full year basis refining margins were lower across all regions due to easing of unusually high light distillate cracks from earlier year

**RIL premium over Singapore complex margins for the year at \$5.2/bbl - highest in 8 years**



## Naphtha cracks were higher Q-o-Q

- Strong demand from petrochemicals
  - Seasonally narrower Naphtha-LPG spread
  - Strong by-product credits supported economics
- Higher demand from Japan and China and lower exports from India
- Naphtha cracks were lower Y-o-Y due to lower gasoline margins

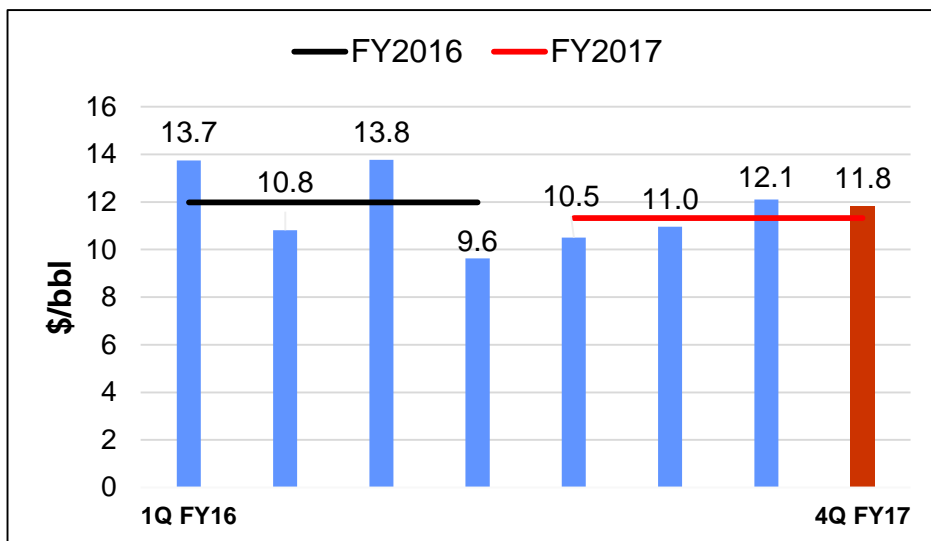


## Gasoline cracks remained firm Q-o-Q

- Structural demand growth remains firm on low pump prices, strong auto sales and urbanization in Asia
- Refining yield shifts and high US inventory kept crack under check during the year

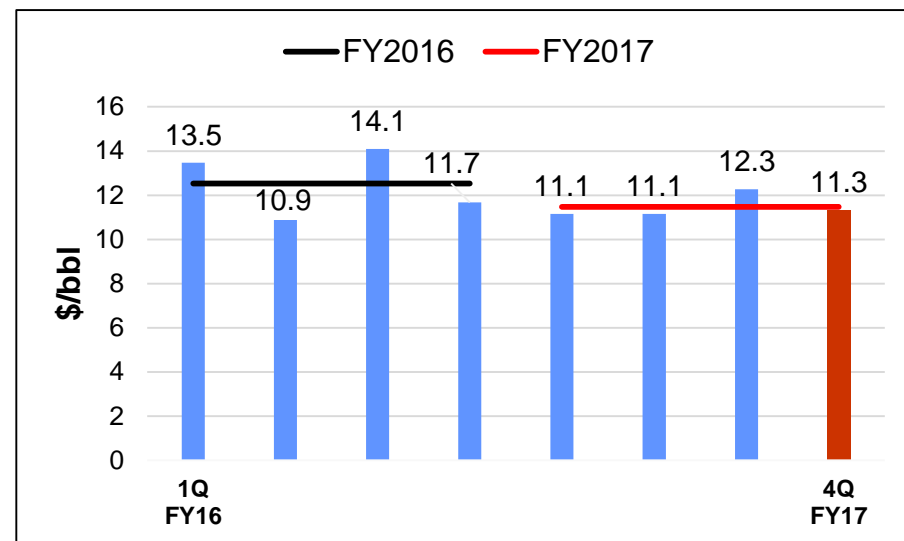
**Firm light distillate cracks in Asia aided margins**

# Regional Business Environment



## Gasoil cracks remained supported Q-o-Q

- Lower exports from China and India and beginning of turnaround season in Asia
- Easing oversupply over the year coupled with improved economic outlook in Europe and US

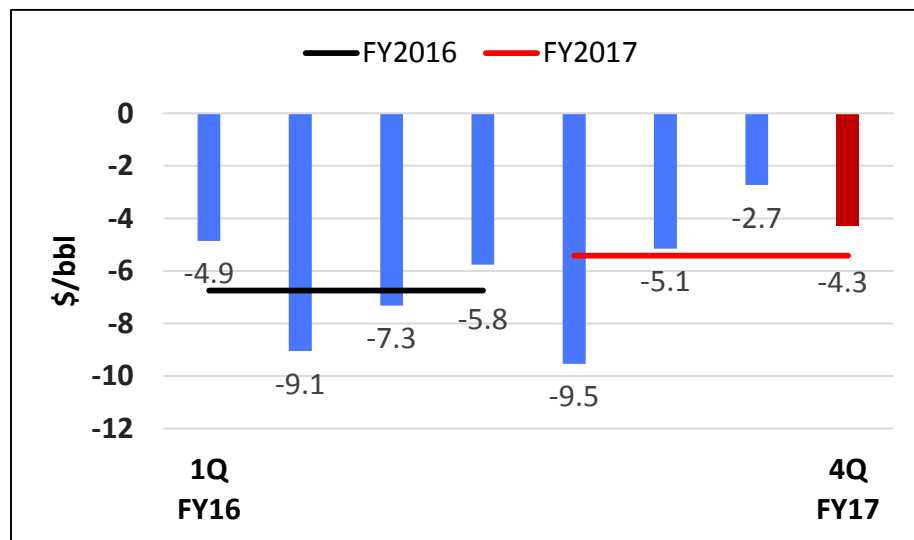


## Jet/Kero cracks were lower Q-o-Q

- Jet/kero cracks remained under pressure from elevated inventory levels for kerosene in South Korea
- However, jet fuel demand growth in the region remains robust in line with global air traffic growth in 2016 especially in India (23%) and China

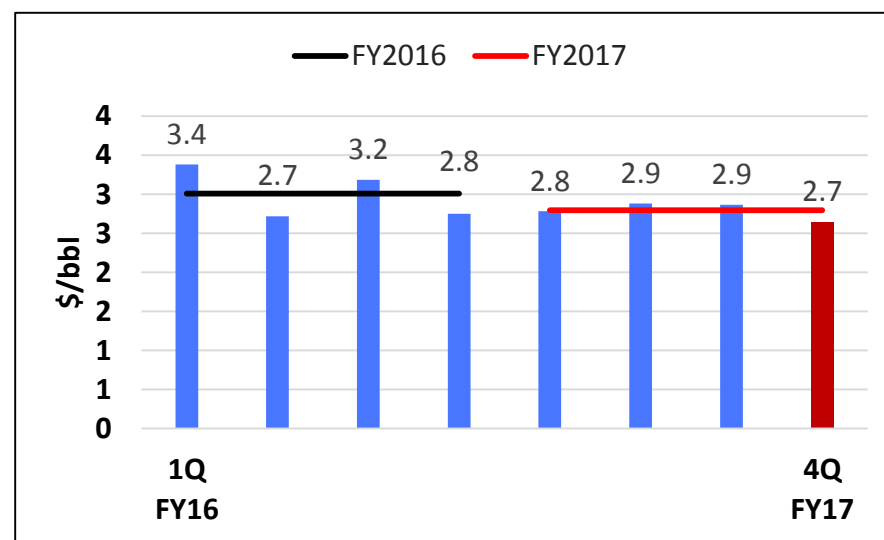
## Middle distillate cracks resilient amidst rebalancing market

# Regional Business Environment



## Fuel oil cracks weakened Q-o-Q

- Fuel oil inventory moved higher towards the end of the quarter across key trading hubs
- Global fuel oil demand in 2016 grew Y-o-Y for the first time in the last 10 years



## AL-AH Differential marginally lower

- AL-AH differential declined as OPEC production cuts impacted supply of heavy/medium grades

**FO cracks weakened on higher inventory with supply response to better cracks in 2Q/3Q**

# Strategic Advantage

Feedstock supply security

Base load heavies termed up for supply security

Feedstock flexibility

1 more value enhancing crude added to the basket in Q4 include a heavy 20 API crude from Canada

Responsiveness to the market

Competitive Brent-linked crude sourcing maximized; placement of various grades of products optimized between geographies to get best net-backs

Configuration advantage

DTA Scanfiner unit commissioned – flexibility to produce 10ppm sulphur gasoline

Domestic placement

Maximized offtake of MS and HSD through strategically located Terminals/ Depots

Operational flexibility

Optimized ATF production in view of negative regrade

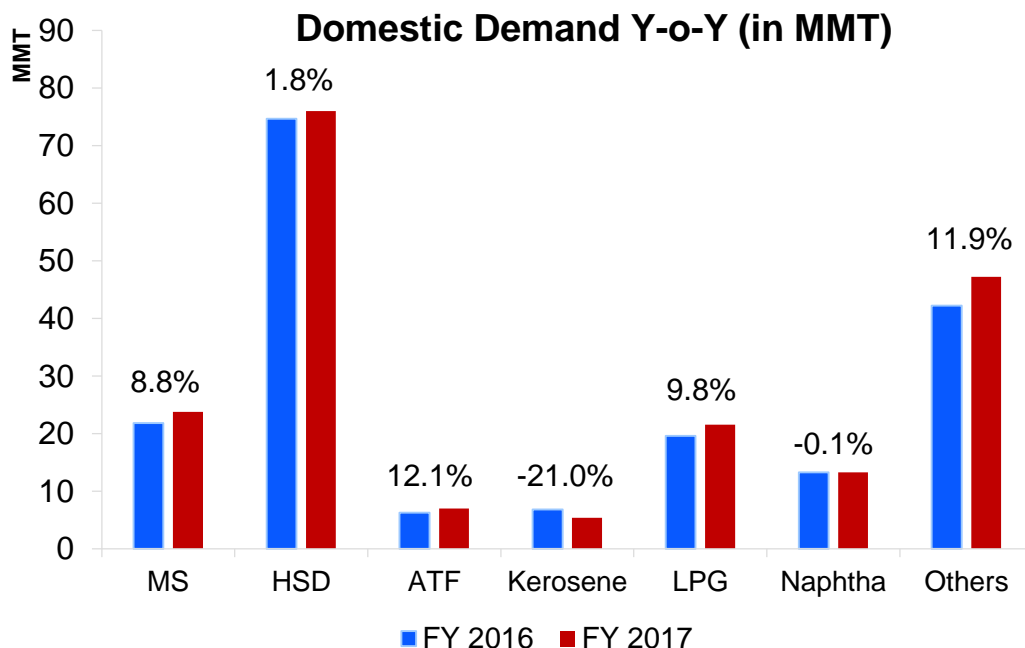
Operational efficiency

EnCon schemes implemented during FCC planned shutdown now operational

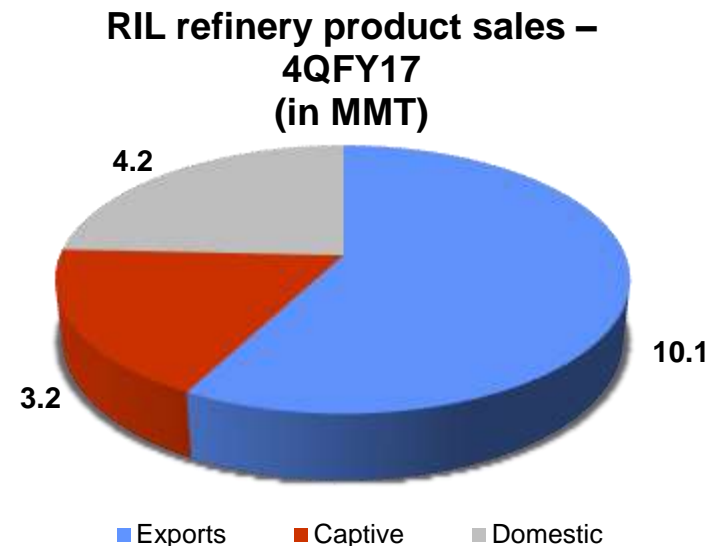
**Consistent focus on optimizing operations to sustain competitive advantage**



# Robust Domestic Demand Growth



- Overall demand growth of 5.2% Y-o-Y
- Robust demand growth for MS, ATF and LPG
- HSD demand grew at a slower pace

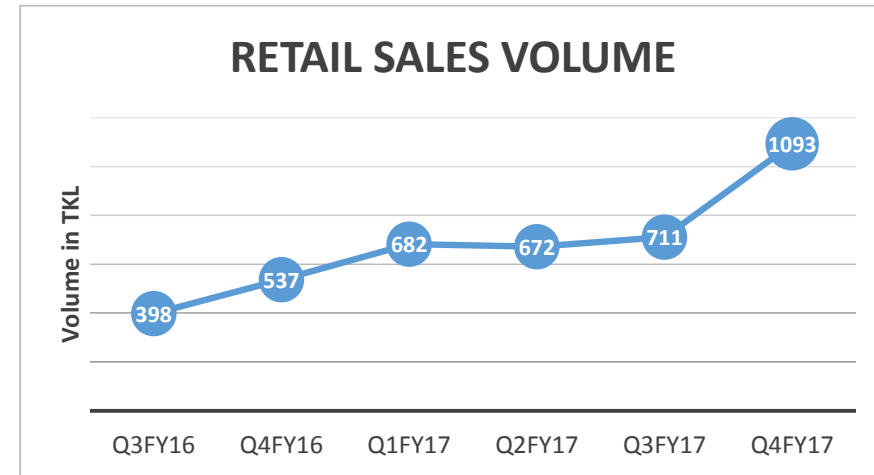


- Diesel sales to PSUs increased sharply Q-o-Q
- Highest ever placement into domestic market during the quarter

**India became the world's third largest oil market, surpassing Japan in 2016**

# Domestic Marketing – Retail

- Network strength now at 1,221 outlets
- Retail HSD volumes up 69% Q-o-Q
  - Market Share increased from 2.5% to 5%
- Diesel throughput per outlet at 2.4x over key competitors
- Trans-connect customer base up 4 fold since Mar'16 to over 1.6 lakh customers
- Tie-up with major financial players for credit solutions to attract Fleet Operators
- Improved customer convenience with
  - Cash loading solution through mobile apps and >3600 bank branches
  - Capability to accept multiple payment options including Digital wallets and Next gen technologies



**Significant traction in domestic retail sales – volumes up 2x on a Y-o-Y basis**

# Domestic Marketing - Bulk and Others

## ATF

- RIL has leadership market share at 30% of the airports it operates
  - Refuels 1 aircraft every 3.5 minutes, handling ~425 flights daily
- 4Q FY17 sales volume up 5% Y-o-Y
- FY17 sales volumes up 20% vs. industry growth of 12%



## Bulk HSD

- Sectoral focus helped improve market share from 4.9% in 3Q FY17 to 5.8% in 4Q FY17,
  - volume growth of 46% on a Y-o-Y basis in 4Q FY17
- Railway business - Increased geographical spread with entry into southern and eastern regions
  - One in every 9 Locomotive runs on RIL fuel



## Packed LPG

- 4Q sales up 5% Y-o-Y and full year sales increased 7%
- 100% indenting through Mobile Application - a major step towards digitization and smoothening channel operations

**Expanding domestic footprint in the bulk market**

- Oil demand growth is expected at 1.32mb/d in 2017; driven by India and China
- Refining capacity addition lagged incremental demand in 2016 – likely to continue for 2017
- Near term Asian refining margins to remain firm supported by heavy maintenance in Asia and planned refinery closures in Japan
- Crude oil is expected to remain range bound. However, any sharp rise in crude oil prices could impact transportation fuel demand
- Better outlook on economic and industrial activity to aid gasoil/diesel demand growth globally

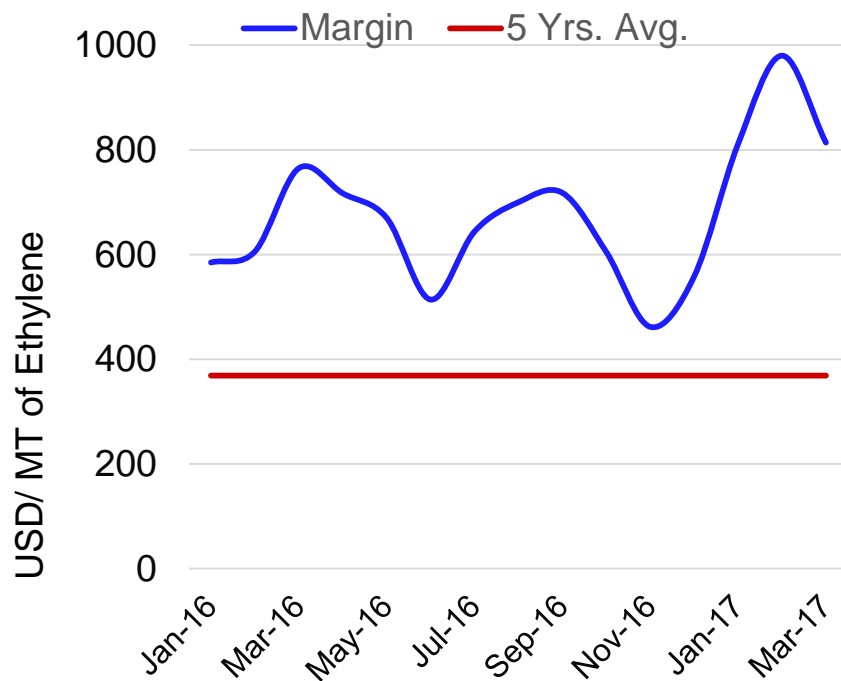
**Refinery utilization to remain high on limited capacity adds, favorable demand outlook**

# *Petrochemicals*





## SEA Integrated Margin

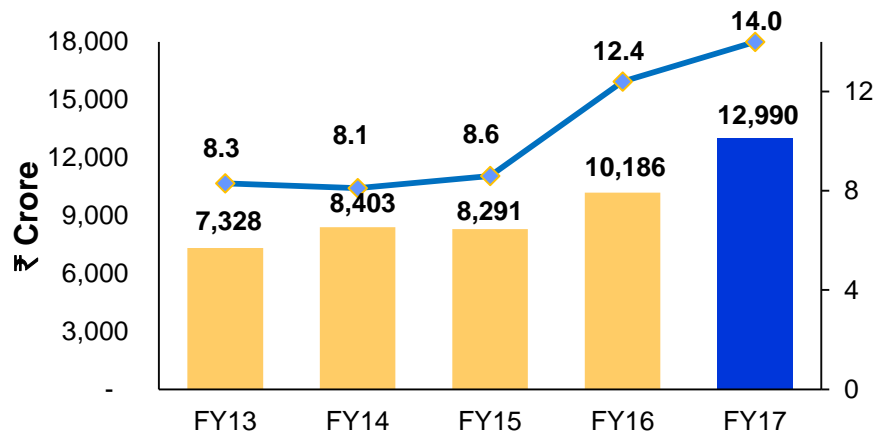
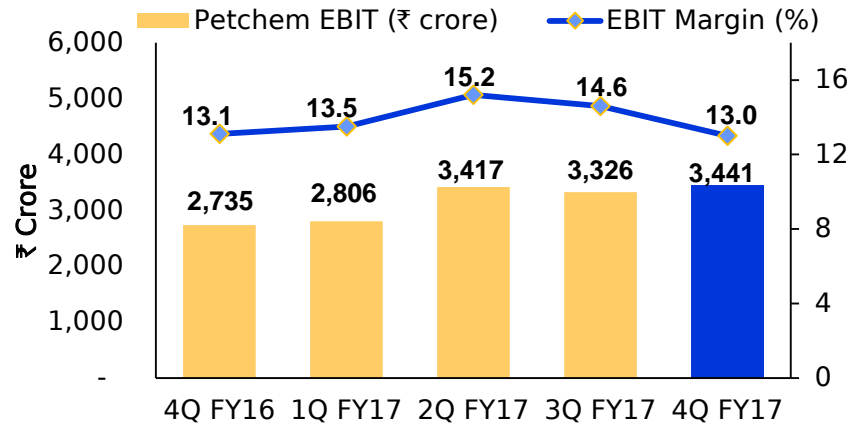


- Feedstock prices tracked firm crude prices
  - Q-o-Q Dubai Crude up 10%, Naphtha up 11%
- SEA Ethylene margins remained firm driven by higher by-product credits
- Asian propylene margin improved Q-o-Q due to unplanned shutdowns and reduced operating rates of on-purpose units
- Sustained increase in coal prices impacted profitability for MTO/ CTO units, resulting in lower utilization rates
- Demonetization impacted volume placement late in the year, but demand has started to recover
  - Polymer demand down 2% Y-o-Y
  - Polyester demand down 5% Y-o-Y

## ■ Tight ethylene conditions expected in 2017

- Around half of the forecast new supply delayed into late'17/early'18
- Limited spare ethylene capacity, vulnerability to supply disruptions

# Performance Highlights



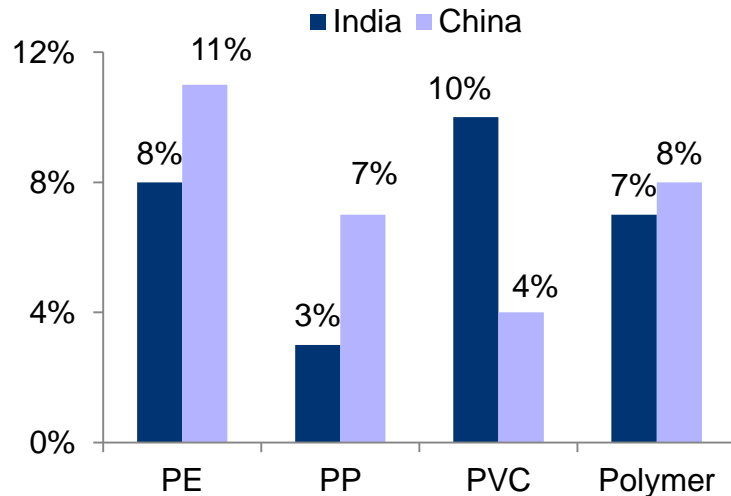
- Record quarterly and full year performance
  - Stable to firm margin environment across polymer and polyester chain
  - Lower volumes on account of shutdown at FCCU in Jamnagar and PVC in Hazira
- Lower demand growth due to demonetization impact, but starting to normalize
- Strong Naphtha cracking economics on back of surge in Butadiene prices

## Projects on Schedule

- Commissioned world's largest and most complex Ethane Project in record time
- Commissioned Phase 2 of PX
- ROGC and downstream pre-commissioning and startup activities in full swing

## Polymer & Elastomer

## Polymer Demand (FY17 Vs FY16)



■ FY17 demand up by 7% Y-o-Y

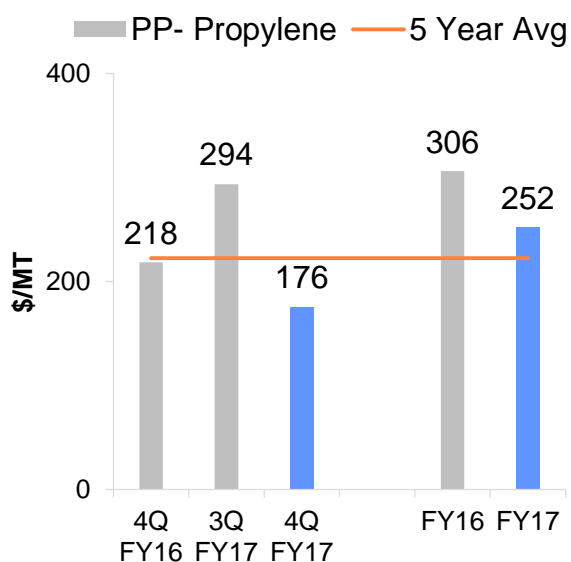
- Slower growth compared to recent past mainly due to demonetization impact

- 4Q FY17 demand down 2% Y-o-Y – demand normalized towards the end of the quarter
  - Government measures like increase in current account withdrawal limit restored liquidity in the market
  - Notable recovery in China demand towards the quarter end
  - New domestic capacities to cater to anticipated robust demand growth

**Continued economic expansion to boost end-use polymer demand in India**

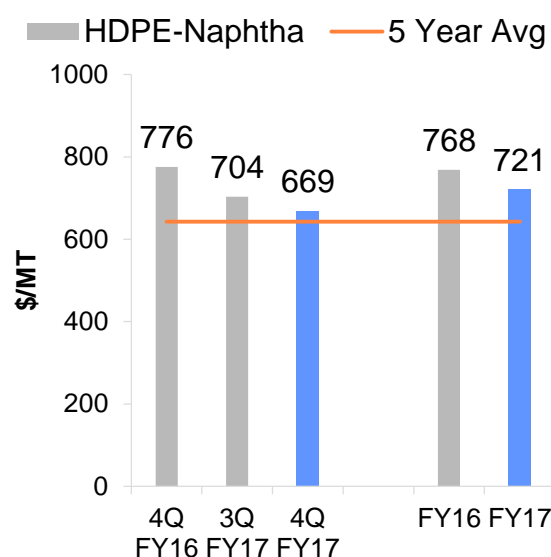
# Polymer Delta Scenario

## PP-Propylene



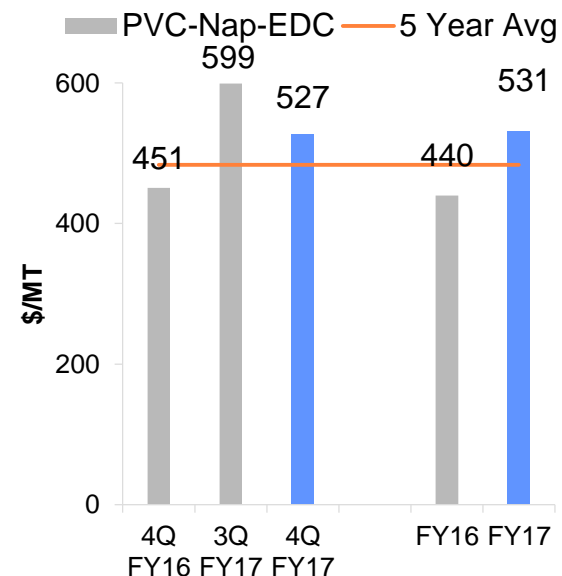
- PP delta decreased sharply
  - Stable PP price
  - Firm Propylene prices (+26% Q-o-Q) due to tight supply on account of scheduled maintenance and unplanned outages

## HDPE-Naphtha



- PE deltas softened due to
  - Strong naphtha prices post turnaround season and subdued end product price

## PVC-Naphtha-EDC



- Decline in PVC deltas
  - impacted by weak product prices
  - Firm EDC prices (+22% Q-o-Q) because of increase in feedstock prices



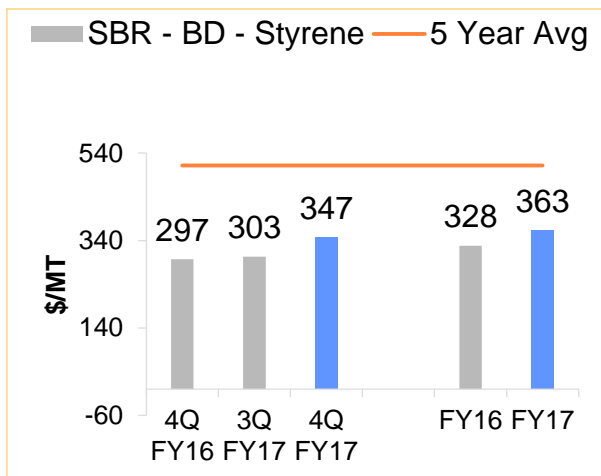
RIL Production		
(In KT)	4Q FY16	4Q FY17
PP	701	636
PE	252	255
PVC	187	178
<b>TOTAL</b>	<b>1141</b>	<b>1069</b>

- RIL Polymer production down 6.3% Y-o-Y
  - PP production was down 9% Y-o-Y due to planned FCCU shutdown which started in 3Q FY 17 and continued in 4Q FY 17
  - PVC production was down by 5% Y-o-Y due to shutdown at Hazira plant
- Domestic Polymer market share: 32%
- PP segment market share: 49%

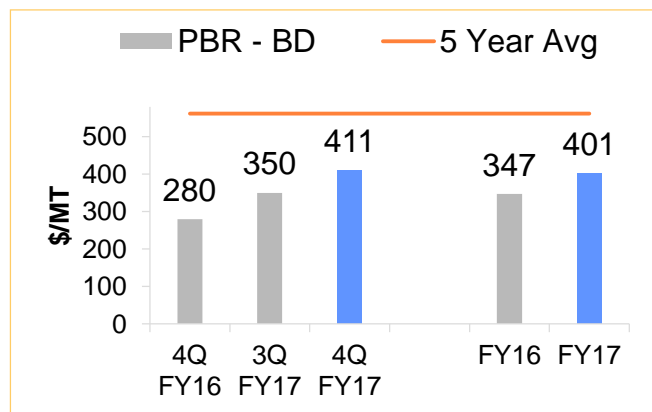
- Limited merchant ethylene availability and unplanned shutdown to strengthen ethylene margins
- Regulatory pressures in China to further impact unconventional capacities (CTO/MTO)
- PE net import volumes in the subcontinent likely to fall due to addition of domestic capacities
- India's double digit polymer demand growth to return, with positive outlook for growth
  - Implementation of GST to enhance demand growth

# Elastomer Margin Environment and Outlook

## SBR-BD-Styrene



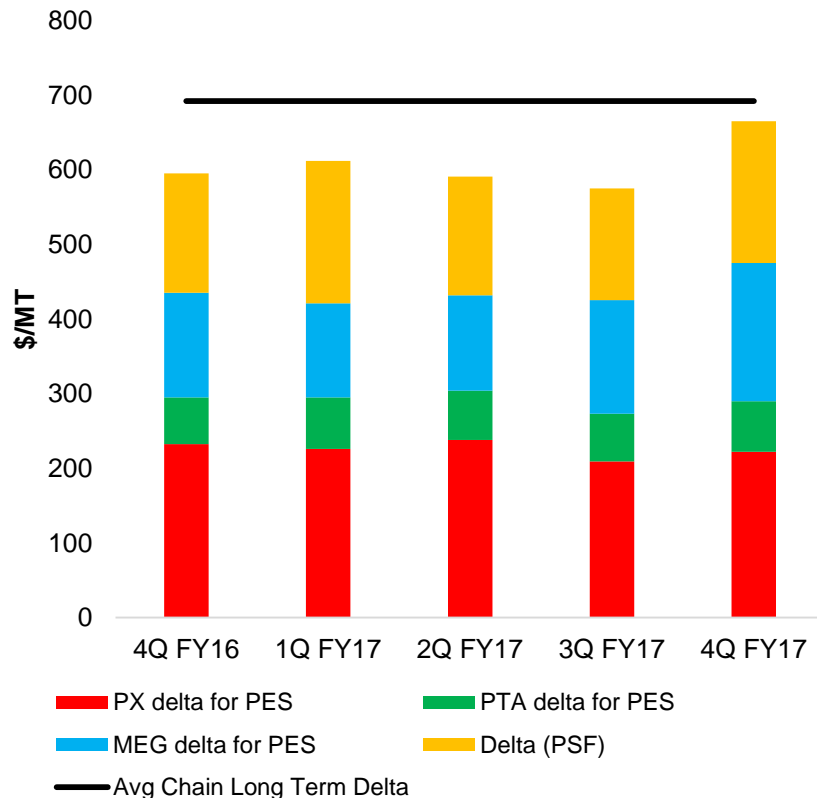
## PBR-Butadiene



- Sharp increase in Butadiene prices capped PBR/SBR deltas
- Butadiene prices shot up 66% Q-o-Q globally in 4Q due to Strong auto sector demand
  - Planned/ unplanned shutdowns in NEA region
  - Increased procurement in China before lunar holidays
  - Firm natural rubber prices owing to floods in Thailand
- Strong global tyre demand expected with low fuel prices leading to higher mileage driven
- Passenger car production in India expected to grow by 6% in FY18 with launch of new models
- Tyre manufacturers reduce imports of SBR with improved domestic availability

## Polyester Chain

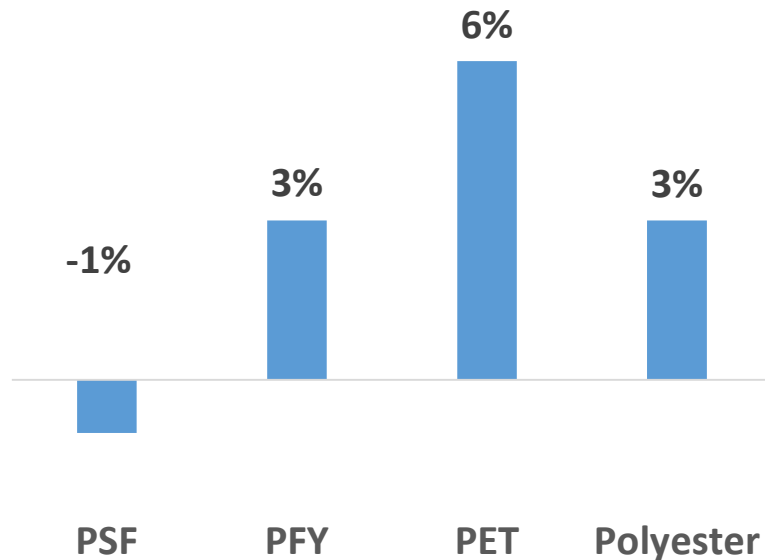
## Integrated Polyester Margin



- Polyester chain witnessed firm price recovery supported by strong feedstock environment
- Continued high polyester utilization rates resulted in balanced fundamentals in Asia
- PX market strengthened with healthy buying from end users
  - ACP settlements normalised
- PTA supply-demand dynamics remained stable
- MEG prices remained firm
  - Disrupted supply with unplanned outages
  - Low inventories in Chinese ports
  - High coal prices impacting Coal to MEG economics
- Cotton prices remained strong owing to healthy demand & tight availability

**Integrated players benefited from strong polyester chain dynamics**

## Domestic Demand Growth (FY17 vs FY16)



- FY17 domestic demand up 3% Y-o-Y

- Filament demand led by strong textile growth
- New applications driving polyester demand

- 4Q FY17 domestic demand declined 5% Y-o-Y

- Impacted by low liquidity and higher prices
- High downstream polyester inventory led to need based buying

- Filament demand was largely stable

- Lower offtake from fabrics segment

- PET demand was impacted due to low offtake particularly in South India

- Seasonal rebound likely in summer

**Polyester demand continues to exhibit stable growth**



# RIL Operational Highlights

Production (KT)	4Q FY16	4Q FY17
PX	595	701
PTA	994	1016
MEG	192	168
<b>TOTAL</b>	<b>1780</b>	<b>1885</b>

Production (KT)	4Q FY16	4Q FY17
POY	186	208
PSF	160	157
PET	244	215
<b>TOTAL</b>	<b>591</b>	<b>580</b>

- Commissioning of new PX plant strengthened polyester chain portfolio and contributed to the chain production
- MEG production during quarter was lower due to scheduled plant shutdown at Dahej and cracker shutdown at Hazira
- PET production was low due to scheduled shutdown

## Fiber Intermediaries

- PX markets expected to remain strong with several planned outages and delays in new capacity additions
  - Upcoming peak gasoline season may further support margins
- Higher downstream polyester utilization to support PTA demand
- Healthy MEG margins to continue on back of constrained supply and poor Coal to MEG economics

## Downstream Polyester

- Polyester operating rates likely to remain high with the onset of seasonal textiles demand
- Downstream restocking is expected to pick up for the spring season demand of textiles
- PET markets likely to be driven by summer demand, supported by restocking by end users
- GST implementation to improve polyester demand

**Steady downstream recovery to support polyester chain operation**

# *Jamnagar Projects*





# PX4 phase 2 – Crystallizer Train 2 in operation





# PX4 phase 2 – Transalkylation unit in Operation





# PX4 phase 2 – AE unit in operation





# Scanfiner unit in operation





# Scanfiner unit in operation



# C2 Complex – ROGC under commissioning





# ROGC – CGC Trial runs completed





# ROGC – Area F under commissioning





# ROGC – Exchanger train under commissioning





# MEG – Carbonate section under commissioning



# MEG – Tankage under commissioning





# LLDPE – Major areas construction complete





# LLDPE – Equipment under commissioning





# C2 Complex – Cryogenic tank and Flares complete



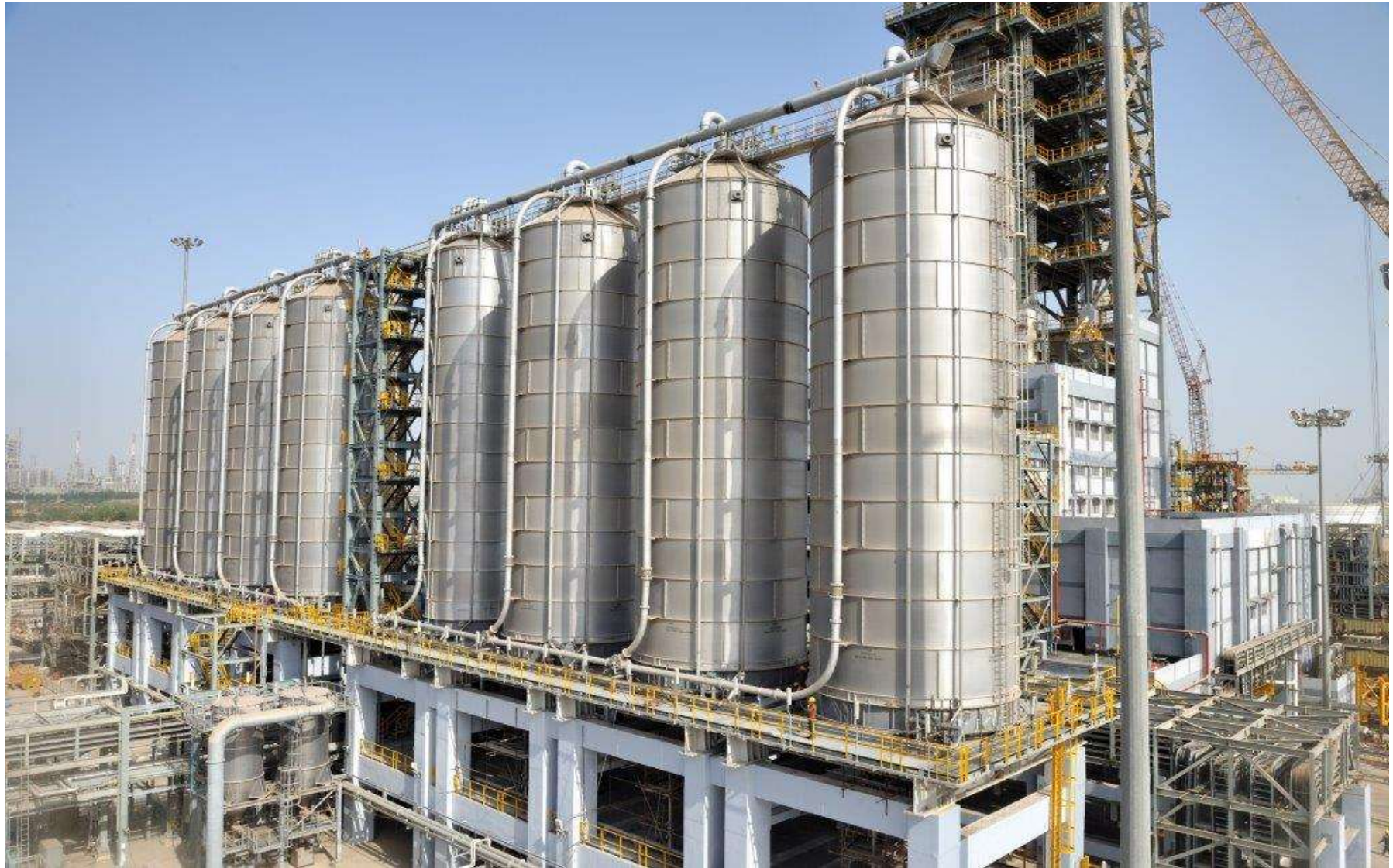


# LLDPE – CGC Trial runs complete





# LLDPE – Blending Silos construction complete





# LLDPE – Bagging Machines Trial run complete





# LDPE – Reactor service test complete





# LDPE – Booster Compressor under testing





# LDPE – Purification Unit under testing





# Gasification – Module 1 construction complete





# Gasification – MED commissioned





# Gasification – Deaerator commissioned





# Gasification – LTHR under commissioning





# Gasification – ASU-1 under commissioning





# Gasification – ASU-1 under commissioning





# Gasification - ETP commissioned



# CPPs in operation





# Os&Us – MED in operation



# DMD Ethane – VLEC unloading in operation





# DMD Ethane – Cryogenic tank in operation





# DMD Ethane – Plants commissioned





# DMD Ethane – Plants commissioned





# DMD Ethane – Control building commissioned





# ***Oil and Gas – Exploration and Production***



# Domestic E&P - Production Update

4Q FY17 (JV Production)	KGD6	Panna Mukta
Gas Production (Bcf)	23.45	14.8
Oil Production (mmbbl)	0.28	1.44
Condensate Production (mmbbl)	0.06	-
Gas realization (\$/mmbtu)	2.5 (GCV basis)	5.73 (NCV basis)
Oil realization (\$/bbl)	50.98	57.18

Note: RIL share of total domestic production at 23.1 BCFe

## KG-D6

- Average production of gas at 7.4 MMSCMD and oil and condensate at 3,749 BOPD
- Side Track campaign in MA completed. MA4H and MA2 successfully put on production.
- Key focus is on sustaining well life and network management to optimize recovery
- Gas price revised from April 1, 2017 to \$ 2.48 (GCV basis)

## PMT

- Lower gas production due to shut in of wells due to integrity issues
- Plugging & Abandonment of wells in progress at Tapti platforms.

Note: JV Production volumes

## **Start-up Plan**

- Phase I development completed
- Commenced Commercial Production from SP(W) block on March 2017
- Ramp-up plan for next 15-18 months in place

## **Marketing Plan**

- Blocks connected with Indian Gas Grid via SHPPL / HVJ
- GoI notified Marketing & Pricing Freedom – Process of price discovery initiated
- NIO published calling for bids from prospective customers to off-take CBM produced
- Target gas sales to customers from May 2017
- Market discovered price or price notified by PPAC whichever is higher will be the basis for Royalty and Production Linked payment to Government



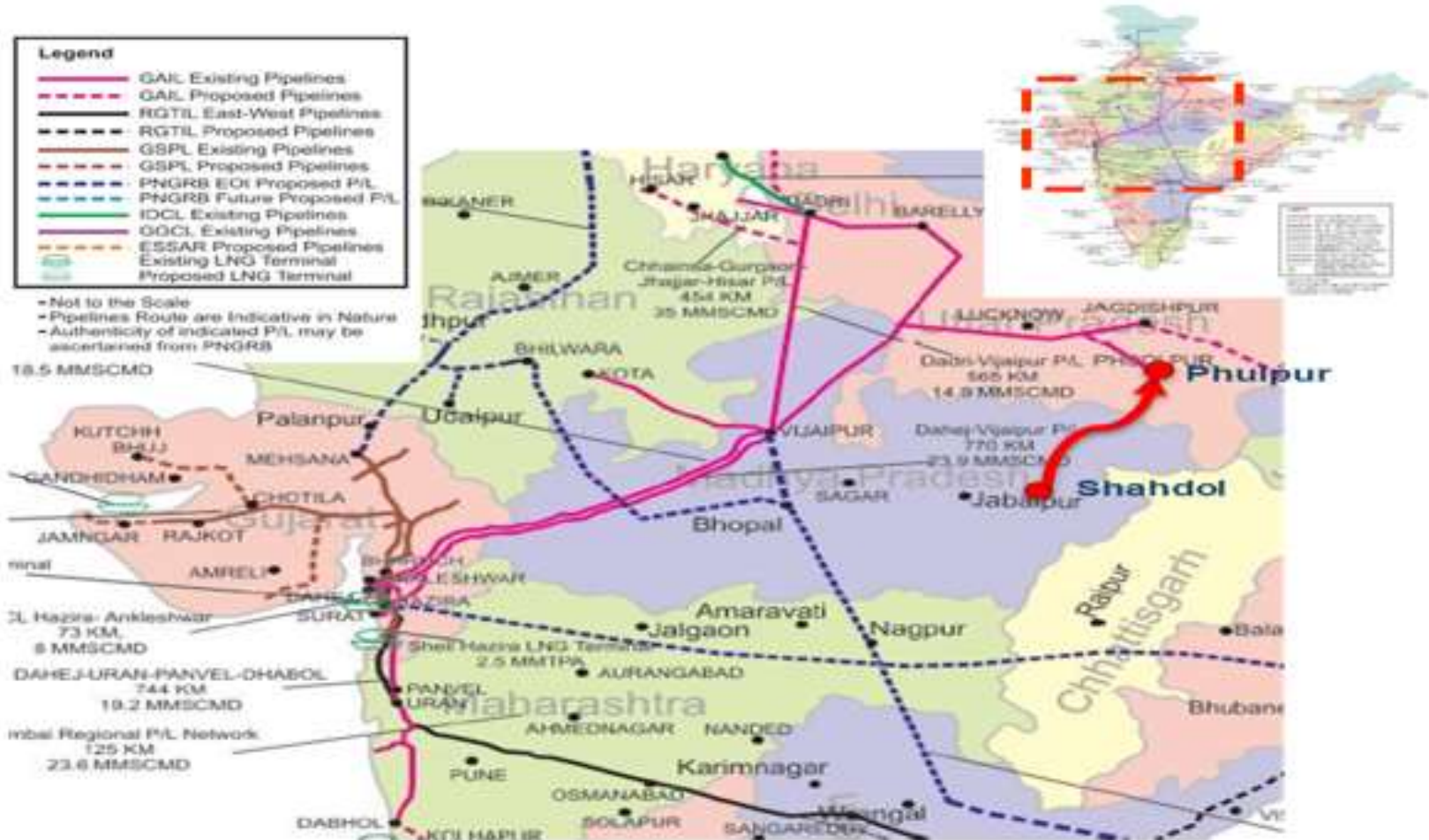
# CBM – Infrastructure and Capex

- RIL has invested ~\$ 500 MM in CBM and Pipeline
- Over 200 wells completed and connected to 2 Gas Gathering Station & 8 Water Gathering
- ~200 km of gathering network (gas, water, electricity and fibre lines) laid and commissioned.
- Sohagpur-Phulpur pipeline connects CBM fields to the national gas grid - Pipeline and associated compressor station ready to transport CBM Gas to customers
- Embarking on next phase of development to maintain plateau production



**Largest surface footprint Indian E&P project in a tough terrain and tribal dominated region**

# Shahdol-Phulpur Pipeline



300 km Shahdol-Phulpur pipeline linked to national gas grid to access end consumers



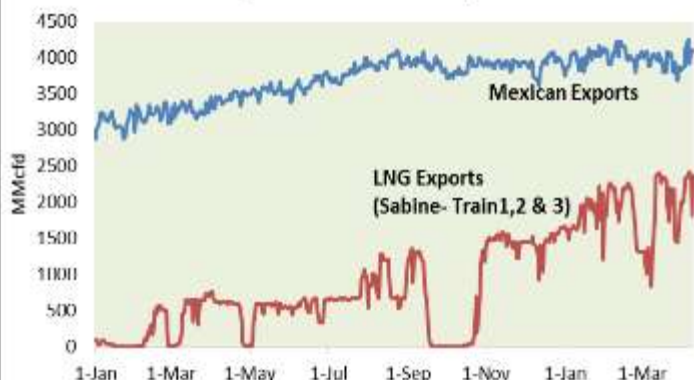
# ***Oil & Gas: Shale Gas Business***



# Price Environment: Natural Gas

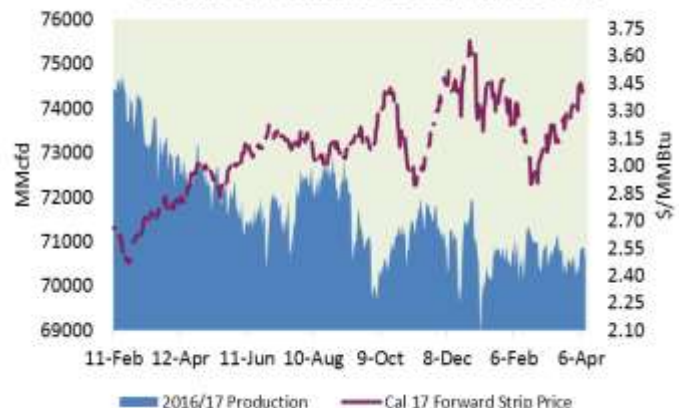
## Natural Gas Export Trends

Rising Mexican & LNG Exports



## NG Production Trends and Strip Prices

2016/17 NG Production & Cal 17 Forward Price



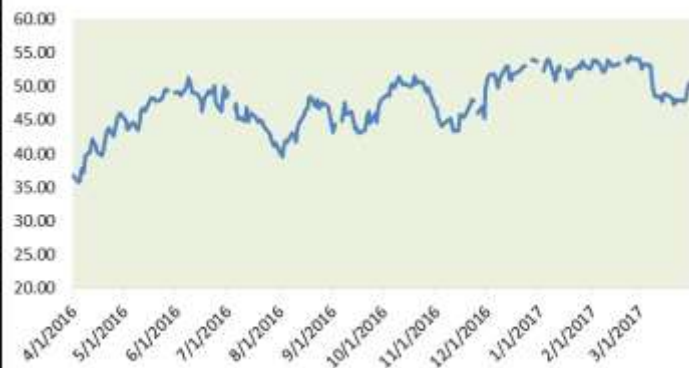
- Improved market conditions - Better prices and lower differentials
  - HH Gas prices improved 11% Q-o-Q to \$3.32/MMbtu in 4Q FY17
  - Averaged 17% higher YoY at \$2.85/MMbtu for the full year, with most of the recovery witnessed during 2H-FY17
- Marcellus differentials tightened as newer midstream infrastructure helping move gas out of the region during the quarter
- Production growth trends subdued, despite improved prices and new take-away capacities
- Encouraging demand with increased LNG and Mexican exports
  - Mexican export at 4.0 Bcf/d in 4Q FY17, up 29% Y-o-Y
  - LNG exports averaged at 1.8 Bcf/d in 4Q FY17, up 84% Q-o-Q
- Near term outlook improving as market rebalances
  - Improving outlook for Mexico and LNG exports in CY 2017
  - Production growth not expected until 2H'17 when newer pipeline capacities come online in Marcellus
  - Inventory build-up during summer months will be key to near term price outlook



# Price Environment : WTI and NGL

## WTI Price Trend

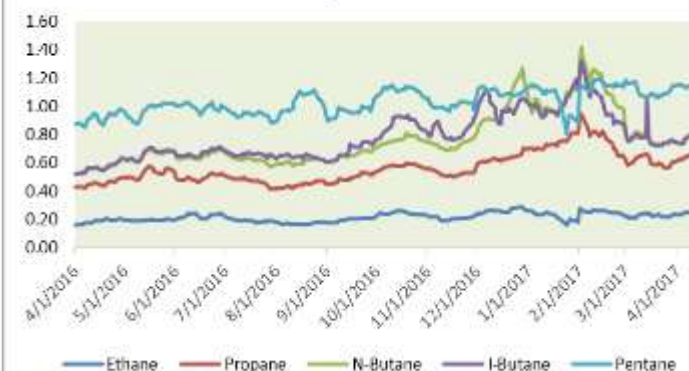
FY17 - WTI Price Movement



Source : EIA

## NGL Component Prices

NGL Purity Product Prices



Source : OPIS

## WTI:

- Oil price trends in 4Q FY17 mixed: Stable prices during early 4Q FY17, but lost ground in Mar'17 on increasing activity levels & rising US production
  - US oil production increased ~430 kbpd Q-o-Q
  - US oil rig count increased by 137 units in 4Q FY17 as improving economics have led to higher activity with increasing prices
  - Despite volatility, WTI averaged at \$52/Bbl in 4Q vs. \$49/bbl in 3Q
- Medium term outlook positive; Market rebalancing likely in 2H CY17
  - OPEC/Non-OPEC production cut compliance and improving demand outlook to ease inventory overhang
  - Renewed activity in the Permian shale may put cap on prices

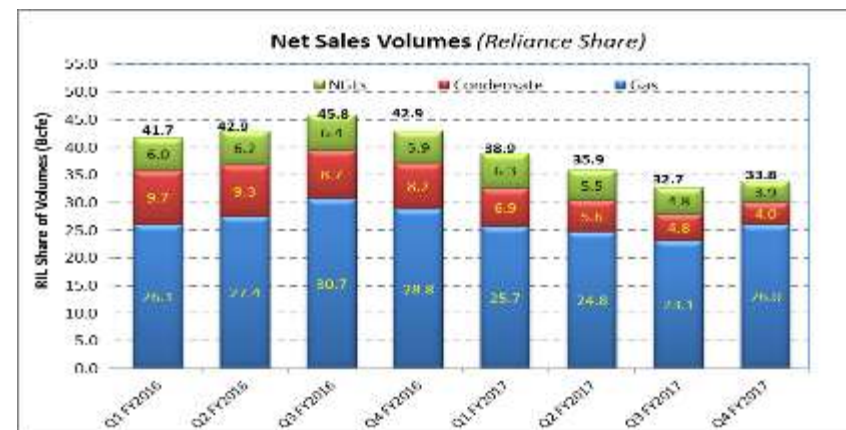
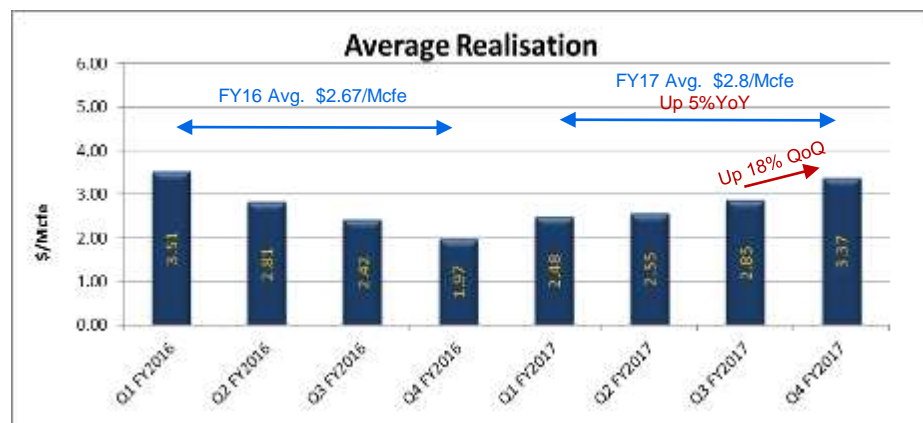
## NGL:

- NGL realization up 9% Q-o-Q at \$22.4/bbl in 4QFY17, as domestic demand trend remained strong
- Increased Ethane exports and new crackers coming on-stream have improved demand/pricing outlook
- LPG exports at a record high. New terminals and positive arbitrage to Europe and Asia supportive of higher prices

# Business Performance Highlights

	4Q FY17	3Q FY17	4Q FY16	% Chg vs. 3Q FY17	FY17	FY16	% Chg vs. FY16
Production (Bcfe)	39.1	37.5	50.6	4%	162.5	205.1	-21%
Revenues (\$ MM)	112	93	82	20%	387	451	-14%
EBITDA* (\$ MM)	40	32	28	25%	134	236	-43%

\*Excludes IndAS (FCM to SEM) adjustments of \$250 million in FY16 and \$ 4 million in 4Q FY16



- Improved sequential performance in 4Q, driven by better pricing environment and higher gas volumes
- Sequentially higher volumes supported by lower curtailment at Marcellus JVs
- Improving efficiencies across JVs, leading to sustainable cost improvements
- JV capex restricted only to drilling selected pads and on lease renewals; Focus on preserving value and optionality
- Downward revision of Proved Reserves in Eagle Ford JV, reflecting under-performance of down-spaced wells and a reduced pace of development. Activity has re-commenced with revised well designs
- Improved financial results in Marcellus JVs. Maturation of drilling inventory ongoing



# *Reliance Retail*



# Reliance Retail is India's Largest Retailer



## Reach

**>3.6 mn**

Customers served every week

**702**

Cities

**30 million**

Loyalty customer base



## Scale

**3,616**

Retail stores

**448**

Petro outlets (COCO)

**13.50 m sq ft**

Retail space

**>1.7 million**

Garments sold every week

**>20%**

Market share in UHD TVs

**>75,000**

People employed



**>500,000**

Distribution partners for  
communication devices &  
connectivity

**~1 mn**

Devices sold every month

**>500 Mt**

Of fruits & vegetables sold every day

## Infrastructure

**5.6 mn sq ft**

Of warehousing space

**>100**

Distribution Centres  
across 23 states

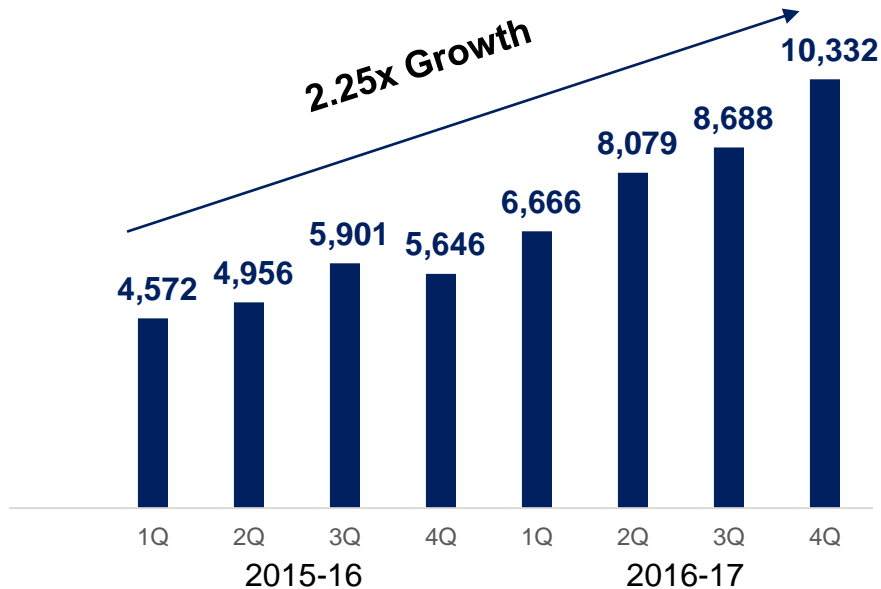
**>1,000**

Dedicated trucks hauling merchandise  
between stores

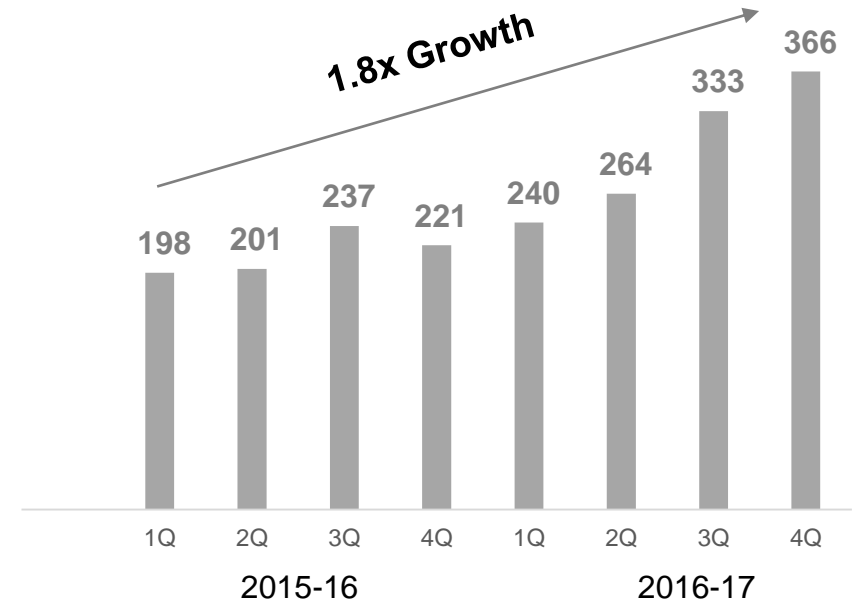


# Strong and Sustainable Growth

Reliance Retail Revenue (₹ Crore)



Reliance Retail EBITDA (₹ Crore)

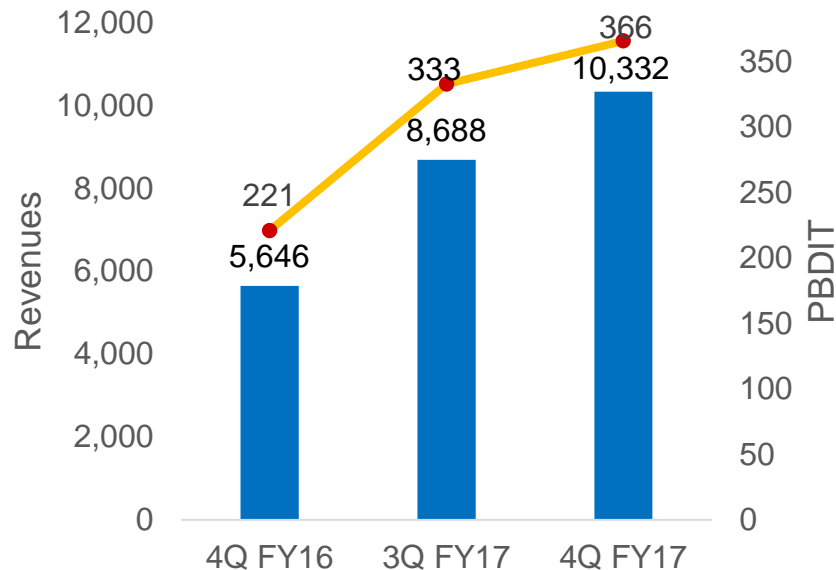
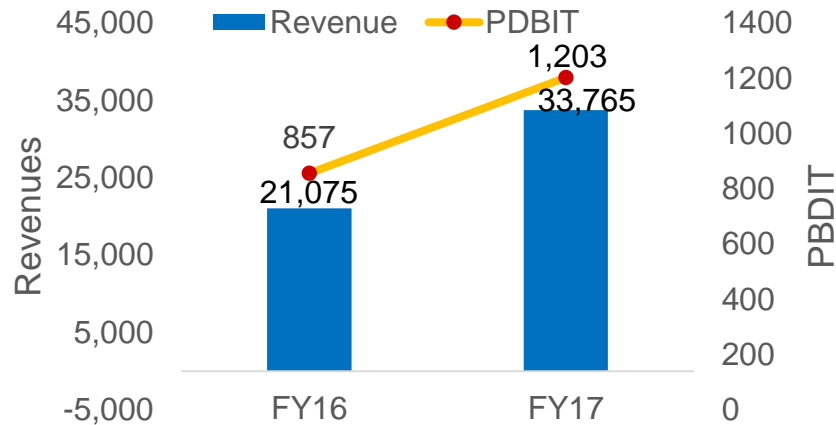


- Reliance Retail recognized as India's Top 10 Retail Companies to Work for 2017 by Great Place to Work Institute and Retailers Association of India (RAI)
- Reliance Retail continues to appear in the list of Most Trusted Retailers\*
- Reliance Retail became the first retail chain in India to support UPI-based payments

## Robust Top-line & Bottom-line Growth

\* as per ET Brand Equity 2016 Survey

# Performance Highlights



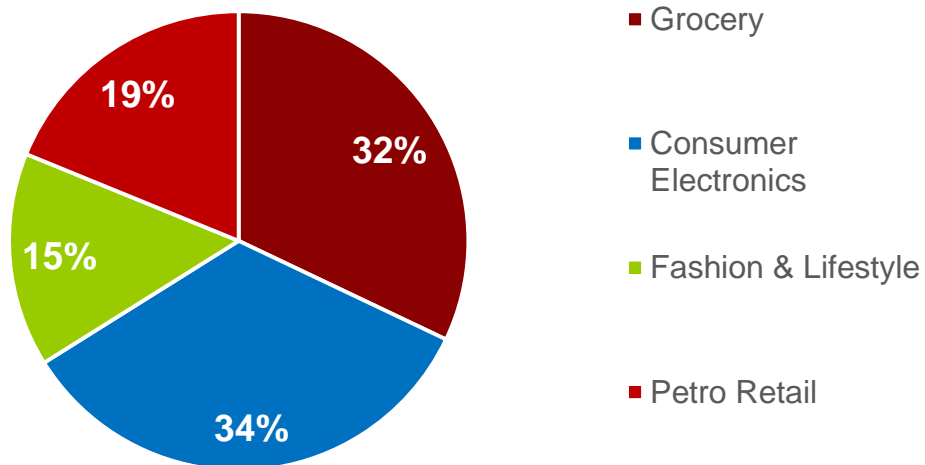
- Strong growth across all consumption baskets
  - Crossed a milestone of achieving quarterly revenue of ₹ 10,000 crore
- FY17 revenue up 60% Y-o-Y
  - EBITDA up 40% Y-o-Y
- 4Q FY17 revenue up 19% Q-o-Q
  - EBITDA up 10% Q-o-Q
- Robust network expansion across Consumer Electronics and Fashion & Lifestyle categories
- Number of stores at 3,616 as at 31<sup>st</sup> Mar 2017
- Successfully launched ecommerce platforms
  - [www.ajio.com](http://www.ajio.com)
  - [www.reliancetrends.com](http://www.reliancetrends.com)
  - [www.footprint360.com](http://www.footprint360.com)



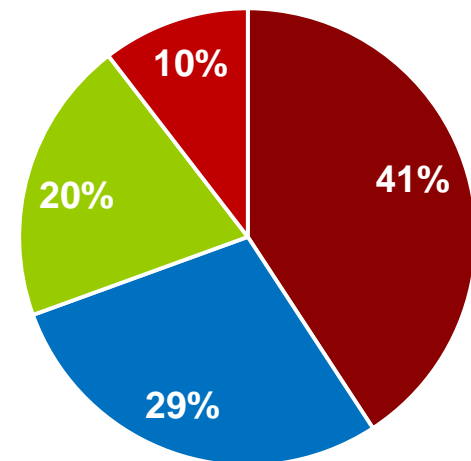
# Contribution From Consumption Baskets

Consumer Electronics and Petro lead the growth pack

**Turnover Mix – FY17**



**Turnover Mix – FY16**



- 344 Trends stores, presence in 186 cities
  - New concept of 'Trends Woman' stores launched
  - Concept offers trendy, high-fashion and well-curated collections of Indian women wear
- Signed up exclusive long term partnership with 'Flormar', Turkey's Number 1 Beauty and Color Cosmetics brand and a part of Yves Rocher Group, France
- Reliance Jewels launched unique products:
  - 'Miliani' collection designed by reputed designer Ms. Garima Maheshwari
  - 'Aavaran', a first of its kind product aimed at enhancing women safety. Technology embedded gold / silver pendant can alert up to 5 guardians with the press of a button



- Largest retail chain with presence in over 600 cities
  - 1,996 Reliance Digital and Jio stores
- Better conversions, targeted promotions and localized assortment drives growth and profitability in Tier 2 cities
- Outperforming industry growth across major categories such as Mobile devices, Laundry & Wash care, Laptops, Air Care, Food Preservation
- Enhancing core value service proposition - 24 hour home delivery & installation, 14 day return as a differentiator now operating across 60 cities
- Only Consumer Electronics retailer in India to have its service arm ResQ and own brands sourcing to be ISO certified





- Reliance Smart concept continues to drive robust sales growth across all regions
  - Reliance 'Smart' extended to 77 stores
- Fresh and Smart stores offered special promotions with visa during March 2017 to encourage non-cash mode of payments.
- Launched new products covering Personal Care, Processed Food and Staples, further strengthening own brand portfolio
- Reliance Market launched a 50,000 sqft store in Amritsar
  - High double digit growth from Kirana and Horeca partners



Reliance Market, Amritsar store

- AJIO enhances features for a better customer experience
  - IMPS, EMI, Automated refunds, Similar Style Recommendations, Doorstep QC for faster refunds, etc.
  - Expanding its retail presence to 290 counters in Trends stores
  - Launched “Kids Wear” Category for Boys, Girls and Babies
- AJIO awarded ‘Online Retail Launch Site of the Year’ award at the Asia Retail Congress 2017
- Website for Reliance Trends launched (<https://www.reliancetrends.com/>)



# Device Distribution Business

- Over 2.6 million LYF and JioFi devices sold in 4Q FY17
- Launched LYF Jio Money Consumer Offer
- JioFi: Online and offline integration by offering customers option of Home Delivery of Device as well as SIM (in selected locations)





# Petro Retail - Owned Outlets

- FY17 revenue of ₹ 6,357 crore up by 189% Y-o-Y
- 4Q FY17 revenue of ₹ 2,460 crore up by 179% Y-o-Y
- 448 owned retail outlets operational as of 31st March, 2017
  - Opened 35 new outlets during the quarter
- RSP discount scheme across India has seen overwhelming response



# *Reliance Jio*

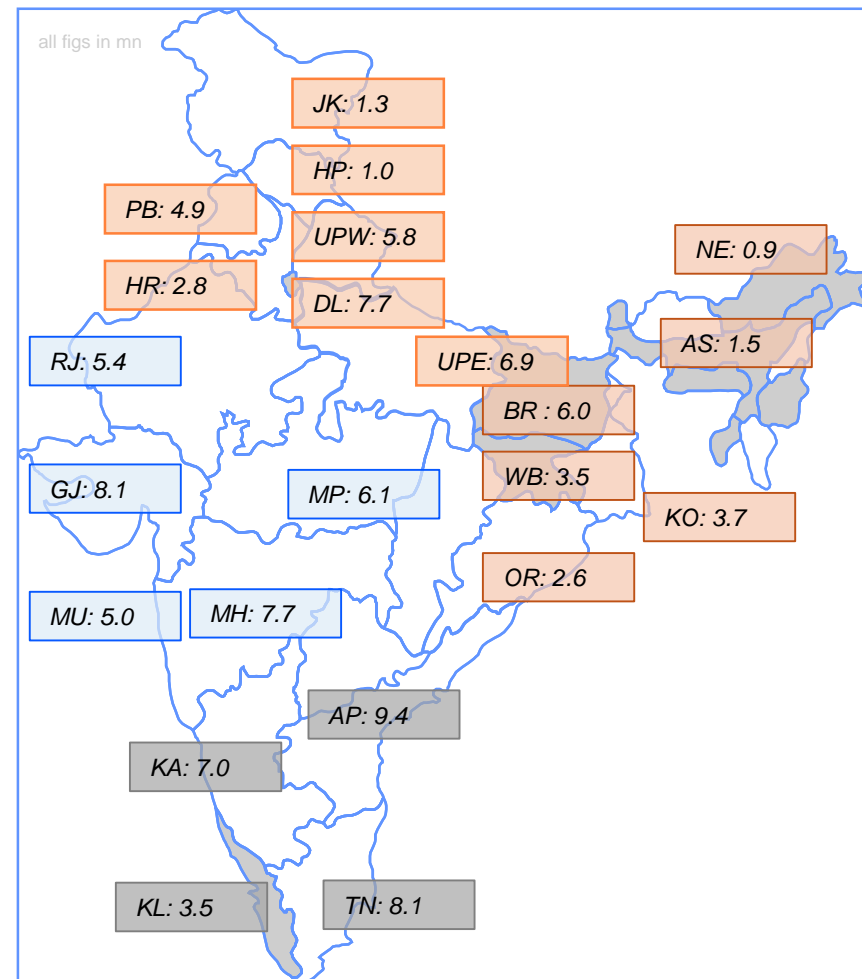


**108.9 Mn**  
**SUBSCRIBERS AS OF**  
**31-Mar-2017**

- Largest migration from free to paid services in history
- Overwhelming demand for “**Jio Prime membership**”, with 72 Mn Jio Prime members as of 31-Mar-2017

**LARGEST MOBILE DATA**  
**NETWORK GLOBALLY**

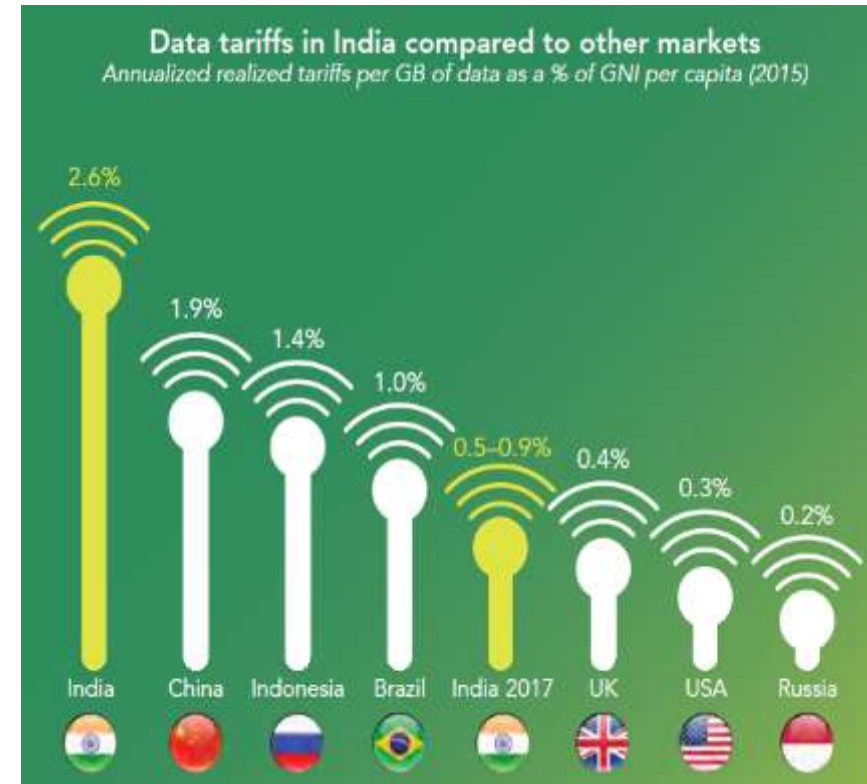
- Data traffic > 110 crore GB per month
- 5X more data traffic than rest of industry





# Indian Digital Economy Set for Exponential Growth

- India's digital economy projected to double to ~USD 250 Billion by 2020
- Mobile led digital adoption drivers:
  - Reliable high speed 4G availability
  - Proliferation of quality digital content
  - ~650Mn mobile internet user base by 2020
  - Mass affordability
  - 7-10GB data consumption per user per month
- Connectivity revenues predominantly driven by wireless; expected to be in US\$ 45-55 billion range by 2020 (**Rs 3,00,000 – 4,00,000 crore**)
  - Data to drive growth in industry revenue

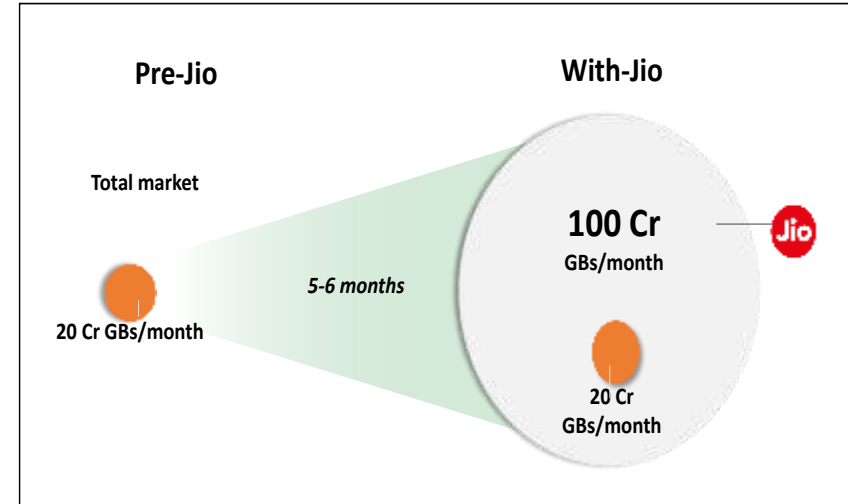


- ✓ **Data rates are becoming affordable**
- ✓ **Availability of rich digital content**
- ✓ **Mobile has become primary mode for internet access**
- ✓ **Strong digital push by Government**

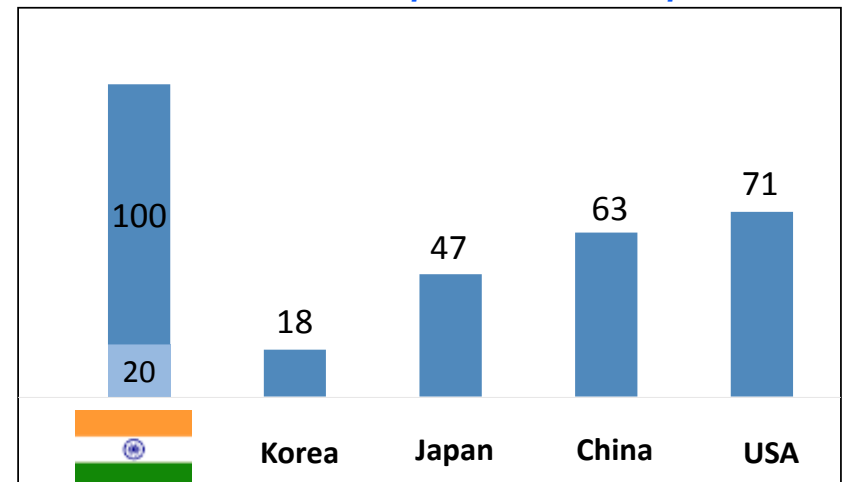
# Jio is Catalyzing India's Digital Adoption

- Only ubiquitous 4G coverage
  - High speed and quality coverage (world's largest greenfield 4G LTE wireless broadband network, with over 100,000 mobile towers)
  - Target of 95%+ population coverage this year
- Operations are fully digitized from onboarding through fulfillment
  - Presence in 6,612 blocks / tehsils in India
  - Over a million retail partners
  - Aadhar based eKYC, activation under 5 mins
- Transformative customer value propositions
- Continued progress on the roll-out of FTTH with beta trials initiated in a few locations
  - Would expand scope of beta trials over next few months

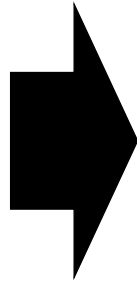
*India mobile data traffic pattern in Cr GB per month*



*Global mobile data traffic pattern in Cr GB per month*



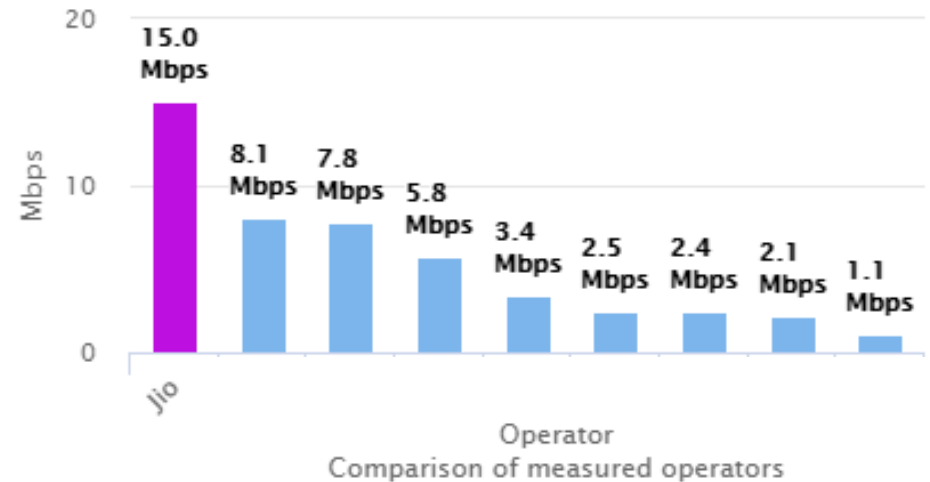
# India Mobile Internet Pre-Jio vs With Jio





# Jio network speed and coverage consistently the best as validated by MySpeed app

- Jio's network speed and coverage consistently rated the highest by most reliable sources
- As per TRAI MySpeed Portal, Jio's average download speed at 15.0Mbps in March is almost twice of any other operator
  - Unverified sources / methodologies being used by some operators for misleading campaigns
- With over 100,000 radiating sites, backed by state-of-the-art, all IP network, LTE spectrum across 800MHz, 1800MHz and 2300MHz bands, and largest fiber footprint, Jio has the widest LTE coverage



Source: TRAI MySpeed portal, <http://www.myspeed.trai.gov.in/>

## 4.7x of entire Industry LTE MHz-cells (million)

Jio*	13.46
Others	2.85

\*includes Jio small cells under implementation

# Jio offers best value proposition in world's largest migration from free to paid services

- Jio Dhan Dhana Dhan is an **ALL UNLIMITED** plan with special benefits
- Value for money plan in all-in-one tariff
- Most Affordable at **Rs. 309 / 509** for



- **Jio Prime Users (ALL UNLIMITED)** – Voice, SMS and Data (1GB / 2GB per day at 4G speed) for 3 months as a special benefit
- Special opportunity for Non Prime Users to avail the benefits at **Rs. 409 / 608**
- **ARPU maintained ahead of Industry benchmarks** while undertaking **world's largest migration from Free to Paid services** in the shortest period of time
  - In order to smoothen migration from free to paid services, Jio has implemented simple, affordable and regulatory compliant plans in customer interest
- Customers who did not recharge by 15<sup>th</sup> April 2017 are facing degradation/ discontinuation of services

## Jio Media Apps are the most differentiated; most apps nominated in their respective categories at MWC



JioTV

- **More channels added; 432+** TV channels in 15 languages
- **7 day catch up TV**
- Nearest other app with just over 200 channels



JioCinema

- 6,000+ movies; 1 Lakh+ episodes of TV; 60k+ Music Video; 7,000+ Short Videos
- Nearest other app with 3,000 movies and 800 TV shows
- **Most differentiated functionalities**



JioMusic

- More content added; over 15mn HD songs, **spanning 20 Indian languages** and international music
- Predictive engine among the best in the industry



JioMags

- 500+ magazines (**10,000+ issues**) from 42 Publishers, 15+ categories & 10 languages
- Interactive videos and personalized annotations
- No other app with similar Indian content



JioXpressNews

- Customize reading experience by choosing from 10 Indian languages, 15+ interest areas and 500+ publications
- Save articles for reading later and even in offline mode



Jio has been widely acknowledged for the cutting edge technology initiative

- Reliance Jio received the award for

**Social & Economic Development:  
Best Mobile Innovation for  
Emerging Markets**

*at the Mobile World Congress 2017*



**WINNER**

- The award is a recognition of Jio's efforts at improving broadband penetration in India and make it accessible to everyone
- Jio has extended the benefits of a superior and advanced technology to take India to global digital leadership

## Summary

## Performance

- Record operating performance
  - Strong refining cycle – GRMs at 8 year high
  - Higher volumes and supportive deltas driving record Petrochemical earnings
- Highest ever refining throughput, petrochemical production

## Value creation

- PX capacity commissioned
- Ethane import project successfully implemented – Ethane cracking commenced in Dahej
- ROGC and downstream pre-commissioning and startup activities in full swing
- Gasification (DTA ) - pre-commissioning underway

## Delivering superior consumer experience

- Jio – Fastest subscriber ramp-up 100 mn customers, 72 mn Jio paid subscribers
  - 6x increase in mobile data usage; ushering in a digital revolution in India
- Retail – Leveraging technology platforms, enhancing reach and scalability





**Thank You**