



Reliance

Industries Limited

Growth is Life

**9M FY 2009-10
Results Presentation**

January 22, 2010

Forward Looking Statements



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Sustainable Recovery



- IMF raised forecast of world GDP growth to 3.1% for 2010 from 2.5%
- Sizeable policy stimulus, improving financial conditions helped the reversal
- Investors confidence is high; with all-round performance in equities, commodities and high yield debt during 2009
- Policy tightening in 2010 will be dictated by the speed of economic and financial sector recovery. Asia-pacific is likely to lead stimulus withdrawal
- Recovery in developed economies to remain muted (as compared to EMs) and with spare capacity, core inflation continues to drop in most countries

GDP - Significant Reversal -Asia Leading Recovery

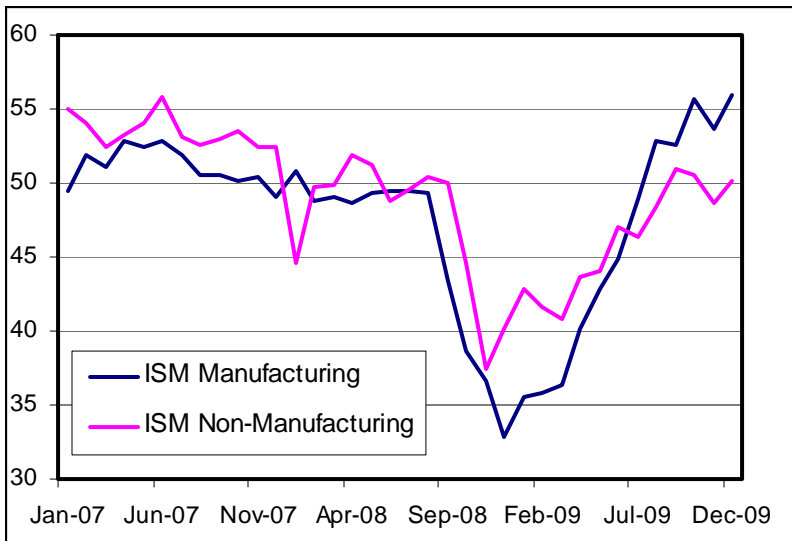
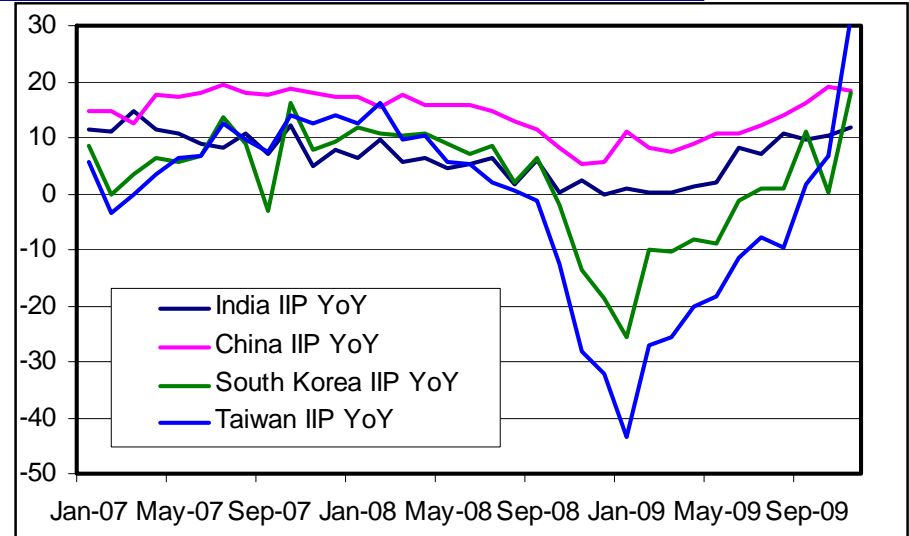
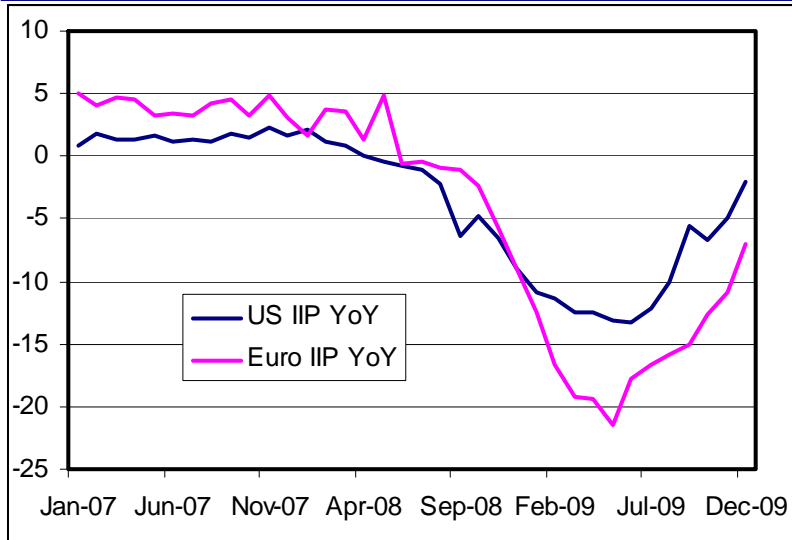


Country Group Name	2008	2009	2010	2011
World	3.00	-1.06	3.10	4.20
Euro area	0.72	-4.19	0.33	1.35
Major advanced economies (G7)	0.27	-3.63	1.28	2.40
Emerging and developing economies	5.99	1.70	5.08	6.00
Developing Asia	7.59	6.21	7.35	8.10

International Monetary Fund, World Economic Outlook Database, October 2009

- Growth shifting from Developed world to Emerging World
- In the economic turmoil, Developing Asia was least affected with 6.2% growth in 2009
- IMF projects Developing Asia to grow at 7.35% in 2010 as compared to G7 growth projection of 1.28%

Sharp rebound in Economic Indicators



- US IIP is almost back to 2007 levels, Euro zone is still lagging
- Asian IIP after bottoming out in Jan-Feb has surpassed the 2007 high as the region was least affected by credit crisis
- The trend in ISM Manufacturing and Non manufacturing suggests stronger than expected recovery in manufacturing/ non-manufacturing sector
- V-Shaped recovery so far



Financial Results

RIL – 3Q FY 2010 Operating Highlights



- Highest ever quarterly EBITDA at Rs 8,351 crore (\$ 1,795 million)
- KG D6 gas production ramps up to 60 MMSCMD – successfully assessed design capacity of production facilities to handle 80 MMSCM of gas
- Toughest quarter for refining margins across regions – Singapore Complex at its lowest in 6 years
- RIL refineries processed 16.6 million tonnes of crude oil resulting in an operating rate of 107%. Capacity successfully tested for 1.35 MBPD
- During the quarter, EGOM allocated 50 MMSCMD of gas of which 20 MMSCMD is on firm basis and 30 MMSCMD on fallback basis

Financial Results – 9M FY10



(in Rs. Crore)	9M FY10	9M FY09	% Change
Turnover	140,133	119,535	17.2%
PBDIT	23,290	19,016	22.5%
PBDIT Margin	16.6%	15.9%	
Net Profit	11,526	11,682	-1.3%

Higher revenue due to volume growth of 46% partly offset by lower prices (29%)

PBDIT margin higher due to higher share of Oil & Gas business, improved petrochemical contribution and higher other income

Financial Results – 3Q FY10

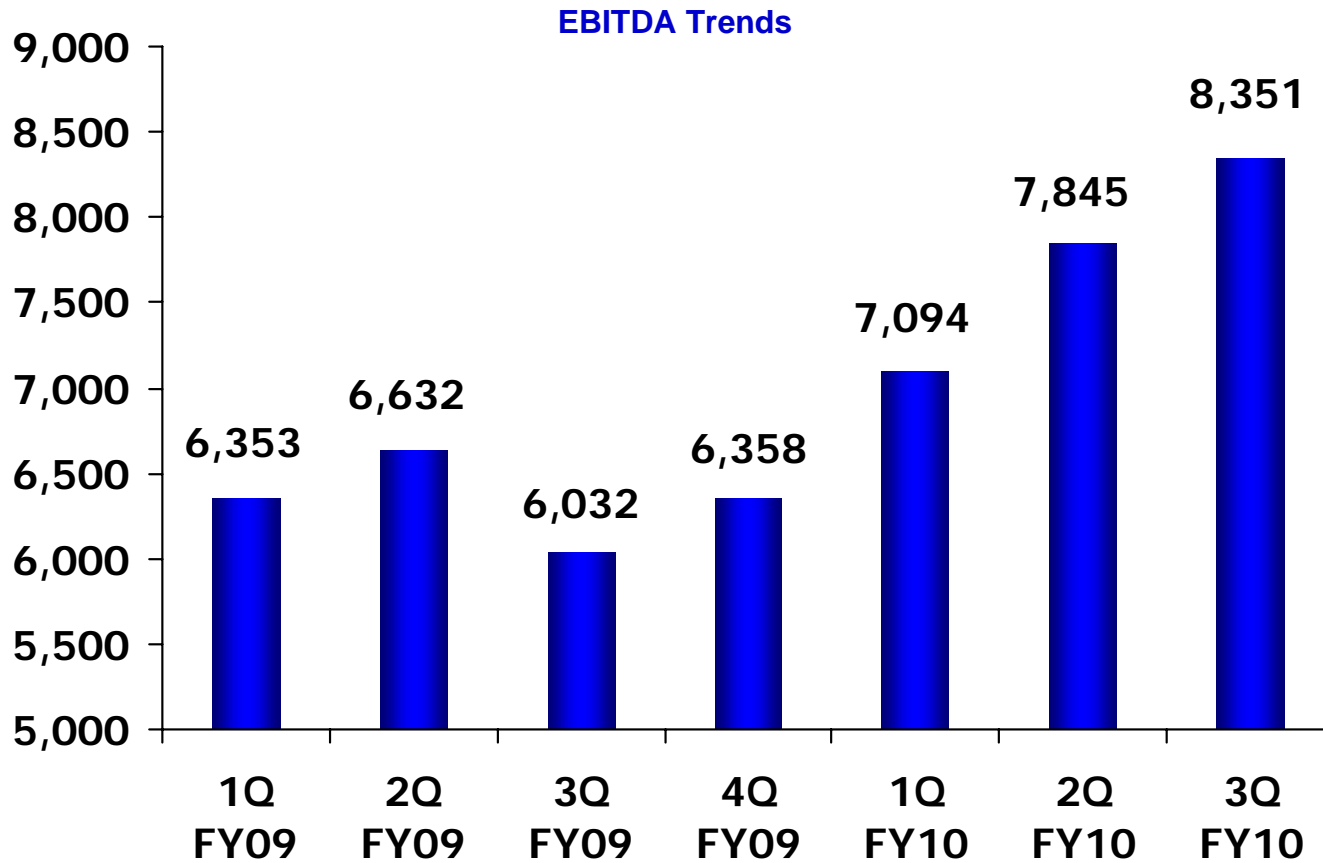


2Q FY10	(in Rs. Crore)	3Q FY10	3Q FY09	% Change
48,843	Turnover	58,848	30,537	92.7%
7,845	PBDIT	8,351	6,032	38.4%
16.1%	PBDIT Margin	14.2%	19.8%	
3,852	Net Profit	4,008	3,462	15.8%
11.8	EPS (Rs.)	12.3	11.1	

Higher revenue due to higher prices 36% and volume growth of 57%

PBDIT margin is lower primarily due to reduced refining margins

EBITDA Trend

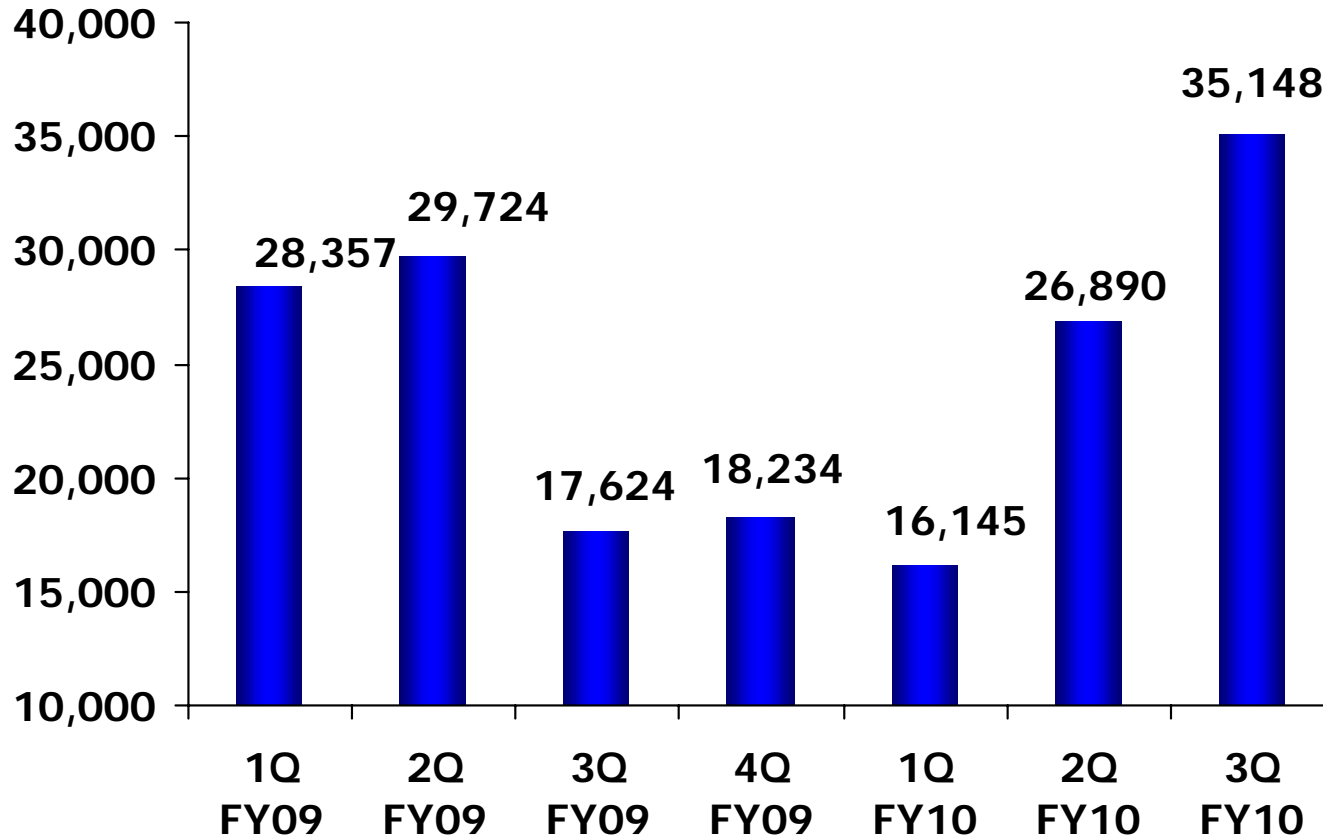


Record quarterly EBITDA

Export Trend



Export Trends (Rs. crore)



Record exports for the quarter

Segment Results – 9M FY10



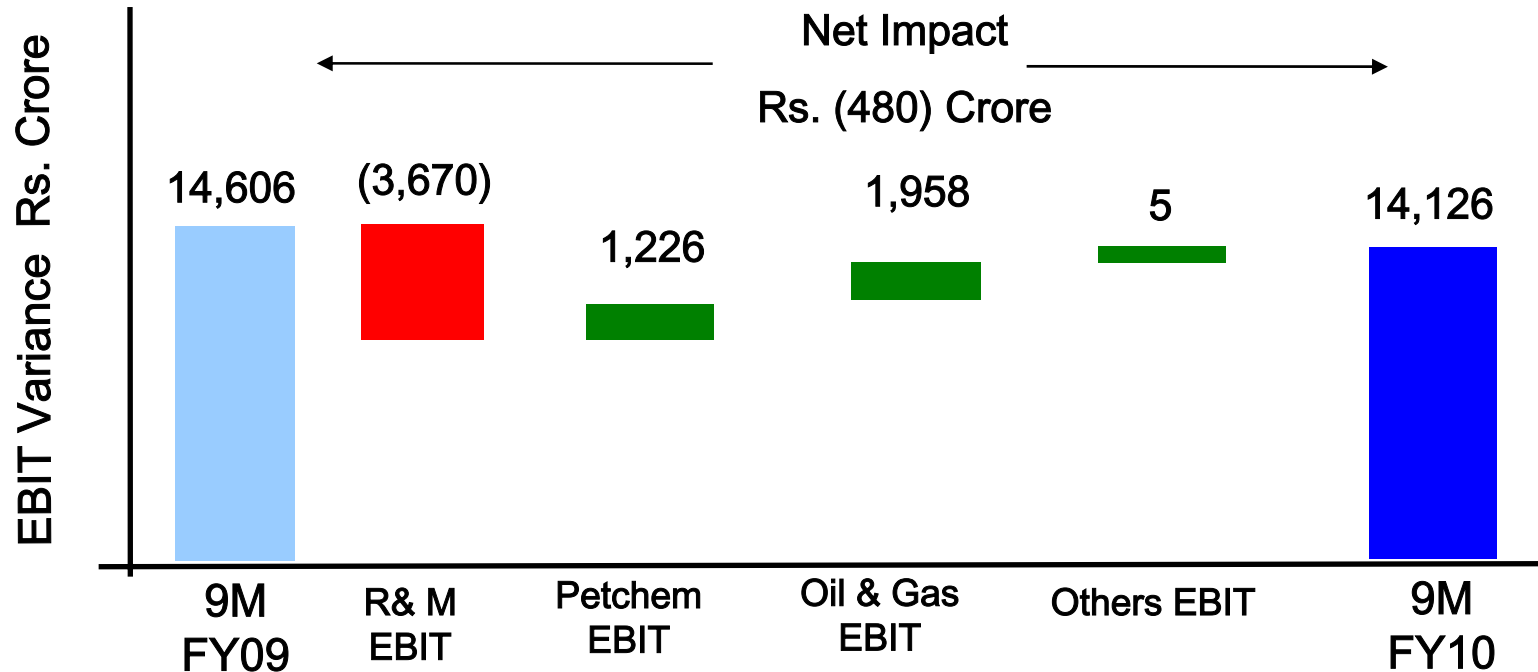
(in Rs. Crore)	9M FY10	9M FY09	% change
Refining			
Revenues	111,999	88,629	26.4%
EBIT	4,025	7,695	-47.7%
EBIT (%)	3.6%	8.7%	
Petrochemicals			
Revenues	39,803	43,040	-7.5%
EBIT	6,359	5,133	23.9%
EBIT (%)	16.0%	11.9%	
Oil and Gas			
Revenues	8,331	2,753	202.6%
EBIT	3,711	1,753	111.7%
EBIT (%)	44.5%	63.7%	

Oil & Gas EBIT margin is lower due to higher proportionate depreciation of KG D6

Refining EBIT margin is impacted due to lower GRM and depreciation of the SEZ refinery

Higher Petrochemical margin due to improved domestic realization and lower depreciation

Segment EBIT Bridge – 9M FY10 Vs 9M FY09



Lower GRM partially compensated by stronger Petchem margins and incremental volumes KG-D6 and SEZ refinery

Net Profit Bridge – 9M FY10 Vs 9M FY09



	(Rs crore)
Net Profit 9M FY09	11,682
Operating Profit	3,469
Other Income	805
Interest	(257)
Depreciation	(3,356)
Tax	(817)
Net Profit 9M FY10	11,526

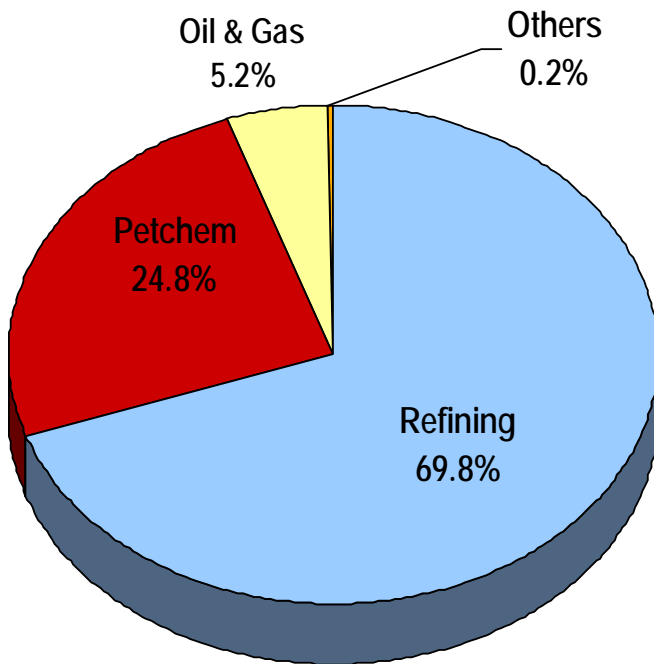
Net Profit down by
Rs 156 crore
compared to
previous period

Net Profit lower primarily due to higher depreciation (Oil & Gas and Refinery), interest (lower capitalization) and higher MAT provision

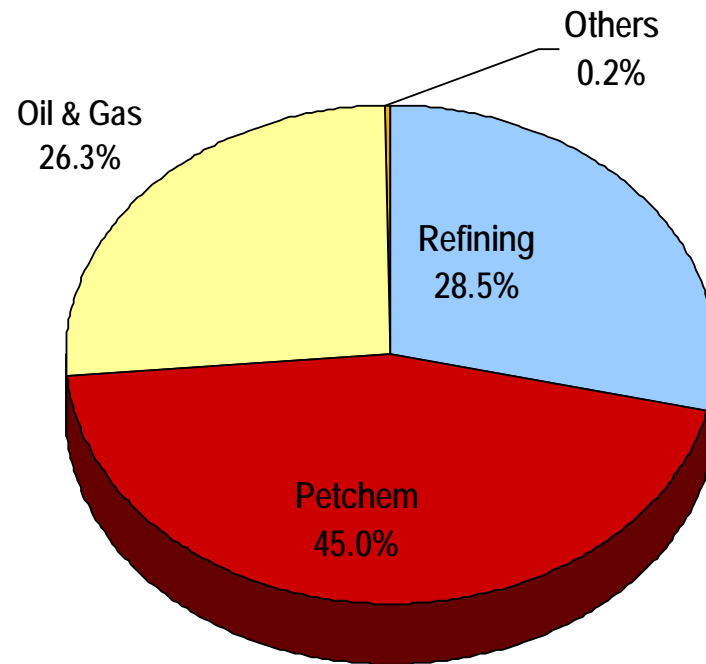
Business Mix – 9M FY10



Revenues



EBIT



Oil & Gas now contributes nearly 26% of EBIT with a revenue base of around 5%

Financial Ratios



Ratios	Dec'09	Mar'09
Net Debt : Equity	0.42	0.42
Net Gearing	28.0%	27.8%
Gross Interest Cover	10.0	5.0
ROCE (%)	12.8	20.3
ROE (%) (Adjusted)	15.9	21.6

Strong financials with a conservative balance sheet

ROCE and ROE reflecting capital base of fully commissioned assets

Higher gross interest cover due to higher PBDIT and lower gross interest

Sale of treasury shares aggregated to Rs 9,328 crore – representing 1.5 crore shares (pre-bonus) and 5.88 crore shares (post-bonus)



Oil and Gas – Exploration and Production

Oil and Gas Business Highlights



- KG-D6 gas production exceeds 9 billion SCM – currently at about 60 MMSCMD
- D6 crude oil production also exceeds 3.7 MBD – currently at 10,000 BOPD
- KG-D6 gas facility completes 275 days of 100% uptime and zero-incident production
- Successfully assessed design capacity of production facilities to handle 80 MMSCM of gas
- During the quarter, EGOM allocated 50 MMSCMD of gas of which 20 MMSCMD on firm basis and 30 MMSCMD on fallback basis

3Q FY10 Production Update



9M FY10		3Q FY10	3Q FY09	% Chg.
	Panna-Mukta			
1,311	Oil ('000 MT)	473	469	0.9%
1,433	Gas (MMSCM)	523	473	10.6%
	Tapti			
141	Condensate ('000 MT)	42	64	-34.4%
2,322	Gas (MMSCM)	694	1,058	-34.4%
	KG-D6			
337	Oil ('000 MT) *	115	83	38.6%
9,014	Gas (MMSCM)	4,201	-	-

Note: Full Production volumes; * Production Less Re injected Gas and Flare Gas

- KG D6 gas production averaged at 46 MMSCMD – Q-o-Q increase of 35%
- Crude price of \$ 75.5/ bbl & \$ 72.2/bbl from KG D6 and PMT respectively
- Gas price of \$ 4.20/MMBTU & \$ 5.73/MMBTU for KG D6 and PMT respectively

Exploration & Appraisal Update



■ Discoveries

- Two discoveries notified
- Dhirubhai 43 (Oil) well drilled in CB10 block
- Dhirubhai 44 (Gas) well drilled in KGVD3 block

■ Exploration

- 3 deepwater wells drilled – 1 well each in KGD9, CYD5, KG-V-D3
- 3 on-land wells drilled in CB10

■ Appraisal

- 1 appraisal well drilled in NEC 25 Block

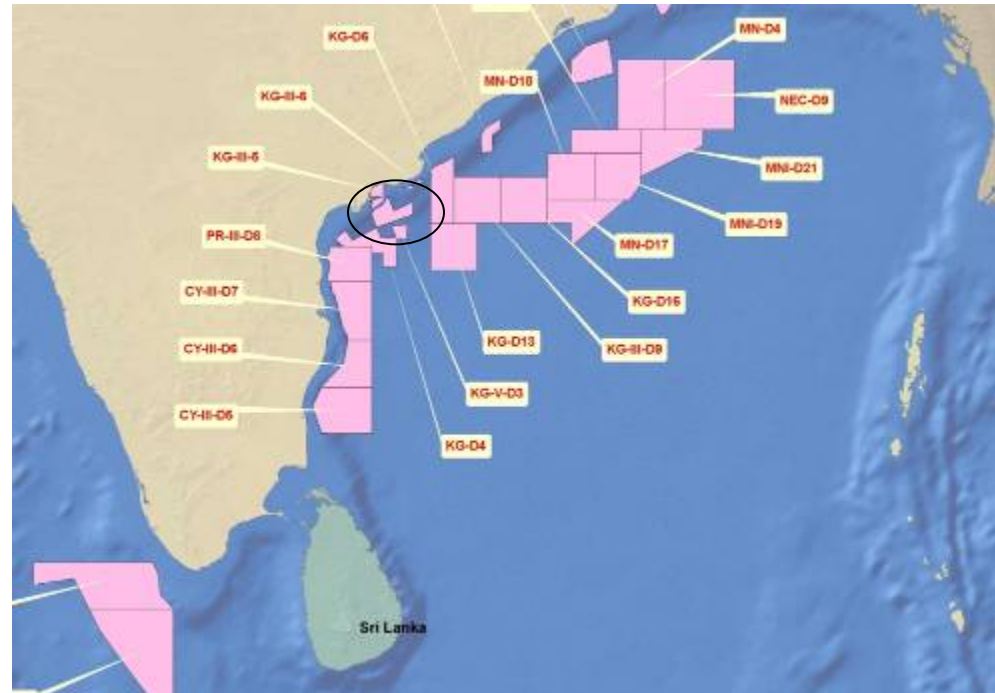
■ Relinquished

- Blocks KK V D1 and KK V D2 in Kerala-Konkan Basin

KG-V-D3 Update



- NELP-V KG deepwater block with total area of 3,288 sq km located west of D6
- RIL holds 90% interest in the block
- Third discovery in 3 wells drilled
- Commitment of 6 Wells in Phase-1
- 3100 sq km of 3D seismic completed
- 2 discoveries (D39, D41) in 2008
- Appraisal of these discoveries underway



Discovery Blocks Update

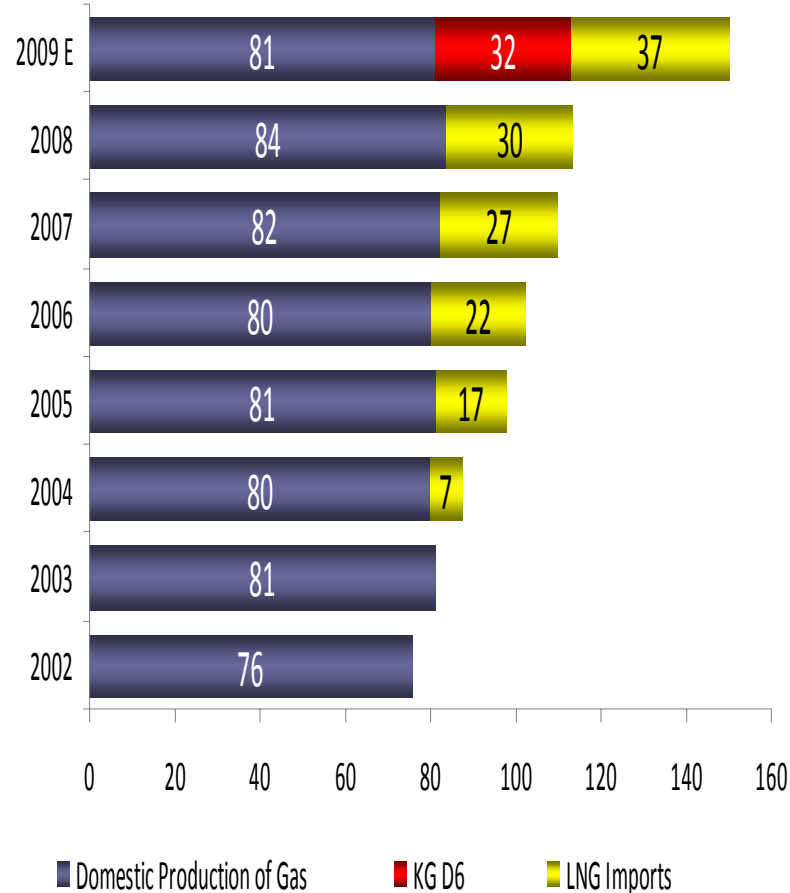


- KG D6 Satellite Discoveries/Appraisal:
 - Development plan for 9 discoveries submitted in 2008
 - Based on DGH advice, an optimized plan for development of 4 discoveries has been submitted recently
 - Appraisal of 4 more discoveries in the southern part of block underway
 - Three appraisal wells drilled successfully with one more currently underway
 - Commerciality for these discoveries is expected to be submitted soon
 - Possible integration and optimization of the discoveries with the existing facilities is being examined

Dynamics of Gas Marketing



- In 2009, Asian LNG price averaged at \$8.91 /MMBTU
- Henry Hub spot prices averaged at \$ 4.15 /MMBTU in 2009. Forward curve indicates prices in excess of \$7 /MMBTU for next 5 years
- India's 2009 gas market dynamics
 - Supply gap of 80 MMSCMD
 - LNG import of 34 MMSCMD
 - PMT gas @ \$5.73 /MMBTU
 - D6 gas @ \$4 .2 /MMBTU

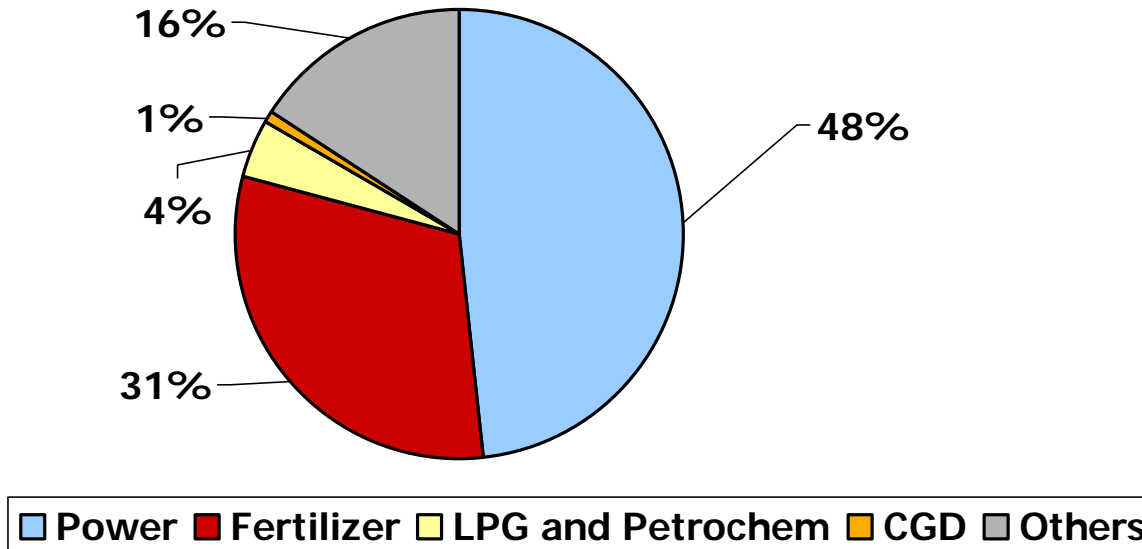


Source: BP Statistical Review, Industry Reports
Unit: MMSCMD

Gas Sales Update

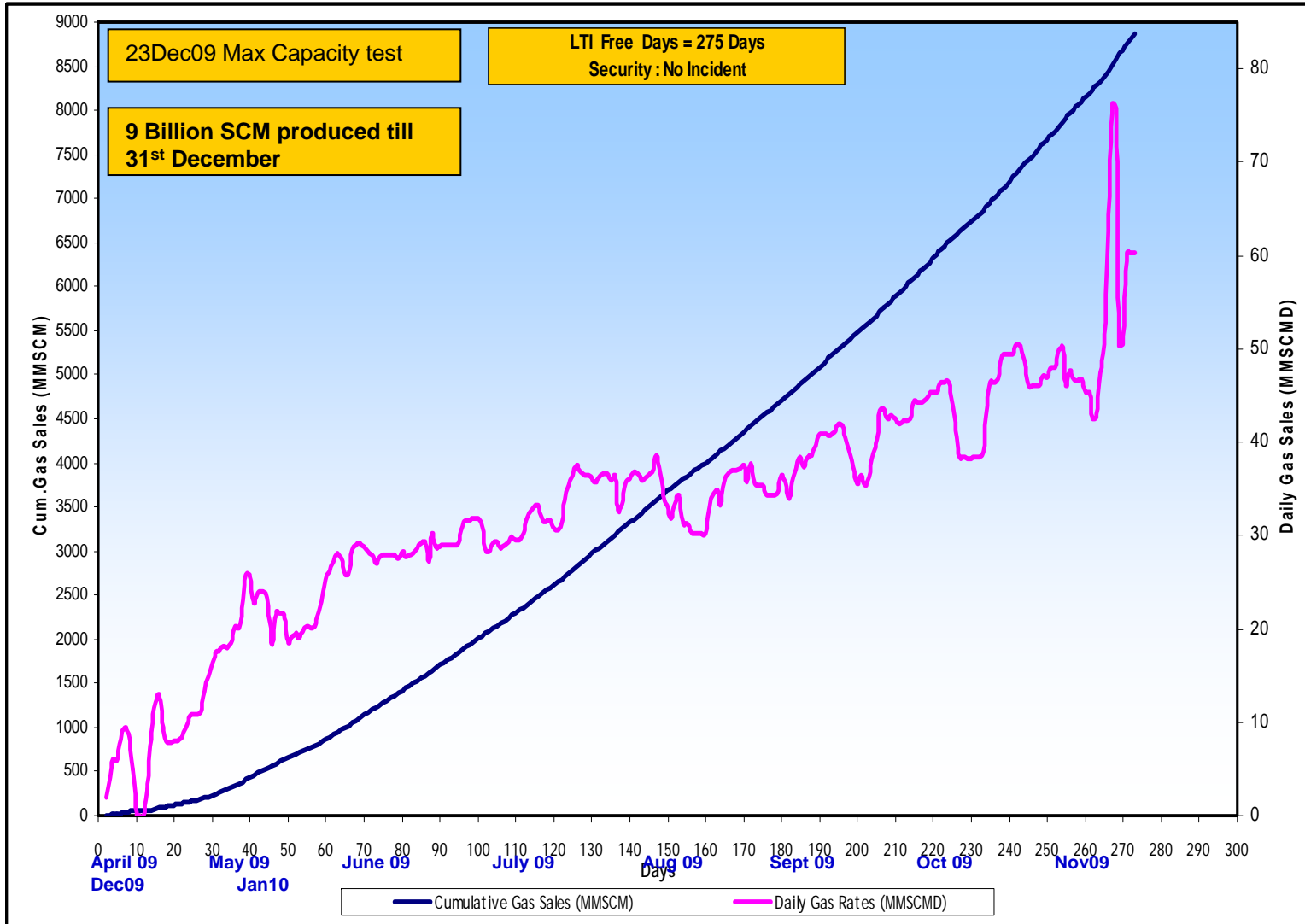


Sectoral consumption share of KG D6 gas



- GSPAs executed with 48 customers for over 61 MMSCMD
- 80% of KG D6 gas sold during the quarter was to power and fertilizer sectors

275 Days of Flawless Operation



Oil & Gas Outlook



- Further ramp-up in gas production from KG D6 expected in 4Q FY 2010
- Exploration and appraisal drilling to continue in various blocks
- Improved realization on the back of higher crude oil prices
- Production from PMT expected to remain stable



Refining & Marketing

R & M Business Environment



- Tough operating environment – by far the worst in recent times:
 - With GRM of \$ 1.9/bbl, Singapore Complex was at its lowest in 6 years
 - USGC was at its worst in 5 years with a GRM of \$ 1.3/bbl
 - Rotterdam was no better with its worst quarterly display in 6 years
- Improvement seen in product cracks seen in last few weeks
- Markets remained vulnerable to OECD stocks, low demand for transportation fuels, excess supply and low light-heavy differentials
- Operating rates remained suppressed – Europe averaged at 75%, US remained in the sub-80s and Asia remained at around 82%
- Product cracks remain low; naphtha surprised on the upside due to Asian petrochemical demand recovery. Recent boost to distillates due to winter
- Weak cracks in light & middle distillates suppressed margins across regions

RIL Business Highlights



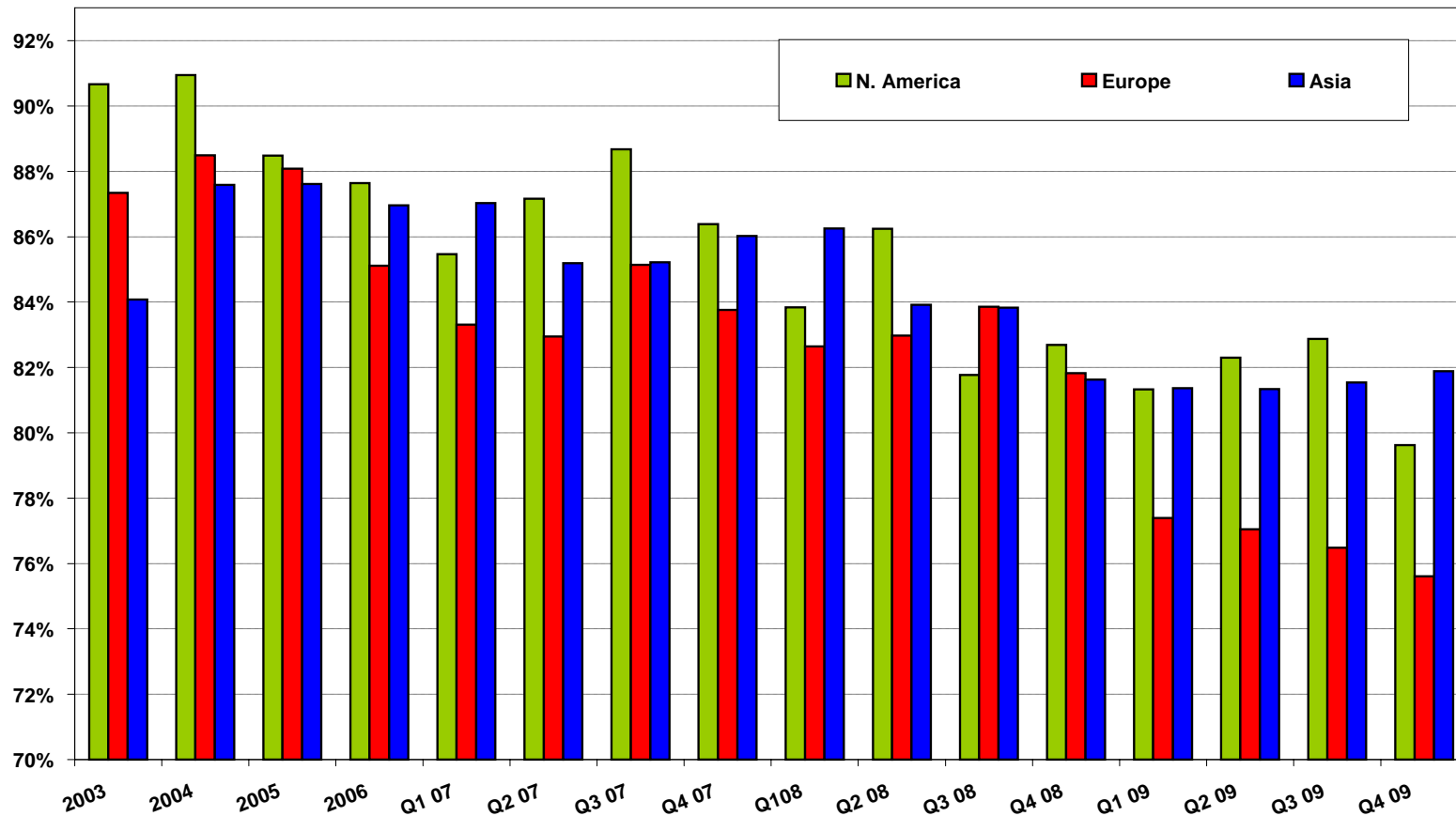
- GRM of \$ 5.9 /bbl for the quarter, consistently outperforming leading regional benchmarks
- Highest ever quarterly crude processing with 16.6 Million tons of crude oil processed. At its peak, the refineries processed 1.35 MPBD
- At 107%, RIL's operating rate for the quarter was significantly higher than global averages
- Export volumes at 23.6 Million tons in 3Q FY10 across geographies
- Domestic sales (including captive) accounts for 43% of total production
- Over 600 retail outlets were operational during the quarter

Creditable performance in a tough operating environment

Refinery Operating Rates Decline Further



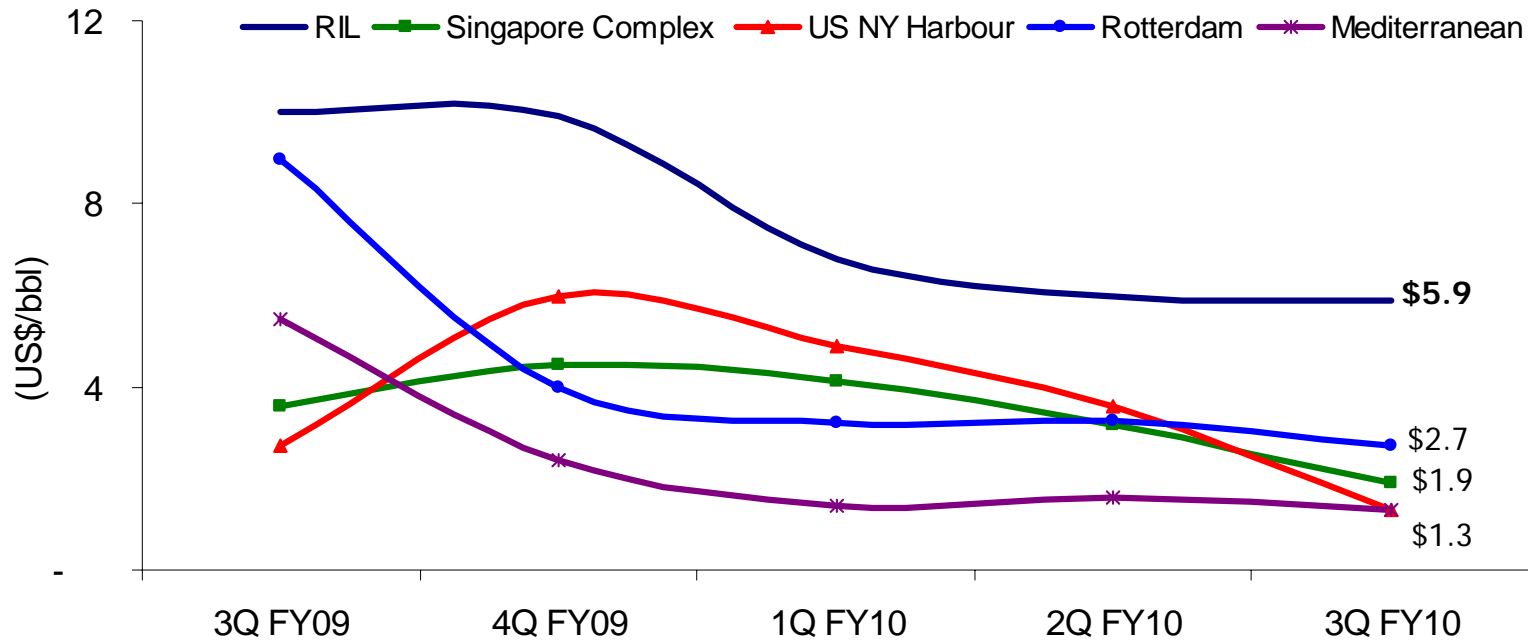
Regional Refinery Capacity Utilization



Source : ESAI

Refinery operating rates suffer in all regions due to poor demand and low margins

Margin Benchmarking



Source: Reuters / Company Data

- Margins further dip in all regions in last quarter. Persistent demand weakness, narrow light-heavy differentials coupled with surplus inventory impact margins
- Significantly lower operating cost and higher operating rate differentiating RIL from virtually all its international peers in the business

Indian Petroleum Products Demand



('000 MT)	3Q FY10	3Q FY09	% change	9M FY10	9M FY09	% change
	2009-10	2008-09		2009-10	2008-09	
MS	3,233	2,780	16.3%	9,548	8,286	15.2%
HSD	14,499	13,134	10.4%	41,643	38,161	9.1%
ATF	1,205	1,107	8.9%	3,430	3,345	2.5%
Kero	2,366	2,344	0.9%	7,002	6,970	0.5%
LPG	3,257	2,977	9.4%	9,122	8,649	5.5%
Naphtha	2,146	2,301	-6.7%	6,908	6,599	4.7%
Others	7,257	8,182	-11.3%	26,092	25,183	3.6%
TOTAL	33,963	32,824	3.5%	103,745	97,193	6.7%

Robust demand growth in the transportation and cooking fuels segment. Higher diesel consumption due to captive power generation and weaker monsoon

Higher penetration of personal automobiles result in stronger demand for MS

Refinery Product Sales



(in KT)	9M FY09	9M FY10	% change
PSU	2,094	8,619	312%
Captive	4,038	6,375	58%
Retail	77	302	292%
Others	2,657	2,451	-8%
Exports	16,159	23,620	46%

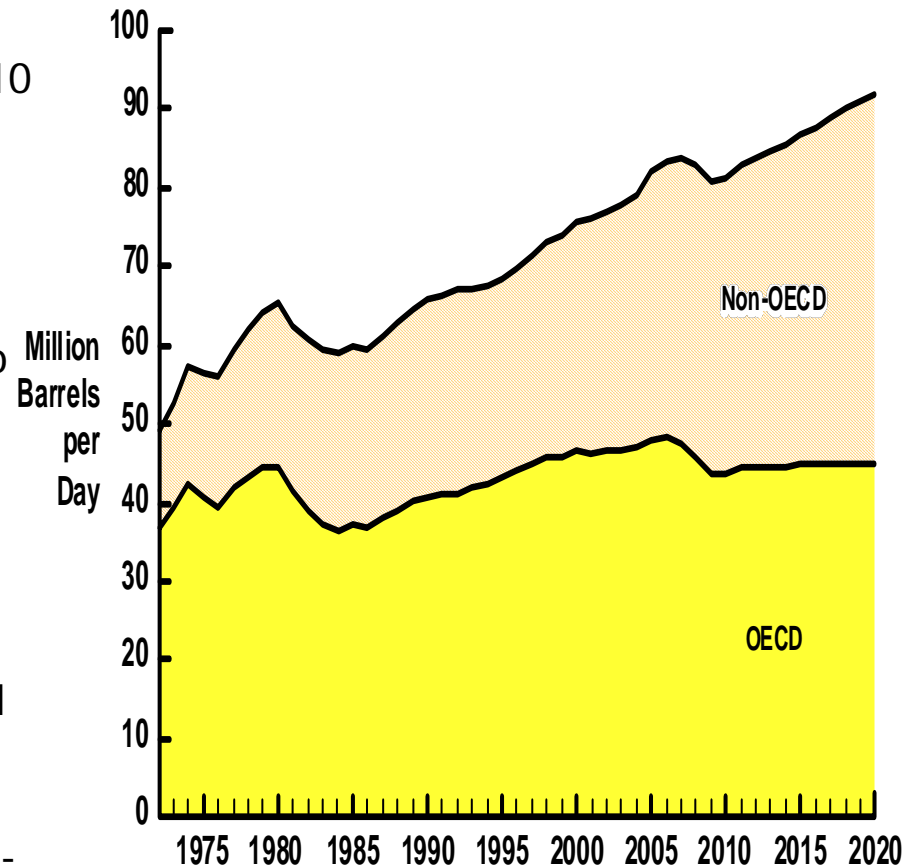
Sharp increase in domestic volumes in line with the growing domestic demand

Exports continues to be large segment as the SEZ refinery gains momentum

World Oil Demand



- Consensus on economy recovery process. GDP growth figures for 2010 (KBC- 3.2%, PIRA- 4.1%, IMF in Oct'09- 3.1%)
- GDP forecasts lead to upward revisions to oil demand; expected to grow by 1.44 million b/d in 2010
- OECD demand growth expected to remain flat, mired by unstable financial sector, substitution, unemployment & tightening of fiscal measures
- Non-OECD demand growth in 2010 - 1.44 million b/d



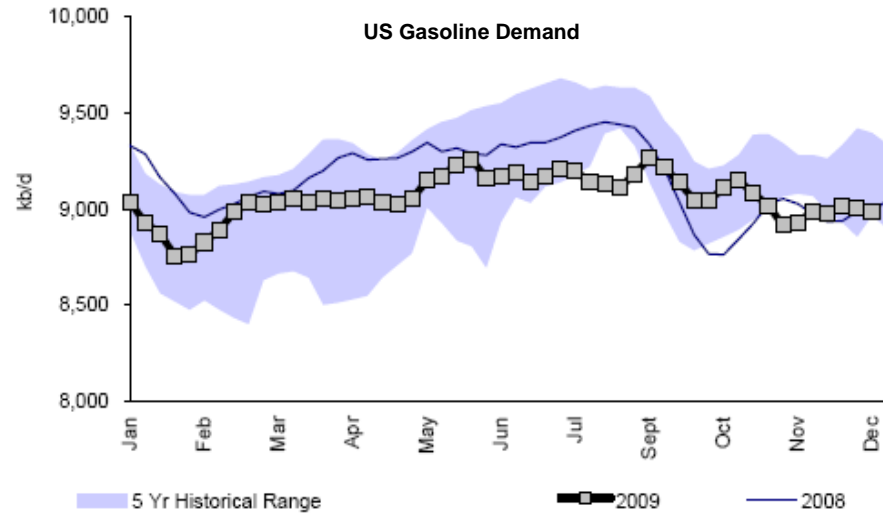
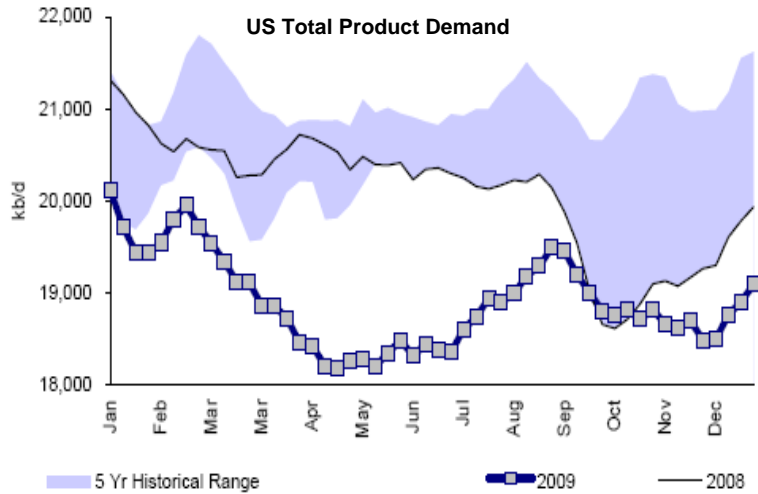
Source: IHS Cambridge Energy Research Associates and IEA.

Note: Excludes demand for biofuels.

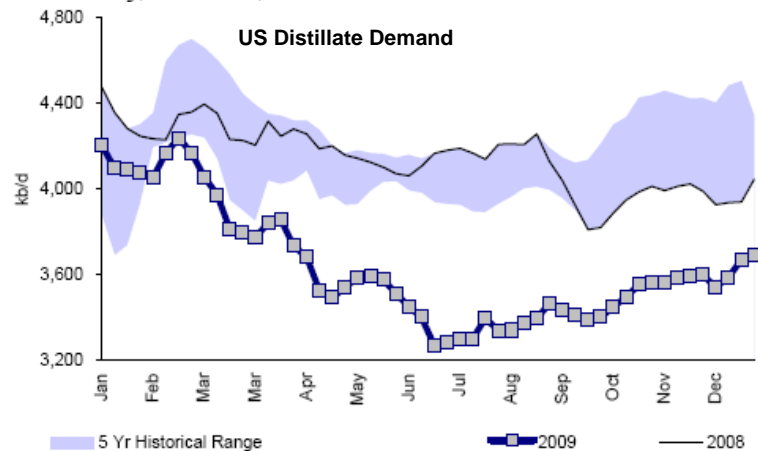
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Economic recovery to result in oil demand recovery

US Demand: Working its Way Back...



Source: Bloomberg, Deutsche Bank, EIA



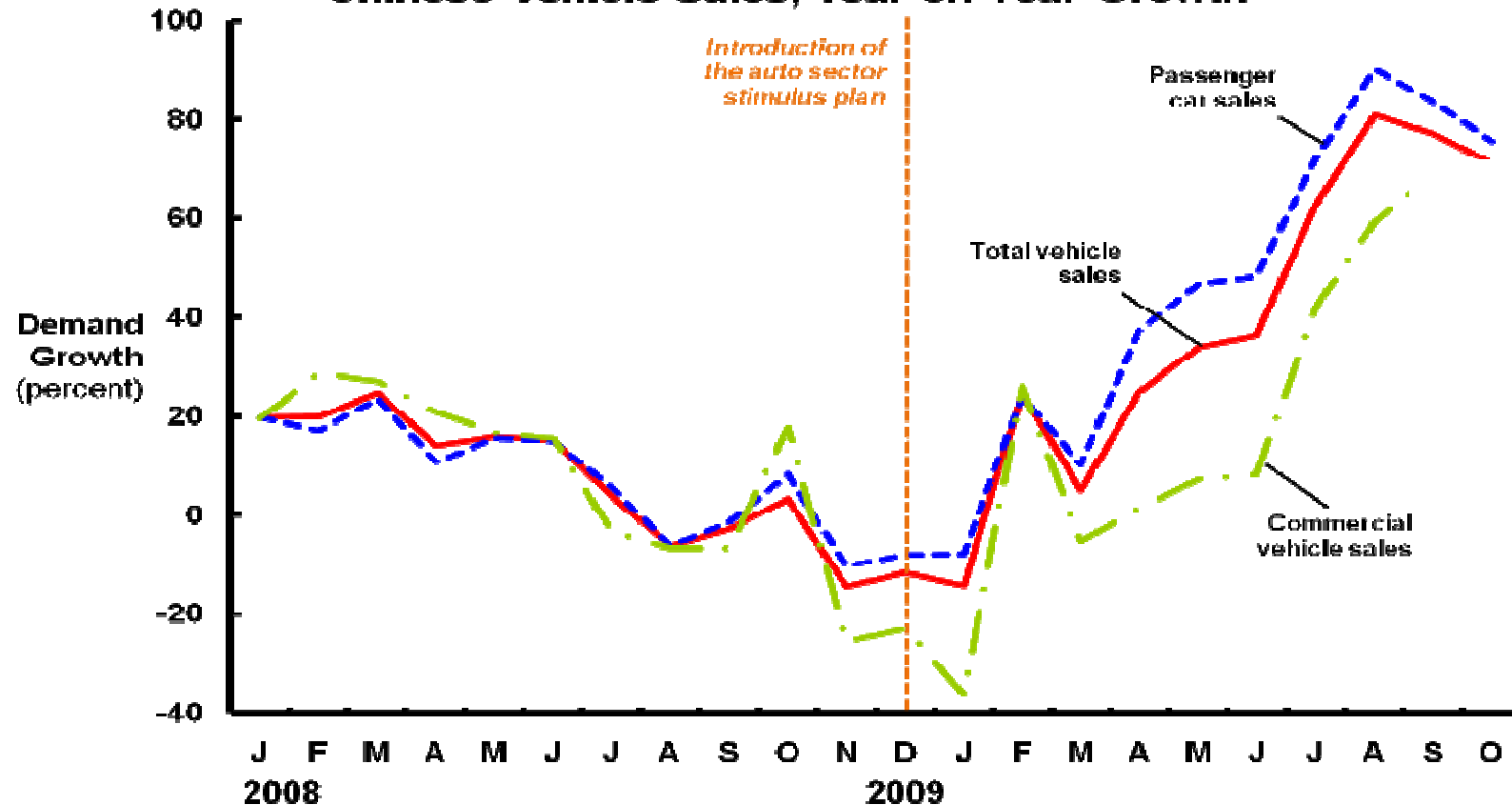
Source: Deutsche Bank, EIA

- Total demand is slowly turning towards historical range but still weak
- Gasoline demand has held up but suffers from structurally declining demand and expected to offer seasonal support
- Distillate on upwards trend due to weather demand; 2010 economy growth implies further strengthening of distillates demand

All Eyes on China.....



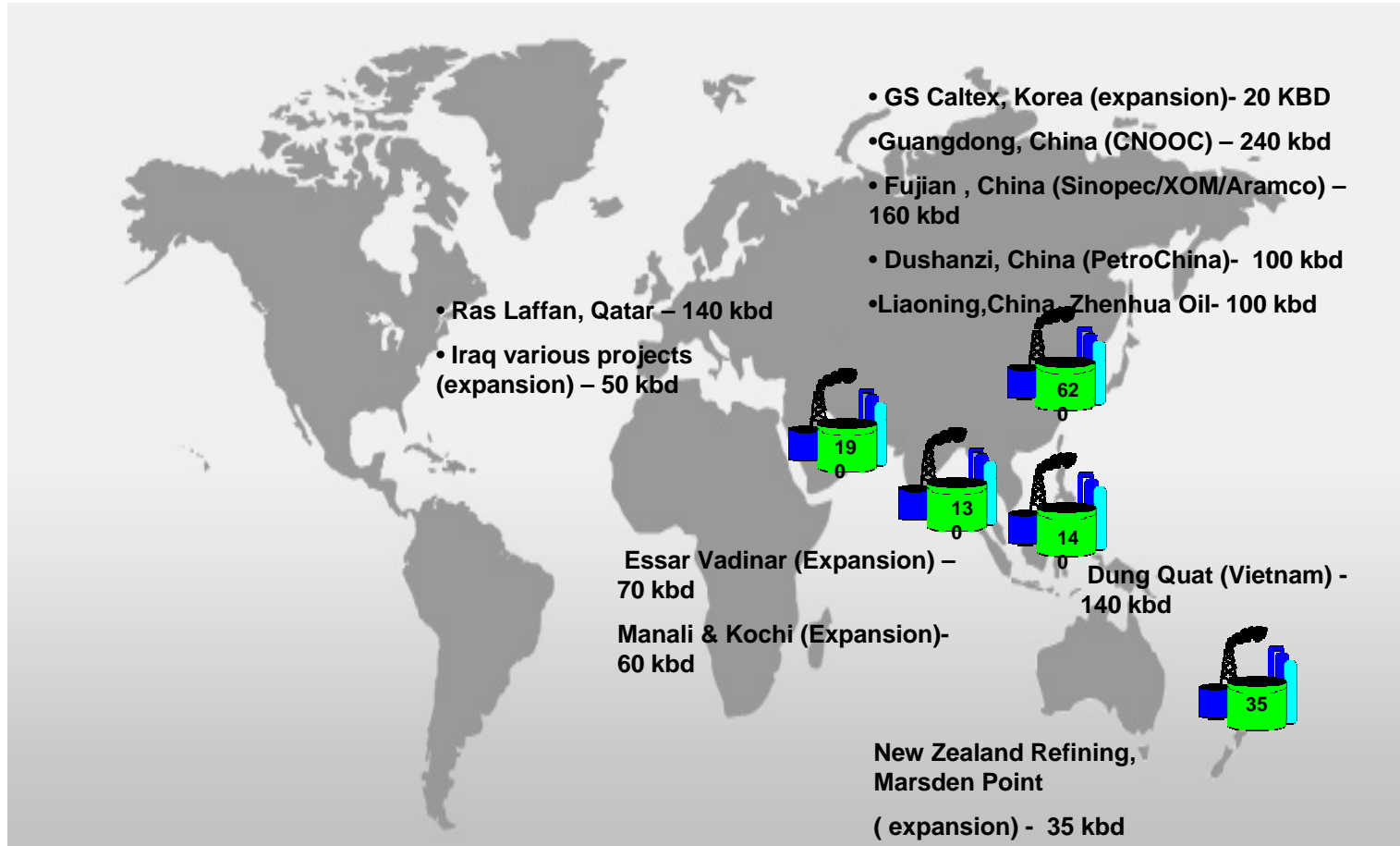
Chinese Vehicle Sales, Year-on-Year Growth



Source: China Association of Automobile Manufacturers (CAAM). IHS Cambridge Energy Research Associates

Resilient Chinese oil demand powered by surging vehicle sales

Refinery Start-ups in 2009



Source: Market Reports

Asia Pacific & Middle East add 1.1 Million b/d of refining capacity in 2009, mainly to cater to domestic demand; Asia dominates capacity additions at its share of 80%



Refinery Closures in 2009

- Gonfreville (Total), France- 91kbd
- Dunkirk (Total), France- 160 kbd
- Bilbao(Repsol), Spain – 90 kbd
- Teeside (Petroplus), UK – 110 kbd

• Delaware (Valero), US- 210 kbd

• Bakersfield, US – 65 kbd

•Eagle Point, New Jersey (Sunoco), US- 150 KBD

•Bloomfield, New Mexico (Western Refining)

-19 kbd

Aruba(Valero),Aruba-235 kbd

Mizushima (Nippon), Japan – 110 kbd

Yokkaichi (Cosmo), Japan- 85 kbd

Toyama(Nippon), Japan- 57 kbd

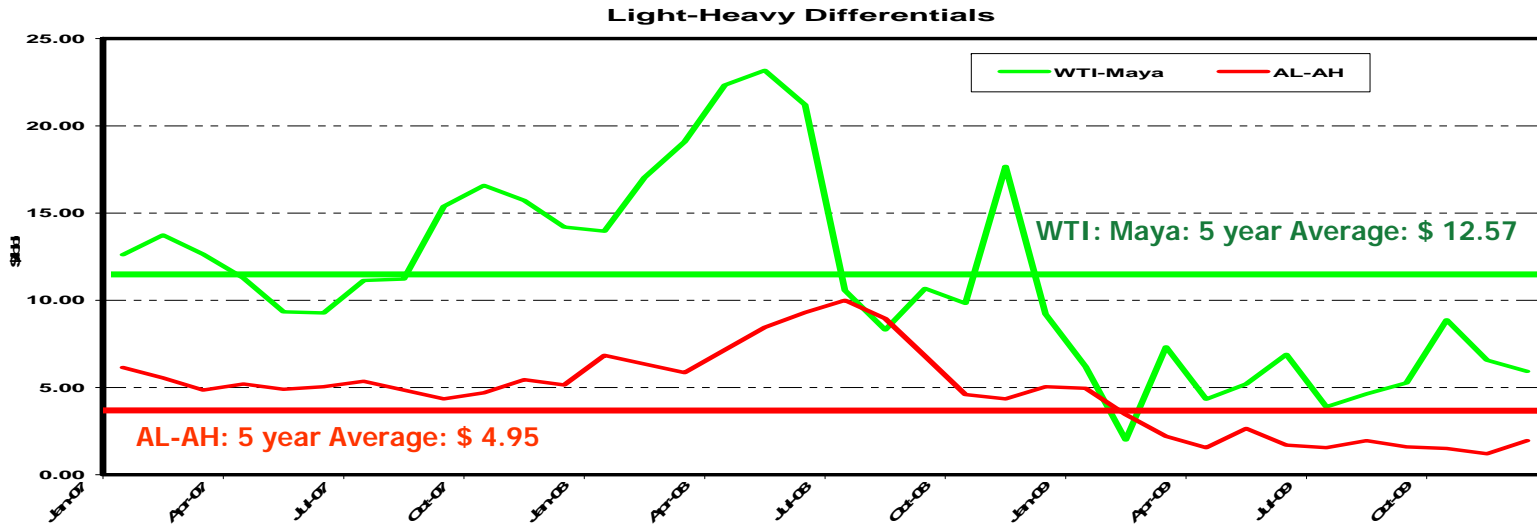
Qianguo (Petrochina), China- 50 kbd

Latest in 2010: Shell to convert its 130 KBD Montreal Refinery to a terminal

Source: JBC

Supply overhang & poor margins resulting from demand decline has forced shut 1.43 million b/d refining capacity; OECD especially vulnerable

Light – Heavy Differential

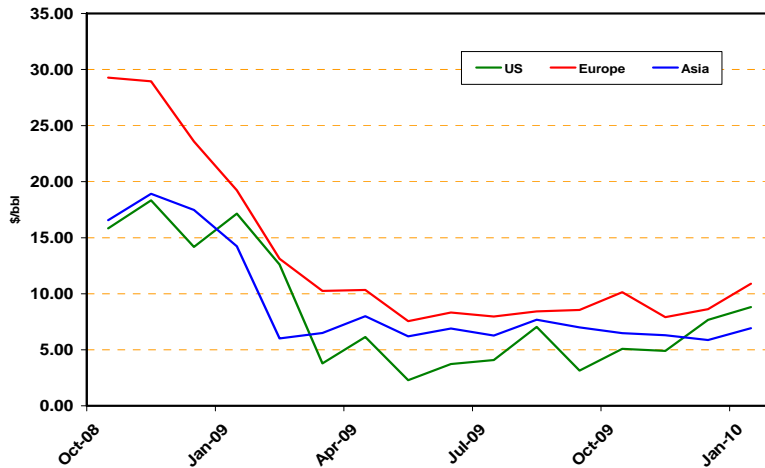


- L-H differentials remained narrow - much lower than 5 year averages
- AL-AH spread weakened further during the quarter in contrast to WTI-Maya
- Demand for heavy crudes was lower due to lower refining operating rates
- Reducing OPEC compliance results in marginal improvement in light-heavy differentials seen in recent times

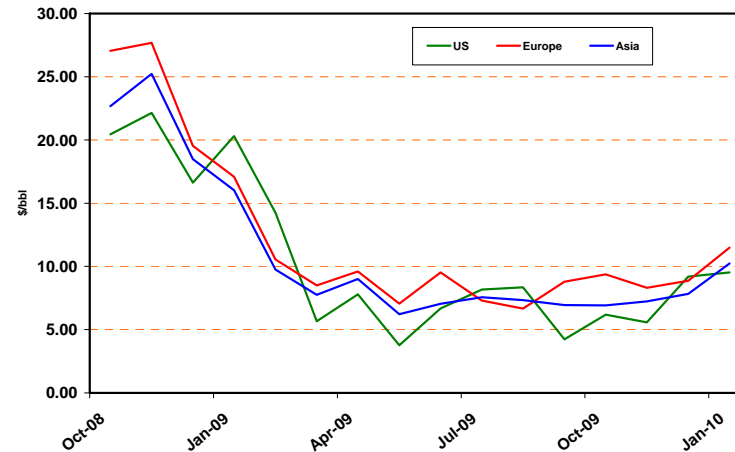
Product Crack Scenario



Diesel Cracks



Jet-Kero Cracks



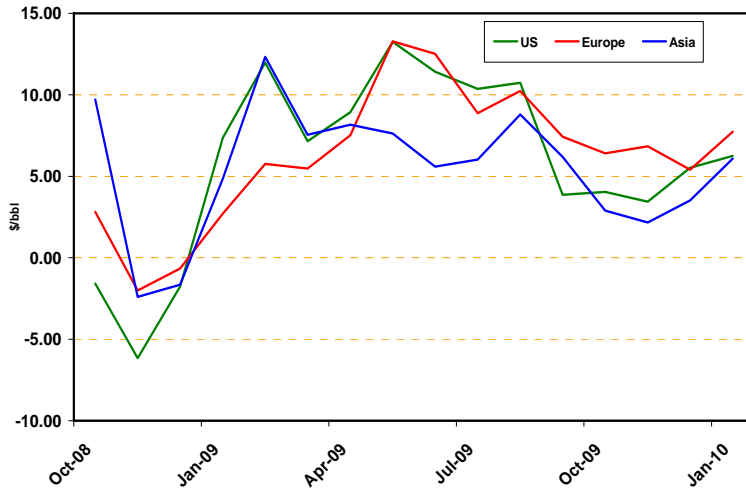
Source: Reuters

- Diesel cracks remained at depressed levels for most part of the year due to historic high inventory overhang
- Jet-kero cracks also remained depressed for most of the year although improvement seen in recent times due to improved air travel
- High inventories likely to dampen the recovery for the next 1-2 quarters – on a days cover of demand basis, distillate inventories are 12% above year ago levels and also materially above the top of the 5 year range
- With sharp improvement in industrial activity continuing, a bounce-back in demand for middle distillates and hence product cracks is anticipated

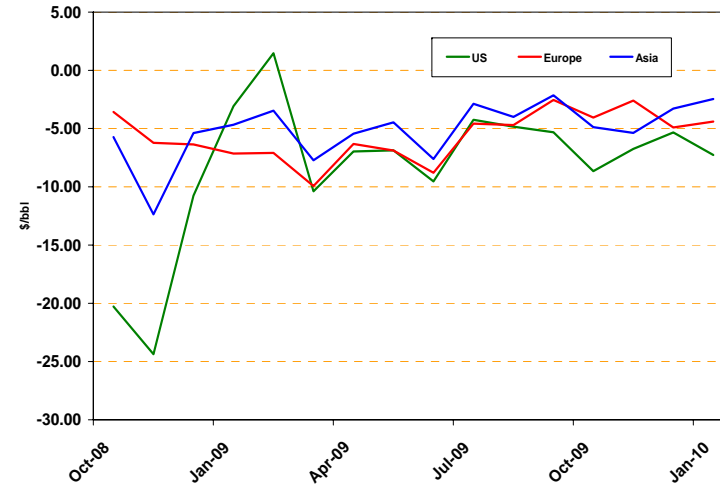
Product Crack Scenario



Gasoline Cracks



Fuel Oil Cracks



Source: Reuters

- Gasoline cracks remained stable through 2009
- Higher penetration of vehicles sales in Asia and other emerging markets to provide the upside for gasoline demand and hence cracks
- FO remains strong in view of reduced supplies as a result of low refinery utilization and sustained demand from bunker sector in Singapore and Northern Europe

Refining and Marketing Outlook



- GDP growth in China, India and other emerging markets back to pre-crisis levels – to support growth in oil demand
- Diesel demand on an upward trend due to cold weather and strong economic activity
- Vehicle demand rebound strongly in Asia leading to increased demand for transportation fuels
- RIL refineries geared to fully participate in margin improvement
- RIL consistently maintaining high operating rates despite significant run cuts by global / local players
- Wide global acceptance of ultra-clean fuels in discerning markets
- RIL stands to gain further on with improving global demand, higher light-heavy differential and high operating rates

Well poised to benefit from margin expansion coming out of increased demand for transportation fuel and higher light-heavy differentials



Petrochemicals

Global Petrochemical Business Highlights



- Global growth recovery stimulates consumption of polymers and chemicals
- US crackers continue operating at higher rates as PE exports stay competitive
 - Profitability improved due to favorable oil to gas ratio
 - US polyethylene coming to Asia/Europe
- Strong demand growth in Asia:
 - China & India provide the boost to polymer demand
 - Auto sector driving growth synthetic rubber demand
- Start-up slippage & slow ramp up in ME favoring industry dynamics
- Exit 2009 demand & consumption are back to 2008 end crash
- Global operating rates for Polyolefins now estimated in mid 80's for 2009

[Asian fundamentals to support global recovery In 2010](#)

RIL's Petrochemicals Business Highlights



- Ongoing domestic focus helps maintaining peak capacity utilization and low inventory levels
- Automobile, packaging, agriculture and infrastructure sectors key drivers for domestic growth – overall Y-o-Y growth of 24%
- Margins remained firm but marginally softer on a Q-o-Q basis on the back of rise in higher feedstock being higher than rise in product prices
- Record PP production of 1.7 Million tonnes in the first 9 months (up 53% over last 9 months)
- Polymer production increased by 56% to 1.1 million tons during 3Q FY10

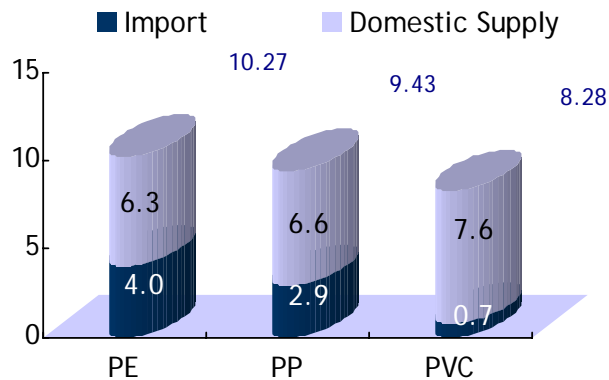
Healthy domestic demand facilitate segment performance

China: Polymer World's Largest Importer

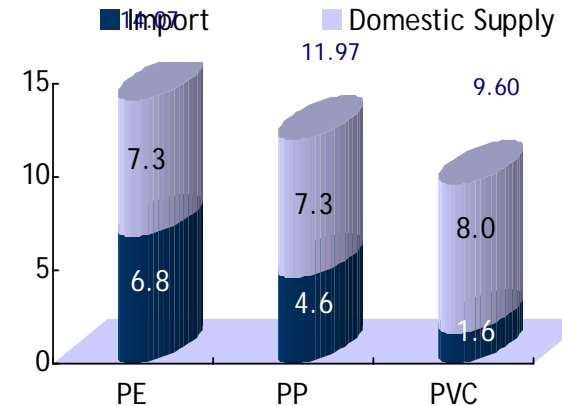
Jan-Nov.(09-10 Vs. 08-09)



Chinese Polymer Demand
(Jan-Nov.08)



Chinese Polymer Demand
(Jan-Nov.09)



- Exceptionally strong demand growth in China. Polymer industry demand grew by 27%
- Product-wise demand growth (Y-o-Y)
 - PE → 37%
 - PP → 27%
 - PVC → 16%
- Import dependency for major polymers grew by 36%
- Exceptional Chinese demand growth has improved Global operating rates by 3 – 4% for 2009, compared to previous forecasts

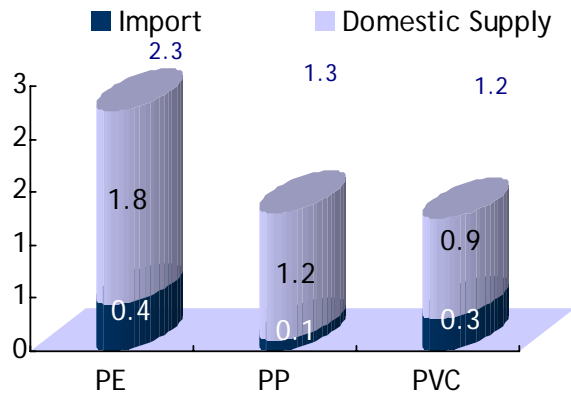
China domestic demand likely to outstrip supply

India: Robust Polymer Demand Growth

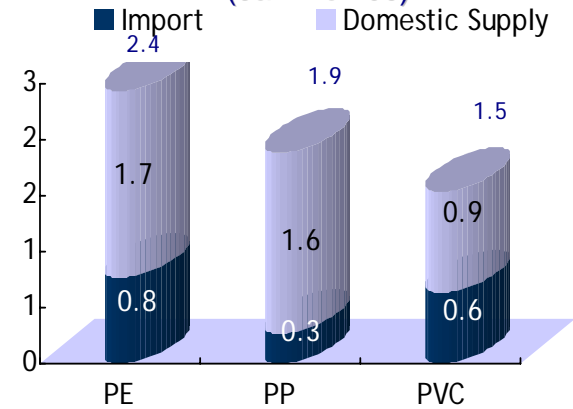
Jan-Nov.(09-10 Vs. 08-09)



India Polymer Demand
(Jan-Nov.08)



India Polymer Demand
(Jan-Nov.09)



- India polymer industry demand grew by ~ 22% .
- Product-wise demand Growth
 - PE → 13 %
 - PP → 32 %
 - PVC → 23 %
- Import dependency for major polymers grew by 101%
- Demand being driven by packaging, Automotive and infrastructure sectors

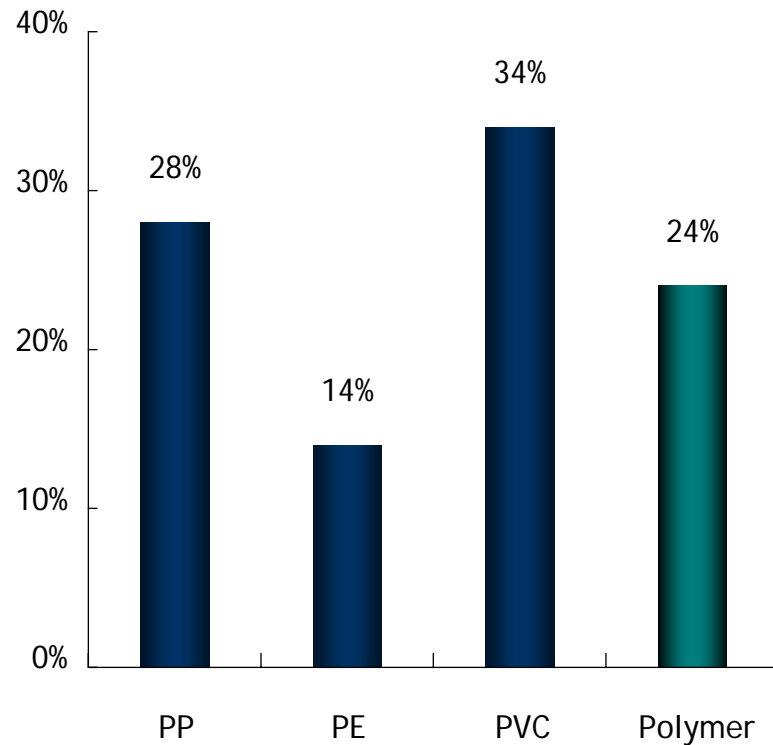
Robust Domestic Demand in essential sectors

India: Demand Growth Drivers



- Overall polymer industry grew by 24%
- PP consumption growth of 28%
 - Demand Drivers: Cement, Furniture & Household, Auto and appliances
- PE consumption growth of 14%
 - Demand Drivers: FMGC, Pharma, Edible oil and retail segment
- PVC consumption growth at 34%
 - Demand Drivers: Government spending on infrastructure and irrigation projects

Demand Growth in 9M FY '09-10



Strong overall polymer demand on the back of high economic activity

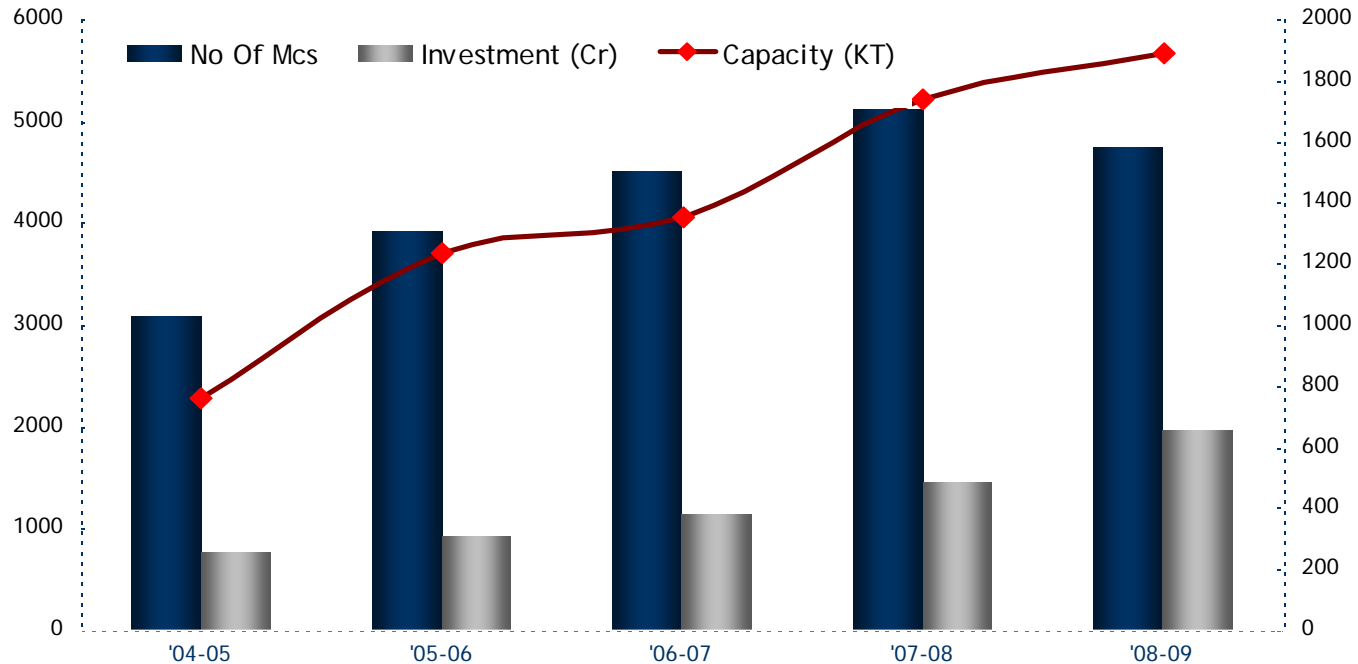
Key Sectoral Growth Drivers Apr-Dec. (09-10 Vs.08-09)



PP	Growth (%)	HD	Growth (%)
Extrusion coating and Lamination	54%	Oil, Vanaspati & GP containers, Jerry cans	13%
Staple Fibres and Multifilaments	51%	Liners, Carrier bags	7%
Furniture, Caps & Closures	21%	Woven sacks and Monofilaments	5%
Housewears, Bottles	20%	Caps & Closures, Luggage & containers	3%
Sheets Blow Moulded Containers	20%	LLD	Growth (%)
BOPP film (Packaging)	18%	Chemical storage, Septic & other tanks	18%
Woven sacks, Fabrics, Ropes & Nets	13%	Slip, Specialty film, Liquid packaging	13%
		GP film blending	9%
		Wire and Cable compounds	7%
PVC	Growth (%)	LD	Growth (%)
Pipes	31%	HD Shrink film, UV film, Agri-film	19%
Foot wear	28%	Masterbatches and Soft mouldings	18%
Wire & Cables	19%	Wire and Cable compounds	8%
Films & Sheets	8%	Heat & Pressure lamination film	8%

Strong demand across sectors

Domestic Downstream Capacity Addition

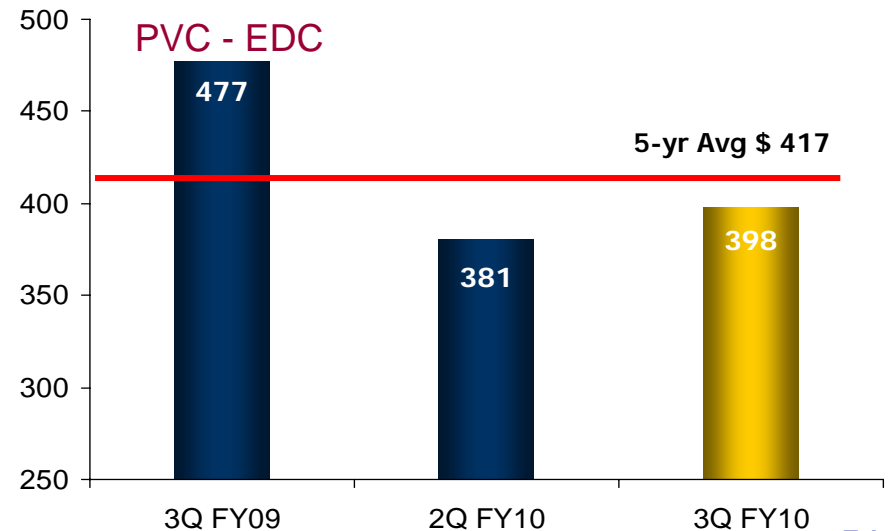
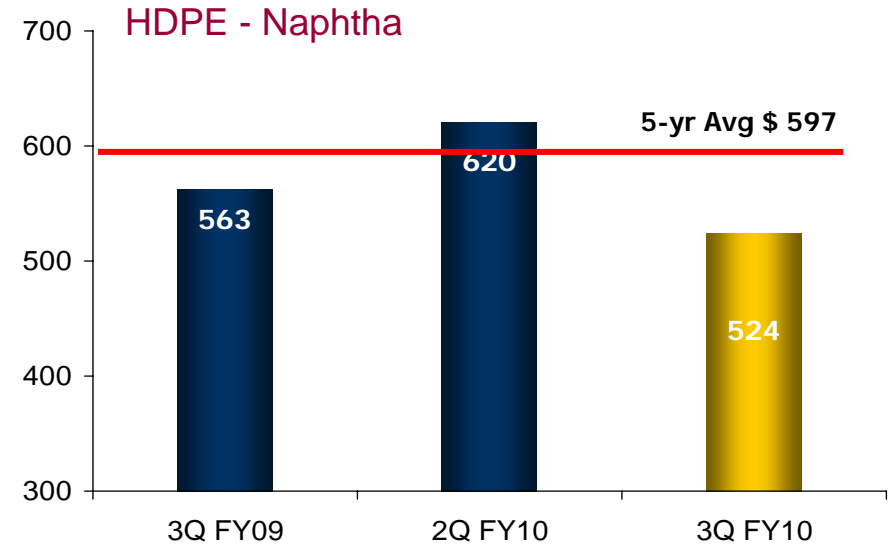
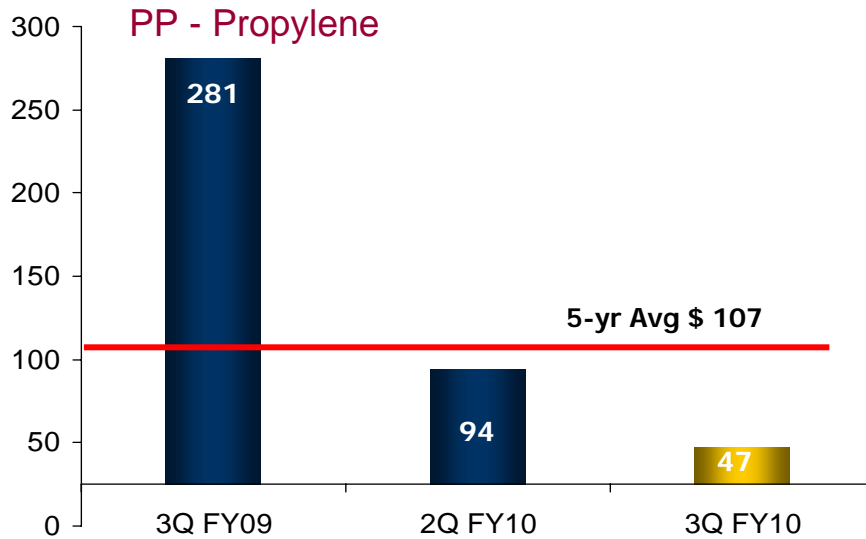


	'04-05	'05-06	'06-07	'07-08	'08-09
No Of Mcs	3092	3927	4508	5110	4747
Investment (Cr)	773	921	1148	1466	1957
Capacity (KT)	762	1234	1350	1740	1888

Downstream investments keeping pace with growing domestic demand

Polymer Deltas

US\$ / MT



Source : Platts

- New supply and low refinery runs pressure PP margins
- High feedstock (naphtha) prices impact PE deltas
- Growth in infrastructure sector helps improve PVC deltas

Cracker Capacity Additions

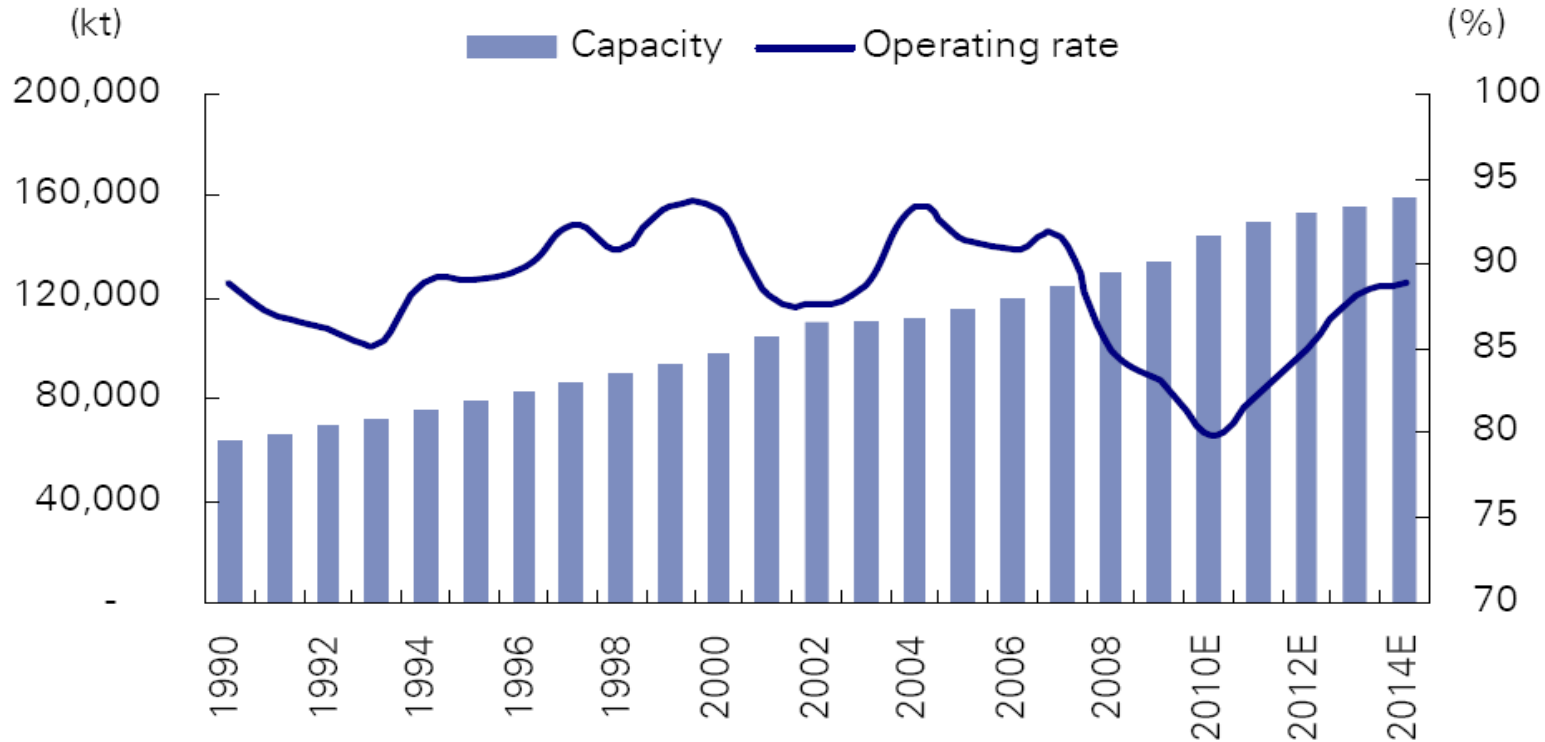


(Capacities in -000-mt)	Additional Capacity		
Country	2009	2010	2011
Iran	---	500	---
Kuwait	850	---	---
Qatar	---	1,300	---
SaudiArabia	2,600	1,200	1,925
UAE	---	1,400	---
India	---	1,010	---
China	1,800	2,450	800
Singapore	---	800	1,000
Thailand	---	1,900	---
Debottlenecks/Closures	(2,024)	(608)	---
World	3,226	9,953	3,725

Source: CMAI, Jan. 2009

- Feed availability issues continue in Middle East with shortage of ethane
- China: New projects under start-up (ZRCC, Tainjin, Panjin, Dushanzi PC, Fushun and Fujian)

Operating Outlook



Source: CMAI/Research

Industry trends suggest bottoming out of global operating rates in 2010 followed by a steep increase in operating rates due to better demand prospects and further delays in capacity build-out/ramp

This could lead to a better-than-anticipated demand-supply balance

Near Term Business Outlook



- Volumes and revenues expected to remain strong on the back of strong Asian demand
- Improvement in refinery runs and expansions to provide support to deltas
- RIL operating at near 100% capacity utilization due to high domestic orientation
- Smaller and older plants in Japan and Europe face closures
- Potential for further consolidation in the industry globally
- Higher-than-expected derivative demand in Asia (esp. China & India) to provide support to operating rates – trough to be “short and shallow”

ME / Asian surplus to absorbed much faster than earlier anticipated



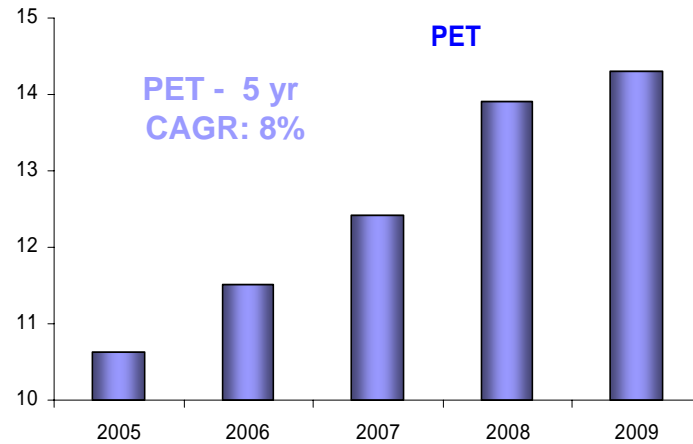
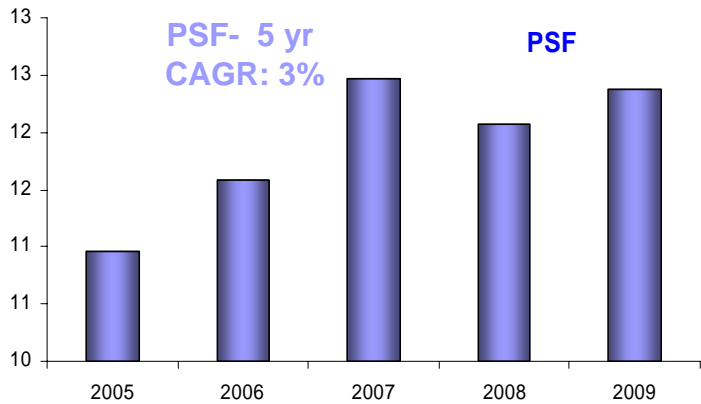
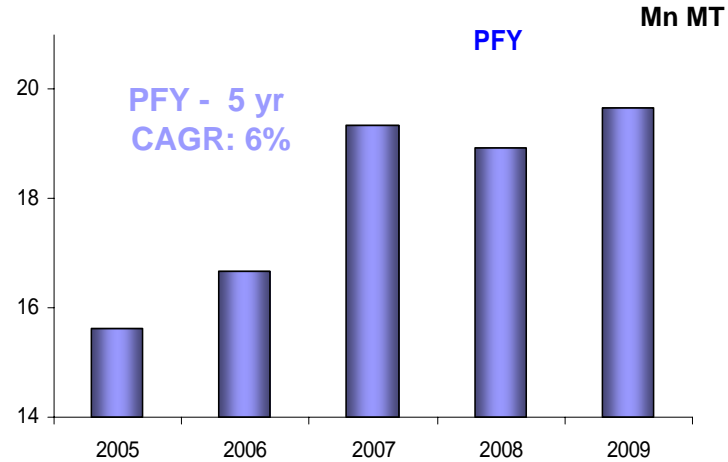
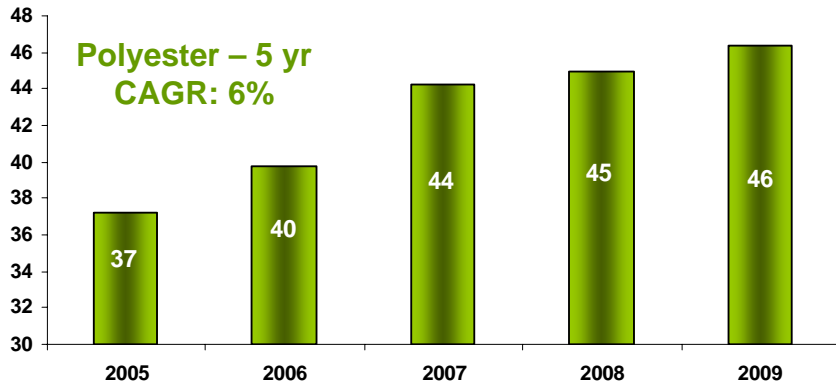
Polyester Chain

Business Environment



- Positive signs of business confidence and economic recovery - India tops consumer confidence index as per Nielsen survey
- Domestic polyester demand grew by 17% Y-o-Y on downstream buying
- RIL continued to operate at over 100%
- International cotton prices firmed 25% Y-o-Y; Domestic cotton prices in Dec '09 up 23% Y-o-Y
- PX/PTA shortage amidst delay in new capacities and unplanned outages in some MEG plants
- On a Q-o-Q basis, within the chain, margins shifted from polyester products to the fibre intermediates. Integrated producers like RIL continued to benefit whilst standalone polyester producers were impacted
- China: Slowdown in polyester operating rates during the quarter

Global Polyester Demand Growth

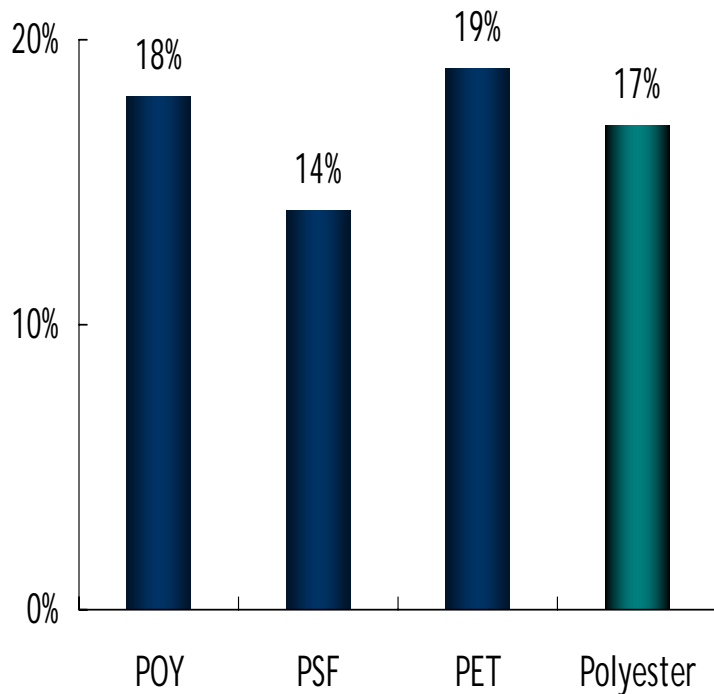


Source: PCI

Domestic Polyester Growth Drivers



Demand Growth in 9M FY '09-10



- PSF: High textile demand and cotton prices
- PFY: Good downstream buying following thin pipeline inventory and better price clarity
 - Domestic PTA shortage also spurred buying momentum
- PET: Preform stock build-up activities by beverage industry for summer season
- ADD imposed on FDY imports
- Value cap for PSF revised to Rs 80/Kg
- Boom in automobile sales

Global Product Price Movement

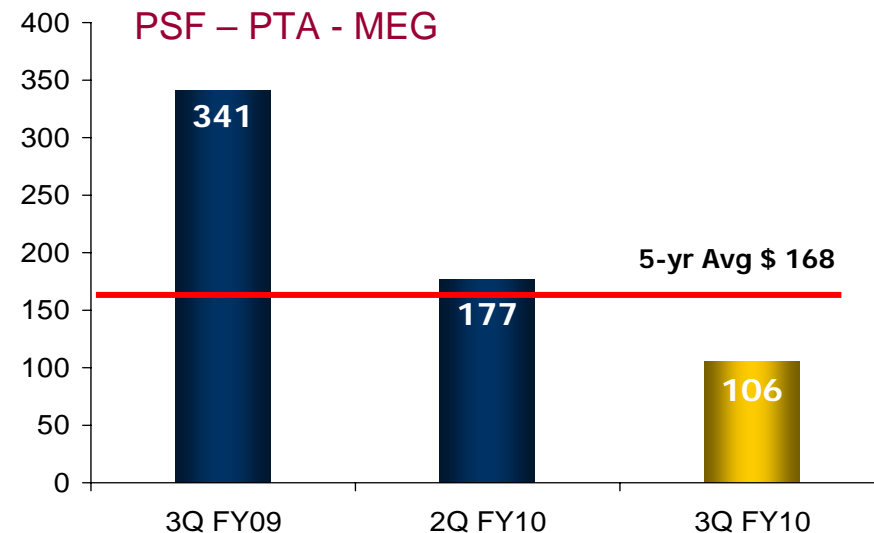
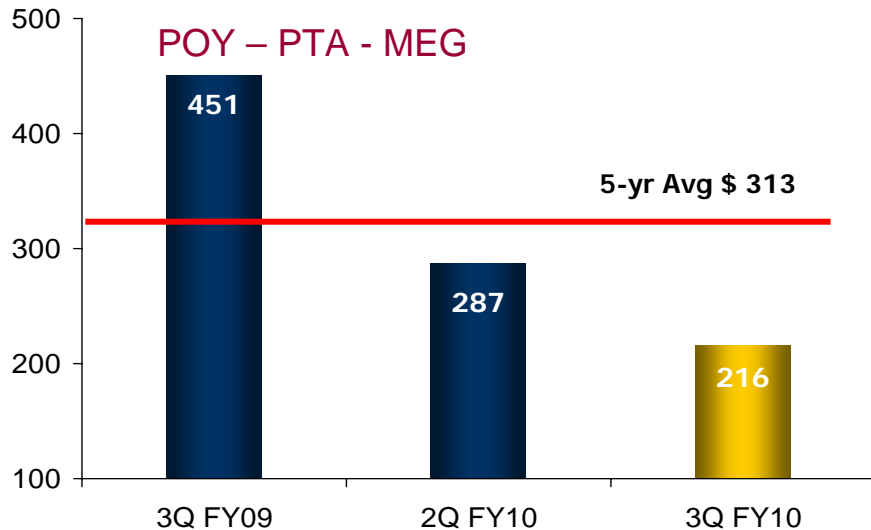


Product (\$/MT)	3Q FY09	2Q FY10	3Q FY10	% change 3Q FY10 vs. 2Q FY10
Naphtha	324	581	647	11%
PX	673	1,013	953	-6%
PTA	638	874	888	2%
MEG	523	699	788	13%
POY	1,200	1,306	1,279	-2%
PSF	1,090	1,196	1,169	-2%
PET	956	1,099	1,131	3%

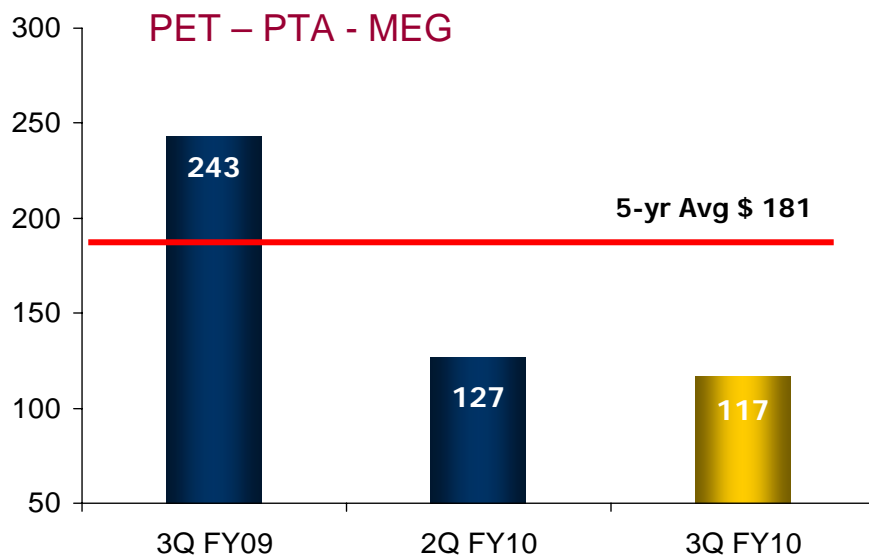
Improved margins for PTA/MEG due to lower raw material cost and good polyester demand

Polyester Margin Environment

US\$/MT



Source: Platts, ICIS-Lor



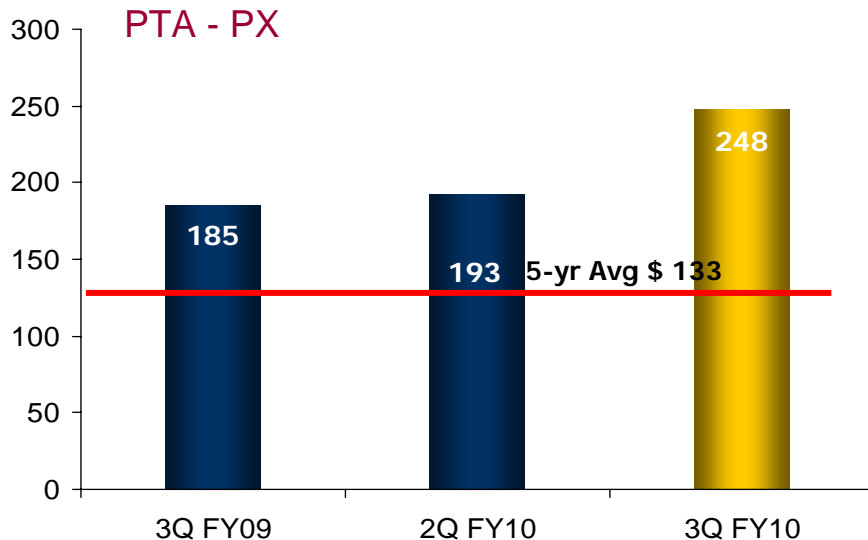
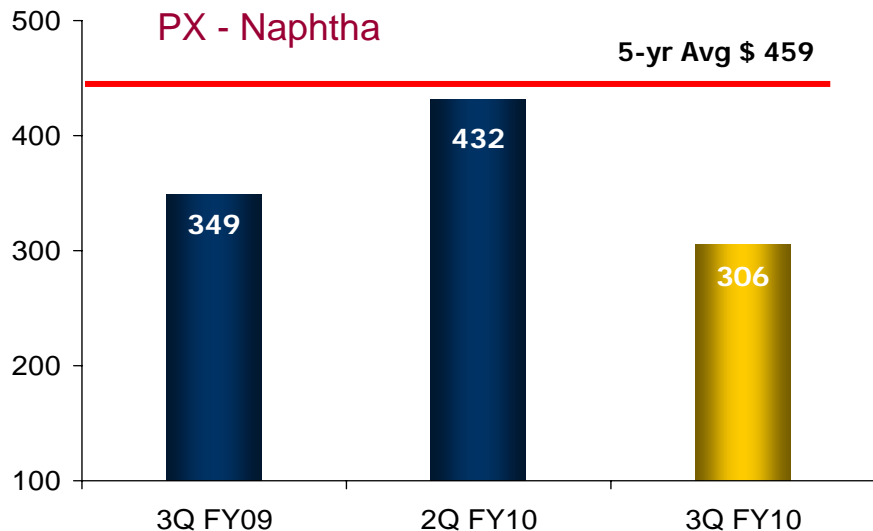
Rise in crude oil price was not fully passed on across the polyester chain

Fibre margins under pressure due to lag in absorption of feedstock price

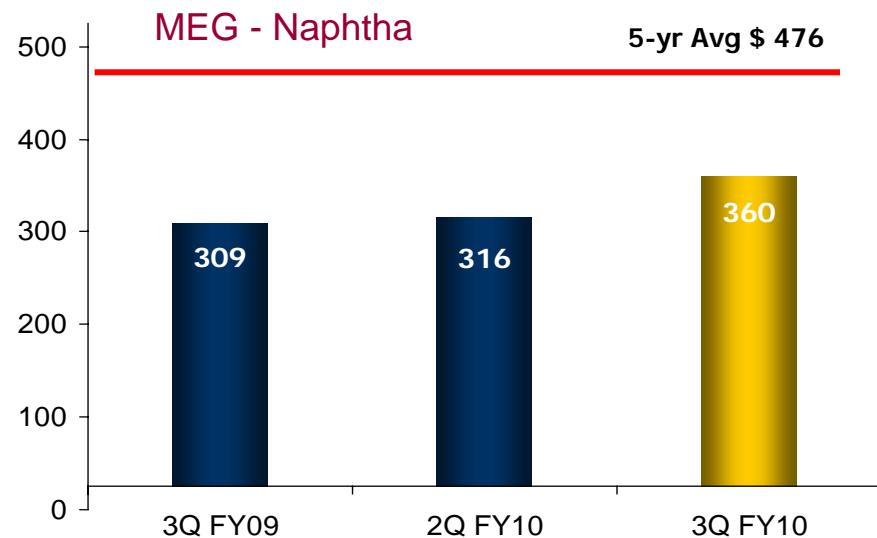
PSF producers unable to pass on feedstock costs –spinners under price pressure and holding large stocks

Fiber Intermediates Margin Environment

US\$/MT



Source: Platts, ICIS-Lor

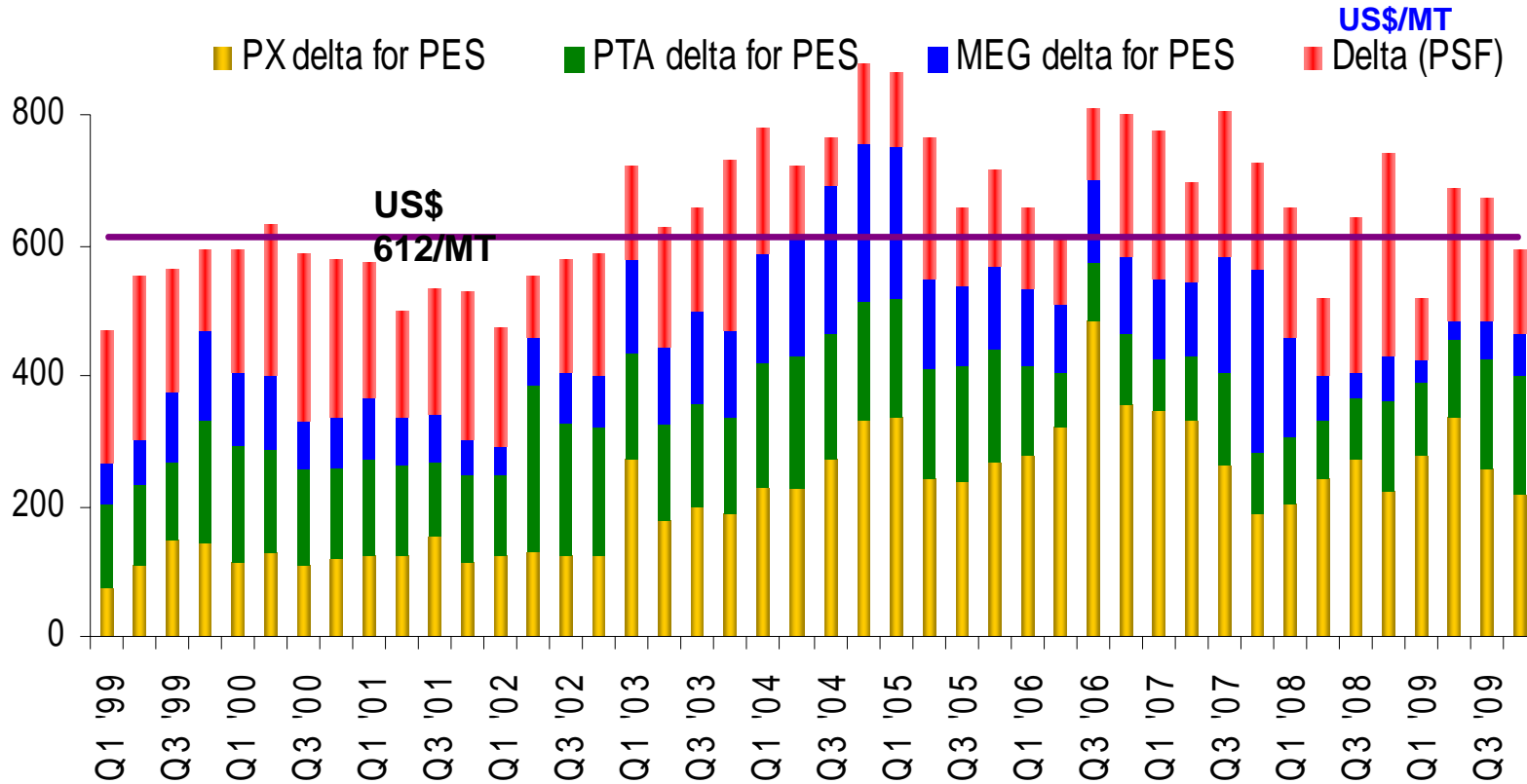


PX delta declined due to stronger naphtha prices

Short supply due to unscheduled shutdown resulted in higher PTA delta

Rising demand from polyester sector resulted in higher MEG margins

Polyester Chain Delta



Source: ICIS, Platts

Chain delta hovering around long term average

Polyester Business Outlook



- High cotton prices will support high polyester prices and hence the ability to pass through any increase in feedstock cost – standalone polyester producers to come under pressure
- Strong demand growth to continue from textile and non-textile segments - India in double digit growth across the textile pipeline
- Growth in India in PET technical textiles to exceed 25% per annum
- RIL to retain its strategy of maintaining a fully integrated business model, high operating rates and its focus on specialty products
- Focus on new market segments – medical & comfort textiles, defense & transport textiles and structural fibre for the infrastructure sector

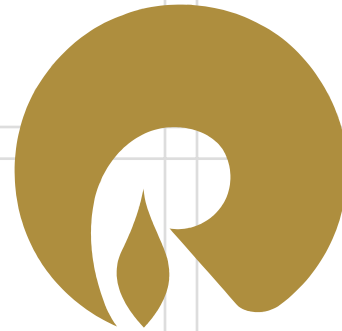


Summary

Summary



- Improved global economic outlook to result in higher demand across our value chain – oil, gas, transportation fuels, polymer and polyester products
- All facilities fully commissioned; maintaining high operating rates in refining and petrochemical business, oil and gas production likely to achieve peak production in the near future
- Earnings highly levered to economic growth and margin improvement across all our businesses
- Strong balance sheet with high liquidity to enable evaluation of growth opportunities



Thank You

