



Earnings Presentation Q3 FY16

22nd Jan, 2016



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All data points in the presentation are for the period ended 31st December 2015, unless otherwise specified.

Agenda



Strategic Priorities

Operations Highlights

Developments and Regulatory Update

Asset Performance

Financial Results

Progress on Key Projects

Exploration Update

Mayank Ashar
Managing Director &
Chief Executive
Officer

Sudhir Mathur
Chief Financial Officer

Strategy: Delivering a sustained performance



Positive Free Cash Flows

- Healthy cash flows post Capex

Core fields continue to generate cash

- MBA, Ravva, Cambay - Low cost, high margin, resilient to price volatility

Optionality for Growth

- Gas, Barmer Hill, Exploration, Satellite Fields

Resilience

- Robust balance sheet, low cost onshore operations, world class resource base

Unique Leverage

- Geology, technology, people, strong partnerships and financial discipline

All round efforts driving positive free cash flow



Superior pricing for MRPL contract

- Loaded first cargo of RJ crude from Bhogat terminal

RJ water-flood opex cut by 12% from FY15 to \$5.1/bbl

- Continued contract renegotiation, operating efficiency

Cess rationalization

- Positive response from Govt

Improving capital efficiency

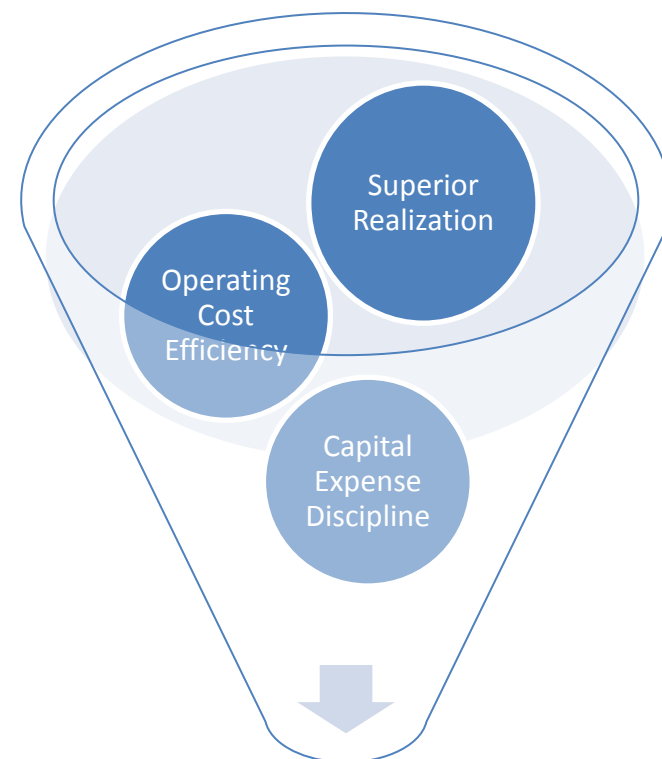
- Capex reduction by 40% to \$300 mn

Benefiting from Rupee depreciation

- Improved profitability due to currency depreciation driven by global economic growth concerns

Positive free cash flow

Stays in top decile free cash flow per bbl



Healthy Free Cash Flow

Core MBA fields stand strong; Progress on fundamental issues



Strong performance by Rajasthan to continue

- Rajasthan volumes up on successful execution of Mangala EOR
- Polymer injection volume ramp-up on track
- Addition of 5 new infill wells in Aishwariya aid production volume
- Increase in EOR volumes and Aishwariya infill activities to aid Rajasthan volumes

Major developments

- Filed writ petitions with the High Court to-
 - Expedite the PSC extension approval to ensure timely investments
 - Allow us to export our crude for fair price realization
- Regarding proposed merger with Vedanta Ltd, seeking directions from the High Court for convening meeting of all our stakeholders

Mangala EOR success reflects in Rajasthan production



202,668

Gross Production in
Q3 FY16 (boepd)

1.4%

QoQ production
increase in Rajasthan

5.1

RJ Water-flood Opex
(US\$/bbl) Q3 FY16

28

RDG avg gas production
in Q3 FY16 (mmscfd)

~48%

Recovery Rate
in Ravva

RJ Operational Performance

- Gross production of 15.7 mmboe
- Gross production of 170,444 boepd, 1.4% up QoQ
 - Mangala EOR contributes c. 19,000 bopd
 - Production from 5 new infill wells in Aishwariya
 - RDG Gas volumes steady at 28 mmscfd
- Mangala EOR continues to ramp-up volume
- Bhagyam volumes largely stable aided by work-over activities in the last quarter
- 15 well hydro-frac campaign starts in RDG
- Average facility uptime of ~99%

Offshore Assets' Performance

- Gross production in Ravva at 21,703 boepd
 - Natural decline continues as expected
 - No gas offtake by GAIL for sometime
 - Plan for coil tubing campaign in four producer wells to arrest natural decline
 - Facility Uptime of 99.9%
- Gross production in Cambay at 10,521 boepd
 - Compressor unit commissioned for gas lift
 - New storage tank to aid evacuation
 - Facility Uptime of 99.9%

Continued cost optimization efforts yielding positive results



■ Price realization

19%

Lower price realization

- Brent price declined by 13% QoQ
- RJ discount to Brent up from \$7.2/bbl to \$9.2/bbl QoQ

■ Opex/boe: Improved operating efficiency and contract re-negotiation

5.8%

Rajasthan water-flood operating cost/boe reduces further

- An ambitious target to cut the already low WF cost by 15% to \$5/boe
- On track, cost down 12% from FY15 and 5.8% QoQ to \$5.1/boe
- 15% well maintenance units demobilized as efficiency improves by 8-10%
- Purchasing 10MW power from open exchange at 25% lower costs

~10%

Rajasthan blended operating cost including polymer at \$6.9/boe

- Stays below our estimated cost
- 10% reduction in polymer cost in last year through vendor negotiation

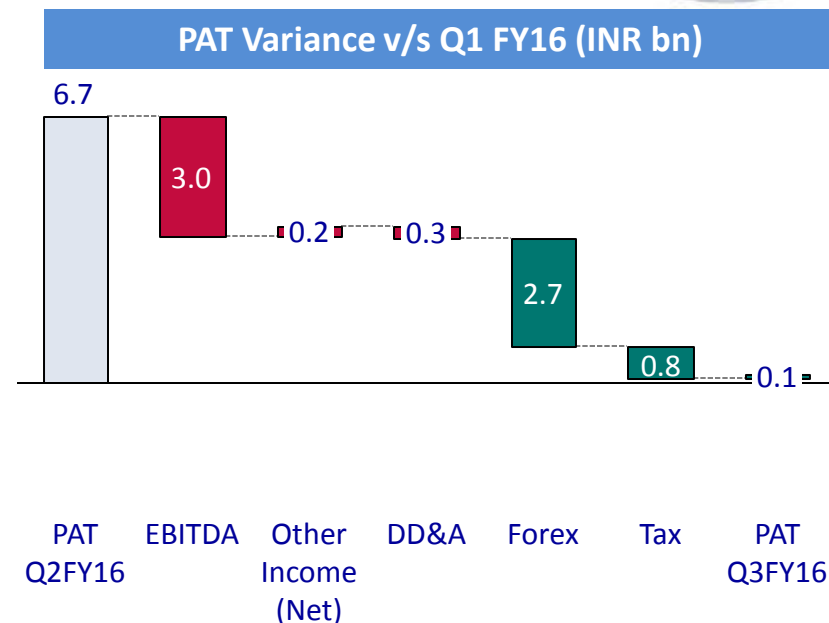
Financial performance in Q3FY16



INR-billion	Q3 FY16	Q3 FY15	y-o-y (%)	Q2 FY16	q-o-q (%)
Net Revenue	20.4	35.0	(42%)	22.4	(9%)
EBITDA	6.7	21.1	(69%)	9.7	(31%)
Other Income	1.4	1.6	(13%)	1.2	18%
DD&A	(8.9)	(8.9)	0%	(8.6)	3%
Forex Gain/(Loss)	0.5	2.7	(81%)	3.2	(85%)
Tax	0.5	(2.9)	(117%)	1.3	(62%)
PAT	0.1	13.5	(99%)	6.7	(99%)
EPS-INR (diluted)	0.05	7.17	(99%)	3.58	(99%)
Cash EPS-INR	4.06	10.72	(62%)	5.54	(27%)

Note: EBITDA includes forex gain/(loss) on operating activities

- ~9% decrease in Revenue QoQ; sharp decline in crude prices
- ~31% decrease in EBITDA QoQ; higher polymer injection raises opex
- ~99% decrease in PAT QoQ; lower operating profit and forex gain
- ~27% decrease in Cash EPS QoQ; from INR 5.5/share to INR 4.1/share
- Net capital expenditure of USD 58 mn; 70% in development
- Gross Contribution to Exchequer of INR 21 bn
- Strong balance sheet with Cash and cash equivalents of INR 185 bn

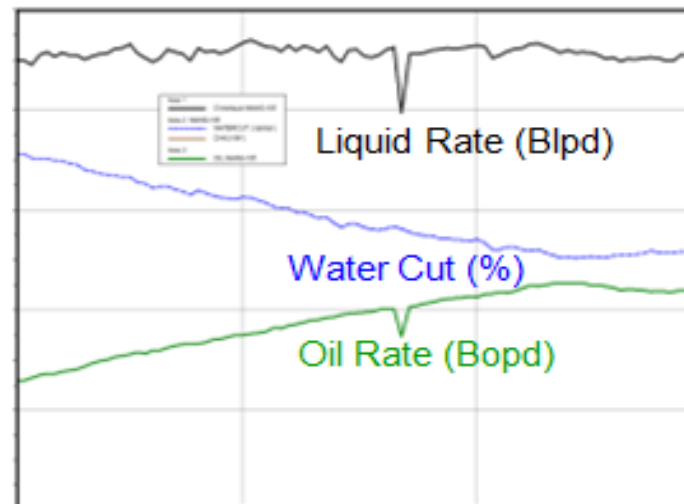


Oil Price Realisation (\$/bbl)		
	Q3 FY16	Q2 FY16
Rajasthan	34.5	43.3
Ravva	41.8	48.2
CB/OS-2	42.0	49.0

Mangala EOR program – an astounding success



- Polymer volume ramped-up to 330,000 blpd
- Average production at c. 19,000 boepd for 3Q FY16
- Impact noticed in the production, attributable to
 - Improvement in sweep efficiency
 - Increase in reservoir pressure
- Result shows decrease in water cut and increase in oil rate
- All the 93 wells drilled and completed
- Modification in well pads and surface facilities nearing completion
- Most of the producer wells converted into polymer injectors



Central Polymer Facility – Silos and Trains



Well Pad Area



Ensuring projects' readiness for favourable oil price environment



Aishwariya Infill Campaign – Started increasing production volumes

- 5 new wells brought online increasing the total count to 17 wells
- Balance 3 wells will also be online by February
- In addition arresting natural decline, new infill wells aided the production volumes

Bhagyam EOR – Pre-development activities ongoing

- Front End Engineering Design is ongoing
- Tenders floated for rigs, services, drilling & completion long lead items
- Estimated recovery of 40-50 million barrels of oil

Aishwariya Barmer Hill – Seeking JV alignment for faster FDP approval

- Sub-surface alignment on STOIP and production profile achieved with JV partner
- Discussion and alignment with JV on surface facility ongoing
- Estimated recovery of 20-30 million barrels of oil

RDG Gas Development – GSPL to build the pipeline

- GSPL India Gasnet Ltd will build the pipeline now; reduces our capex requirement by c. \$100 mn
- Tie-in provision in their upcoming Mehsana-Bhatinda pipeline
- Technical bid evaluation for rigs underway
- Tendering for the EPC terminal progressing

Exploration campaign



Rajasthan Exploration Update

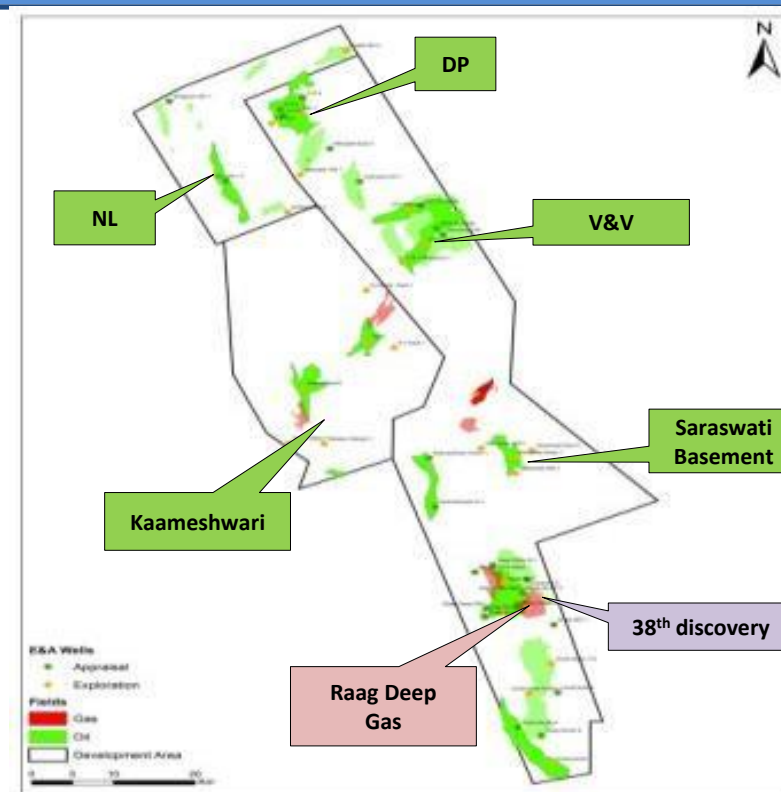
Appraisal Testing

- Appraisal concluded for the prioritized discoveries
- FDP preparation in progress
- Successful testing establishes a southern extension of Raageshwari Deep gas field

Seismic Acquisition

- 100 sq km of 3D data acquired in DA1
- Covered most of the interest areas with 3D seismic data
- Application of new technique “Sparse Layer Inversion” for better resolution

Appraisal of select discoveries



Successful testing could increase our resource base and provide us with the critical information for advancing these discoveries to development



Q&A
