



FULFILLING INDIA'S
ASPIRATIONS.
WITH INNOVATION AND
ENTERPRISE.



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India is on an undeniable growth trajectory, matched by few in the world, for scale and vigour. Fuelled by boundless aspirations and the infectious energy of a young populace, the country is fast progressing towards a definitive role in the global economic order.

Not only is it leading to an increasing share of global commerce for India as a nation, but also catalysing consumption, resulting in the creation of a groundswell of opportunity.

Addressing the aspirations of the Indian populace, our businesses are intrinsically linked to India's growth trajectory. Given India's unique demographic advantage, our businesses remain relevant to the youth of today who will become the leaders of tomorrow.

Innovation and enterprise form the essence of this surge of opportunities and find reflection in every facet of our operations.

We are making large investments in all our key business categories, i.e. Oil & Gas, Refining, Petrochemicals, Retail and 4G, to reinforce the spirit of enterprise.

Across our businesses, we have demonstrated abilities to build world-scale capacities and infrastructure. We have enhanced our business footprint from the conventional energy chain to consumer businesses and delivered value.

Our businesses are deeply aligned with the ethos of innovation. We have constantly endeavoured to operate at the forefront of new technologies. We have invested in continuously developing new products and seeking new applications, which are suitable for Indian markets and conditions. We have, for instance, integrated a technology platform with our Retail business.

Over the years, we have tapped into the enormous opportunities presented by the Indian economy. The evolving economic landscape and the aspirations of the people have driven us to aim higher, execute our plans seamlessly and sustain the growth momentum. This has helped us touch the lives of our fellow citizens and lay the foundation for the long-term development of our nation.

We understand these aspirations and the opportunities that lie within. This drives us towards continuous efforts in enterprise and innovation which act as catalysts in realising these aspirations.

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Highlights

Reliance Industries Limited (RIL) is India's largest private sector company with businesses in the energy and materials value chain.

RIL is the first private sector company from India to feature in Fortune Global 500 list of 'World's Largest Corporations' and 'World's Top 100 companies', ranking 99th in terms of revenues and 130th in terms of profits in 2012.



Operational Highlights

- Largest refining capacity at any single location
- Largest producer of Polyester Fibre and Yarn
- 5th largest producer of Paraxylene (PX)
- 5th largest producer of Polypropylene (PP)
- 8th largest producer of Mono Ethylene Glycol (MEG)
- 9th largest producer of Purified Terephthalic Acid (PTA)

RIL's Contribution to India's Economic Growth

14%

RIL's exports as % of India's exports

4.8%

RIL as % of the Government of India's indirect tax revenues

7.0%

RIL's weightage in the NSE Nifty

8.6%

RIL's weightage in the BSE Sensex

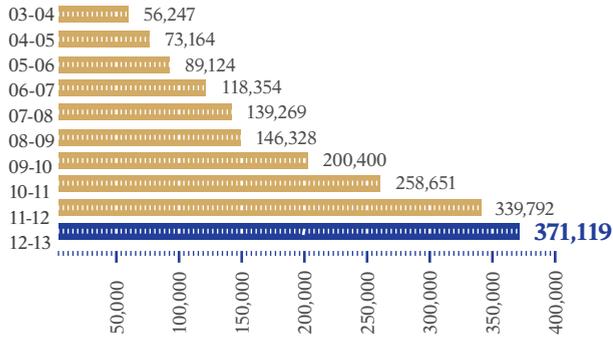
4%

RIL as % of the total market capitalisation in India

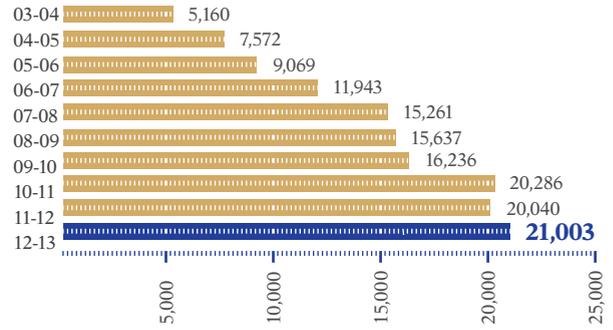


10 Year Financial Performance

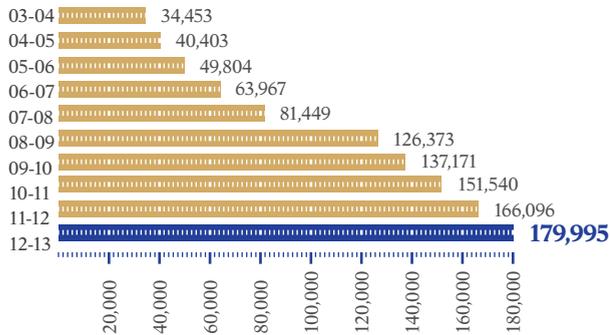
TURNOVER (₹ Crore)



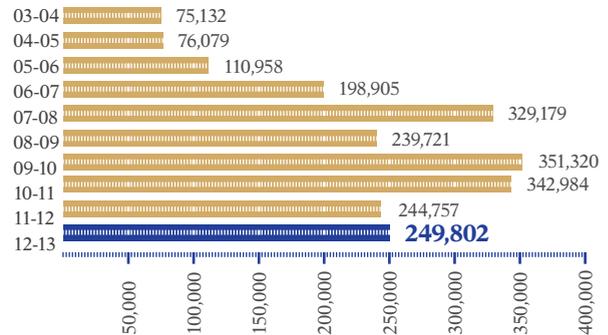
PROFIT AFTER TAX (₹ Crore) (Excluding exceptional item)



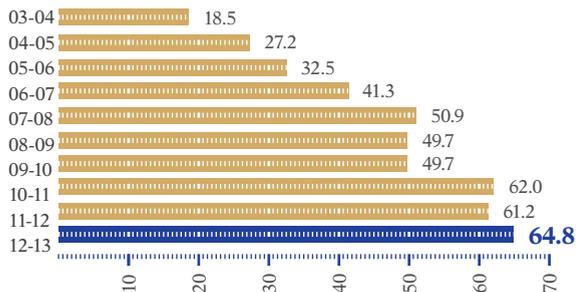
NETWORTH (₹ Crore)



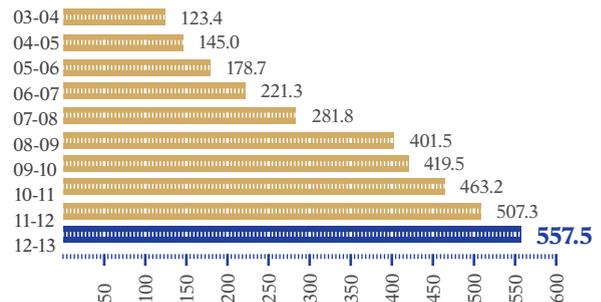
MARKET CAPITALISATION (₹ Crore)



EARNINGS PER SHARE (₹)* (Excluding exceptional item)



BOOK VALUE PER SHARE (₹)*



* Normalised on account of issue of Bonus Share in the ratio of 1:1 in 2009-10

Letter to Shareholders



Mukesh D. Ambani
Chairman & Managing Director

Reliance achieved a record turnover of ₹ 371,119 crore (\$ 68.4 billion) and net profit of ₹ 21,003 crore (\$ 3.9 billion). RIL also achieved highest ever exports of ₹ 239,226 crore (\$ 44.1 billion) during the year. The growth in earnings was largely driven by strong and improved refining margins during the year. Our businesses have delivered industry leading performances.

Dear Fellow Shareowners,

The global economic scenario in FY 2012-13 continued to be fraught with challenges. Major economies witnessed slower growth and the Eurozone was full of uncertainty. As the year progressed, business environment remained difficult and operating in such a testing environment proved challenging.

Despite the global challenges, we saw constructive demand growth in most of our businesses. Global oil demand was up by 0.9 million barrels per day in 2012. The demand for polymers and polyester products in India grew by 12% and 5%, respectively. We combined the strength of our portfolio and integrated business model with prudent management to realise revenue growth of 9% and net profit growth of 5%.

Reliance achieved a record turnover of ₹ 371,119 crore (\$ 68.4 billion) and net profit of ₹ 21,003 crore (\$ 3.9 billion). RIL also achieved highest ever exports of ₹ 239,226 crore (\$ 44.1 billion) during the year. The growth in earnings was largely driven by strong and improved refining margins during the year. We maintained high operating rates at all our manufacturing locations. Our businesses have delivered industry leading performances. This is a reflection of the quality of our assets and growing demand for our products and services across the world.

Our Jamnagar refinery complex operated at over 110% of design capacity. The refineries achieved record crude processing of 68.5 MMT, surpassing its previous record. Refining margin environment remained volatile throughout the year. Despite that we achieved GRMs of \$ 9.2/bbl for the year, which was highest in the last four years. RIL's Jamnagar refinery continues to benefit by processing advantaged crude sourced from diverse markets and produce clean fuels at low operating costs. We have been successful in placing our products globally in the markets with most stringent specifications. Our Company also received the International Refiner of the Year Award from HART Energy, USA, which is a true testimony of our world-class assets and operations. Reliance is the only Asian refiner to have been conferred this award twice.

Reliance's petrochemicals business saw a mixed trend last year. The domestic demand for petrochemical products remained strong although margins were impacted by regional market conditions. The ethylene chain margins remained stable while polyester chain margins came under pressure due to excess supply, high inventory levels and slower demand growth in some key markets. We believe urbanisation and rising aspirations of the Indian consumer will continue to drive demand across all end uses, in particular apparel, housing, automobiles, organised retailing and communication. Per capita consumption of plastics in India is expected to rise from 7 kg to 20 kg over the next decade and our planned expansion is well timed to participate in this growth opportunity.

In our domestic upstream business, we have rationalised our portfolio in terms of prospectivity and risk profile. Production from the KG-D6 block continued to decline during the year. To augment the production from the current fields, we have planned various activities including work-overs, side tracks and compressor addition to maximise recovery. Additionally, both RIL and BP have submitted the KG-D6 block enhancement plan using existing infrastructure to increase production from the block. Under this plan, we are planning to invest in a series of projects to develop around



4 trillion cubic feet of discovered natural gas resources from the block. The field development plan for the R-Series project has been submitted to the Government of India for approval. This along with other projects is expected to add incremental production in the next four to five years. We believe gas from these projects will deliver energy to millions of Indians and would significantly help India in reducing import dependence.

Reliance has made significant investments in the US shale gas ventures over the last two years. Production growth from our investments in unconventional liquids-rich resource plays in North America has reinforced our confidence in creating long term value for our shareholders from this diversification. US shale gas business achieved record revenues and EBITDA for the year 2012. Revenues and EBITDA more than doubled to \$ 545 million and \$ 422 million respectively in 2012. Our share of production in 2012 was at 101 BCFe, an increase of 166% in comparison to the previous year. With improvement in the US gas prices and continued focus on the liquids-rich acreage in the Eagle Ford area, Reliance is expected to grow this business sustainably over the next few years.

Our major investments during the year were mainly concentrated on expanding capacity and boosting production capability. Our focus is to maximise the benefit of being an integrated energy Company. Integration with the refinery at Jamnagar provides us with a unique advantage in sourcing feedstock for further value addition into petrochemicals. Reliance made a significant progress in its proposed expansion plan in the petrochemicals business. Our new cracker will source the feedstock from complex refineries and build world-scale globally competitive cracker capacity. We have completed technology selection and engineering contractor

selection for most projects. We have already commenced the order placement for some of the long lead equipments. We are confident of meeting our stated time lines in terms of all project executions and will see commencement of capacity additions starting this financial year.

We are also setting up the world's largest petcoke gasification facility at Jamnagar. On completion of this project, it will provide us long-term sustainable energy security for the entire Jamnagar complex at a globally competitive cost. This will help us in reducing our overall energy bill significantly. Effectively, these large projects, off-gas cracker and gasification are being implemented without relying on any new externally sourced feedstock.

We are delighted to see our retail business achieving a milestone of annual revenue crossing ₹ 10,000 crore in FY 2012-13. Our revenues have grown by 42% on a year on year basis. More importantly, Reliance Retail has turned EBITDA positive last year. We have added 184 stores during the year, taking total number of stores to 1,466 by the end of the year. Our nationwide footprint, new store additions and strong same store sales growth has certainly strengthened our position in this sector.

We believe India has a unique opportunity to surpass the world and become a leader in delivery of digital content. Reliance JioInfocomm Ltd. (RJIL) plans to provide reliable fast internet connectivity on pan India basis. In addition to connectivity, RJIL also plans to enable end-to-end solutions that address the entire value chain across various digital services in key domains of national interest such as education, healthcare, security, financial services, government-citizen interfaces and entertainment. RJIL has finalised key agreements with its technology partners, service providers, infrastructure providers,

application partners, device manufacturers and other strategic partners for the project.

Participating and investing in India's growth has been the fundamental principle of Reliance's evolution. Reliance has always maintained its conservative financial profile and investment grade ratings while pursuing future growth opportunities. At Reliance, we have been and continue to remain focused on creating long-term shareholder value.

We are among the top 100 companies in the world and have been globally felicitated consistently for shareholder value creation over the past three decades.

We are committed towards investing in Reliance's future. We are confident that our large capital expenditure programme will enable us to take full advantage of our market leadership positions and achieve our growth ambitions.

I would like to thank all our colleagues in India and around the world for their hard work and valued contribution during 2012-13. Together we have much to look forward to as we strive to make our company even stronger and continue to focus on delivering for our customers.

I am grateful to the Board of Directors for their unwavering support and guidance. I take this opportunity to express my gratitude to all our stakeholders, who have reposed trust in us and extended their constant support.

With best wishes,

Sincerely,

Mukesh D. Ambani
Chairman & Managing Director
16 April 2013

The Board of Directors



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1. Shri P. M. S. Prasad
Executive Director

2. Prof. Dipak C. Jain
Independent Director

3. Shri Nikhil R. Meswani
Executive Director

4. Dr. Dharam Vir Kapur
Independent Director

5. Shri Ramniklal H. Ambani
Non-Executive
Non-Independent Director

6. Shri Mansingh L. Bhakta
Independent Director

7. Shri Mukesh D. Ambani
Chairman and Managing Director



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8. Shri Yogendra P. Trivedi
Independent Director

9. Shri Mahesh P. Modi
Independent Director

10. Shri Hital R. Meswani
Executive Director

11. Prof. Ashok Misra
Independent Director

12. Dr. Raghunath A. Mashelkar
Independent Director

13. Shri Pawan Kumar Kapil
Executive Director

Reliance Foundation



Reliance Foundation focuses on five core pillars of rural transformation, education, health, urban renewal and arts, culture & heritage. It seeks to bring corporate systems and processes to social sector with an overall aim to create and support meaningful and innovative activities that address some of India's most pressing developmental challenges.

- Reliance Foundation has touched the lives of over a million underprivileged across the country, reaching out to over 2,500 villages and various urban locations.

- Reliance Foundation BIJ (Bharat India Jodo) programme supports small and marginal farmers along the value chain through input provision, technical, post-harvest as well as marketing support.

- Reliance Foundation BIJ has catalysed the formation of farmers' institutions across nearly 300 villages and has engaged with over 100,000 villagers. The programme has improved the nutritional intake of over 4,000 rural households through Reliance Nutrition Gardens.

- The Foundation's Information Services programme links knowledge seekers with knowledge providers to provide need based, locale-specific information in local languages. Within six months of its launch, the programme has reached out to 1400 villages.

- Sir H N Hospital is being revamped into a 19 storey, 800,000 square feet world-class tertiary health care facility.

- More than 11,000 cornea transplants have been undertaken under Reliance Foundation Drishti, the largest corporate-run cornea transplant drive. The initiative also launched India's first registered national Hindi newspaper in Braille. Over 3,500 visually impaired benefit from this fortnightly circulation.

- 'Health for All' initiative was launched under an outreach programme in December 2012 to provide primary and preventive health care to the poor and the vulnerable using state-of-the-art technology for service delivery. So far, over 40,000 individuals have enrolled under the family health card scheme and over 7,500 patients (of which 72% are women and children) have been provided free medical aid in the first 100 days of operation.

- Menstrual hygiene programme was launched for improving health and hygiene among women through Reliance Foundation branded affordable sanitary napkins, 'Meeta'. Currently, the initiative reaches out to 500,000 women in over 850 villages in Gujarat.

- The Foundation brought a Mummy exhibition to India in partnership with BP. The exhibition had over 450,000 visitors, including over 100,000 children from across 300 schools in Mumbai.



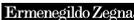
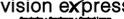
Major Products and Brands

Business/Brand	Product	Brand	End Uses
Exploration & Production	Crude Oil and Natural Gas		Refining, power, fertilisers, petrochemicals and other industries
Refining	Liquefied Petroleum Gas (LPG)		Domestic and industrial fuel
	Propylene		Feedstock for polypropylene
	Naphtha		Feedstock for petrochemicals such as ethylene, propylene & fertilisers, etc. and as fuel in power plants
	Gasoline		Transport fuel
	Jet / Aviation Turbine Fuel		Aviation fuel
	Superior Kerosene Oil		Domestic fuel
	High Speed Diesel		Transport fuel
	Sulphur		Feedstock for fertilisers and pharmaceuticals
	Petroleum Coke		Fuel for power plants and cement plants
Petrochemicals - Polymers			
Repol	Polypropylene (PP)		Woven sacks for packaging of cement, food-grain, sugar, fertiliser; leno bags for packaging of fruits & vegetables, TQ & BOPP films and containers for packaging of textiles, processed food, FMCG, office stationery; components for automobile and consumer durables, moulded furniture, luggage, housewares, geo-textiles & fibres for non-woven textiles.
Relene	Polyethylene (HDPE, LLDPE & LDPE)		Woven sacks, raschel bags for packaging of fruits & vegetables, containers for packaging of edible oil, processed food, FMCG, lubricants, detergents, chemicals, pesticides; industrial crates & containers, carrier bags, housewares, ropes & twines; pipes for water supply, irrigation, process industry & telecom; films for packaging of milk, edible oil, salt, processed food, rotomoulded containers for storage of water, chemicals storage and general purpose tanks, protective films and pipes for agriculture, cable sheathing, lids & caps and master batches.
	Ethylene Vinyl Acetate Copolymer (EVA)		Footwear & hotmelt adhesives
	Ultra High Molecular Weight Polyethylene (UHMWPE)		Liners for material handling equipment, dock fenders, battery separators, bobbins and pickers for textile machinery, trolley wheels, prosthetics, general engineering applications like gears, valves, bushes etc.
Reon	Polyvinyl Chloride (PVC)		Pipes & fittings; door & window profiles, insulation & sheathing for wire & cables, rigid bottles & containers for packaging applications, footwear, flooring, partitions, roofing, I.V. fluid & blood bags.
Relpipe	Poly-Olefin HDPE and PPR pipes		Irrigation, water supply projects, sewerage and drainage, mines, coal fields, industrial water/fluids/effluents transportation, gas distribution network, telecom cable ducts, plumbing & construction.
			
Cisamer	Poly Butadiene Rubber (PBR)		Tyres, tread rubber, conveyor belts, footwear, sports goods, automotive components, rollers, mechanical goods & dock fenders

Business/Brand	Product	Brand	End Uses
Chemicals			
Relab	Linear Alkyl Benzene (LAB)		Detergents
Petrochemicals - Polyester & Fibre Intermediates			
	Paraxylene (PX)		Raw material for PTA
	Purified Terephthalic Acid (PTA)		Raw material for polyester
	Mono Ethylene Glycol (MEG)		Raw material for polyester
Recron®	Staple Fibre Filament Yarn Texturised Yarn Twisted / Dyed Yarn	Recron®	Apparel, home textile, industrial sewing thread, automotive upholstery, carpets, canvas, luggage, spunlace & non-woven fabrics.
Recron® Stretch	Stretch yarns for comfortable fit and freedom of movement	Recron® Stretch	Blouse material, denim, shirting, suiting, dress material, T-shirt, sportswear, swimwear, medical bandages & diapers
Recron® Cotluk	Cotton Look, Cotton Feel Yarns	Recron® Cotluk	Dress material, shirting, suiting, furnishing fabric, curtain & bed sheet
Recron® Dyefast	Can dye at boiling water temperature with high colour fastness	Recron® Dyefast	Ladies outerwear, feather yarn for knitted cardigan, decorative fabric & home furnishing
Recron® Superblack	Dope dyed black with high consistency in shade	Recron® Superblack	Apparel, automotive, non-woven & interlining
Recron® Superdye	Bright, brilliant colours and soft feel, low pill	Recron® Superdye	Woven & knitted apparel, furnishing & home textile
Recron® Kooltex	Moisture management yarns	Recron® Kooltex	Active sports and high performance wear
Recron® Fibrefill	Hollow fibres with high bounce and resilience	Recron® Fibrefill	Pillows, cushions, quilts, mattresses, furniture, toys & non-wovens
Recron® 3S	Secondary Reinforcement Products	Recron 3s	Construction industry (concrete/mortar), cement (sheet & pipe), paper industry (conventional & speciality), battery industry, wetlaid industry (wall papers, filtration, wipes & hygiene products) & Asbestos replacement
Recron® Certified	Quality Certified Sleep Products	Recron® CERTIFIED	Pillows, cushions, blankets & quilts
Recron® Low Pill	Polyester Tow & Staple Fibre with unique low pill properties	Recron® LP	High-end worsted suitings, upholstery fabrics & socks
Recron® FeelFresh	Anti microbial fibres & yarns	Recron® FeelFresh	Active sportswear, Intimate apparel, socks, home furnishings & garments used in healthcare industry
Recron® Micrelle	Bi-component filament yarns	Recron® Micrelle	Super soft and ultra comfortable fabrics
Recron® Recrobulk	Hi-bulk fibres for soft-feel & warmth	Recron® Recrobulk	Sweaters, pullovers, cardigans, shawls & jackets
Recron® Green	Eco-friendly fibres made from 100% post-consumer polyester waste	Recron® Green	Apparel & home textiles

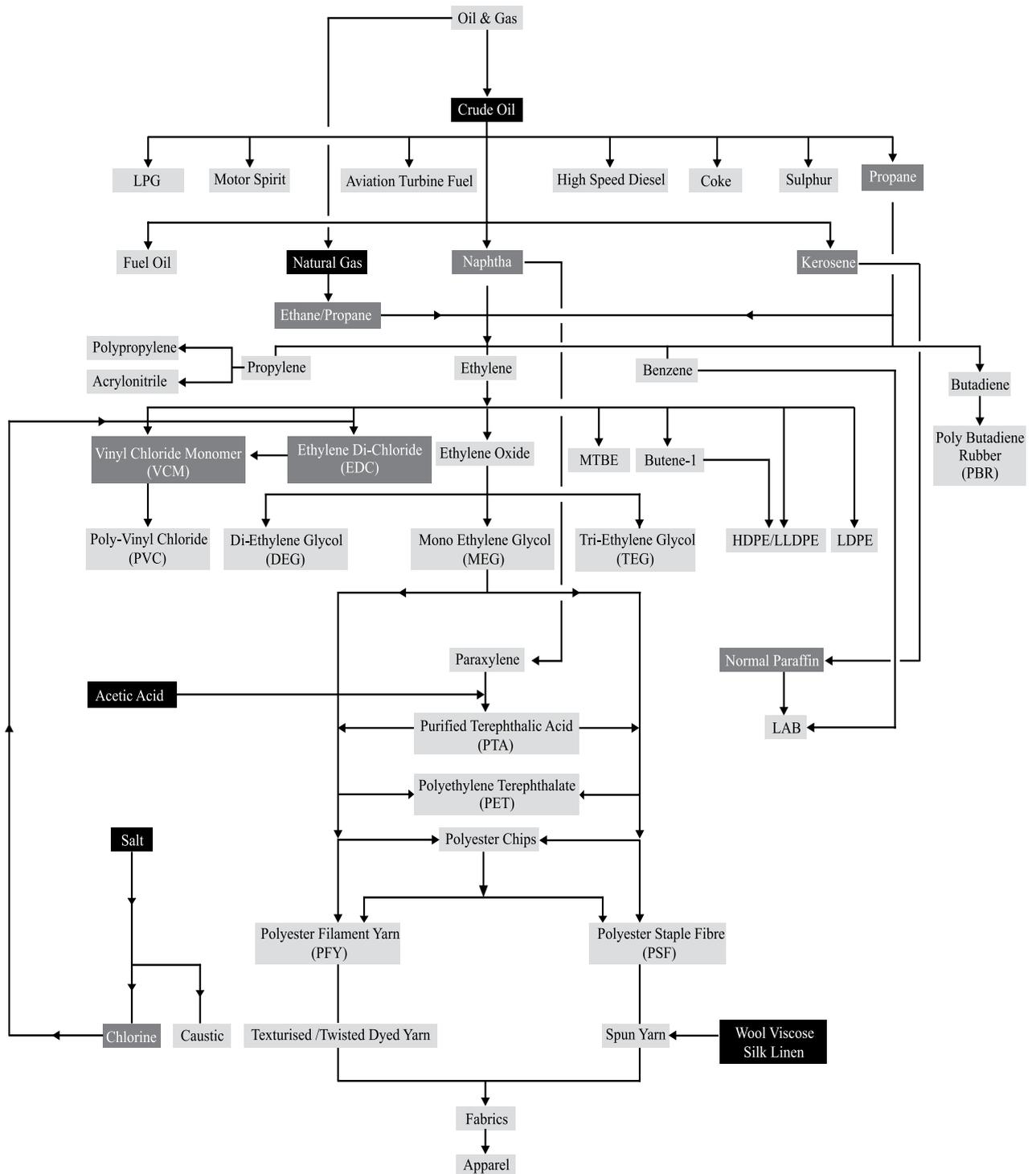


Business/Brand	Product	Brand	End Uses
Petrochemicals - Polyester & Fibre Intermediates			
Recron® Spunlace	Speciality polyester fibres		High quality non-woven products for the healthcare & hygiene industry
Recron® RecoSilk	Specialty Polyester Filament Yarns for Silken Shimmer and Swathes of Colour in Fabrics		Ideal substitute for silk in dress materials, velvet, sarees, etc. and viscose filament yarn in embroidery thread.
Recron® FR	Flame retardant Fibres & Yarns		Institutional textiles for hospitality, entertainment, transport, safety etc. Also used in home textiles, fill & comfort products.
Recron® Duratarp	Polyester Fibres with increased abrasion resistance for better water proof, tear proof and fade- proof qualities		Tarpaulin, Tents & Awnings
Recron® Safeband	Structurally modified polyester fibre with antimicrobial and antifungal properties		Crepe, Rolled Bandages & Surgical Dressings
Relpet®	Polyethylene Terephthalate (PET)		Packaging for bottled water, beverages, confectionary, pharmaceutical, agro-chemical and food products
Textiles			
Vimal	Suitings, Shirtings, Readymade Garments		Fabrics, suits, jackets, shirts & trousers
Vimal Gifting	Ready-to-stitch, take away fabric in gift packs		Fabrics
V2	Ready-to-stitch, Take away fabric		Fabrics
Retail			
	Reliance Retail		Organised retail
	Food & Grocery Specialty Store		Fresh vegetables, grocery, general and convenience merchandise
	Mini Hypermarket		Grocery, clothing, leisure, beauty and style, electronics and home merchandise
	Hypermarket		Grocery, clothing, leisure, beauty and style, electronics, home merchandise, furniture and jewellery
	Wholesale Store		A wholesale store for business & bulk needs
	Electronics Specialty Store		Computers, mobiles, entertainment, gaming merchandise
	Exclusive Apple Store		Range of Apple products like iPod and iMac
	Jewellery Specialty Store		Fine jewellery
	Apparel Specialty		Men, ladies, children clothing and accessories
	Footwear Specialty Store		Men, ladies, children footwear, sports, handbags and accessories
	Books, Music, Toys & Gifts Specialty Store		Books, music, stationery, toys and gifting merchandise
	Furniture, Furnishing & Homeware Specialty Store		Design-led furniture sets for the home & home-office, home furnishings, home decor, crockery, cutlery, glassware, cookware and kitchen aids
	Automotive Services & Products Specialty Store		Repair & maintenance services for 2 & 4 wheelers, wide range of tyres, batteries & other automotive accessories

Business/ Brand	Product	Brand	End Uses
	Italian Luxury Men's Clothing		Apparel, Accessories and Footwear for Men
	Italian luxury sportswear brand		Apparel, Accessories and Footwear for Men
	Luxury Footwear		Accessories and Footwear for Women
	British Shirt Authority		Apparel and Accessories for Men
	American icon that has redefined & shaped classic American style for nearly two centuries		Apparel and Accessories for Men
	Iconic Italian Lifestyle Brand		Apparel, Accessories and Footwear
	Urban fashion & Lifestyle brand that exudes metropolitan lifestyle of New York city		Apparel, Accessories and Footwear
	Fashion brand that fuses design influences from Japanese graphics and vintage Americana, with the values of British Tailoring		Apparel, Accessories and Footwear
	Distinctive Fashion footwear & Accessories		Accessories and Footwear for Women
	Fashion forward Footwear & Accessories Brand		Accessories and Footwear for Women
	The finest toy shop in the world		Toys
	Optical Specialty Store		Spectacles, Sunglasses, Contact Lenses
	International Apparel, Accessories & Home Products Store		Apparel for Women, Men and Children, Lingerie, Beauty and Home Décor
	Office Needs, Office Supplies and Stationery Store		Office and Personal Stationery
	Iconic Japanese Sports Performance brand		Men, Ladies Sports footwear, clothing & accessories
	Transportation fuels		Retail distribution of fuels
	Fleet Management Services		Transport fleet
	Highway Hospitality Services		Highway food plaza
	Vehicle Care Services		Vehicle care service outlets
	Convenience Shopping		Highway shopping
	Foods		Food
	Auto LPG		Auto fuel outlet
GAPCO	Petroleum Retail		Retail distribution of fuels
	Lubricants		Lubricants



Product Flow Chart



Existing products

Purchased raw materials

Partly purchased raw materials

Company Information

Board of Directors		Board Committees	
Chairman and Managing Director		Audit Committee	Finance Committee
Mukesh D. Ambani		Yogendra P. Trivedi (Chairman)	Mukesh D. Ambani (Chairman)
Executive Directors	Non Executive Directors	Mahesh P. Modi	Nikhil R. Meswani
Nikhil R. Meswani	Ramniklal H. Ambani	Dr. Raghunath A. Mashelkar	Hital R. Meswani
Hital R. Meswani	Mansingh L. Bhakta	Shareholders'/Investors' Grievance Committee	Health, Safety & Environment Committee
P.M.S. Prasad	Yogendra P. Trivedi	Mansingh L. Bhakta (Chairman) ¹	Hital R. Meswani (Chairman)
Pawan Kumar Kapil	Dr. Dharam Vir Kapur	Yogendra P. Trivedi (Chairman) ²	Dr. Dharam Vir Kapur
	Mahesh P. Modi	Nikhil R. Meswani	P.M.S. Prasad
	Prof. Ashok Misra	Hital R. Meswani	Pawan Kumar Kapil
	Prof. Dipak C. Jain	Prof. Ashok Misra ²	Corporate Governance and Stakeholders' Interface Committee
	Dr. Raghunath A. Mashelkar	Remuneration Committee	Yogendra P. Trivedi (Chairman)
Group Company Secretary and Chief Compliance Officer	K. Sethuraman	Mansingh L. Bhakta (Chairman) ¹	Mahesh P. Modi
Solicitors & Advocates	Kanga & Co.	Yogendra P. Trivedi (Chairman) ²	Dr. Dharam Vir Kapur
Auditors	Chaturvedi & Shah Deloitte Haskins & Sells Rajendra & Co.	Dr. Dharam Vir Kapur Dr. Raghunath A. Mashelkar ²	Employees Stock Compensation Committee
		1. upto 20.07.2012 2. w.e.f. 20.07.2012	Yogendra P. Trivedi (Chairman)
			Mukesh D. Ambani Mahesh P. Modi Prof. Dipak C. Jain
Bankers			
Allahabad Bank	Citibank N.A	HDFC Bank Limited	Standard Chartered Bank
Andhra Bank	Credit Agricole Corporate and Investment Bank	ICICI Bank Limited	State Bank of Hyderabad
Bank of America	Corporation Bank	IDBI Bank Limited	State Bank of India
Bank of Baroda	Deutsche Bank	Indian Bank	State Bank of Patiala
Bank of India	The Hong Kong and Shanghai Banking Corporation Limited	Indian Overseas Bank	Syndicate Bank
Bank of Maharashtra		Oriental Bank of Commerce	The Royal Bank of Scotland
Canara Bank		Punjab National Bank	Union Bank of India
Central Bank of India			Vijaya Bank
Major Plant Locations			
Dahej	Hazira	Jamnagar SEZ Unit	Patalganga
P. O. Dahej, Taluka: Vagra, Dist. : Bharuch - 392 130 Gujarat, India	Village Mora, P.O. Bhatha Surat-Hazira Road Surat - 394 510, Gujarat, India	Village Meghpar / Padana, Taluka Lalpur, Jamnagar - 361 280, Gujarat, India	B-1 to B-5 & A3, MIDC Industrial Area, P.O. Rasayani, Patalganga - 410 220 Dist. Raigad Maharashtra, India
Gadimoga	Jamnagar	Nagothane	Vadodara
Tallarevu Mandal East Godavari District Gadimoga - 533 463 Andhra Pradesh, India	Village Meghpar / Padana, Taluka Lalpur Jamnagar - 361 280 Gujarat, India	P. O. Petrochemicals Township, Nagothane - 402 125, Roha Taluka, Dist. Raigad, Maharashtra, India	P. O. Petrochemicals Vadodara - 391 346, Gujarat, India
Registered Office		Registrars & Transfer Agents	
3rd Floor, Maker Chambers IV 222 Nariman Point, Mumbai - 400 021, India Tel: +91 22 2278 5000 Fax: +91 22 2278 5111 e-mail: investor_relations@ril.com Website : www.ril.com		Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081, India. Tel: +91 40 4465 5070 - 5099 Toll Free No. 1800 425 8998; Fax: +91 40 2311 4087. e-mail: rilinvestor@karvy.com Website : www.karvy.com	

39th Annual General Meeting on Thursday, 6th June, 2013 at 11.00 a.m.
at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.



Financial Highlights

₹ in crore

	2012-13		11-12	10-11	09-10	08-09	07-08	06-07	05-06	04-05	03-04
	\$ Mn										
Revenue From Operations	68,365	3,71,119	3,39,792	2,58,651	2,00,400	1,46,328	1,39,269	1,18,354	89,124	73,164	56,247
Total Income	69,838	3,79,117	3,45,984	2,61,703	2,02,860	1,48,388	1,44,898	1,18,832	89,807	74,614	57,385
Earnings Before Depreciation, Finance Cost and Tax Expenses (EBDIT)	7,145	38,785	39,811	41,178	33,041	25,374	28,935	20,525	14,982	14,261	10,983
Depreciation and Amortisation	1,744	9,465	11,394	13,608	10,497	5,195	4,847	4,815	3,401	3,724	3,247
Exceptional Items	-	-	-	-	-	(370)	4,733	-	-	-	-
Profit For the Year	3,869	21,003	20,040	20,286	16,236	15,309	19,458	11,943	9,069	7,572	5,160
Equity Dividend %*		90	85	80	70	130	130	110	100	75	52.5
Dividend Payout	487	2,643	2,531	2,385	2,084	1,897	1,631	1,440	1,393	1,045	733
Equity Share Capital	595	3,229	3,271	3,273	3,270	1,574	1,454	1,393	1,393	1,393	1,396
Equity Share Suspense Account	-	-	-	-	-	69	-	60	-	-	-
Equity Share Warrants	-	-	-	-	-	-	1,682	-	-	-	-
Reserves and Surplus	32,563	1,76,766	1,62,825	1,48,267	1,33,901	1,24,730	78,313	62,514	48,411	39,010	33,057
Net Worth	33,157	1,79,995	1,66,096	1,51,540	1,37,171	1,26,373	81,449	63,967	49,804	40,403	34,453
Gross Fixed Assets	42,787	2,32,270	2,05,493	2,21,252	2,28,004	2,18,673	1,27,235	1,07,061	91,928	59,955	56,860
Net Fixed Assets	23,738	1,28,864	1,21,477	1,55,526	1,65,399	1,69,387	84,889	71,189	62,675	35,082	35,146
Total Assets	58,674	3,18,511	2,95,140	2,84,719	2,51,006	2,45,706	1,49,792	1,17,353	93,095	80,586	71,157
Market Capitalisation	46,017	2,49,802	2,44,757	3,42,984	3,51,320	2,39,721	3,29,179	1,98,905	1,10,958	76,079	75,132
Number of Employees		23,519	23,166	22,661	23,365	24,679	25,487	24,696	12,540	12,113	11,358
Contribution to National Exchequer	5,333	28,950	28,197	28,719	17,972	11,574	13,696	15,344	15,950	13,972	12,903

Key Indicators

	\$	2012-13	11-12	10-11	09-10	08-09	07-08	06-07	05-06	04-05	03-04
Earnings Per Share - (₹) [excluding Exceptional item]*	1.2	64.8	61.2	62.0	49.7	49.7	105.3	82.2	65.1	54.2	36.8
Turnover Per Share - (₹)	21.2	1,149.5	1,037.8	790.5	612.9	464.9	958.1	814.2	639.6	525.0	402.8
Book Value Per Share - (₹)	10.3	557.5	507.3	463.2	419.5	401.5	560.3	440.0	357.4	289.9	246.7
Debt : Equity Ratio		0.40:1	0.41:1	0.44:1	0.46:1	0.63:1	0.45:1	0.44:1	0.44:1	0.46:1	0.56:1
EBDIT / Gross Turnover %	10.5	10.5	11.7	15.9	16.5	17.3	20.8	17.3	16.8	19.5	19.5
Net Profit Margin %	5.7	5.7	5.9	7.8	8.1	10.5	14.0	10.1	10.2	10.3	9.2
RONW % **	12.8	12.8	13.4	15.5	16.4	21.6	28.8	23.5	22.7	21.9	17.0
ROCE % **	11.2	11.2	11.6	13.2	13.9	20.3	20.3	20.5	20.5	21.3	14.0

In this Annual Report \$ denotes US\$

1US\$ = ₹ 54.285 (Exchange rate as on 31.03.2013)

* Adjusted for issue of bonus shares in 2009-10 in the ratio of 1:1

** Adjusted for CWIP and revaluation

Notice

Notice is hereby given that the thirty-ninth Annual General Meeting of the members of Reliance Industries Limited will be held on Thursday, June 06, 2013 at 11.00 a.m. at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020, to transact the following businesses:

Ordinary Business

1. To consider and adopt the audited Balance Sheet as at March 31, 2013, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint Directors in place of those retiring by rotation.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT M/s. Chaturvedi & Shah, Chartered Accountants (Registration No. 101720W), M/s. Deloitte Haskins & Sells, Chartered Accountants (Registration No. 117366W) and M/s. Rajendra & Co., Chartered Accountants (Registration No. 108355W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

Special Business

5. To approve the payment of commission to Non-Executive Directors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Non-Executive Directors of the Company (i.e. Directors other than the Managing Director and Whole-time Directors) be paid, by way of an annual payment, in addition to the sitting fees for attending the meetings of the Board of Directors or Committees thereof, a commission as the Board of Directors may from time to time determine, not exceeding ₹ 5 (five) crore per annum

in the aggregate, for a period of 5 (five) years from the financial year ending March 31, 2013.”

By Order of the Board of Directors

K. Sethuraman
Group Company Secretary and
Chief Compliance Officer

April 16, 2013

Registered Office:
3rd Floor, Maker Chambers IV,
222 Nariman Point,
Mumbai 400 021, India
e-mail: investor_relations@ril.com

Notes:

1. **A member entitled to attend and vote at the annual general meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In terms of Article 155 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Shri Mahesh P. Modi, Dr. Dharam Vir Kapur, Dr. Raghunath A. Mashelkar and Shri Pawan Kumar Kapil, Directors, retire by rotation at the ensuing Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commend their respective re-appointments.
4. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement



with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.

5. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
9.
 - (a) The Company has notified closure of Register of Members and Share Transfer Books from Tuesday May 14, 2013 to Saturday May 18, 2013 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
 - (b) The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched between June 07, 2013 and June 13, 2013 to those members whose names shall appear on the Company's Register of Members on May 13, 2013; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
10. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, M/s. Karvy Computershare Private Limited ("Karvy") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
11. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Karvy.
12. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial years 1995-96 to 2004-05, to the **Investor Education and Protection Fund** (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on June 07, 2012 (date of last Annual General Meeting) on the website of the Company (www.ril.com), as also on the Ministry of Corporate Affairs website.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Karvy.
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.ril.com under the section 'Investor Relations'.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Karvy, for consolidation into a single folio.
16. Non-Resident Indian Members are requested to inform Karvy, immediately of:

- (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. Members are advised to refer to the Shareholders' Referencer provided in the Annual Report.
 18. Members are requested to fill in and send the Feedback Form provided in the Annual Report.
 19. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned at Item No. 5 of the accompanying Notice:

Item No. 5

The Members of the Company at the 33rd Annual General Meeting held on October 12, 2007, approved payment of commission of ₹ 21,00,000/- (Rupees twenty one lakh) per annum to each Non-Executive Director of the Company, i.e. Directors other than the Managing Director and Whole-time Directors of the Company, payable annually, for a period of 5 (five) financial years commencing from the financial year ending on March 31, 2008.

The role, responsibilities and participation of the Non-Executive Directors in the affairs of the Company have

increased over a period of time. The compensation payable to the Non-Executive Directors should therefore be commensurate with their increased role and responsibilities.

Keeping in view the above, the Board of Directors, subject to the approval of Members of the Company, have approved by way of an annual payment to the Non-Executive Directors, a commission, as the Board of Directors may from time to time determine not exceeding ₹ 5 (five) crore per annum in the aggregate, for a period of 5 (five) years from the financial year ending March 31, 2013. The said commission shall not exceed the permissible limit under the provisions of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

The aforesaid commission shall be paid to all such Directors in addition to the sitting fees paid to them for attending meetings of the Board and Committees thereof.

All the Non-Executive Directors of the Company are deemed to be concerned or interested in this Resolution. None of the other Directors are, in any way, concerned or interested in this Resolution.

Your Directors commend the Special Resolution set out at Item No. 5 of the Notice for your approval.

By Order of the Board of Directors

K. Sethuraman
Group Company Secretary and
Chief Compliance Officer

April 16, 2013

Registered Office:
3rd Floor, Maker Chambers IV,
222 Nariman Point,
Mumbai 400 021, India
e-mail: investor_relations@ril.com



Management's Discussion And Analysis

Forward-looking statements

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

Overview

The global economy in FY 2012-13 improved slowly and did not recover to the extent anticipated in the beginning of the year. Several European economies experienced recession due to high unemployment, banking fragility, fiscal tightening and sluggish growth. The U.S. economy improved marginally, driven mainly by housing and the consumer sectors; however, capital investments remained sluggish. Among the Asian economies, China, going through a political transition, experienced considerably slower growth. Deceleration in industrial output and exports weakened India's economic growth significantly. The weak macro environment and slower growth caused the margin environment to remain volatile with downward bias.

Oil demand increased by 0.9 MMBPD in 2012. Eurozone's recession and emerging markets slowdown weakened global economy, which in turn, impacted demand growth. Increased production, particularly in North America and Iraq, helped meet this demand, partly offset by decreasing supply from some Middle Eastern countries, especially Iran and Syria. The average Brent crude oil price increased marginally in 2012 to reach \$111.6 per barrel.

Reliance Industries Ltd. (RIL) demonstrated its ability to perform in this challenging environment and enhanced its revenues by 9.2% to ₹ 371,119 crore and profits by 4.8% to ₹ 21,003 crore. RIL achieved record exports (15% higher) at ₹ 239,226 crore, as against ₹ 208,042 crore in FY 2011-12. RIL's consolidated revenue from operations for the year ended March 31, 2013 was ₹ 397,062 crore, an increase of 10.8% on a year on year (Y-o-Y) basis.

RIL's KG-D6 facility, completing four years of operations, produced 3.31 million barrels (MMBL) of crude oil and condensate and 336 billion cubic feet (BCF) of natural gas. In the downstream segments, RIL maintained operating rates over 100% in the refining and petrochemicals businesses. The Company processed a record 68.5 million tonnes (MMT) of crude at its Jamnagar refinery complex.

RIL's performance can be attributed to its strong integrated business model, wide product portfolio and increasing demand for its products. RIL's facilities continued to deliver operating excellence and this is a true testimony of the quality of its manufacturing assets and human talent.

RIL was featured in the Fortune Global 500 list of the world's largest corporations for the eighth consecutive year. It was ranked 99th based on sales and 130th based on profits.

Noteworthy Events

RIL's Share Buyback Programme

The Company had announced India's largest share buy-back programme in January 2012. The Board of Directors of the Company had approved buyback of up to 120,000,000 fully paid up equity shares of ₹ 10 each, at a price not exceeding ₹ 870 per equity share, payable in cash, up to an aggregate amount not exceeding ₹ 10,440 crore from the open market through stock exchanges.

During the buy-back programme which ended in January 2013, the Company bought and extinguished 46,246,280 equity shares of ₹ 10 each. It was 38.54% of the total buy-back offer quantity of 120,000,000 equity shares. The total amount invested in the buy-back was ₹ 3,366 crore and the average price at which the equity shares were bought back was ₹ 726.68 per share. The share buy-back reinforced investors' confidence and provided significant support to the stock.

This buy-back programme was the largest ever implemented-to-date in the history of Indian capital markets and was Earnings per Share (EPS) accretive for the Company. It is expected to supplement earnings growth from operations, for higher EPS, in the near future.

RIL-BP Partnership

In its second year of the partnership, RIL and BP combined their expertise in deepwater exploration and development and operations in India. Both the teams worked closely to understand the complex geology of the east-coast of India including KG-D6 block. The efforts are on, to map out an exploration and development campaign that will efficiently

target high quality prospects in deeper zones and optimise existing as well as future development plans.

The Company is creating a projects pipeline for the next wave of oil and gas development, which includes satellite discoveries in KG-D6 block. Under the block's enhancement plan, the Company aims to invest in a series of projects to develop around 4 trillion cubic feet (TCF) of discovered natural gas resources over the next 3-5 years. These project implementations in the KG-D6 enhancement plan are subject to the timely regulatory and Government approvals. At current international Liquefied Natural Gas (LNG) prices, it would cost over \$ 50 billion to import this gas volume into India. Gas from these projects will deliver energy to millions of Indians and would significantly help India reduce import dependence.

Financial Performance

Revenue from operations	₹ 371,119 crore \$ 68.4 billion	+ 9.2%
PBDIT	₹ 38,785 crore \$ 7.1 billion	(-) 2.6%
PBT	₹ 26,284 crore \$ 4.8 billion	+ 2.1%
Cash profit	₹ 30,505 crore \$ 5.6 billion	(-) 4.6%
Net profit	₹ 21,003 crore \$ 3.9 billion	+ 4.8%

The net profit for FY 2012-13 was at ₹ 21,003 crore (\$ 3.9 billion) with a compounded annual growth rate (CAGR) of 18% over the past 10 years. RIL has announced a dividend of 90% amounting to ₹ 3,092 crore (\$ 570 million), including dividend distribution tax. This is the highest pay-out ever by RIL and in line with its prudent distribution commitment.

Highlights of RIL's consolidated performance for the year are as follows:

- Revenue from operations increased by 10.8% to ₹ 397,062 crore (\$ 73.1 billion)
- PBDIT increased by 0.5% to ₹ 40,912 crore (\$ 7.5 billion)
- Profit Before Tax increased by 3.2% to ₹ 26,150 crore (\$ 4.8 billion)
- Cash Profit decreased by 1.5% to ₹ 32,115 crore (\$ 5.9 billion)
- Net Profit increased by 5.9% to ₹ 20,879 crore (\$ 3.8 billion)

RIL continued to play a pivotal role in the growth of India's economy. It accounted for:

- 14% of country's exports (RIL exports at \$ 44.1 billion)
- 4.8% of indirect tax revenues
- 4% of total market capitalisation
- Weightage of 8.6% in the Bombay Stock Exchange (BSE) Sensex
- Weightage of 7.0% in the National Stock Exchange (NSE) Nifty

Financial Review

RIL delivered superior financial performance with improvements across key parameters. RIL achieved a Revenue from operations for the year ended 31st March 2013 of ₹ 371,119 crore (\$ 68.4 billion), an increase of 9.2% on a Y-o-Y basis. The Refining business revenues increased by 11.6%, Petrochemicals by 9.3% while Oil & Gas revenues decreased by 35.2% on account of lower production. Higher prices accounted for 11.0% growth in revenue which was partly offset by the decrease in volumes by 1.8%. Exports were higher by 15.0% at ₹ 239,226 crore (\$ 44.1 billion) as against ₹ 208,042 crore in FY 2011-12.

Higher crude oil prices increased raw materials consumption by 11.4% to ₹ 306,127 crore (\$ 56.4 billion) on a Y-o-Y basis.

Employee costs were at ₹ 3,354 crore (\$ 618 million) for the year as against ₹ 2,862 crore in the previous year.

Other expenditure increased by 26.6% from ₹ 18,040 crore to ₹ 22,844 crore (\$ 4.2 billion) primarily due to higher expenses on account of power & fuel, selling & distribution, sales tax, professional fees and repairs.

Operating profit before other income and depreciation decreased by 8.4% from ₹ 33,619 crore to ₹ 30,787 crore (\$ 5.7 billion) due to reduction in oil & gas and petrochemicals earnings, partially offset by higher operating profit from refining. Net operating margin was lower at 8.5% as compared to 10.2% on a Y-o-Y basis due to lower production of oil & gas and weaker petrochemicals business margins.

Other income was higher at ₹ 7,998 crore (\$ 1.5 billion) as against ₹ 6,192 crore primarily due to an increase in cash flows from operations that were deployed in bank deposits, mutual funds and Government securities / bonds.



Depreciation (including depletion and amortisation) was lower by 16.9% at ₹ 9,465 crore (\$ 1.7 billion) against ₹ 11,394 crore in FY 2011-12. This was primarily due to lower production of oil and gas.

Interest cost was higher at ₹ 3,036 crore (\$ 559 million) as against ₹ 2,667 crore in FY 2011-12 principally due to higher foreign currency borrowings and depreciation of the Indian rupee. This resulted in gross interest cost being higher at ₹ 3,421 crore (\$ 630 million) as against ₹ 3,097 crore in FY 2011-12. Interest capitalised was lower at ₹ 385 crore (\$ 71 million) as against ₹ 430 crore.

Profit after tax for the year was at ₹ 21,003 crore (\$ 3.9 billion) as against ₹ 20,040 crore in the previous year.

Basic EPS for the year was ₹ 64.8 (\$ 1.2) as compared to ₹ 61.2 in the previous year.

RIL's consolidated revenue from operations for FY 2012-13 was ₹ 397,062 crore (\$ 73.1 billion), an increase of 10.8% on a Y-o-Y basis. Profit after tax was at ₹ 20,879 crore (\$ 3.8 billion), an increase of 5.9% as against ₹ 19,724 crore in the previous year. Basic EPS for the year was at ₹ 70.7 (\$ 1.3), as against ₹ 66.2 in the previous year.

The Company is debt-free on a net basis as on March 31, 2013. Return on capital employed was at 11.2% and return on equity was at 12.8%.

RIL bought and extinguished 42,582,849 equity shares for a sum of ₹ 3,044 crore during the year. The Company cumulatively bought and extinguished 46,246,280 equity shares at a total cost of ₹ 3,366 crore under the buy-back scheme.

The net addition to fixed assets for FY 2012-13 was ₹ 19,041 crore (\$ 3.5 billion) including an addition of ₹ 1,942 crore on amalgamation of Reliance Jamnagar Infrastructure Limited. Capital expenditure was incurred principally on account of on-going expansion projects at Jamnagar, Dahej, Silvassa and Hazira.

During the year, a total of ₹ 28,950 crore (\$ 5.3 billion) was contributed in the form of taxes and duties.

RIL maintained its status as India's largest exporter. The exports, including deemed exports, were at ₹ 239,226 crore (\$ 44.1 billion) as against ₹ 208,042 crore in the previous year.

RIL exported to 116 countries around the world. The exports represent 64% of the RIL's turnover. Petroleum products constituted 89% of exports value, while the balance was contributed by petrochemicals.

Resources and Liquidity

In FY 2012-13, RIL tied up facilities of around \$ 6.8 billion through five landmark transactions to part-finance the proposed expansion of its petrochemical plants, setting up new gasification plant and refinery off-gas cracker over the next 3-4 years.

During the year, RIL signed \$ 4.5 billion equivalent facilities, backed by Export Credit Agencies, which included:

- \$ 2 billion equivalent facility from Euler Hermes, the German Export Credit Agency
- \$ 2 billion facility from the Export- Import Bank of the United States of America
- \$ 500 million equivalent facility from Korea Trade Insurance Corporation, the South Korean Export Credit Agency

These facilities will be drawn over the next 3 years as the projects progress. Besides, these will have a door-to-door tenor of over 13 years. This is in line with RIL's objective of extending the average maturity of its long-term debt at competitive cost and diversifying funding sources. The RIL deals were the first in history to be accorded 'Better than Sovereign' rating by each of the above export credit agencies. For the SACE (Italian Export Credit Agency) and Euler Hermes deals, RIL has received the "Deal of the Year" awards for 2012 from Trade Finance, a leading global publication in the international trade finance market.

RIL also raised \$ 1.5 billion from syndicated loan facility. The deal represented the largest bank group for an unsecured syndicated loan with tenor in excess of five years in Asia in 2012 with a strong participation from a total of 28 international and Indian banks amid volatile market conditions. RIL received the "Best Loan Syndication in Asia" and "Best Corporate Issuer in Asia" awards for 2012 from The Asset, a leading Asian financial publication for this deal.

In January 2013, RIL issued \$ 800 million (5.875%) Senior Perpetual Notes. The Notes have no fixed maturity date and the Company will have an option, from time to time, to redeem the Notes, in whole or in part, on any semi-annual interest payment date on or after February 5, 2018 at 100% of the principal amount plus accrued interest. This was the first US Dollar bond issuance by RIL in the public markets since 1997. This landmark deal represents the first ever US Dollar senior, fixed for life, non-deferrable perpetual issuance out of Asia and the lowest coupon achieved for a

US Dollar senior true perpetual issuance globally to date.

RIL continuously undertakes liability management to reduce debt cost and diversify its liability mix.

As on 31st March 2013, RIL's total debt was at ₹ 72,427 crore (\$ 13.3 billion). Over 91% of total debt, including short-term debt was denominated in foreign currencies. The proportion of long term debt to total debt is over 84%.

RIL's gross debt to equity ratio including long-term and short-term debt as on 31st March 2013 was 0.40, while the net debt to equity ratio was NIL.

RIL's cash and cash equivalents as at 31st March 2013 amounted to ₹ 82,975 crore (\$ 15.3 billion). RIL continued to efficiently manage its short term resources by placing them in very liquid, highly rated securities such as bank fixed deposits, Government securities and bonds and money market mutual funds.

RIL's superior credit profile is reflected in its relationships with over 100 banks and financial institutions having commitments to the Company.

RIL's financial discipline and prudence is also reflected in the strong credit ratings ascribed by rating agencies. Moody's has rated RIL's international debt at investment grade Baa2, with 'positive' outlook (local currency issuer rating). S&P has rated RIL's international debt as BBB with a 'positive' outlook. Both these rating agencies continue to provide a rating to RIL, which is a notch above India's sovereign rating. RIL's long-term debt is rated AAA by CRISIL and 'Ind AAA' by Fitch, the highest rating awarded by both these agencies. RIL's short-term debt is rated P1+ by CRISIL, the highest credit rating assigned in this category.

Smart Transformation at Reliance (STAR)

In order to make RIL "FUTURE READY", the Company has embarked on one of the largest business transformation project - STAR.

The rationale behind STAR is to enable the institutionalisation of RIL's DNA. Powerful project management skills have been one of RIL's biggest strengths. Supplementing these through robust business process framework and best-in-class IT solutions will allow the Company to retain its competitive advantage. It would also help the Company bring end-to-end digital chain to free up resources. This will help enhance organisational entrepreneurship and create a world-class human resource framework to retain talent and fulfill mission of being an "Employer of Choice".

Strategy for STAR

- Create a world-class workforce with a well understood employee value proposition.
- Build a vibrant learning environment through partnerships with best institutions to create a learning organisation, nurture talent and leadership pool.
- Use best-in-class processes, coupled with well-honed best practices
- Inculcate continuous process improvement culture through Business Process Management (BPM)
- Build streamlined and scalable business architecture to ensure transparency and provide orchestration of "Ready to Use" Process-System-Data blocks for new ventures
- Leverage "state-of-the-art" technology to automate and digitise hard-wired built-in controls, transaction level transparency and real-time visibility into key business and operational parameters
- Create scalability through world-class IT backbone in the Cloud, enabling growth and merger integrations with relative ease and minimal incremental costs
- Make data and solutions available through virtualisation and mobility solutions to ensure "Anytime Anywhere" computing
- Use Big Data Analytics to support informed decision-making
- Build a governance framework to empower people and enable success measurement in unobtrusive manner
- Create a standardised and life-cycle approach to energy, process and asset management with inline monitoring and adjusting for best-in-class performance
- Ensure quality-driven project execution through measured stage-gate criteria and minimal risk of business disruption
- Create an integrated project management approach with operations, technology, engineering and maintenance combined in project teams through the project life-cycle
- Solid Change Management program that empowers all employees to adopt and absorb new way of working and enhance entrepreneurial culture.
- Provide "Online" role based training for end users to ensure power of new solutions is fully realised.



Key Milestones and Progress Achieved

STAR covers three businesses, Exploration & Production, Refining & Marketing and Petrochemicals and support functions such as manufacturing, projects, procurement & contracting, logistics, human resources, finance, shared services, IT, R&D and security. RIL completed basic and detailed design, including business blueprinting for 265 end-to-end business processes. The Company's new business architecture framework has been developed and the new organisation structure is also ready to be implemented.

Further, a repository of around 40,000 process models have been developed, interlinked with solution landscape to ensure integrated process change management. The system landscape with best-in-class solutions has been finalised and is in the final stages of testing. The solutions are likely to be rolled out in phases starting from April 2013. The key state-of-the-art solutions benefitting RIL in the areas of advanced planning, plant data reconciliation and validation, operational performance management and analysis and quality management have also been implemented. A team of around 1400, inclusive of RIL employees and external consultants have been working on this initiative to make it successful.

Business Performance

OIL & GAS EXPLORATION AND PRODUCTION BUSINESS

Business Environment - Global

In 2012, crude oil prices averaged \$ 111.6/bbl, while Asian LNG prices averaged \$ 15.1/MMBTU. Oil prices remained high as 2012 demand increased by 0.9 MMBPD while non OPEC supply increased only by 0.60 MMBPD which increased the call on OPEC in 2012.

In the year 2013, the incremental oil demand may only be 0.8 MMBPD as per the IEA Oil Market Report dated March 2013 taking the cumulative demand to 90.6 MMBPD for 2013. However, incremental non-OPEC supply would be 1.1 MMBPD due to rise in production from North American shale oil, Iraq and Canadian oil sands, offsetting declines elsewhere in the non-OPEC regions.

Upstream oil and gas investment for 2012 was estimated at about \$ 620 billion - higher by 8% than in 2011 and 20% than in 2008 (Source: EIA's World Energy Outlook 2012). The increased spending reflects a combination of improved returns, spurred by higher oil prices and rising costs of current and planned projects. Despite signs of declining

cost inflation with easing global commodity prices, deep and ultra-deep-water rig rates stayed high, even exceeding \$ 650,000/day and the subsea market remained tight.

Global LNG prices remained buoyant due to increasing demand in LNG mainly in Japan, China, India and South America contributing to the market tightness. Supply was constrained by maintenance and unscheduled interruptions on existing liquefaction plants, as well as lower-than-expected capacity additions, with only one new train Pluto in Australia coming into service.

US gas prices rallied to over \$ 4/MMBTU in recent months. The strength in the current rally may be sustained, as the US considers policy moves allowing LNG exports, coal-fired power plants shutdown due to proposed environmental regulations and the planned conversion of the truck and rail engine fleets into CNG.

Business Environment - India

Indian gas demand is expected to be more than treble to touch 600 MMSCMD by 2021-22. The domestic gas availability by then may be around 250 MMSCMD and the balance would be met through LNG imports.

The regulatory environment has shown a positive trend in recent months. The government has allowed for exploration in production areas. Directionally, the Indian gas market is expected to move towards market based pricing. The recommendations of the Government appointed Rangarajan committee were a move in the right direction with efforts now directed towards achieving a transition to arms-length market pricing.

As per global experts, significant gas resources in India exist in deep-water, ultra deep-water frontier areas. However, the average accumulation sizes are relatively small which adds to the cost challenges of developing these fields. These fields require market linked gas prices to strengthen India's energy security and make these fields commercially viable.

Currently LNG constitutes more than 30% of India's gas consumption implying a high demand for natural gas even at prices in excess of \$ 12/MMBTU. Currently, the regas terminals on India's west coast are running at full capacity and the country's LNG import bill in FY 2012-13 has touched \$ 7 billion.

In future, global LNG Supply is likely to improve, with a new cycle of liquefaction capacity additions starting this year. This expansion should alleviate pressure on spot prices over the medium term. However, the market

is expected to tighten again after 2017, as Asian demand continues to grow. Besides, most of the upcoming LNG projects are getting delayed, coupled with delays in restart of Japan's nuclear power plants. Even the shale revolution outside the US, in Asia and Latin America faces considerable hurdles on issues of water, land availability, mineral rights, public opinion and geological factors.

RIL: Portfolio Overview

Through continuous assessment of its portfolio in terms of prospectivity and risk profile, RIL rationalises its portfolio focusing on monetising and maximising value. RIL's upstream business has been restructured into different sectors i.e., Conventional, CBM and Shale Gas. In this way the risks and dynamics of each sector are clearly understood and distinctly managed to maximise value and growth.

Conventional Business: Currently the portfolio includes 13 Production Sharing Contracts (PSC) blocks in India of which 9 are in the active exploration/appraisal phase. There are 4 blocks which are under development and production including KG-D6 in Krishna Godavari offshore basin, Panna-Mukta and Tapti in Mumbai offshore basin and NEC-25 in the Mahanadi basin. Incrementally, there are 4 PSC blocks in international arena which includes 2 blocks each in Yemen and Peru.

Coal Bed Methane (CBM): RIL currently holds two CBM blocks (Sohagpur East and Sohagpur West) in India which are in an early stage of development.

North America Shale Gas: RIL has three JVs, with Pioneer Natural Resources, Carrizo Oil & Gas and Chevron. Apart from this, the Company has a successful midstream joint venture (JV) with Pioneer Natural Resources that caters primarily to the gathering and transportation needs of Pioneer upstream JV.

International Business Development Initiatives

RIL has signed a memorandum of understanding with PDVSA, Venezuela for exploring joint participation options in upstream heavy oil projects of the Orinoco oil belt. Cooperation with PDVSA includes providing technical assistance and RIL sharing its experience of executing large scale projects in areas of offshore upstream, refining and other downstream projects.

During March 2013, RIL has also been pre-qualified by Iraq Government to participate in the bidding round for Al-Nasiriya Integrated Project which contemplates development of Nasiriya oil field along with construction and operation of a 300,000 bpd refinery in Iraq.

RIL's Current Year Performance

KG-D6 Block

The KG-D6 fields produced 336 BCF of natural gas and 3.31 MMBBL of crude oil and condensate in FY 2012-13 - reduction of 41% in case of liquid portion and 39% in case of natural gas on a Y-o-Y basis. The average production during the year was at 26 MMSCMD of natural gas and 9,225 BOPD of crude oil.

The fall in production is mainly attributed to geological complexity, natural decline in the fields and higher than envisaged water ingress. To augment production from the current fields (D1-D3 and MA), various Base Management actions have been planned for maximising value from these fields. These include work overs, side tracks, compressor, enhancement of water handling capacity and a new well in the MA field to be undertaken in FY 2013-14. Of the revised field development plans submitted in 2012, the one for MA (D26) has been approved.

The next wave of projects in KG-D6 block are envisaged to be undertaken over the next three to five years and entail a potential total investment in excess of \$ 5 billion to develop around 4 trillion cubic feet (TCF) of discovered natural gas resources. At current international LNG prices, it would cost more than \$ 50 billion to import this volume of gas into India.

The field development plan for R-Cluster, submitted in January 2013, proposed to maximise infrastructure utilisation of existing D1 and D3 hub. It aims to install minimum essential, safe and suitable incremental facilities for R-Cluster's integration. Similarly, development of all satellite discoveries is being planned as part of an integrated concept.

Additionally, potential upside through resource accretion is being targeted by undertaking exploration drilling in the existing production area with the approval of Government of India. Currently, MJ1 exploratory well in D1-D3 ML area is under drilling. The well is targeting the Mesozoic synrift clastic petroleum system, similar to the MA oil and gas field.

Panna-Mukta and Tapti (PMT) Block

In the current year, PMT JV achieved the significant milestone of 500 MMBOE of oil and gas production.

Panna-Mukta fields produced 8.2 MMBBL of crude oil and 71 BCF of natural gas in FY 2012-13 - reduction of 19% in case of crude oil and maintained production in case of natural gas on Y-o-Y basis. The decrease in oil



was due to natural decline, deferment of Panna-L wells and lower-than-expected oil gains from well interventions. Tapti produced 0.54 MMBBL of condensate and 43.9 BCF of natural gas in FY 2012-13 – a decline of 40% and 41% respectively, on Y-o-Y basis. The decrease was due to a natural decline in reserves and under-performance of a few wells.

In PMT, the current level of production from these fields is 7.9 MMSCMD of gas and 20,400 BOPD of oil/condensate. To address declining production, the projects including development wells, infill wells, well intervention activities, Tapti gas compression modification and Panna well-head gas lift facilities have been planned in the medium term. As part of these initiatives, PMT JV has already completed further infill wells in Mid Tapti and one in South Tapti. Together, these are currently producing gas and oil at the rate of 0.80 MMSCMD. PMT JV has also identified to complete further infill wells along with six wells in Panna-L area in FY 2013-14.

Additionally, Mukta-B development and drilling of exploratory prospects in Greater Mid Tapti have also been planned for future. Mukta-B development studies are being undertaken to continuously assess and define a potential development plan.

Other Blocks

NEC-25: The Company has submitted an Integrated Block Development Plan (IBDP) for four discoveries (D-32, D-40, D-9 and D-10) proposing for a phased manner development. The IBDP includes the two southern discoveries (J-series) for which commerciality were declared last year. During the current year, the key pre-development activity such as conceptual engineering was completed in order to facilitate the finalisation of development plan. Further, RIL has submitted a proposal for drill stem testing (DST) in J discovery to DGH which is planned to be taken up in FY 2013-14.

Domestic exploration blocks: Comprehensive review of the east coast deep water basins by experts within the JV teams has led to the high grading of opportunities in the portfolio and de-risking through relinquishment of 7 blocks. Apart from KG-D6, Panna-Mukta & Tapti and NEC-25 blocks, RIL currently holds 9 blocks in Gujarat Saurashtra, Krishna Godavari, Cauvery, Cambay and Mahanadi basins. The exploration campaign in the forthcoming year is likely to target Krishna Godavari and Cauvery basin.

During the year, as part of the appraisal program for CY-D6 block reviewed by the Management Committee, new 3D seismic was acquired and also one appraisal well was drilled. The result of the same is under evaluation.

International Ventures: As part of portfolio rationalisation, Reliance Exploration and Production DMCC (REP-DMCC), a wholly owned subsidiary of RIL, has concluded divestment of its Working Interest (25%) in the PSC for Yemen Block-9 with Medco Yemen Malik Ltd., a wholly owned subsidiary of PT Medco Energi Internasional Tbk of Indonesia. It has also completed the transaction for divestment of its 80% working interest and operatorship in the PSCs for the Rovi and Sarta blocks in the Kurdistan Region to subsidiaries of Chevron Corporation.

During the year, REP-DMCC has also relinquished 2 blocks in Columbia – Borojo North & Borojo South and W06-5 block in Australia. Thus, the current portfolio of international blocks consists of 2 blocks operated by REP-DMCC in Yemen and 2 blocks in Peru as a non-operator.

CBM

Development activities are progressing in RIL's 2 CBM blocks (Sohagpur East and West) with first gas being targeted in FY 2014-15. The development phase for these blocks has been extended till December 2014 for Sohagpur East and October 2014 for Sohagpur West.

RIL is awaiting approval for its gas pricing formulae, submitted to MoPNG in September 2011.

During FY 2012-13, Petroleum and Natural Gas Regulatory Board had invited bids for development of Shahdol Phulpur Natural Gas Pipeline. The proposed pipeline will connect the RIL's Sohagpur CBM blocks to the HVJ line at Phulpur and will enable RIL to market the CBM gas on the national gas grid. RIL through its subsidiary Reliance Gas Pipelines Limited has submitted its bid for the construction of the Shahdol Phulpur Natural Gas Pipeline.

Update on Arbitration

KG-D6: The Government of India, by its letter in May 2012 has communicated that it proposes to disallow certain costs which the PSC relating to Block KG-DWN-98/3 entitles RIL to recover. RIL continues to maintain that a Contractor is entitled to recover all of its costs under the terms of the PSC and there are no provisions that entitle the Government to disallow the recovery of any Contract Cost as defined in the PSC. The company has already initiated arbitration on the above issue. Both RIL and the

Government have appointed respective arbitrators and they are yet to appoint the third and presiding arbitrator.

PMT: Certain disputes that arose out of two production sharing contracts relating to the Panna-Mukta and Tapti offshore oil and gas fields have been referred to arbitration. The majority of disputes referred to arbitration revolve around primarily on the correct interpretation of the PSCs. The Government has also asserted a number of counterclaims in respect of both PSCs. In its defence, the Government had raised a number of jurisdictional objections to the claims relating to royalties, cess and service tax as well as certain aspects of the claims relating to audit.

Arbitration Tribunal has by majority held that these disputes are arbitrable; however, Government has challenged the Tribunal's decision on arbitrability before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court has on March 22, 2013 passed an order ruling that it has jurisdiction to decide the application filed by the Government challenging the Tribunal's decision on arbitrability of the aforesaid issues under Section 34 of the Arbitration & Conciliation Act, 1996. The Company is evaluating the judgment of the Delhi High Court and may consider options to appeal the said judgment before appropriate forum.

North American Shale Gas Business

The United States' unconventional shale boom is arguably one of the biggest breakthroughs in energy sector in several decades. Eagle Ford and Marcellus remain among the most competitive and attractive shale plays in North America. Reliance is among the leading players in these chosen plays.

Marcellus is currently believed to be the largest discovered unconventional gas field in the United States and potentially one of the largest world-wide with estimated net recoverable resource of 318 TCFe. Marcellus Shale is one of the lowest-cost North American gas fields and large portions of the play can break-even at \$ 3.50 - \$ 4.00/MMBTU. Reliance has strong presence in the Marcellus shale play through its JVs with Chevron and Carrizo.

Eagle Ford is seen as a key source of oil production growth. Eagle Ford is now known to have three distinct regions – an oil window towards the north, a dry gas window to the south and a wet gas/condensate window in the centre

(considered to be sweet spot). Reliance-Pioneer joint venture is one of the most active players in the Eagle Ford shale play with acreages in all three areas with a material portion of acreage in the sweet spot.

Business Environment

Demand for natural gas in the US is likely to remain sensitive to weather, inventory levels and coal-to-gas switching by power plants. Winter heating has been muted compared to long term winter demand (though some improvement seen during Q1-CY2013) and there has been lower coal-to-gas switching on account of anticipated gas price of higher than \$ 3.50/MMBTU. On the other hand, near term supplies from unconventional sources is expected to continue to grow for several reasons. Increased production in oily plays like Eagle Ford is also leading to increased production of associated gas; drilling efficiencies in all key basins are temporarily mitigating the impact of lower rig count; and infrastructure projects continue to push Eagle Ford and Marcellus production higher. Reflecting this demand-supply dynamics, natural gas prices are expected to be stable around the current levels in 2013. Impact of gas exports could be seen from 2015 onwards.

Dynamics of the US oil markets are somewhat different. The US is the largest contributor of oil supply growth over last few years. Onshore crude oil production has increased by 23% over the last year. The strong performance has been driven by shale oil, which has grown by at least 50% each year since 2010. Oil inventories had fallen to their low in 1H-2012, but now are rebuilt somewhat and thus the prices are expected to remain stable. Brent-WTI differentials are unlikely to widen much further. Planned expansion of pipeline and storage capacity in the Midwest will allow sufficient storage and transport capacity to support production growth.

Natural Gas Liquid (NGL) supply is expected to remain in abundance due to continued associated gas production from oily areas. In short term, there is lower processing capacity to take all of NGL putting pressure on NGL prices. There are announced petrochemical expansions that can absorb this increased production of NGLs; but till such time, prices may remain under pressure.

Shale Gas Business Performance Highlights

RIL forayed into the North American Shale Gas business, through strategic partnership with experienced and successful operators in the competitive shale plays of Marcellus and Eagle Ford in 2010. RIL entered into 45% working interest (WI) partnership with Pioneer Natural



Resources for development of Eagle Ford acreages, in addition to a 49.9% equity ownership in a midstream JV that caters to the gathering and transportation needs of Pioneer upstream JV. Additionally, during the same year, RIL entered into a 40% WI partnership with Atlas Energy, which has since been acquired by Chevron and a 60% WI partnership with Carrizo Oil & Gas for development of significant acreages in the Marcellus shale. Successful joint ventures with Pioneer, Carrizo and Chevron have enabled RIL to achieve the position of being among the significant players in these chosen shale plays.

FY 2012-13 was a pivotal year for RIL's North American Shale Gas business. It gained significant growth momentum and delivered superior performance despite adverse market conditions imposed by low gas prices and higher service costs. Reliance developed strong capabilities by building a team of experienced professionals. It was a landmark year strategically, as Reliance completed carry obligations in the Carrizo and Pioneer JVs and transitioned into post-carry mode, allowing for improved governance rights and increased alignment on activity levels.

Impressive all-round growth was achieved. Revenues and EBITDA from the shale gas business more than doubled to \$ 545 million and \$ 422 million respectively in 2012. Proved reserves grew by 135% from 788 BCFe in 2011 to 1.86 TCFe by 2012. Reliance share of gross production grew by 166% Y-o-Y to 101 BCFe. Net sales volumes thus grew by 165% to 85 BCFe in 2012. Benefiting from continued focus on drilling of liquid-rich wells, share of liquids in overall production stood impressive at 43% and accounted for 76% of revenues in 2012. Strong growth, amidst industry challenges, demonstrates development progress and maturity levels of operations.

During 2012, the joint ventures drilled 255 wells and put 228 wells on production, taking the cumulative number of producing wells to 385 at the year end, as compared to 157 producing wells at the end of 2011. With learning from performance of larger number of producing wells and analysis of engineering interpretations, Reliance gained significant knowledge on "sweet-spots" in its acreages that helped optimise growth and pursue value accretive drilling.

Reliance realised superior benchmark differentials, benefiting from expansion of client base to high-value clients who offer premium to WTI. The Company embarked on a successful hedging program, with necessary risk management systems put in place and focused on production for 2H-2012 and 2013.

The business achieved positive impact on JV partners.

RIL succeeded in ensuring Partners' focus on costs and several high-impact initiatives that led to significant cost savings, though its impact was partly offset by cost creeps and scope changes. Improvement in drilling efficiencies and completion costs were seen over the quarters and was more prominent in Pioneer and Carrizo. Shifting to white sand instead of ceramic proppant in Eagle Ford, use of pad drilling and zipper fracking and drilling longer laterals were among the few initiatives pursued during the year.

Reliance successfully completed Reserve Based Lending (RBL) facility in Pioneer JV, with initial borrowing base of \$ 415 million. This asset backed financing enables Reliance to put the Pioneer JV on a self-funded growth path in future. Similar initiatives are being pursued at other JVs.

Pioneer Midstream JV attained significant maturity and successfully transformed from "project implementation" to "operating" mode. Growth capex was funded primarily through internal cash and JV-level credit facilities. The midstream joint venture is expected to be cash-flow positive in the coming year.

Pioneer JV Highlights

Pioneer Upstream JV operated with 10 rigs, drilled 133 wells and put 135 wells on production during the year. Producing well count jumped from 111 in December 2011 to 246 by December 2012, thus enabling strong growth in production volumes. Reliance's share of production (gross) at 11.83 MMBOE reflected a growth of 137% over 2011 levels. Share of liquids remained high at 62% in 2012.

Proved reserves more than doubled from 527 BCFe in 2011 to 1.08 TCFe in 2012. With regular pad drilling, closer spacing is getting established and more Proved Undeveloped (PUD) reserves are added. It is anticipated that Proved Developed Producing (PDP) reserve would increase further, as active pursuit of choke management is arresting declines and maintaining higher yields.

Reliance has now developed a good understanding of heterogeneity of the play with sweet spots and marginal areas, which has helped in high-grading of development activities. Remarkable improvement in drilling efficiencies and completion costs helped the JV to more than offset the impact of industry service cost inflation. Increased use of pad drilling, zipper fracking and use of sand as proppant as well as benefits of other ongoing initiatives should help reduce unit F&D costs in the future.

Carrizo JV Highlights

Despite a slow start, Carrizo JV attained significant growth momentum in 2012. JV drilled 37 wells and put 30 on

production during the year. Producing a well count of 38 reflects a growth of 375% Y-o-Y. Net proved reserves more than tripled to 234 BCFe in 2012. Exit rate of production at 106 MMCFD in December 2012, compares impressively with 18 MMCFD achieved in December 2011.

JV is pursuing paced development in view of the challenging pricing environment, but remains focused on expedited development of North Eastern Pennsylvania (NEPA) acreages. NEPA acreages are in the sweet spot of the Marcellus play and the performance of NEPA wells has been encouraging, with a much lesser decline thus offer superior economics. JV made significant progress in its appraisal efforts for the C-counties (85% of JV acreages). Results of the appraisal activity are being studied. In the interim, JV would pursue cost-effective lease renewal strategy towards retaining optionality on the acreages.

Chevron JV Highlights

Chevron JV gained development momentum during the second half, though suffered initially on account of continued delay in the availability of midstream infrastructure during the first half of the year. Midstream availability improved considerably during second half of the year.

JV drilled 85 wells and put 63 on production during the year. Cumulatively the number of producing wells was impressive at 101 in December 2012, reflecting a growth of 166% Y-o-Y. Exit rate of production at 185 MMCFD in December 2012, reflects a growth of 143% over 76 MMCFD achieved in December 2011. Net proved reserves nearly tripled to 542 BCF in 2012. Well performance has varied and reflected heterogeneity and geological complexity of the acreage.

Cost reduction efforts yielded limited success. JV realised some cost savings in procurement and rig mob/demob operations, but their impact were masked by higher well pad construction costs in the difficult terrains. Focus in the areas of pad optimisation, facility standardisation, central water impoundment and supply chain management are expected to yield lower costs in the coming year. Enhanced focus on development optimisation, drilling efficiency improvement, water management, adoption of zipper frac and other completion cost reduction initiatives are expected to yield desired reduction in well costs over the next three years.

JV is pursuing paced development in view of the challenging pricing environment and remains focused on 6.0 BCF dry gas areas while retaining optionality on acreages through low cost lease renewals and their

expedited development with any improvement in market conditions.

RIL E&P Outlook

By the end of 2012, fields in the KG-D6 block had produced 2 TCF of gas and 22 million barrels of oil, creating unprecedented value for the Nation through nearly \$ 35 billion in energy import savings. In partnership with BP, RIL plans to become a major player across the gas value chain in India. The JV has made significant progress towards finding new resources through exploration by identifying new prospects in its deepwater acreages in the East Coast. Further, the JV through extensive efforts is poised to unlock value from its existing discovered resource base by advancing its planning for the next wave of projects in KG-D6 and NEC-25.

RIL's CBM block continues to make steady progress towards developing the Sohagpur East and West blocks to produce first gas by FY 2014-15.

Reliance expects to see continued growth momentum in the shale business during FY 2013-14. Natural gas prices have improved in recent weeks, crossing the \$ 4/MMBTU. While oil price outlook is stable, NGL prices remain under pressure on continued supply side pressures. Well costs remain stable as benefits of ongoing cost and efficiency improvements are partly offset by inflation in service costs.

Reliance remains focused on liquid-rich development activities at the Eagle Ford JV and paced development in its Marcellus JVs. Optimising HBP (Held by Production) efforts and pursuing cost effective lease renewal for retaining optionality on resources is the common theme across JVs. In future, the Company will continue to focus on efficiency improvement and cost reduction, optimising netback through enriched product and customer mix, as well as high grading of development to ensure superior return on incremental capital spending.

To complement the existing asset base, RIL continues to look at new opportunities globally that are a strategic fit with capabilities and integrated petroleum value chain.

In the upstream business, RIL aspires to:

- Become a global top 10 independent hydrocarbon producer through significant and sustainable value creation
- Be India's top player across the gas value chain
- Responsible operations from an environment and people perspective



- Have best in class people, processes and technology
- Be recognised as a “Partner of Choice” for its stakeholders

The chief enablers for the business model to achieve the above aspiration would be:

- To grow profitably, organically or inorganically, while strengthening its Indian and international positions
- Continued integrated presence across upstream, midstream infrastructure and downstream
- Implementing Centres of Excellence and partnership models to bring and help adopt best processes, technologies and people globally

REFINING AND MARKETING BUSINESS

Business Environment

The main market themes for the year were, firstly, crude oscillating in a range driven by competing sentiments on the ongoing global economic health versus geopolitical supply security concerns. Secondly, margins - the key driver of refining business profitability, starting the year weak, but progressively strengthening as new capacity addition was delayed and widespread refinery shutdowns, planned and unplanned. This year witnessed a reduction in refining capacity, primarily because of closures of refineries in the West. Four major refining assets, Markus Hook - US East Coast, Hovensa and Aruba - US off shore and Coryton - UK, ceased operations this year. Some of these locations are planned to be converted into import facilities. The third theme was that the spot LNG prices firmed up towards the end of 2012, under pinned by strong seasonal demand in the second half coupled with supply short falls, primarily from Africa.

It is more than four years since the recession, triggered by the banking crisis in the US and the world is still recovering from its effects. The counterbalance for the oil markets to the impact of economic concerns on demand, were political tensions across the world - Iran, Sudan, Nigeria, North Korea, Libya and Algeria, all resulting in supplies disruptions or potential disruptions and maintaining a “risk premium” on crude prices.

Oil demand growth continues to remain skewed towards the developing nations, led primarily by China followed by India, Middle East and Latin American economies. OECD nations continue to see a declining demand and many believe that the demand in these nations is past its

peak and unlikely to return on a sustained growth path. In addition to maturing economy and low growth, increasing efficiency standards and focus on use of non-fossil fuels including the biofuels has supported this decline. Oil demand growth in Non OECD in 2012 was 1.4 MMBPD while OECD demand shrank by 0.6 MMBPD. Indian oil demand grew by 130 KBPD to 3.65 MMBPD.

Crude prices started the financial year at the top of the range buoyed by fears of fallout from “Arab Spring”. Prices witnessed a steep crash in the first quarter as mounting possibility of default in peripheral Europe held centre stage in price movements. Adding to the woes were weak economic data from the two biggest economies US and China.

Starting in the July, EU and US sanctions against Iran set in, halving the exports from the Persian nation. OPEC, led by Saudi and supported by Iraq resumed the role of a swing producer; ramping up the production, keeping the market well supplied and thus avoiding an oil price spike. The world has gradually become accustomed to oil prices in three digits. Marginal production cost and the finance requirements of many OPEC countries and oil companies provide a support to oil prices at around \$ 90/bbl.

Product Cracks and Margins

Cracks - the difference between product price and crude oil price, strengthened across the barrel during the year, supporting global refining margins. Diesel and economic growth are strongly correlated. Middle distillates (diesel and jet kerosene), in recent years, have been the key contributor to refining margins in Asia and Europe. On a Y-o-Y basis, both jet-kero and gasoil margins in Asia strengthened, supporting RIL margins. Middle distillates have been the strongest growing product for a number of years. In 2012, middle distillate demand grew by over 400 KBPD, contributing to over 40% of global oil demand growth. Diesel, in most of Asia, continues to remain highly subsidised, further adding to the growth.

Cracks (\$/bbl)	Q1	Q2	Q3	Q4	FY 2012-13	FY 2011-12
Naphtha	-8.5	-6.0	-3.9	-1.7	-5.0	-4.6
Gasoline	10.6	12.4	10.1	15.3	12.1	11.5
Gasoil	15.4	19.3	17.5	19.6	17.9	17.8
Fuel Oil	-1.3	-2.4	-9.0	-7.3	-5.0	-2.6
Singapore Complex	6.7	9.1	6.5	8.7	7.7	7.8
RIL	7.6	9.5	9.6	10.1	9.2	8.6

The trend of refiners shifting to middle distillates production is now also seen in the US. Increasing efficiency standards and Corporate Average Fuel Economy (CAFE) standards have promoted the use of smaller cars. This is now beginning to have an impact on the gasoline demand in the US – its biggest market. In response, the US refiners are shifting to more middle distillate yields and exporting to the short Latin American market.

On light distillates, naphtha margins have been stable Y-o-Y; but, gasoline has witnessed remarkable strength, especially in the year's last quarter. This was primarily on account of unplanned outages, refinery closures on the US East Coast and the Hovensa refinery in the Caribbean due to poor gasoline oriented unit margins. Fuel oil's weakness, especially in the second half of the year, on account of weak Chinese demand and ample supplies from the west, widened the light heavy differentials, supporting complex refining margins.

Singapore complex refining margins were robust, particularly in the second half of the year. Strength in gasoline cracks, an important constituent of benchmark margins, along with widening octane spreads and overall bullish middle distillates helped the benchmark margin surge towards 10 year high levels.

Capacity additions in 2012 were primarily for expansions in the existing refineries. This was offset by closures in the US, Europe and Asia/Far East, leading to a net capacity reduction of about 250 KBPD. Oil demand growth, much higher at 850 KBPD, was also supportive of higher margins.

These closures also resulted in improved average refinery utilisation rates in North America (83.6% in 2012 v/s 82.9% in 2011) and Europe (80.5% in 2012 v/s 78.3% in 2011); while utilisation rates in Asia improved marginally to 85.8%. In comparison, the Jamnagar refinery complex operated at a record utilisation rate of 110%, built on a relentless focus on continuous improvement.

RIL Performance

Overall, RIL's refining business had a record financial performance for FY 2012-13 with Gross Refining Margin (GRM) averaging \$ 9.2/ bbl, as against \$ 8.6/ bbl in FY 2011-12. Though the refining margins remained weak in the first half, margins strengthened in the second half with weakness in fuel oil cracks widening the light heavy differentials and supporting complex refining margins. The margins were also supported by unplanned refinery outages in the second half of the year.

RIL's refineries continue to outperform their global peers, given their competitive strength to process challenged feedstock and produce clean fuels, at low operating costs.

Total exports of refined products from both refineries reached \$ 39.3 billion during the year, as compared to \$ 36.0 billion in the previous year. Exports of refined products were 41.2 MMT as compared to 39.6 MMT during the same period last year.

RIL Operating Model

The goal of R&M business within RIL is to deliver industry leading returns and be a source of medium-term growth, while focusing on health, safety and environment. The key asset within R&M is the Jamnagar Refinery - the world's largest and the most complex refinery. This is supported by a sophisticated trading, supply and marketing operation. RIL's operations ensure access to a very wide variety of feed stock to produce products, meeting the most stringent specifications globally.

The key components of the business model include:

Asset Advantage: Operating close to 1.4 MMBPD, Jamnagar is the largest refinery in the world. Within the system many of the key units are also the largest in the world. It is composed of two refinery developments, one which supplies domestic and export demand and another which is completely dedicated to the export market. Both these refineries were built in a record time of three years which together with scale has given us an industry leading capital per barrel of capacity outlay.

Supporting the refinery is a marine facility giving access to the world's largest crude and product vessels. The facility is capable of handling the largest oil tankers, VLCC sized vessels to offload crude at the Single Point Mooring (SPM) facilities. The Company's export facilities support the largest of product carriers. This allows the refineries to competitively access all major markets - Sao Paulo, New York Harbour, Rotterdam, Singapore.

The scale of operations and its energy efficiency allow the Company to have one of the lowest operating costs globally.

Asset Optimisation: The Company prioritises safety in all its operations. RIL has extensively utilised the safety processes and programmes of DuPont, the recognised industry leader in the industry. This year, British Safety Council, U.K. awarded DTA refinery with the "Sword



of Honour 2012” for Occupational Health and Safety Management System. The SEZ refinery was conferred the prestigious “Globe of Honour” for its Environmental Management System.

FY 2012-13 was an outstanding year for operational performance with new records set at Jamnagar refinery complex, including a record crude consumption of 68.5 MMT at an average capacity utilisation of 110%, surpassing the global peers. RIL completed a significant shutdown in March 2013 to budget and schedule, including modifications to improve throughput and yield.

RIL’s integrated Supply and Trading team works real-time with the refinery operations to optimise asset utilisation. Trading offices in Houston, London, Singapore and Mumbai gives the Company a global coverage for crude supplies and market outlets.

The configuration at Jamnagar is amongst the most complex in the world. In practical terms this gives us the technical ability to process almost all grades of crude oil produced and meet the increasingly differentiated and more demanding product specifications. The crude and supply trading teams select a crude diet using processes that optimise against the tremendous flexibility of the system and then source the crudes across the globe. So far, the refinery has processed 119 different grades of crudes in addition to other semi-refined feed-stocks from simple refineries.

Given its ongoing appetite for heavy crude, RIL entered in a 15 year agreement with PDVSA of Venezuela for supply of crude. The agreement provides RIL with security of supply and allows it to optimise around that supply while providing PDVSA a material Asian end user market.

The facilities at Jamnagar enable RIL to produce products, capable of meeting the most stringent environmental norms, even after processing high sulphur feed-stocks. This gives RIL an edge of being able to cater to the needs of nearly all markets across the world. The product trading team stationed across RIL’s global offices identifies the market shorts and collectively places the products in the highest netback regions. This year Jamnagar produced 7 new product grades, catering to specific needs, helping RIL penetrate into high value niche markets. Tankage at the major trading hubs also allows the Company to better serve its customers, benefit from the seasonality capturing the upside from the resulting market structure.

The Jamnagar marine facility, which runs material shipping and marine operations, handled nearly 1,500 ships this year. RIL’s marketing team caters to India’s Public Sector Unit deficits, helping meet growing energy needs. The marketing operations also have expanding aviation fuels and LPG businesses. In East African marketing businesses, RIL realised strong GAPCO volume growth, with sales increasing by 81% to 2,372 TKL.

At the end of the year, 287 retail outlets were operational in Southern and Western regions and North Eastern states of India. Resuming operation in all geographies and scaling up of sales would be possible after clarity on implementation of market determined prices for gasoline and diesel.

Creating Sustainable Leadership

Refining business has embedded the overall business transformation process underway across RIL. The goal is to create the systems and processes to allow the business to operate efficiently at the current scale and readily allow expansion. It is a holistic exercise governing organisation, clarity on roles and responsibilities, governance and structure to cutting edge digitisation across the entire business.

Petcoke Project Update

One of its key forward actions is the coke gasification project which is expected to put RIL’s energy and hydrogen costs at par or better than the refineries in the US, where natural gas prices have fallen dramatically with the shale revolution.

The project is designed to convert the lowest cost fossil fuels – coal and coke into gas. The project is based on world-beating Phillips 66 technology and is currently in the execution stage. Upon completion, this will significantly improve the energy efficiency of Jamnagar complex and contribute favourably to its profitability. This enhanced complexity, as a result of this project, will make the Jamnagar configuration even more robust.

PETROCHEMICALS BUSINESS

Business Environment

Ethylene

Ethylene is the raw material used in the manufacturing of polymers like Polyethylene (PE), Polyvinyl Chloride (PVC) and polystyrene, as well as ethylene oxide and ethylene glycols. These products are used for various end

markets such as packaging, transportation, electronics, textiles and construction.

Global ethylene production totalled 127.9 MMT during the year, with an operating rate of 85.7%. The slow global incremental demand at 1.9 MMT was due to the European crisis and subdued Chinese demand. Global ethylene prices remained high, supported by high crude oil and naphtha prices and plant turnarounds. Asian ethylene margins improved during the year due to PE and ethylene price increases.

World Ethylene supply/demand 2012

Production by feedstock		Demand by end use	
Production : 127.9 MMT		Demand : 129.1 MMT	
Naphtha	48%	PE	60%
Ethane	35%	Ethylene Oxide	15%
Propane	8%	EDC	10%
Butane	4%	EBZ	6%
Others	5%	Others	9%

Source: IHS

Capacity additions have changed the supply scenario. During the year, 89% of capacity additions were from the Middle East and Asia. The Middle East has a share of 19% of global capacity while Asia's share stands at 34%. With the capacity becoming operational in the Middle East, the overall feedstock mix for crackers changed in favor of gas. Lower NGL prices on account of shale gas availability provided a significant advantage to US ethane cracking as compared to integrated naphtha cracking. Globally, naphtha-based operators experienced cost increases due to higher input costs compared to gas based operators.

Global Polymers Market

Global ethylene demand is dominated by the production of PE (HDPE, LLDPE and LDPE), which is used primarily in a wide variety of non-durable goods applications including packaging materials.

Global thermoplastics market in FY 2012-13 was estimated at 208 MMT. Of this, PE accounted for 38% of all plastic consumption, followed by polypropylene (PP) and PVC which accounted for 25% and 18% of the total plastic demand, respectively.

Global capacity addition of PP was 2 MMT while incremental growth in demand was 1.76 MMT.

Consequently, operating rates declined to 82.4% from 84% in the previous year. Total global PE capacity addition was 1.48 MMT while incremental growth in demand was 2.0 MMT. Operating rates for PE remained stable at 83.6%. Global incremental demand of PE grew by 2.5% to 2.0 MMT. Global capacity addition of PE during the year was 1.48 MMT, with majority (56%) of capacity additions coming in Asia and the Middle East. While Asia led the demand growth for PE, new capacities were built predominantly in the Middle East.

Global Polyolefins+PVC Demand

(In MMT)	2012	2011	% Growth 2012 vs 2011
PE	79	77	2.5%
PP	54	52	3.4%
PVC	37	36	2.7%
Ethylene	129	127	1.5%
Propylene	84	82	1.7%

Source: IHS

Global demand for PVC grew 2.7%, while operating rates decreased to 68.9% from 71.6% in the previous year. Incremental demand of 0.97 MMT lagged behind capacity additions of 3.29 MMT.

Prices and deltas-Polymers

Product prices were mixed during the year. PP deltas were marginally lower (from \$ 140/MT in FY12 to \$ 134/MT in FY13) as decrease in PP prices (on lower demand) was marginally higher than the drop in propylene prices. HDPE delta improved (from \$ 430/MT to \$ 482/MT) as naphtha prices softened (growing supply & demand concern) and HDPE prices improved marginally. PVC deltas improved (from \$ 488/MT to \$ 535/MT) due to sharp fall in EDC prices on account of higher availability from the North American markets.

Product Prices: South East Asia

Price(\$/MT)	FY 2012-13	FY 2011-12	Change %
Dubai Crude (\$/bbl)	107	110	-3%
Naphtha(FOB AG)	891	931	-4%
PP	1427	1481	-4%
HDPE	1373	1361	1%
PVC	994	1050	-5%

Source: Platts



Indian Polymer Market

Despite being among the fastest growth markets globally, India's per capita plastic consumption (PE, PP and PVC) at 6.6 Kg remains far behind those of the US (67.3 Kg), China (36.7 Kg) and Brazil (24.6 Kg). However, it is advancing at 2.5 times its GDP growth. Besides, the subcontinent's surging industrialisation and increasingly powerful economy holds immense untapped growth potential.

Global automobiles, electronics, telecommunications, food processing, packing and healthcare companies have established large manufacturing bases in India. Joint ventures, foreign investments and access to technology from developed countries have opened new vistas to further facilitate the growth of the industry.

Infrastructure investments have ensured more than 10% growth rate for the sector. Moreover, the agricultural sector's focus on plasti-culture under micro-irrigation scheme will further boost demand.

India's manufacturing capacity of polymer products is estimated to reach 12 MMTPA in 2017, from 8.3 MMTPA in 2012.

Polymer consumption in India is poised to grow multifold, with the help of new developments in packaging applications, infrastructure growth, modernisation of agriculture sector, improved healthcare facilities, improved lifestyle and disposable incomes, automobile demand and rural penetration.

Polymer packaging product's development has revolutionised Indian lives. India's packaging polymer consumption, accounting for over 60% of total polymers consumed, reached 5.5 MMT in 2012 and is expected to reach 10 MMT by 2020. The key growth drivers for this sector are foods and processed food items, FMCG and cosmetics.

RIL Performance

RIL maintained its leadership position in the polymer industry with domestic market share of 41% and commodity polymer production share of 62%. RIL's cracker operating rate was at 91%. RIL produced 4.4 MMT of all polymers including PP, PE and PVC and exported around 0.8 MMT during the year.

RIL Polymer Production

(In KT)	FY 2012-13	FY 2011-12
PP	2810	2740
PE	992	1077
PVC	620	638
Total	4422	4455

PP: RIL, the world's 5th largest PP producer, has 2.8 MMT installed capacity, with production facilities at Jamnagar, Hazira, Nagothane and Vadodara. In FY 2012-13, the Company experienced a record PP production of 2,810 KT, up by 3% from FY 2011-12. RIL continues to lead the domestic PP market with 64% market share. India's PP consumption for FY 2012-13 is estimated to be 3.1 MMT, growing at 13% over FY 2011-12. The product is mainly used in manufacturing monofilaments, woven bags, appliances, houseware, flexible packaging, lamination film, textile and non-woven.

New grades introduced into the market by RIL to counter imports, include:

- Repol SR70N heat sealable grade for food packaging application, a substitute for imported grades
- SRX100, with improved aesthetics
- Repol H050MN, modified for better draw-down and improved thermoforming characteristics

PE: The domestic demand for PE has grown by 10% over the past year. Major end-uses of PE are containers, rigid packaging, lamination film, pouches, shrink films, career bags and pipes.

HDPE, LLDPE and LDPE demand have grown by 10%, 13% and 18.9% Y-o-Y basis, respectively. RIL has a total PE capacity of 1.1 MMT with production locations at Hazira, Nagothane, Vadodara and Dahej. RIL has market shares of 18% in HDPE, 37% in LLDPE and 42% in LDPE. It leads the domestic PE market with 28% market share. The Company has increased its market share in high-value sectors in HDPE (like pipe, rotomolding and high flow). Besides, it has maintained its existing share in LDPE's high-value sectors (like milk packaging, extrusion coating and injection molding).

RIL's round-the-year grade development activities include:

- LLDPE Relene LL40RA040 launch for LL Rotomolding sector
- Introduction of Black Pipe Compounding Grade LLDPE Relene 45GP004B for HD

PVC: PVC finds applications in irrigation pipes, drinking water supply, sewerage schemes, profiles for the building industry, wires and cables. Pipes and fittings continue to account for 74% of the domestic PVC demand.

India's PVC consumption was estimated to be 2.24 MMT in FY 2012-13, growing by 14% over the previous year.

With a 28% market share, RIL's PVC capacity is 0.65 MMT with facilities at Hazira, Dahej and Vadodara. In FY 2012-13, India imported about 1,044 KT of PVC, 370 KT higher than the previous year.

RIL introduced a new PVC grade with a medium porosity resin 67GER01F to capture the aesthetically-concerned customer. RIL also initiated discussions on value-added products such as High K Value resins and its use in critical insulation and high-strength applications.

New Developments and Growth Initiatives

RIL helped create new markets by conducting and participating in 50 Rishta events throughout India. The Company also promoted the use of Block Bottom bags. RIL has been successful in attracting investments for 12 convertex lines for patented Adstar/Adpro bags production for cement packaging. This will address issues such as quality, aesthetic quotient in packaging, reduced labour availability in the labour-intensive raffia industry and others.

PP-made geotextile has immense potential in road construction and in river and sea embankment. Several states have specified its use in the embankment projects. RIL worked with the Textile Ministry and other nodal agencies to facilitate new investments in geotextile.

PP-Nonwoven forms an ideal cover in banana plantations. RIL has tied up new projects with several agriculture institutes to establish PP in plantation of other fruits and vegetables. Besides increased production, it helps farmers grow high-quality products for the export market.

RIL has been successful in replacing glass and paper with PP in flavoured milk and glucose beverages.

Polymers Project Update

RIL announced the setting up of a Refinery Off-Gas Cracker (ROGC) at its Jamnagar location. This cracker, expected to be among the world's largest ethylene crackers, will use refinery off-gas as feedstock. Products from the cracker will be utilised for the new downstream petrochemical facilities being built at Jamnagar. The facility will have an installed capacity of 1.4 MMTPA of ethylene, 0.2 MMTPA of propylene and its downstream capacities for polyethylene and polypropylene.

RIL has completed the licensing and technology selection for these projects and the same are currently at various stages of implementation.

Chemicals Business

The global scenario for chemicals during the year was mixed, as the US and EU faced sluggish local economies due to high unemployment levels, sovereign debt crisis and declining output levels.

In recent years, the global chemical and petrochemical industries have moved eastward towards Asia and the Middle East with major hubs being set up in these regions. India faces major competition from hubs in China, Singapore and the Middle East for which it needs to maintain competitiveness and cost.

The chemicals industry supplies products to industries such as the pharmaceuticals, construction, agriculture, packaging industry, automobile and electronics industries.

RIL is the leading producer of linear alkyl benzene, butadiene and the only producer of polybutadiene rubber and acrylonitrile in India. RIL also has leadership position in aromatics segment constituting benzene, toluene and xylene.

Benzene: Benzene's global capacity in 2012 was 60 MMT with average operating rate of 74%. The demand for the year was at 44 MMT, of which around 82% was from styrene (used for manufacturing plastics and elastomers) phenol (used to make phenolic resins and nylon intermediates) and cyclohexane (used to make Caprolactum and Nylon Resins). Globally, Benzene has excess capacity with over 11.5 MMT increase in the past 4-5 years.

RIL's benzene production was at 743 KT for the year, a growth of 1% from last year. Benzene exports mainly to the US, Europe and Middle East increased by 8%. Toluene, a major product of BTX group, registered production volumes of 85 KT.

Butadiene: Global capacity in 2012 was 12.5 MMT with an operating rate of 80%. North-East Asia remains the world's largest market with a global market share of 45% followed by the US and Europe at 23% and 21%, respectively. Demand grew at 3% on a Y-o-Y basis, driven by Polybutadiene Rubber (PBR), Styrene Butadiene Rubber (SBR), ABS and SB Latex, which are used mainly in the automobile Industry.

Global capacity addition is expected to grow by 2.9 MMT by 2017 to 15.4 MMT. In Asia, capacity addition is expected to grow by 2 MMT to reach 8.4 MMT in 2017.

In India, the strong demand for BD is expected to grow at a CAGR of 32% to 451 KTA by 2017 in line with new



downstream capacities coming up. These include 150 KTA SBR and 40 KTA PBR by RIL and 120 KTA SBR by other players, expected to go on stream in FY 2013-14.

RIL produced 169 KT of butadiene. Demand at 114 KT in India was driven by downstream sectors including PBR, ABS and SB Latex, which remained flat on Y-o-Y basis.

Polybutadiene Rubber: PBR's global demand, which generated mostly from the automobile industry, is estimated at 3.2 MMT in 2012. The demand for synthetic rubber in 2013 is expected to grow at 6% to reach 3.4 MMT.

RIL is India's only PBR manufacturer. The product's domestic consumption is estimated at 167 KTA and is expected to reach 180 KTA by 2013-14, growing at about 8%.

Linear Alkyl Benzene (LAB): LAB is almost entirely consumed in surfactant intermediate for detergents. Global LAB consumption is around 3.2 MMTPA, as against a 3.7 MMTPA capacity. The demand growth is at 2% globally and at 4-5% in Asia. South East Asia, Middle East and Africa emerged as the growth engines of LAB consumption. Global capacity addition is expected to grow 0.15 MMT to reach 3.85 MMT by 2017.

With an installed capacity of 182 KTA, RIL is the largest LAB producer in India. RIL's capacity utilisation for the year was at 90% due to tightness in normal paraffins. The industry grew at 6%, in line with GDP growth.

Chemical Products Project Update

RIL has planned investments at Hazira for setting up a world scale SBR plant and a unique nickel/neodymium catalyst-based swing PBR plant is to be operational in 2013-14. These investments will help the Company in maintaining its leading position in elastomers sector in Indian sub-continent.

PBR: New PBR capacity of 40,000 tonnes taking total PBR capacity to 115,000 tonnes.

SBR: A new facility for styrene butadiene rubber (SBR) with a capacity of 150,000 tonnes.

Butyl Rubber: RIL entered into a JV with SIBUR, Russia, for setting up butyl rubber production facility at Jamnagar, India. The plant with 100,000 tonnes of initial capacity of butyl rubber is currently under execution.

Polyester Chain

Business Environment: Polyester

The global fibre and textile industry faced subdued demand in consumer segment during the past year, due to volatile

economic situations in the US and Europe and geo-political disturbances in Africa and the Middle East region.

The overall global fibre consumption during FY 2012-13 reached 81 MMT, rising by 3% over the previous year. Only Asia's demand increased, while that for the rest of the world declined.

Polyester fibre and yarn continued to be the major contributor to the growth of fibre demand, increasing by 7% to 44 MMT. Demand largely increased in Asian countries with China contributing 9% growth. Global polyester fibre and yarn capacity increased by 10%, impacting operating rates, which declined to 78% compared to 80% in the previous year.

Prices during the year declined by 10-12% from FY 2011-12, as buyers turned cautious given the slow downstream demand and chose to cut losses by controlling inventory. Margins continued to be under pressure with polyester delta dropping 23%-27% to \$ 166-240/MT.

Over the past few years, the polyester industry enhanced the use of recycled polyester, derived from recycling PET bottles. Currently, over 6 MMT of clean flakes are produced from recycled PET waste. Among them, a major portion is used to manufacture recycled fibre, while the rest is used in sheeting and blow-moulding.

Global Polyester Feedstock Scenario

Feedstock markets, impacted by cautious market sentiments, experienced an overall price drop compared to FY 2011-12. PX prices remained largely stable, while those for PTA and MEG declined by 9% and 10% respectively.

PX witnessed a better year, with about 2 MMT lesser capacity additions than anticipated, keeping operating rates high near to 90%. Demand was pegged at 33 MMT, rising 3% from FY 2011-12. China witnessed 20% demand increase due to downstream PTA capacity additions. Additionally, investments planned in downstream PTA ensured that markets remained short. Planned/unplanned outages in the third quarter pushed PX margins to a 14-month high. The FY 2012-13 deltas increased 2% over last year to \$ 606/MT amidst overall positive demand sentiments from the large PTA base.

Planned capacity additions continued to impact the PTA markets. During the year, capacity grew by 12% to 59 MMT. Demand, however, grew by 5% to 50 MMT. Overcapacity dented operating rates, which slipped to 83%, compared to over 90% in the past two years. China accounted for 85% of the global capacity growth in the

last two years, leaving little room for capacity expansion outside China.

Due to overcapacity in PTA and inadequate PX capacity build-up, PTA prices remained under pressure. Margins were consequently eroded and the FY 2012-13 average delta was below breakeven at \$ 80/MT.

MEG markets witnessed no significant capacity additions during the year. High inventory at Chinese ports during the first half of the year lent some bearishness to prices, which recovered in the second half as inventory gradually reduced. Demand increased 4% to 23 MMT during the year. China accounted for most of the demand increase. Operating rates were at 81%, the best in past five years. Delta over naphtha declined 18% to \$ 429/MT, largely due to the slack downstream demand. However the margins continued to remain above the long term average.

Global PET Scenario

The US and European discretionary spending reduction and poor weather conditions, impacted PET bottles demand.

Prices in FY 2012-13 declined 11% to \$ 1450/MT. Further delta declined 25% to \$ 167/MT due to bearish sentiments and the rapid capacity build-up. During the year, global PET capacity grew 9% to 22 MMT, with production rising by only 6% to 18 MMT. China alone accounted for 46% of the capacity growth. The large capacity build up in China forced many producers to reduce operating rates and cut down inventory in the second half of the year.

Global Cotton Scenario

Global cotton production in the 2012-2013 cotton year surpassed consumption, leading to closing stocks reaching historical high. Record Chinese strategic cotton reserve procurement helped stabilise both Chinese and global cotton prices. Moreover, procurement prices, fixed by China Reserve, were substantially higher than the international rates, putting pressure on the competitiveness of the Chinese spinners.

By the end of the 2012-13 cotton season, China is estimated to have about 10 MMT closing stock which translates to over 50% of the global stocks and almost a year's Chinese domestic consumption.

Developments in the Indian Market

Cotton and polyester are the major raw materials for India's textile industry. Cotton and polyester together account for around 90% of India's textile mill consumption of all fibres. India's per capita fibre consumption is around 5 kg,

almost half the global level. Polyester is likely to play a dominant role in capturing the major incremental demand share to bridge this gap.

The domestic prices of polyester and cotton witnessed less volatility during the year as compared to the volatility in cotton prices last year. This improved the profitability and viability of downstream textile industry. However, continued power shortage in key downstream textile and packaging manufacturing centres, especially in Southern India, limited polyester demand growth.

The downstream polyester demand remained depressed earlier in the year, amidst subdued global markets due to high polyester inventories, lower margins and steep decline in the feedstock prices. Domestic demand improved in the second half of the year. Also, delayed monsoon in India led to healthy demand for PET from the water and beverage segments.

During FY 2012-13, domestic polyester demand grew by 5.1%, led by 10% growth from the PET and 4.4% growth from the PSF. In the PFY segment, FDY witnessed a growth rate of 10% over the last year.

PFY, PSF and PET demand was around 2.3 MMT, 0.82 MMT and 0.57 MMT, of which RIL's share was around 24%, 68% and 46% respectively.

In case of feedstock, PTA demand was at 4.0 MMT, up by 10%, amidst the incremental demand on start-up of new polyester capacities in the country. MEG demand is estimated at 1.7 MMT, up by 7%. PX demand is estimated at 2.3 MMT, up by 5%.

RIL Performance

RIL is the world's largest polyester fibre and yarn producer with a capacity of around 2.4 MMT across nine sites in India and Malaysia. The company is undergoing capacity expansions across the polyester chain to strengthen its backward integration and provide affordable raw materials to the Indian textile industry.

The Company's Malaysian operations continued to develop new markets and enhanced its market presence in Korea and Indonesia by value-added product mix. Recron Malaysia commissioned a 100 KTA state-of-the-art PFY plant during the year.

With the planned addition of 1.5 MMT of polyester capacity at Silvassa and Dahej, RIL's capacity (including Recron Malaysia) will be 3.9 MMT.

RIL's total polyester production (PFY, PSF and PET) was 1.6 MMT in 2012-13, down by 2.1% due to planned PFY facility turnaround.



Polyester Production

(In KT)	FY 2012-13	FY 2011-12
PFY	665	696
PSF	612	613
PET	351	353
Total	1627	1662

RIL's total fibre intermediates production (PX, PTA and MEG) in FY 2012-13 was at 4.7 MMT, largely steady as compared to the previous year.

Fibre Intermediates Production

(In KT)	FY 2012-13	FY 2011-12
PX	1995	2004
PTA	2087	2069
MEG	682	683
Total	4764	4756

RIL is the world's 5th largest PX producer, 8th largest MEG and 9th largest PTA producer. Post expansions, the Company will further strengthen its rank across the polyester chain.

Outlook

Global textile fibre industry is expected to grow 24 MMT by 2020 to 105 MMT. Of this polyester will account for over 68% of global demand growth. India is poised to strengthen its global foothold with polyester production share rising to 10% of global volume from the current 8%.

The global PET industry is likely to witness capacity growth of 10 MMT by 2015 to about 32 MMT. With supplies likely to remain above incremental demand, utilisation rates are expected to remain under pressure in the medium term.

For feedstock, tight PX market conditions are likely to continue till 2014 until planned capacity additions are executed. The year 2015 would witness PX capacity growth of 12 MMT over 2012. Operating rates are expected to be maintained above 80%. PTA markets will continue to witness oversupply, with excess capacities likely to make China self-sufficient in the next two years.

China is likely to emerge as a major influence in the global MEG markets by 2015 with 85% of global MEG expansions. Any issue in the operational success of MEG manufactured from the planned coal-based DMO process, would lead to product shortage and impact prices.

India's all fibre textile mill consumption is likely to grow at a 5.2% CAGR between 2012 and 2020 to 12.3 MMT.

The CAGR growth for the demands for PFY and PSF are expected to be 8.6% and 5.4%, respectively. Polyester is likely to account for a major 60% of incremental domestic fibre demand between 2012 and 2020.

As per Technopak projections, India's total textile and apparel market size (domestic and export), estimated at \$ 89 billion in 2011, is projected to grow at a 9% CAGR to reach \$ 223 billion by 2021.

The domestic textile and apparel market size was \$ 58 billion in 2011 and is projected to grow to \$ 141 billion by 2021. The key growth segments are technical textiles which is likely to see a 10% CAGR, followed by 9% in apparels and 8% in home textiles.

Polyester Chain Project Update

Reliance has embarked upon a major polyester chain expansion to take full advantage of the feedstock integration and the domestic growth opportunity. These include setting up of a world-scale 1.8 MMTPA of PX plant, doubling the PTA capacity to 4.3 MMTPA and expanding polyester portfolio by 1.5 MMTPA.

Implementation of all these projects have begun in full swing and are expected to see production from newly commissioned projects in phases over the next 2-3 years.

Opportunities across the Energy Chain

The growing Indian economy creates unprecedented opportunities for RIL to significantly invest and expand in each of its core businesses. In FY 2013-14, the Indian economy is expected to grow at about 6% and the demand for hydrocarbons will also continue to rise. Although there has been significant growth in domestic production of oil and gas, India is far from being self-sufficient in this sector. With increasing demand for oil and gas and foreign exchange constraints, it is imperative that production of hydrocarbons in the country be maximised.

Delayed regulatory approvals in the oil and gas sector for the past two years have adversely affected exploration and development activity in India. However, the recent improvement in pace of approvals indicate a policy change. The submission of the Rangarajan Committee Report, which has addressed the sector's key issues, also indicates positive tractions in the environment.

RIL and BP, under their KG-D6 block enhancement plan, are planning to invest in a series of projects to develop around 4 TCF of discovered natural gas resources from the block. This plan, when implemented, would entail a potential total investment in excess of \$ 5 billion over the

next three to five years. The field development plan for the Satellite and R-Series discoveries has been submitted to the government for approval. This and other projects, would add incremental production from 2017 and beyond. The implementation of various projects in the KG-D6 enhancement plan is subject to regulatory and Government approvals. Additionally, RIL is also working on developing NEC-25 and CBM blocks, which are subject to timely approvals.

Reliance has made significant investments in the emerging and exciting resource base of shale gas in USA. The shale gas business is enabling RIL to unlock huge potential in the context of unconventional hydrocarbons and increasing its global and geological footprint in this business. All the three US shale gas ventures are operational and the development activities continue to have significant momentum, doubling the sales volumes and wells drilled in last one year. RIL is targeting a meaningful ramp-up in production over the next three to five years. Currently, more than 500 wells are in operation with drilling inventory of around 3,000-4,000 wells. While the Company is now following a liquids-driven strategy, focusing on the shale assets with condensates and oil in Eagle Ford JV, the recovery of US natural gas prices over the medium term would likely encourage more production from the Marcellus shale gas assets going forward. The shale gas business is now a significant part of RIL's E&P portfolio.

RIL's refining assets are among the world's best owing to the scale, complexity and configuration. These features allow it to produce ultra-clean fuels at low cost from heavy, acidic crudes that trade at significant discounts to the lighter varieties. This implies that RIL, on average, earns higher refining margins among its global peer group, which allows it to operate its refinery at high utilisation rates even during periods of weak demand amid economic slowdown. The global macro-economic environments as well as the oil demand seem to be recovering slowly. The 2013 demand growth, mainly driven by the non-OECD markets, is expected to be around 0.8 MMBPD. RIL is expected to be a major beneficiary of constructive refining outlook over the medium term owing to its high exposure to middle-distillates in its product slate. The global refining cycle is also likely to benefit from delays in new projects and continued mothballing of refineries in US/ Europe.

Moreover, with the planned pet-coke gasification unit, RIL's normalised refining margins would structurally move up, as the syn-gas output from the pet-coke gasification unit would replace the expensive LNG that it is currently using for the utilities associated in the refinery.

RIL operates a fully integrated petrochemical business that is also among the most diversified across Asia in terms of product offerings. This effectively makes the business less exposed over the long term in terms of feedstock cost swings and severe margin compression in any particular product chain. RIL is building capacities to capture demand growth in Indian markets for polyesters, polymers and elastomers; thus enhancing leading market positions in core businesses. Over the next 3-4 years, RIL is making large investments in its petrochemicals business to expand the overall volumes by more than 60%. Moreover, the new ROGC project will enhance the long-term competitiveness of RIL's petrochemical assets as it brings down the Company's positioning in the ethylene cost curve.

After the completion of all the petrochemical expansions over the next three years, RIL is expected to be among the top five petrochemical producers globally for most of its products. The other element of RIL's long-term competitive edge stems from its presence in the Indian market where petrochemical demand is growing rapidly, propelled by strong economic growth. The domestic market for polymers and polyester has been growing at around 8-10% on a Y-o-Y basis. Given India's low per capita polymers and polyester products consumption of around 5-6 kg and the economy's resilience, this segment is likely to experience demand increase.

Challenges, Risks and Concerns

RIL is focused on its new projects – establishment of pet-coke gasification facility at Jamnagar and petrochemicals facilities expansions across locations, including Jamnagar, Dahej and Silvassa. The Company is confident to overcome the challenge of timely completion of the upcoming cracker and gasification projects and has industry leading track record of implementing complex project on time.

Extreme weather conditions, an uneven sub-sea terrain, strong submarine currents and a tight supply chain market makes it difficult to develop R-series and Satellite fields in KG-D6 block. RIL and BP together are required to deploy advanced skills, processes and technologies to produce gas from water depths of over 1,500 metres. RIL and BP are confident that once the existing discoveries are developed, these, along with KG-D6 explorations, will help enhance domestic production significantly.

RIL's refining and marketing business competes globally with a number of large energy companies. Some of these players are also producer of crude oil and are integrated with their refining operations. The price of crude oil, key feedstock for the refining business, gets impacted due to



changes in demand-supply environment and overall macro-economic conditions. The merchant nature of its refining business means that RIL faces extensive competition in international markets for the sale of key transportation fuels. Any slowdowns in the global economy, resulting in downturn for the refining industry may adversely affect RIL's financial performance. However, RIL benefits from the quality of its assets, an unprecedented level of operational integration as well as an experienced team that has demonstrated its ability to deliver globally competitive refining margins and consistently high operating rates.

RIL has been working for years to provide safe, reliable and affordable petrochemical products to consumers, mainly in India. The primary challenge facing the industry is economically meeting the growing demand for polymer and polyester products. And it is not just that demand is increasing, but the product applications are changing as well. Thus, RIL needs to find ways of using its resources as efficiently as possible to meet the shifting demand. Feedstock integration, lower operating costs and high operating rates are critical for profitability in the petrochemicals business. RIL has successfully maintained high operating rates on the back of strong domestic demand and a balanced portfolio of liquid and gas-based crackers.

RIL borrows funds in the domestic and international markets to meet long-term and short-term funding requirements. Funds are primarily raised for its operations and new projects, therefore is subject to risks arising from interest rate fluctuations since majority of RIL's borrowing are floating rate debt. Fluctuations in the exchange rate between the US Dollar and the Indian rupee, may also adversely affect the financial condition of the Company.

Internal Controls

RIL has a well-established internal control system, which is commensurate with the size and nature of its business and complexity of its operations. The Company strives to maintain a dynamic system of internal controls and procedures — including internal control over financial reporting — designed to ensure reliable financial record-keeping, transparent financial reporting and disclosure and protection of physical and intellectual property.

The Company has an internal audit function which conducts regular internal audits to examine the adequacy and compliance with policies, plans and statutory requirements. Audits are led by professional audit managers and supported by experienced personnel drawn from across the organisation. The management duly considers and takes appropriate action on the recommendations made by the

statutory auditors, internal auditors and the independent Audit Committee of the Board of Directors.

RIL has global IT and communication networks and applications to support its business activities. The IT security processes protecting these systems are in place and are subject to assessment as part of the review of internal control.

RIL's manufacturing facilities endorse the highest health, safety, security and environmental standards and maintain operational integrity.

Major Subsidiaries

Retail Business

The Indian retail industry has experienced high growth over the last decade with a noticeable shift towards organised retailing formats. The industry is moving towards a modern concept of retailing. The size of India's retail market was estimated at \$ 435 billion in 2010. Of this, \$ 414 billion (95% of the market) was traditional retail and \$ 21 billion (5% of the market) was organised retail. India's retail market is expected to grow at 7% over the next 10 years, reaching a size of \$ 850 billion by 2020. Traditional retail is expected to grow at 5% and reach a size of \$ 650 billion, while organised retail is expected to grow at 25% and reach a size of \$ 200 billion by 2020.

The growing middle class is an important factor contributing to the growth of retail in India. By 2030, it is estimated that 91 million households will be 'middle class', up from 21 million today. Also by 2030, 570 million people are expected to live in cities, nearly twice the population of the United States today.

India's retail industry was globally the fifth most attractive market for investment in 2012. This growing popularity of the country's retail sector helped increase awareness for quality brands and products. The country's retail sector, specially organised retail is growing rapidly, keeping pace with the unprecedented rise in customer spending.

Even though the consumption story remains strong for India over a longer term period, the economy is still exposed to blips in the short term. There is a protracted weakness in consumer's discretionary spending due to higher inflation, marginal real wage growth and low level of macroeconomic activity. Private Final Consumption Expenditure (PFCE) is at an eight-year low. Consumer spending has been impacted as banks have exercised caution in lending and have also tightened their rules on issuance of credit cards.

Despite the prevailing challenges in the macro-economic environment, modern trade continues to grow. As economic growth brings more of India's people into the consuming classes organised retail attracts more and more shoppers into its open doors. By 2015, more than 300 million shoppers are likely to patronise organised retail chains.

The government is also taking steps to bring more investments in the industry which would not only create more jobs, build ecosystem for farmers and small scale producers and connect them to the benefits of modern retail but also benefit millions of consumers with superior experience and value.

Higher penetration of organised retail would enable better realisation of price to farmers. Farmers will gain support from the retailers with whom they will share a common interest. This is expected to enhance productivity of farming activity.

Organised retail's attempts at creating a better retail experience and bringing producers and customers closer have yielded dividends and is evidenced by the rapid acceptance of this new paradigm in retailing by the customers and farmer community. The India growth story is real and is here to stay.

Retail Business Update

The retail business continued its growth journey during the year with new store launches as well as strong same store sales growth. The business accomplished a milestone by crossing revenue of ₹ 10,000 crore during the year. The business grew by 42% to reach revenue of ₹ 10,800 crore as against ₹ 7,599 crore registered in the previous financial year. The business achieved cash breakeven with earnings before depreciation, finance cost and tax expense (EBDIT) of ₹ 78 crore.

The milestone of crossing ₹ 10,000 crore revenue and reaching cash breakeven at EBDIT level is a significant step in retail business's journey towards attaining market leadership by democratising access to all types of products and services across all segments for the discerning Indian customer. The format sectors collectively witnessed a two year CAGR of 33% in revenues. By each format sector the two year CAGR was as follows – Value Formats and Others at 19%, Digital at 76%, Fashion and Lifestyle at 45%, Jewellery at 57% and Brands at 82%.

During the last financial year, retail business strengthened its backend operations and store expansion capability by successfully adding 184 stores across format sectors and

now operates a total of 1,466 stores spanning 129 cities across India covering an area of over 9 million square feet.

The results of various efficiency improvement initiatives taken under the leadership of best retail managerial talent with an undistracted focus on providing superior customer shopping experience has helped in attaining robust growth across all format sectors during this year. The retail business witnessed strong same store sales growth ranging from 7% to 18% across various format sectors over last year.

Reorganisation during the Year

During the year under review, the realignment and consolidation of the various formats of retail businesses being carried on by the subsidiary companies of Reliance Retail Limited, was proposed, subject to necessary approvals of the High Court of Judicature at Bombay.

The consolidation exercise and consequent reduction in the number of companies will help in enhancing operational flexibility, efficiencies and greater and optimal utilisation of resources and also lead to significant reduction in the multiplicity of legal and regulatory compliances. Accordingly, many activities relating to organised retail business shall be consolidated in a single company, namely, Reliance Fresh Limited.

The section below gives an overview of the various format sectors under the umbrella of retail business.

Value Formats and Others

During the year Value Formats opened 10 new stores, further consolidating their position as the largest grocery retailer in the country. In order to provide its growing customer base with more choice, Value Formats continued launching their private labels. Private label sales represented significant contribution of overall FMCG Food, Non-Food, Dairy & Staples sales and contributed 9% of revenues for Value Formats. With its philosophy of inclusive growth, value formats have been forging strong bonds with farmers and small manufacturers. As a part of its 'Farm to Fork approach', Value Formats sourced most of the produce in fruits and vegetables from the farmers.

Value Formats also undertook an ambitious program of refreshing all 'Reliance Fresh' stores by adding larger assortment to the store and making the customer journey in the store more enjoyable.

To ensure that all associates can provide customer service that stands true to its brand promise of 'Aapki Khushi, Hamari Khushi' and to foster a culture of connectedness



with customers, Value Formats have undertaken a company-wide learning initiative named 'WorkSmart'. Over 10,000 store associates have completed 160,000 online learning modules during the year.

In order to cater to the requirements of Kirana, HORECA (hotels, restaurants, caterers) and institutions with the best product assortment 'Reliance Market' was launched in 2011 to cater to this wholesale opportunity.

Reliance Market is built on the principle of offering inclusive growth. Reliance Market is positioned as a cash and carry wholesale format, catering to the trading and business community, to provide them with an alternative channel for products that they need for their businesses, to either re-sell (Kirana & Traders), use (small and large companies) or re-process (hotels, restaurants, canteens, caterers etc.). The format is a key enabler to their entrepreneurial spirit and helps generate and sustain employment thereby delivering on its brand promise of "Aapka Market, Aapka Fayda".

The first Reliance Market store launched in Ahmedabad has completed one full year of operations. The store has 125,000 customers of which 24,000 are Kirana traders. The learnings through the launch and operation of the first store have provided significant inputs to strengthen the processes and systems required for scaling up of the format. Aggressive growth is planned for this format in the current financial year.

Several productivity enhancement initiatives that were commenced by value formats have resulted in improved operating parameters for the stores. These measures are endeavoured to make them India's favourite retailer.

Retail business's loyalty program, Reliance One, now enjoys patronage of over 13 million customers contributing nearly 65% to the sales during the year.

Digital Sector

Consumer durables, IT and Telecom (CDIT) market is one of the largest categories of consumption in India. The market has been historically operated through the traditional channel that occupies nearly 85% of the trade.

The CDIT market in India is estimated at ₹ 119,000 crore in 2012. The current market is growing at over 10% and is expected to touch ₹ 215,000 crore by 2016 (excluding services). Penetration levels of CDIT products are low when compared to other developing markets. As disposable income increases, more people would adopt technology

products. New technology innovations and trends will drive replacement as well as overall market.

Reliance Digital format aims at bringing solutions to the customer as a retailer that doesn't just sell products; it offers solutions that enhance customers' lives. It achieves this through the total services concept and end-to-end solutions selling aided by expert technology guides. To service customers and delight them at every touch point, Reliance Digital follows the ethos: "We bring technology to life for you".

In order to meet the requirements of consumers in a connected world, 'Reliance Digital Express' format was launched last year. The store provides cutting edge technology solutions to the customers and helps them connect with their world from anywhere at any time. The store retails most compelling products carefully chosen by technology experts and enthusiasts. The products and services are retailed by hand-picked and trained, knowledgeable and courteous store staff. The technology concepts that are experienced by the customers in this store are easily replicated at the customer's home by ResQ experts, thus helping the customers lead a totally connected life, at all times.

Reconnect, the private label of Reliance Digital offers products built on cutting edge technology in consumer electronics and durables space contributed to 4% of the overall revenues for Digital during the year.

Reliance Digital continues to strengthen ResQ, the service arm of the Digital. It is a full-fledged service organisation and is India's first multi-product, multi-brand and multi-location service network that provides solutions encompassing end-to-end product life cycle requirements for entire range of CDIT products and other value added services.

During the year, Reliance Digital continued to grow its store count by adding a total of 46 stores. Reliance Digital now operates 139 stores which include iStores operating under a partnership with Apple.

Reliance Digital is in process of expanding its overall retail footprint through both Digital and Digital Express stores. The business has seen robust growth last year based on a well-defined and meticulously implemented key value proposition anchored on 'Solutions and Services'.

Fashion and Lifestyle

The apparel market accounts for 8% of India's consumption expenditure at around ₹ 200,000 crore and is expected to

grow fourfold over the next decade while the footwear industry is estimated to be about ₹ 25,000 crore and growing at 13% annually. The industry has been relatively more organised with modern trade accounting for 35% market share.

This growth will be driven not only by favourable demographics but dramatic changes in people's lifestyle ranging from media exposure to cultural norms to increased awareness. These lifestyle changes are driving consumers to purchase more fashion driven products.

Given the diversity of Indian consumer preferences and varied propensity to consume, there is a case for segmenting consumption categories along a spectrum ranging from 'value based' to 'aspiration based'.

Retail business has been pursuing a strategy that would capture the fashion trends through 'tiering' of formats encompassing the entire consuming class. The business has invested in building its design capability and strengthening its sourcing including by going to most advantageous markets around the world.

Reliance Trends has positioned itself as an affordable fashion destination with an apt tag line of "Sirf Dikhne Mein Mehenga". Reliance Trends has achieved the distinction of becoming a leading value fashion specialty retailer. Staying true to its mission of democratising fashion, Reliance Trends has been the first national apparel specialty retailer to enter Tier I, II and III towns with relevant offerings adapted for such markets. Reliance Trends is well on its path to become the clothier of the nation. Reliance Trends' growth is supported by a strong portfolio of private label brands contributing over 60% of the business.

Reliance Footprint, with over 50 national, international and private label brands under one roof for footwear and accessories consolidated its position as the largest family footwear destination store in the country. Reliance Footprint continued its exclusive distribution relationship with Asics, a leading manufacturer of premium sports shoes and apparels.

For customers who are looking for international fashion and are keen to shop at world-class shopping environment, such customers are being served by many of Company's partnership brands.

Marks and Spencer is an international brand that brings in British heritage to Indian doorsteps. Retail chain under the partnership with Marks and Spencer continues to grow rapidly since the formation of the Joint Venture in 2008.

In a period of 4 years, the business has seen rapid retail development. The business launched its first 'in-touch' store this year. The new concept prominently displays its various sub-brands and increases vibrant product offerings thereby bringing the product to life in a much better way.

Vision Express is a brand in the retails business portfolio which is brought to India through a Joint Venture with Grand Vision, Europe's largest optical chain with over 4,600 stores in over 40 countries. Vision Express caters to customer needs by offering the benefits of surety, affordability, quality, world-class designs and decades of optical expertise. From trendy spectacles, comfortable progressive lenses, to in-vogue international sunglasses designs, Vision Express's unique collections aspire to meet the comfort quotient and eye care needs of every genre.

During the year Fashion & Lifestyle saw an addition of 95 stores taking the total count to 448 stores.

Jewellery

The jewellery industry was beset by increase in gold and diamond prices last year, which affected jewellery demand. Despite the adverse industry trends and weakened consumer outlook, Reliance Jewels continued to expand and added 14 stores during the course of the year to end at 51 stores making it one of the fastest growing retail chains in the category. The business improved significantly and the chain improved its profile in the minds of the consumers. Several initiatives were undertaken to improve operational efficiencies which reflected in significant improvement in sales. However, there is still a huge opportunity for the growth of modern jewellery retail in India, with young consumers exhibiting greater interest in the category.

Based on the solid foundations that the business has been built on, Reliance Jewels plans to grow its presence rapidly in the market.

Brands

Reliance Brands has a portfolio of 40 brands that span across the entire spectrum of luxury, bridge to luxury, high-premium and high-street lifestyle space.

Reliance Brands has adopted a multi-pronged strategy for growing its presence. For brands that are in its portfolio and are launched, the focus has been to expand their presence in newer markets while for the brands that were added to the portfolio in recent times, the focus is to launch them. To further grow its portfolio of brands, Reliance Brands continue to partner with new and revered international brands. During the last financial year, Reliance Brands



has added five new partnerships to its portfolio of brands.

- Brooks Brothers – America’s oldest clothing retailer with a heritage that goes all the way back to America’s first president. Reliance Brands has formed a JV with Brooks Brothers during the year.
- Dune – Premium women’s shoes and bags brand from UK. Reliance Brands has a long term franchise relationship with Dune.
- Superdry – “British Design & Spirit of Japan”. This British brand has formed a long term distribution relationship with Reliance Brands.
- Stuart Weitzman – For years Stuart Weitzman has been a favourite with leading Hollywood actresses. Reliance Brands has formed a long term distribution relationship with Stuart Weitzman.
- REISS – Reliance Brands announced long term Distribution relationship with REISS, UK-based fashion brand.

During the year, Reliance Brands also launched its first mono-brand online commerce website for the brand STEVE MADDEN (stevemadden.in).

Reliance Brands has a network of 68 stores in 11 cities and has made steady inroads into the premium consumer base across the country.

Future Outlook

The Indian retail sector is expected to continue its growth trajectory. Organised retailing is expected to grow at a faster rate thereby garnering a larger share of the market from the current 8% to around 20% by 2020 due to the changing consumer preferences and other growth drivers of organised retail in the country.

Retail business is in a unique position to capitalise on the growing opportunity in India. It is undertaking expansion of all existing formats to strengthen its leadership position vis-à-vis competition. This can be achieved by growing in existing markets and entering newer markets with the intention of ‘Bettering the Lives of Indians Everyday’.

Digital Sector would be one of the growth verticals for the coming year. Reliance Digital stores and Digital Express stores would be rolled out in Tier-I and Tier-II cities and would bring the connected world experience to consumers. The focus would be to further strengthen ResQ, the service arm of the Digital format. ResQ brings in strong service orientation towards meeting the requirements of the

customers during the entire product lifecycle.

Retail business seeks to add alternative channels to reach out to customers and has been intensely working on creating a multi-channel model that would benefit customers by offering them convenience of shopping anywhere, anytime and at the best available value proposition.

All formats would be working relentlessly to further their leadership positions in respective sectors making them the favourite shopping destination for Indian customers.

Reliance Jio Infocomm

Operating Environment

From less than 5 million mobile users in 2001, India has grown to more than 860 million mobile users achieving more than 70% teledensity. The enormous growth of the telecommunications in the country has not been accompanied by a corresponding growth of the broadband connections. Today, broadband in India has only around 1% market penetration (15 million broadband connections - excluding internet access by wireless phone subscribers) compared to other European and Asian countries. The broadband access to people can truly transform lives of Indians by getting access to a wide array of offerings, such as access to internet, email, voice and video communications, news, productivity, social networking, games, education, health and fitness, finance, travel, e-commerce, e-governance and homeland security services.

Taking cognisance of transformational potential of converged services, the Government is working towards putting in place a new policy framework for licensing, spectrum management and migration to digital addressable systems in broadcasting. The policy envisions providing secure, reliable, affordable and high quality converged telecommunication services anytime, anywhere under one licence for accelerated inclusive socio-economic development.

Reliance Jio Infocomm Limited

RIL’s subsidiary, Reliance Jio Infocomm Limited “RJIL” (formerly Infotel Broadband Services Limited, which is the only private player with Broadband Wireless Access (BWA) spectrum in all the 22 telecom circles of India), plans to provide reliable fast internet connectivity through the 20 MHz, contiguous, pan-India BWA spectrum. In addition to connectivity, RJIL also plans to enable end-to-end solutions that address the entire value chain across various digital services in key domains of national interest such as, education, healthcare, security, financial services,

government-citizen interfaces and entertainment. RJIL aims to comprehensively address the requisite components of the customer need, thereby fundamentally enhancing the opportunity and experience of hundreds of millions of Indian citizens and organisations.

RJIL plans to use TDD LTE technology for its country wide next generation network deployment to provide connectivity and related digital services to its customers. In addition to LTE and its future versions, it will continue to evaluate and deploy other technologies, both wireless and wireline, to offer comprehensive broadband solutions to consumers, small businesses, enterprises, government and other entities. RJIL will focus on making available all the components of the entire digital value chain. To deliver such end-to-end solutions, RJIL has finalised key agreements with its technology partners, service providers, infrastructure providers, application partners, device manufacturers and other strategic partners for the project. It aims to create a digital eco system which can be used to benefit the industry, the government and, above all, the people of this country.

RJIL has also completed the detailed planning for Pan India implementation of the infrastructure needed for the project. RJIL continues to attract the best talent in the industry and is focusing on building a high performance team. The key leadership talent required for the setting up of the business are in place in the respective geographies and are currently leading the implementation phase.

India has a unique opportunity to leapfrog the world and become the global leader in ubiquitous delivery of digital content, applications and services. RJIL is confident that in coming years, through its digital services Reliance would fundamentally change the lives of hundreds of millions of ordinary Indians.

Reliance Haryana SEZ Limited

The Model Economic Township (MET) has been envisioned to be developed as an industrial infrastructure to support economic growth in a public private partnership framework with the Government of Haryana through HSIIDC Limited (a Government of Haryana company). The Company is engaged in the process of land consolidation with the support of Government of Haryana.

The start-up phase of operationalisation of MET in the district Jhajjar of Haryana commenced during the year. Panasonic India Ltd, a leading Japanese consumer electronics company have commenced production facility in the industrial colony. Additionally, Denso Haryana Ltd,

a major Japanese auto component manufacturer is also likely to commission their plant shortly.

Innovation, Research & Development

Research, technology and innovation continue to be RIL's major focus areas to create value and provide a competitive edge to meet current and future needs.

Reliance Technology Group (RTG), the Company's centre of research and technology, contributes to RIL's growth by buying, customising and developing the right technology, at the right cost and at the right time.

RTG consists of two types of technical teams:

- (i) Technology groups focusing primarily on advanced troubleshooting, support to capital projects, profit and reliability improvements in RIL's manufacturing plants and
- (ii) R&D groups concentrating mainly on new product, process and catalyst development to support existing business and creating breakthrough technologies for new businesses.

In the refining area, RTG has expanded its horizon to include molecule-based process optimisation. RTG continues to pursue research in the areas of coking, hydro-processing, Fluidized Catalytic Cracking (FCC) and crude processing. It also provides advanced technical support through computational fluid dynamics and many other advanced simulation tools.

In FCC, an innovative technology helps generate extremely high olefin yields from lower-value feedstock. Several laboratory and pilot-scale studies have been completed establishing yields to be expected at commercial scale.

Coking process research at RIL will get a major boost as the state-of-the-art coker pilot plant will be fully commissioned soon. This facility will be used to carry out research projects for upgrading refinery residue streams into value-added products. This facility will also be used to support current operations.

The research facilities, being developed by the hydro-processing research team, are expected to be fully functional by the next financial year. With the Jamnagar refining complex having substantial hydro-processing capacity, this facility is expected to help improve commercial hydro-processing performance.

The crude processing research team has made significant progress by developing a new process for Total Acid



Number (TAN) reduction in crude and kerosene products which shall facilitate processing of more high-TAN crudes.

A new area of research actively being pursued is carbon dioxide capture from the refinery flue gas. This work supports RIL's commitment to ameliorating long-term environmental issues.

The modelling and simulation group is engaged in resolving several refinery and petrochemicals reliability issues using computational fluid dynamics and other simulation tools. These issues include: improving run length of coker furnaces and design changes for coker drum feed entry and FCC cyclone.

The Company's upgrade of refining LP models is set to enable more sophisticated optimizations in crude selection. Moreover, new analytical techniques are being developed and deployed for rapid crude characterization and molecule-based modelling and optimization of intra-refinery streams and processes. Separation methods are continuously being enhanced.

In the petrochemicals area, RTG is providing technology support to olefin crackers, polymers, fibre intermediates, linear alkyl benzene and polyester. The focus areas include efficient asset utilization, development of specialty product grades, materials and catalysts, value addition to by-product streams and leveraging opportunities at the chemicals and oil interface.

Several projects in the following areas have been completed or are on-going across the refining and petrochemicals businesses:

- product improvement
- process improvements
- energy efficiency
- enhancing product value to customer
- application development
- catalyst development
- additive development
- automation technology
- molecule management

As the sole industry partner in the New Millennium Indian Technology Leadership Initiative project on indigenous "Polymer Electrolyte Membrane" (PEM) Fuel Cell

technology development, RIL is playing a major role in scale-up trials of PEM fuel cells after a recently successful lab-scale demonstration of PEM fuel cell technology.

Collaborative research projects with IIP Dehradun, IIT Mumbai, PDPU Ahmedabad, Delhi University, Himachal Pradesh Horticultural University and others are also being undertaken to jointly develop new breakthrough technologies and to establish synergistic collaboration with academia and industrial technology. RIL has joined an industry program at Tulsa University which will provide valuable information for enhancing and trouble-shooting process operations.

Additional highlights of RTG include:

- Scientists and engineers at RTG have been invited as speakers/presenters at various prestigious conferences
- Engineers at RTG have been invited as Advisory Committee Members in the Department of Scientific and Industrial Research New Delhi (DSIR), Govt. of India programs

Innovation

Innovation is not new to Reliance, thanks to innovation that the company has always stayed ahead of the curve. However, RIL plans to actively nurture innovation across the organisation in order to achieve its aim of remaining as one of the most innovative companies in the world.

The Reliance Innovation Council – comprising Nobel Laureates, global strategists and thought leaders met in February 2013, to give direction to RIL's innovation agenda. The meeting was a great success and many path-breaking ideas emerged from this eminent setting.

The Reliance Innovation Leadership Centre has led various programmes to integrate innovation 'as a way of life' within the organisation. Under one such programme, potential innovation leaders are being taken through a systematic and methodical programme on innovation. Each of them will implement a substantial innovation project and through the project they will not only generate exponential value for RIL but also help institutionalize innovation within the organization.

The Leading Expert Access Programme (LEAP) is inspiring RIL employees by providing a platform for interaction with global iconic achievers and distinguished personalities.

Innovation is incomplete if it does not lead to new businesses. Some game changing technologies in the energy space are being incubated which would lead to innovation led growth for Reliance in the future.

Clean Development Mechanism

The Company has built in-house capacity to develop Clean Development Mechanism (CDM) projects and obtain the registration and issuance of the same in the form of Certified Emission Reductions (CERs) from the United Nations Framework Convention Climate Change (UNFCCC).

In FY 2012-13, three of our CDM projects got total 34,692 CERs issued from UNFCCC. Audit of one more project is completed and request for issuance of 86,912 CERs will shortly be submitted to UNFCCC.

Human Resources Development

RIL's talent base, as on March 31, 2013 stands at 23,519.

This year, the Company has strengthened last year's HR focus to align the business functionally and build people's capability.

Redefining the contours for a futuristic HR Organisation

With the Vision to be an "Employer of Choice" in its operating geographies, RIL's HR fraternity undertook several projects in FY 2012-13 to create building blocks for a world-class organisation. Some of these initiatives are:

- Creating a world-class HR academy to develop the existing HR team
- Hiring high-calibre professionals to augment the current team to lead the HR for the future, by building the grounds-up cadres, as well as, induction of the leaders in senior leadership positions
- A robust HCM System roll-out to support the global, multi-geography and multi-business organisation
- Review and revision of all the HR policies and programmes
- Unveiling RIL's "Employee Value Proposition" (EVP) to set a foundational block for people management practices

All the changes that were being made needed considerable efforts in "change management". Reliance ensured that most of the leaders are trained on change management. The internal corporate communications tools including newsletters, town hall meetings, webinars etc. were also used to train leaders on change management.

While the previous year focused on establishing the Centres of Excellence for Talent Acquisition, Talent Management, Learning and Development, Compensation & Benefits and Industrial Relations, the current year was focused on strengthening the same through influx of some high calibre professionals externally and internally. More than 100 new HR professionals, including Senior Management personnel, were added to the HR team across the group and across several locations.

Building Employee Skills and Capabilities for the future

RIL believes in the mantra of lifelong learning. The L&D team focused on developing and operationalizing Focused Learning Academies. The FC&A Academy was launched last year. This year saw the launching of new Academies in the areas of HR, Civil, Mechanical, Electrical, Instrumentation, Health, Safety & Environment (HSE), Fire, Operations, Technology, Procurement & Contracting, Leadership and Managerial Skills Development.

RIL partnered with leading Institutions and professional bodies across the world in pursuit of knowledge building so as to bring in world class experience and expertise. The primary focus of all these academies is to ensure that knowledge, skills and capabilities are developed in-house thus helping the organisation to scale up its requirements for the future.

The Reliance Accelerated Leadership Program (RALP) which was institutionalised two years ago continued to be a centre piece of our future leadership pipeline with 25 talented professionals adding on to the band wagon of growth and history. The focus of RALP which was restricted to only 4 functions (namely IT, HR, F&A and P&C) till last year, has now been expanded to include businesses like Refining & Marketing, Exploration & Production, Petrochemicals and Telecom as well.

During the current financial year, RIL hired 75 management graduates and 436 graduate engineers from the country's leading institutes as a part of its campus recruitment initiative. The numbers are only likely to increase in future.

2,129,770 man-days of learning were delivered in the current year. Our quest is to create a world-class platform for the learning of all employees.

Six-Sigma initiatives continued to reap rich dividends during the year. RIL's Six Sigma process, linked to the Company's Vision, Mission & Business Strategy, is a management-driven initiative to improve the organisation's performance.



FY 2012-13 saw 173 employees undergo green belt six sigma training and 11 employees reach Reliance Certified Black Belt programme's completion stage.

The FY 2012-13, saw 28 certified Six Sigma Black Belts working in all manufacturing sites and Reliance Corporate Park and 314 black belts and green belts involved in improvement projects. The year saw the completion of 68 Six Sigma projects in which 408 supervisory personnel were engaged resulting in annualised saving of ₹ 112 crore.

Awards and Recognition

Some of the major awards and recognitions conferred to RIL are:

Leadership

- “International Refiner of the Year – 2013” Award at HART Energy’s 27th World Refining & Fuel Conference held at San Antonio, Texas, USA
- “Mark of Excellence Award” (Hazira Manufacturing Division) at the IST Convention on Leadership Excellence organised by India’s Greatest Corporate Leaders forum powered by DNA

Corporate Rankings and Ratings

- RIL was awarded Application Level A+ certification by Global Reporting Initiative (GRI) for its FY 2011-12 Sustainability Report – “Partnering India’s New Future. Sustainably”
- Appreciation plaque by ASSOCHAM in recognition for the Company’s outstanding CSR activities in 2012

Quality

- Three Star (Highest award) at International Convention on Quality Control Circle at Kuala Lumpur, Malaysia (Dahej Manufacturing Division and Hazira Manufacturing Division)
- Golden Peacock National Quality Award 2012 (Nagothane Manufacturing Division)
- IMC Ramkrishna Bajaj National Quality Award under the manufacturing category for the year 2012
- ASQ’s International Team Excellence Award from American Society for Quality at the World Conference on Quality & Improvement at USA (Hazira Manufacturing Division)

Project

- Best viewer’s choice award (Dahej Manufacturing division) for implementing six sigma project in “Improving productivity of Gas Cracker Plant by resolving propylene compressor discharge pressure issue” from American Society for Quality at California, USA
- PLATINUM AWARD for the Six Sigma Project, CBE-2012 from Concept Business Excellence (Hazira Manufacturing Division)
- The 1st Prize Trophy for Best Business Process Excellence Program implemented in Manufacturing Industries over 2 years from International Quality Productivity Centre (IQPC) (Jamnagar Manufacturing Division)
- WINNER for QualTech Prize for Improvement (Manufacturing Process Excellence) for the project “Significant Yield improvement ex DTA FCC” from QIMPRO (Jamnagar Manufacturing Division)
- CII-Six Sigma National Award for 2012 (Vadodara Manufacturing Division)

Health, Safety and Environment

- ICC Award for Management of Health Safety and Environment from Indian Chemical Council
- The Sword of Honour from British Safety Council, U.K, for Excellence in Health, Safety and Welfare (Barabanki Manufacturing Division)
- The Golden Peacock Environment Management Award for 2012 (Dahej Manufacturing Division)
- ‘Golden Peacock Occupational Health & Safety Award’ for 2012 (Hazira Manufacturing Division)
- The BSC – Sword of Honour in Occupational Health & Safety Management by British Safety Council (BSC), UK (Jamnagar Manufacturing Division)
- The BSC - Globe of Honour in Environmental Management System by British Safety Council, UK (Jamnagar Manufacturing Division)
- The CII - Environment Best Practices Award 2012, rated as “Most Innovative Environmental Project”

for "Reduction of Colour in Acrylonitrile Effluent" (Vadodara Manufacturing Division)

- Winner of Eleventh Green Tech Safety Award – 2012 in Petrochemicals Sector (Vadodara Manufacturing Division)
- International Safety Award by British Safety Council, UK (Barabanki Manufacturing Division)
- State-level 'Dr. R.J.Rathi Award' for Green Initiatives in Industries in Maharashtra for 2012 from Mahratta Chamber of Commerce, Industries & Agriculture, Pune (Nagothane Manufacturing Division)
- The "International Safety Award" with distinction for 2012 from British Safety Council (KG-D6 operations)
- The Safety Innovation Award 2012 from Institution of Engineers, New Delhi for the third consecutive year in a row (Jamnagar Manufacturing Division)

Energy & Water Conservation / Efficiency

- Jawaharlal Nehru Centenary Award from the Ministry of Petroleum & Natural Gas for being among the three refineries which have achieved the lowest specific energy consumption among Indian refineries (Jamnagar Manufacturing Division - DTA refinery)
- Indian Chemical Council Award for Excellence in Energy Conservation and Management for 2011 (Hazira Manufacturing Division)
- Excellent Energy Efficient Unit Award by CII for 9th consecutive time (Hazira Manufacturing Division)
- The National Award for Excellence in Energy Management - 2012 from CII and declared as Excellent Energy Efficient Unit (Jamnagar Manufacturing Division - DTA Refinery)
- Innovative Project award from Bureau of Energy Efficiency (BEE), Ministry of Power, Government of India (Jamnagar Manufacturing Division)
- Federation of Gujarat Industries Award - 2011 for Excellence in Energy Conservation and Best Utilization of Alternative Energy (Vadodara Manufacturing Division)

- Adjudged by CII as a National Energy-efficient Unit in India (Reliance Corporate IT Park Ltd, Navi Mumbai)

Technology, Patents, R & D and Innovation

- Shri Ratilal Tribhovandas Nanavati Award for outstanding work in Research & Development for 2009-11 by The Southern Gujarat Chamber of Commerce & Industries, Surat (Hazira Manufacturing Division –RTG)
- The BEST PRAX PRIZE FOR INNOVATION – 2012 for the project – Reduction in packaging consumables (paper-based) in Polyester POY plant by QIMPRO (Hazira Manufacturing Division)

Corporate Social Responsibility

- Trophy for its work done under the National AIDS Control Program phase-III from Population Foundation of India (Hazira Manufacturing Division-Reliance Community Care Centre)
- The Golden Peacock Award - 2012 for Corporate Social Responsibility by Institute of Directors (IOD) (Vadodara Manufacturing Division)
- Red Cross Gold Medal for the "Reliance Dhirubhai Ambani Protsahan" Educational initiative from Governor of Andhra Pradesh for FY 2011-12
- Golden Peacock National Training Award – 2012 (Patalganga Manufacturing Division)
- The National Award for Innovative Training Practices for security training practices by Indian Society for Training and Development (Nagothane Manufacturing Division)
- The Greentech Gold Award for HR Excellence (Dahej Manufacturing Division)

Retail

- 'Most Promising Brand of the Year Award' at North-East Consumer Awards 2012 (Reliance Trends)

Sustainability

- Hazira Manufacturing Division received the CII-ITC Sustainability Awards 2012 and received the coveted Certificate of Commendation for Significant Achievement in the area of Sustainable Development.



Report on Corporate Social Responsibility

RIL nurtures stakeholder relationships to understand pertinent material issues, develop businesses, enhance shareholder value and manage risks better. It is the relationship, trust and commitment to stakeholder interest, and the warm reciprocal of the same by the stakeholders, that make RIL robust, resilient and sustainable.

Health, Safety & Environment (HSE)

Health

RIL focuses on achieving excellence in occupational and personal health of employees at all manufacturing sites as well as at its offices. With this objective, it has undertaken ‘**Mission Wellness**’ to improve and maintain employee health.

Reliance has set up state-of-the-art Occupational Health Centres (OHC) at all manufacturing, E&P locations and major office complexes. Besides emergency medical services, the OHCs also offer preventive, promotive and curative health services to its employees. These OHCs are equipped with state-of-the-art diagnostic and therapeutic equipment and are manned by qualified occupational health specialists. The OHC’s also carry out extensive health, education and awareness sessions and diagnostic camps. The hospitals have been upgraded to include on line X-Ray reporting.

During FY 2012-13, RIL’s Multi Chemical Terminal at Bhopal received BSC five-star rating for Occupational Health & Safety by British Safety Council. Besides, the pathology laboratories at Jamnagar, Nagothane, Vadodara and Dahej Manufacturing Divisions were awarded with National Accreditation Board for Testing & Calibration Laboratories (NABL) certification. The Jamnagar Township Hospital was accredited with NABH. Special groups like Arogyam/ Swasthy Committee were formed to take care of lifestyle diseases.

All Reliance employees undergo regular periodic medical examinations. The medical check-up facility is also extended to Contractor’s employees at the manufacturing sites. The results are computerised and analysed to provide targeted interventions at the individual and group levels. An automated ‘**High Alert**’ system has been implemented to prevent any medical complications. The employees are also supported for hospitalisation by regular liaison and cashless admission facilities in pan-India hospitals. The de-addiction activity is effectively implemented at most of the RIL locations as Quit Tobacco drive.

An ambitious program ‘**Work Life Project**’ has been undertaken across the manufacturing sites including the Polyester sites, with focus on Emotional Health as a part of Resilience Management. Missionaries are trained to increase awareness regarding emotional health & psychological well-being.

RIL’s Community Medical Centres, established near most of its manufacturing divisions, provide comprehensive healthcare services to local villagers.

Safety

RIL is committed to provide a safe workplace to its employees and contractors; and safety to the communities where it operates. In pursuit of the same, RIL continues to work towards its aim of zero injuries and zero incidents.

As Reliance forays into newer segments of businesses, institutionalising HSE Management systems across all business segments is vital. During the year, RIL worked towards “One Reliance” standardization of systems and processes under its Business Transformation initiative. IT enablement of processes is underway, which is a big leap towards strengthening of HSE governance and compliance systems across all businesses and functions.

While establishing HSE standards in steady state operations, RIL targeted its major focus areas to include process safety and construction safety for its large scale upcoming projects. Efforts are being made to embed the RIL HSE standards and processes from project conceptualisation stage onwards.

RIL believes that continuous learning and upgrading of systems and processes are indispensable as we move ahead with our vision of achieving best-in-industry status with respect to safety systems and culture. Benchmarking of Process Safety Management was undertaken during the year across six petrochemical manufacturing sites vis-à-vis the global best-practices to identify potential improvement areas in capacities and systems.

RIL recognizes that personnel competency is a key area to ensure safe and efficient operations. While taking a step in this direction, a learning academy dedicated to HSE was established. HSE assurance systems and processes were reviewed to ensure their robustness and alignment to the designed intent.

RIL also successfully completed Responsible Care® surveillance audit this year after being certified for RC 14001 compliance last year. Being a Responsible Care signatory, focus is being laid upon safety of the community through improvement in the safety systems beyond operational boundaries.

RIL engaged world renowned third party resource for assessing the Crisis Management and Emergency Response system and provide guidance for improvement. In order to strengthen Responsible Care Management System, the efforts were directed towards establishing a Product Stewardship initiative with an aim to institutionalize the same in the coming year.

Environment

RIL is committed to ensure environmentally sustainable and responsible operations to achieve highest standards of environmental excellence. The manufacturing divisions have not only instituted internationally accepted Environmental Management System based on ISO-14001, but the major sites are also integrated with Quality Management and Occupational Health & Safety Management Systems. At Hazira, the Energy Management System has been certified with ISO 50001:2011

RIL is in constant endeavour to be fully compliant with all applicable environmental regulations. In order to mitigate the potential environmental impacts on society, risk analysis of all new proposed projects are done and necessary measures are being incorporated to mitigate adverse environmental impacts prior to project commissioning. RIL follows the GRI G3.1 Guidelines (including GRI 3.1 Oil & Gas Sector Supplement) for reporting environmental performance indicators.

RIL follows a comprehensive method for the preparation of Environmental Impact Assessment (EIA) studies, for new and expanding projects. The focus is on an integrated approach for conservation of natural resources while protecting the environment. EIA studies consist of terrestrial EIA, Marine EIA, Satellite imagery based land use, land cover and morphological assessment including the dynamic modelling methods.

In continuation of efforts to improve environmental footprint, during this financial year, a continuous (Real time) ambient air monitoring station was instituted at Jamnagar for major air pollutants. The three-tier environment audit system has also been put in place. Trained and qualified internal environment auditors perform First Party audits followed by Inter-Site audit teams carrying out the Second Party audit for each of the instituted Group standards. The third tier audit includes high level environmental audit by external agencies such as Gujarat Pollution Control Board (GPCB) recognized auditors, British Safety Council, UK, etc.

With the conduct of environment five-star audit by BSC-UK for RIL's onshore and offshore Exploration and Production operations at Gadimoga, all manufacturing divisions/locations have been covered for this audit.

To reduce water dependence from natural sources, majority of manufacturing divisions have taken up rain water harvesting and engaged in maximum possible recycling of treated wastewater. The upgradation of reuse of treated water for horticulture and for dust suppression in coke area at Jamnagar had reduced the desalt water demand.

A rain water harvesting project has been implemented at a high school near Hazira to save 1000 m³ per annum of rainwater from roof-top to benefit 1,450 school children in a water starved area. At Patalganga, an organic waste processor was installed to convert canteen waste into organic manure.

Maintenance and performance improvements of the assets are given a priority at RIL. In this context, all pollution abatement facilities e.g. effluent treatment plants and inside battery limit air emission control and waste disposal facilities are maintained and operated in line with the industrial best practices.

RIL efforts such as mangrove plantation and its maintenance in the coastal areas, maintenance of green belts and gardens in and around manufacturing units, vermi-compost of waste and its use as manure etc. are imbibed in the culture of sustaining the earth's environment.

During the year, various manufacturing divisions and business units observed World Environment Day, Earth day, Water day, Ozone day etc. to propagate environmental awareness among employees, communities and the schools from neighbouring regions.

During FY 2012-13, RIL developed a group standard for Corporate GHG accounting and reporting and trained GHG champions across the manufacturing sites. This concerted effort has provided tremendous opportunities to continuously improve for better environmental management.

Social Responsibility and Community Development Education

To build a rich pool of human resources for India, RIL has developed its own network of 12 schools in and around the manufacturing units of the company at Jamnagar, Surat, Vadodara, Patalganga, Nagothane and Nagpur benefitting more than 15,000 students. These schools promote the education among the children of the underprivileged communities. The J.H. Ambani School at Patalganga provided education to many underprivileged children from nearby villages in Lohivali during the current year.

To attract children to attend school and foster a love for knowledge among them, several initiatives were taken during the year. These included construction of a school building at Meghpar village in Jamnagar; construction of exclusive girls' school at Motikhavdi; distribution of school benches at Nagothane; providing school kits at Jamnagar; distributing school bags to children at Nagpur and Silvassa and providing notebooks and uniforms to schoolchildren of Gadimoga and Bhairavapalem Panchayat. Also, financial support was extended to 'Bruhad Gujarat Sanskrit Parishad' for imparting knowledge on Sanskrit, Karmakand and Astrology.



A school for the differently abled being run at Surat sought to address the issues relating to learning disability and dyslexia in children.

A district level quiz competition called “Reliance Dhirubhai Ambani Quiz” is an annual affair in Andhra Pradesh.

Reliance Dhirubhai Ambani Protsahan Scheme

The Reliance Dhirubhai Ambani Protsahan Scheme encourages the meritorious poor students to pursue higher studies. The students securing high marks in SSC examination are helped to get free education at the leading residential colleges. The scheme, so far, has helped 1,134 students to continue higher education.

“Mumbai Indians Education for All” Initiative

Mumbai Indians has supported projects that have impacted more than 10,000 children in 3 years. Mumbai Indians supported projects ranging from providing access to quality education to the underprivileged children, supporting girl child education, imparting life skills to the differently abled and creating a level field by providing support classes to the vulnerable children. Mumbai Indians also raises goodwill and awareness for the partnering NGOs through its website, player meets and media bytes. The IPL matches provide children with an opportunity of seeing a live cricket match amidst 30,000 cheering fans. Over 2500 kids from 5 NGOs have attended the home IPL matches of Mumbai Indians since 2010. The children express themselves freely while cheering for the players, learn team work, exercise discipline while travelling and entering the stadium and above all get an opportunity to enjoy their right to entertainment. Some children are selected by the TV crew to relay their experience to millions of viewers across the world- something that thrills them and builds their confidence. Mumbai Indians has raised over ₹ 17 million for 5 partner NGOs since 2010. An iconic blue band was launched with Sachin Tendulkar’s signature to raise awareness and funds. Till date, over 50,000 blue bands have been sold.

Dhirubhai Ambani International School

Dhirubhai Ambani International School (DAIS), Mumbai, established in 2003 as a world-class centre of learning, has just crossed another milestone of completing 10 years. In furtherance of its mission, in a short span of a decade, this young institution has carved a niche for itself by emerging as a school of the future, a school of choice, with its focus on all-round development of children as well as their academic excellence.

The Hindustan Times Top Schools Survey 2012 has ranked Dhirubhai Ambani International School the No. 1 School in Mumbai.

In 2012, the Education World in its Survey of India’s Most Respected Schools, has ranked DAIS as No. 2 International School in India. DAIS has been ranked No. 1 on Academic Reputation, No. 1 on Individual Attention to Students, No.1 on Co-curricular Education, No.1 on Competence of Faculty and No.1 on Leadership / Management Quality.

Building on the schools excellent academic record and its three streams - the ICSE, the IGCSE and the IB Diploma, its students performed impressively in the 2012 examinations. The IB Diploma 2012 batch earned higher average scores as against the world average, placing DAIS among the top ten schools of the world. Moreover, the school continued its excellent performance on university placements, with its students getting admission at renowned universities and colleges of the UK, USA and so on.

This year, two DAIS students have received the prestigious Manmohan Singh Undergraduate Scholarships to fund their studies at the University of Cambridge.

DAIS’s students continued their excellent co-curricular and extra-curricular activities, winning prizes at state, national and international levels in basketball, football, athletics, judo, karate, cricket, swimming, squash and other sports. They have also won prizes at the World Robotics Olympiad, the Commonwealth Essay Competition and the National Science Fair. The DAIS students also received the prestigious Hindustan Times Scholarship. The Annual Dhirubhai Ambani International School Model United Nations (DAIMUN) Conference 2012 deliberated on ‘Media and Democracy’.

With a view to making our society more equitable and harmonious and to instil in children early on the attributes of service orientation and care for others, the school ensures that they actively participate in service to the local community. Students from Class III onwards work with old age homes, orphanages, underprivileged and mentally challenged children, while senior students work with NGOs like Advitya, Akanksha, Muktangan, Pratham, Aarambh and Aseema. The Dhirubhai Ambani International School Akanksha Centre, started in 2003, has till date educated 58 children from the low-income communities and in 2013, for the first time, 8 children have appeared for their class 10 Board examinations from such communities.

The infrastructure work that students have undertaken in two remote villages - Hassachipatti and Kumbharghar – is almost complete. They are now focusing on providing education to children and enhancing livelihood opportunities for the villagers through microfinance. To support the various service initiatives, students organized ‘Lakshya’ a fete and raised substantial funds for weaker sections of the society.

Community Healthcare

Mobile medical vans are used to provide curative healthcare across RIL's manufacturing sites. RIL provides a 24X7 emergency ambulance services from the Himachal borders to Hoshiarpur.

RIL focuses on raising awareness and providing treatment for HIV/AIDS patients. A clinic 'Hamrahi', in Allahabad, provides voluntary testing and counselling for HIV/AIDS, primarily for truckers and nearby residents. The Reliance HIV & TB Control Centre (NACO Designated ART centre) at Hazira has served over 78,000 patients. Among them, over 2,900 HIV-positive patients have been enrolled for clinical monitoring. Over 525 patients, including 52 in FY 2012-13, have received DOT therapy for tuberculosis. The 32-bedded Community Care Centre and Reliance AIDS Care Hospital at Hazira has served more than 3,150 patients.

Further, the employees at RIL's Exploration and Production sites and the Reliance Ladies Club (an association of spouses of RIL managerial employees) at Hazira have undertaken initiatives "Chirudeepam" and "Project Hope" respectively with an aim to support children affected by AIDS and supplying them with nutritive kits every month. Similarly, the Jamnagar manufacturing division runs 'Project Balkalyan' to provide nutritional support to HIV-infected children. All HIV positive children receive nutritional kits when they visit the centre for monthly follow-up. New projects include Khushi Clinic for HIV prevention, treatment, care and counselling support to the truckers and cleaners. RIL Jamnagar employees adopted HIV-affected children under Project Gift to provide them with nutritional kits during the year.

Blood donation camps were also organised in various manufacturing divisions and locations. Over 1,400 blood units were collected in the Reliance Corporate Park's blood donation camps.

During the year, all sites organised free medical camps and provided free medicines to local rural and tribal patients. Manufacturing sites provided emergency ambulance support to roadside accident victims. Many manufacturing sites have also conducted health awareness programs in local schools and nearby small-scale Industries. Sishu-Mangalam project at Jamnagar was undertaken during the year to check malnutrition in the children of BPL families.

During the year, training for Anganwadi care takers and the mothers were conducted at Gadimoga on various aspects including women health, hygiene, breast cancer awareness, nutrition requirement during pregnancy, child care, family planning etc.

New Primary Health Centre (PHC) at Gadimoga has been constructed with in-patient facilities which can accommodate 30 beds and is equipped with an Operation theatre, Labour room, Pathology laboratory, Doctor consultation rooms, Rest rooms with elaborate medical waste disposal facility.

Moreover, RIL operated two PHC sub-centres at Bhairavapalem and Laxmipathipuram during the year. RIL's PHC at Dahej catered to community needs to 23 nearby villages under National Rural Health Mission Program.

Dhirubhai Ambani Hospital

During the year, the Dhirubhai Ambani Hospital at Lodhivali engaged significantly to improve the quality of life in surrounding communities. It provided free medical care to trauma victims of Road Traffic Accident (RTA), till the patient is stabilised. The hospital also offered subsidised medical facilities to economically weaker persons of society in surrounding areas. It also conducted medical diagnostic camps for local people. The hospital also engaged in offering free consultation, counselling, investigation and treatment to HIV/AIDS patients.

During the year, the Dhirubhai Ambani Hospital organised 18 camps for free medical consultation and diagnosis. Around 1,900 patients attended these camps and were provided with free medicines. Besides, free medical care was also provided to 56 RTA patients during the year. In February 2013, cataract surgery camp was conducted with the help of Lions Club Mumbai and Khopoli, where 114 patients were operated for cataract. Free or highly subsidised medical care and treatment was provided to over 1,600 residents of surrounding villages.

In its **ART Clinic**, the Dhirubhai Ambani Hospital offered free consultation, counselling, investigation and treatment to more than 3800 HIV/AIDS patients.

Heritage Conservation

During the year, RIL was engaged in development work on heritage conservation at Dwarka and Nathdwara. During Navaratri Festival 2012, various organisations conducting Navaratri Garba and dances were financially supported to strengthen Gujarat's cultural heritage. Durga Puja was also enthusiastically celebrated at various manufacturing sites.

Promoting Sports and Sportsmen

With the aim of promoting Sports in India, RIL has instituted the IMG Reliance 'Scholarship for India Programme'. These scholarships were awarded to 29 aspiring Indian Sportspersons for full time training and coaching at one of the best sports training facilities in the world – The IMG Academies, Florida. These talented young sportspersons are from the fields of Tennis, Basketball, and Football. These young sportspersons underwent rigorous physical and mental training, were given the best-in-class sport education and were exposed to high quality competition.



Recipient of these scholarships brought several laurels to the community. 14 of these scholars have become part of under-17 Indian National football team and represented India in AFC Cup in the FY 2012-13.

Additionally, IMG Reliance signed a 15-year agreement with the AIFF, to improve, popularize and promote the game of football throughout India, from the grassroots to the professional level.

IMG Reliance is in a long term agreement with the Basketball Federation of India (BFI) to create a new professional basketball league and manage all aspects of the commercial rights to the game in India.

IMG Reliance operates the Aircel Chennai Open, India and South Asia's only ATP World Tour event. Having completed 18 years of the tournament, it is one of the longest running ATP 250 events in the world. Through the Aircel Chennai Open, India's top tennis talent get the chance to compete with the world's best players on a world class platform.

Promoting Indian/ Rural Art, IMG Reliance has initiated Indian Textile Day at Lakme Fashion Week. The aim of the show is to highlight textile traditions and heritage that might be little known and undiscovered and help connect emerging Indian textile designers to the mainstream and modern fashion business, thereby creating a new creative channel for their engagement and growth.

RIL during the year supported cricket, billiard, snooker, football, chess, hockey, badminton, tennis, kabaddi etc. in various towns and villages across the country. However, the highlight of the year for the Company remains organising the 'Sabarmati Marathon' in partnership with the Ahmedabad Municipal Corporation.

Safety Initiatives for Community

As part of its unique safety initiative, RIL established an air conditioned Truckers' Safety Training Centre at Hazira. This centre is fully equipped with audio-video equipment to impart training to truck drivers on safety rules, efficient driving techniques, understanding hazards associated with various materials and emergency responses. More than 200,000 drivers have been trained through this initiative since its inception in 2005. During the FY 2012-13, more than 32,000 drivers were trained.

The manufacturing sites also provided fire tender services to local villages.

Environment Initiatives for Community

The Hoshiarpur Manufacturing Division collaborated with local industry and forest department under "Green Hoshiarpur Project" to plant trees in the city.

Community Development

Reliance Rural Development Trust (RRDT)

RRDT during the year worked in 266 villages, constructing 173 Anganawadi buildings, 88 concrete roads and other rural facilities.

RRDT has been able to reach to 5,923 villages till date and has completed construction of Anganawadi buildings, panchayat office buildings, community halls, concrete roads, water storage tanks, check dams etc.

Community Development Initiatives

At Hazira, a 1,000 metre potable water pipeline was replaced to fulfil water requirements of villagers at Mora, Jamnagar. RIL took a major initiative to support conservation of water by actively participating in the dredging and deepening of Ranjit Sagar Dam. A mini solar power plant provided solar-power connections at about 100 houses. A TV run on solar power at a Jamnagar Panchayat helped bring the tribal-lot into main-stream India. A community hall at Motikhavdi was also constructed to meet the needs of the local villagers. A Jamatkhana, for the fishermen community at Sikka was also constructed which facilitated the villagers to organize the social, cultural and religious gatherings on different occasions.

Disaster Relief

As part of the disaster relief measures, Reliance has been supporting the Andhra Pradesh Government and District Administration to provide immediate relief materials to the victims of natural calamities and fire accidents. During the FY 2012-13, RIL extended substantial financial grant for rehabilitation of one such village affected in a major fire accident.

Livelihood Support

RIL has always been at the forefront of implementing initiatives especially for the welfare of rural women and youth. Various skill upgradation programmes and vocational training programmes have been imparted to unemployed youth of surrounding villages to enhance their employability.

Reliance Foundation

Reliance Foundation focuses on five core pillars - Rural Transformation, Education, Health, Urban Renewal and Arts, Culture & Heritage. The Foundation's activities covered over 2500 villages and various urban locations in India and touched the lives of over 1,000,000 underprivileged during the year. An overview of the Foundation's programmes and impact is given below:

Reliance Foundation BIJ: To address the developmental gap between rural Bharat and urban India, Reliance Foundation BIJ programme was initiated by the Foundation. This programme aims to support small and marginal farmers along the value chain through input provision, technical, post-harvest as well as marketing support. Till date, the Foundation has catalysed the formation of farmers' institutions across nearly 300 villages and has engaged with over 100,000 villagers through the Reliance Foundation BIJ programme. Apart

from working with the small and marginal farmers to promote sustainable agriculture, the Foundation also works towards enhancing the nutritional intake of over 4,000 rural households through Reliance Nutrition Gardens.

Information Services: Recognising the need for timely, accurate and value-added information, the Foundation focuses on 'Participatory Knowledge Management'. It currently reaches to over 1400 villages through multiple mediums including field demonstrations, local cable TV programmes, advisories, bulletins and live phone-in programmes. The information provided is based on identified needs of the community and aims at capacity building of farmers, fisher folk and livestock owners for better livelihood security.

Community Services: To promote holistic development of an entire community – be it a district or a village, Reliance Foundation has initiated its Community Services programme. To begin with, steps have been taken in Shahdol district in Madhya Pradesh to address the prioritised needs of the community through healthcare, educational and livelihood training programmes. These programmes directly reach out to over 5,000 villagers from across 20 villages in Shahdol. The Foundation has also impacted communities of over 25 villages in Gujarat and Maharashtra by providing hospital and school improvement materials, including infrastructural and facility support.

Health Programmes: To provide quality primary and preventive health care to the underprivileged, Reliance Foundation launched the community health outreach programme as part of its 'Health for All' initiative in December 2012. Under this programme, mobile medical units equipped with state-of-the-art technology for biometric mapping and electronic health records were started. Currently operating in Mumbai city, these units cater to health needs of over 40,000 individuals.

On International Women's Day 2013, Reliance Foundation launched the menstrual hygiene programme in Kheda district, Gujarat. Through this initiative, Reliance Foundation aims to raise awareness regarding menstrual hygiene by working with village based volunteers. The Foundation is also addressing this critical gap by introducing its affordable brand of high quality sanitary napkins, 'Meeta'. In the first phase, the Foundation will reach out to 500,000 women in over 850 villages in Anand and Kheda districts of Gujarat.

Arts, Culture & Heritage: Reliance Foundation is re-imagining the ways to protect and promote India's priceless heritage to not only sustain but also to make art and culture relevant to the younger generations. In the FY 2012-13, Reliance Foundation paid tribute to the great

artist of yesteryears during Abbaji concert, lent support to great living treasures during the Elephanta Festival 2013, connected with the youth through its collaboration with A.R.Rehman to create a music video, 'Infinite Love' and supported a research on India's intangible culture. The Foundation, in partnership with BP and in association with Chhatrapati Shivaji Maharaj Vastu Sangrahalaya (CSMVS), Mumbai and British Museum, brought Mummy: The Inside Story to India. This unique exhibition helped to increase the footfall of CSMVS, which received over 450,000 visitors, including over 100,000 children from across 300 schools.

Reliance Foundation Drishti: Reliance Foundation works towards improving the quality of life of the visually impaired through its Reliance Foundation Drishti programme, which is run in association with the National Association for the Blind (NAB). Having completed over 11,000 corneal transplants across India, Reliance Foundation Drishti has today become the largest cornea transplant drive in India, supported by a corporate.

In 2012, Reliance Foundation Drishti launched India's first registered national Braille newspaper in Hindi, marking an important milestone of this exemplary initiative. This newspaper is made available to over 32,000 visually impaired people, educating and empowering them with information and knowledge.

H N Hospital: Reliance Foundation is revamping Sir H N Hospital into a 19-storey, 800,000 square feet world-class tertiary healthcare facility.

Dhirubhai Ambani Foundation

Dhirubhai Ambani Foundation (DAF) focuses on education and public healthcare.

The Foundation's "Dhirubhai Ambani Undergraduate Scholarship Scheme" has been motivating students excelling at the +2 level to pursue higher education.

The Foundation's "Dhirubhai Ambani SSC Merit Reward Scheme" has been offering one-time reward to the Board toppers at Std X exams. Both the Schemes are implemented with Maharashtra, Goa, Gujarat, Daman & Diu and Dadra Nagar Haveli, on a district-wise basis for the State Education Boards and state-wise basis for CBSE.

DAF has introduced a special scheme to enable physically challenged students to study graduate courses. The top-five physically challenged students from each state, as certified by the State Boards, are eligible for scholarships and rewards. This scheme has received enthusiastic support at the country level.

During FY 2012-13, 149 of the 395 rewards and 128 of the 393 scholarships, conferred by DAF, went to the physically challenged category. Till date, the schemes have benefited 9,665 students, of whom 1,893 are physically challenged.



Report on Corporate Governance

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) (Clause 49) and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Reliance Industries Limited is as under:

"Between my past, the present and the future, there is one common factor: Relationship and Trust. This is the foundation of our growth."

- Founder Chairman Shri Dhirubhai H. Ambani

At Reliance, Corporate Governance is all about maintaining a valuable relationship and trust with all the stakeholders. At Reliance, we consider our stakeholders as our partners in our success and we remain committed to maximizing stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This emanates from our strong belief that sound governance system based on relationship and trust is integral to creating value on an overall basis. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the nine core values of Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility, Citizenship and Courage.

1. Statement on Company's philosophy on Code of Governance

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness in all its transactions in the widest sense and meet its stakeholders' aspirations and societal expectations. Good governance practices stem from the culture and mindset of the organisation and at Reliance we are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment. Our customers have benefited from high quality products delivered at the most competitive prices.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the higher echelons of management. The demands of corporate governance require professionals to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing

the complex inter-relationship among the board of directors, audit committee, accounting and corporate secretarial team, auditors and senior management - the CEO and CFO. At Reliance, our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity. Above all, we feel honoured to be an integral part of India's social development. Details of several such initiatives are available in the section on Corporate Social Responsibility.

At Reliance, it is our belief that as we move closer towards our aspirations of becoming a global corporation, our corporate governance standards must be globally benchmarked. This gives us the confidence of having put in the right building blocks for future growth and ensuring that we achieve our ambitions in a prudent and sustainable manner. Reliance not only adheres to the prescribed corporate governance practices as per Clause 49 but is also committed to sound corporate governance principles and practices and constantly strives to adopt emerging best practices being followed worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation, risk management and fulfilment of stated goals and objectives.

Over the years, governance processes and systems have been strengthened at Reliance and the corporate governance has always been an integral part of the way the business is done. At Reliance, stakeholders' interests are taken into account before making any business decision and Reliance has the distinction of consistently rewarding its shareholders over 35 eventful years from its first IPO. Since then Reliance has moved from one big idea to another big idea and these milestones fuel our relentless pursuit of ever-higher goals. We have grown by a Compounded Annual Growth Rate (CAGR) of Revenues 28%, EBITDA 28% and Net Profit 29%. The financial markets have endorsed this sterling performance and the market capitalisation has increased by CAGR of 34% during the same period. In terms of distributing wealth to our shareholders, apart from having a track record of uninterrupted dividend payout, we have also delivered a consistent unmatched shareholder returns since listing. What epitomises the impact of all that we do is the fact that our shareholder base has grown from 52,000 after the IPO to a consolidated present base of around 3.2 million.

For decades Reliance is weaving its own growth story with an eye on India's industrial and economic development;

transforming the Indian economy with larger than life projects and world class execution. Underlying this quest is Reliance's core belief in the motto – What is good for India is good for Reliance.

Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. We have undertaken several initiatives towards maintaining the highest standards of Governance and these include:

Independent Board with defined role and responsibilities: A majority of the Board, 7 out of 13, are independent directors. At Reliance, it is our belief that an enlightened Board consciously creates a culture of Board leadership to provide a long-term vision and policy thinking in order to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably increasing the Company's value. The Audit Committee, Remuneration Committee and Corporate Governance and Stakeholders' Interface Committee comprise only independent directors. The Company has defined guidelines and established framework for the meetings of the Board and Board Committees. These guidelines seek to systematise the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner.

The Board critically evaluates strategic direction of the Company, management policies and their effectiveness. The agenda for Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews related party transactions, financial reports from the CFO and business reports from each of the sector heads. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the future growth of the Company.

Ethics Policies: Reliance always strives to conduct its business and develop its relationships in a manner that is dignified, distinctive and responsible. At Reliance, we adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealings with all stakeholders. In this direction, we have adopted various codes and policies which act as enablers to carry out our duties in an ethical way. Some of these codes and policies are:

1. Code for Board of Directors and Board Committees.

2. Code of Business Conduct and Ethics for Directors/ Management Personnel.
3. Code of Conduct for Prohibition of Insider Trading.
4. Code of Ethics and Business Policies.
5. Policy document on Values and Commitments.
6. Manual on Corporate Governance.
7. Health, Safety and Environment (HSE) Policy.
8. Code of Financial Reporting, Disclosure & Transparency.
9. Business Responsibility Policy Manual.

Audits and internal checks and balances: M/s. Deloitte Haskins & Sells, Chartered Accountants, M/s. Chaturvedi & Shah, Chartered Accountants, one of India's leading audit firms and a member of the Nexia's global network of independent accounting and consulting firms and M/s. Rajendra & Co., Chartered Accountants, Member of Prime Global, an association of Independent Accounting Firms, the three leading audit firms, audit the accounts of the Company. The Company has a Management Audit Cell besides outside internal auditors that reviews internal controls and operating systems and procedures. A dedicated Legal Compliance Cell ensures that the Company conducts its businesses with high standards of legal, statutory and regulatory compliances. The Company has instituted a legal compliance programme in conformity with best international standards, supported by a robust online system that covers all manufacturing units of the Company as well as its subsidiary companies. The gamut of this system includes statutes such as industrial and labour laws, taxation laws, corporate and securities laws and health, safety and environment regulations.

At the heart of our processes is the wide use of technology that ensures robustness and integrity of financial reporting, internal controls, allows optimal use and protection of assets, facilitates accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and company policies.

Management Initiatives for Controls and Compliance:

A sub-set of Business Transformation initiative undertaken by the management to support higher growth, institutionalisation of best processes and new structures for governance, is dedicated for management of risk, controls and compliances across the organisation.

Reliance applies a common and systematic approach to



the management of risk, controls and compliances in an integrated manner. Reliance is in the process of developing a world-class integrated compliance framework to provide reasonable assurance to the Management and the Board of Directors regarding design and effectiveness of internal control framework of the Company.

Framework has been documented to give a complete end to end view of:

1. the process
2. key control points
3. responsible organisations

The above information forms a basis for the management to develop and maintain a transparent and effective Internal Control system.

Best Corporate Governance practices: Reliance maintains the highest standards of Corporate Governance; it is the Company's constant endeavour to adopt the best Corporate Governance practices keeping in view the international codes of Corporate Governance and practices of well-known global companies. Some of the best global governance norms put into practice include the following:

- The Company has a designated Lead Independent Director with a defined role.
- All securities related filings with Stock Exchanges and SEBI are reviewed every quarter by the Shareholders'/ Investors' Grievance Committee of Directors of the Company.
- The Company has an independent Board Committee for matters related to corporate governance and stakeholders' interface and nomination of Board members.
- Internal audit of the Company is conducted by independent auditors.
- The Company also undergoes secretarial audit conducted by an independent company secretary who is in whole-time practice. The quarterly audit reports are placed before the Board and the annual audit report placed before the Board is included in the Annual Report.

Corporate Social Responsibility (CSR): Social welfare and community development is at the core of Reliance's CSR philosophy and this continues to be a top priority. Reliance embraces responsibility for impact of its operations and actions on all stakeholders including society and community at large. It revolves around

our deeply-held belief in the principle of symbiotic relationship with the local communities, recognising that business ultimately has a purpose – to serve human needs. Close and continuous interaction with the people and communities in and around the manufacturing divisions has been the key focus while striving to bring around qualitative changes and supporting the underprivileged. We provide community medical centres near most of our manufacturing divisions. The CSR teams at Reliance's manufacturing divisions interact with the neighbouring community on regular basis. Reliance's contributions to the community are in the areas of health, safety, education, infrastructure development (drinking water, improving village infrastructure, heritage conservation, construction of schools, village roads and drainages, etc.), environment (effluent treatment, tree plantation, treatment of hazardous waste, etc.), relief and assistance in the event of a natural disaster, livelihood support, promoting sports and sportsmen and contributions to other social development organisations. Reliance also supports and partners with several NGOs in community development and health initiatives. Besides focusing primarily on the welfare of economically and socially deprived sections of society, Reliance also aims at developing techno-economically viable and environment-friendly products and services for the benefit of millions of its consumers, while at the same time ensuring the highest standards of safety and environment protection in its operations.

Reporting on triple-bottom-line performance: Reliance commenced annual reporting on its *triple-bottom-line* performance from the Financial Year 2004-05. All its sustainability reports are externally assured and Global Reporting Initiative (GRI) application level checked. The maiden report received 'in-accordance' status from GRI and all subsequent reports are 'GRI G3 Checked A+' application level reports. From Financial Year 2006-07, in addition to referring GRI G3 Sustainability Reporting Guidelines, Reliance refers to the American Petroleum Institute / the International Petroleum Industry Environmental Conservation Association Sustainability Reporting Guidelines and the United Nations Global Compact Principles. Reliance has also aligned its sustainability activities with the focus areas of the World Business Council for Sustainable Development. From the Financial Year 2011-12, Reliance is additionally referring to GRI G3.1 – Oil & Gas Sector Supplement; and has aligned with the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business framed by the Government of India.

Social, Environmental and Economic Responsibilities:

Reliance is committed to create value for the nation and enhance the quality of life across the entire socio-economic spectrum. To strengthen its commitment to responsible business, the Board of the Company has adopted Business Responsibility Policy Manual based on the principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business as issued by the Ministry of Corporate Affairs, Government of India. In sync with the same and Clause 55 of the Listing Agreement, a Business Responsibility Report is attached forming part of the Annual Report. This Report is in addition to RIL's Sustainability Reporting in accordance with Global Reporting Initiative (GRI).

Shareholders communications: The Board recognises the importance of two-way communication with shareholders and giving a balanced report of results and progress and responds to questions and issues raised in a timely and consistent manner. Reliance's corporate website: www.ril.com has information for institutional and retail shareholders alike. Shareholders seeking information related to their shareholding may contact the Company directly or through any of Investor service centres of the Company's Registrars and Transfer Agents spread over 80 cities across India, details of which are available on the Company's website www.ril.com. Reliance ensures that complaints and suggestions of its shareholders are responded in a timely and consistent manner. A Shareholders' Referencer is provided with this annual report which is quite comprehensive and informative.

Employees' Stock Option Scheme: One of the widest programmes of its kind in the Indian corporate sector, the Company's Employees' Stock Option Programme was introduced in 2007. The programme has ensured complete alignment of individual interests with the growth imperatives of the Company.

Role of the Company Secretary in overall governance process: The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India: The Institute of Company Secretaries of India (ICSI), one of the premier professional bodies in India, has issued Secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. Although these standards are recommendatory in nature, the Company substantially adheres to the standards voluntarily.

2. Board of Directors**Board composition and category of Directors**

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors is as follows:

Category	Name of Directors
Promoter Director	Mukesh D. Ambani Chairman and Managing Director
Executive Directors	Nikhil R. Meswani Hital R. Meswani P.M.S. Prasad Pawan Kumar Kapil
Non-Executive Non-Independent Director	Ramnklal H. Ambani
Independent Directors	Mansingh L. Bhakta Yogendra P. Trivedi Dr. Dharam Vir Kapur Mahesh P. Modi Prof. Ashok Misra Prof. Dipak C. Jain Dr. Raghunath A. Mashelkar

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet with the criteria of independence as provided under clause 49 of the listing agreement.

No Director is related to any other Director on the Board, except Shri Nikhil R. Meswani and Shri Hital R. Meswani, who are related to each other as brothers.



Lead Independent Director

The Board of Directors of the Company has designated Shri Mansingh L. Bhakta as the Lead Independent Director. The role of Lead Independent Director is as follows:

- To preside over all meetings of Independent Directors.
- To ensure that there is adequate and timely flow of information to Independent Directors.
- To liaise between the Chairman and Managing Director, the Management and the Independent Directors.
- To advise on the necessity of retention or otherwise of consultants who report directly to the Board or the Independent Directors.
- To preside over meetings of the Board and Shareholders when the Chairman and Managing Director is not present or where he is an interested party.
- To perform such other duties as may be delegated to the Lead Independent Director by the Board/ Independent Directors.

Directors' Profile

A brief resume of all the Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships, memberships/ chairmanships of Board Committees and their shareholding in the Company are provided below:

Shri Mukesh D. Ambani is a Chemical Engineer from Institute of Chemical Technology, Mumbai (earlier University Department of Chemical Technology, University of Mumbai). He has pursued MBA from Stanford University, USA.

Shri Mukesh D. Ambani has joined Reliance in 1981. He initiated Reliance's backward integration journey from textiles into polyester fibres and further into petrochemicals, petroleum refining and going upstream into oil and gas exploration and production. He created several new world class manufacturing facilities involving diverse technologies that have raised Reliance's petrochemicals manufacturing capacities from less than a million tonnes to about fourteen million tonnes per year. He is envisaging doubling these capacities to twenty seven million tonnes per annum within a short span.

Working hands-on, Shri Mukesh D. Ambani led the creation of the world's largest grassroots petroleum

refinery at Jamnagar, India, with a current capacity of 660,000 barrels per day (33 million tonnes per year) integrated with petrochemicals, power generation, port and related infrastructure. Further, he steered the setting up of another 27 million tonnes refinery next to the existing one in Jamnagar. With an aggregate refining capacity of 1.24 million barrels of oil per day at any single location in the world has transformed "Jamnagar" as the 'Refining Hub of the World'.

In September 2008, when the first drop of crude oil flowed from the Krishna-Godavari basin, Shri Mukesh D. Ambani's vision of energy security for India was being realized.

Shri Mukesh D. Ambani is also steering Reliance's development of infrastructure facilities and implementation of a pan-India organized retail network spanning multiple formats and supply chain infrastructure.

Shri Mukesh D. Ambani is also setting up one of the most complex 4G broadband wireless services offering end to end solutions that address the entire value chain across various digital services in key domains of national interest such as Education, Healthcare, Security, Financial Services, Government-Citizen interfaces and Entertainment.

Shri Mukesh D. Ambani's achievements have been acknowledged at national and international levels. Over the years, some of the awards and recognition bestowed on him are:

- In 2013, he was conferred 'Entrepreneur of the Decade' by All India Management Association.
- In 2010, awarded the Dean's Medal by University of Pennsylvania's Eduardo Glandt, Dean of the School of Engineering and Applied Science for his leadership in the application of Engineering and Technology.
- In 2010, named among the most powerful people in the world by Forbes magazine in its list of "68 people who matter most".
- In 2010, awarded the Indian Merchant's Chamber (IMC) 'Juran Quality Medal 2009'.
- In 2009, ranked the 5th best performing CEO in the world by the Harvard Business Review in its ranking of the top 50 global CEOs.

Shri Mukesh D. Ambani is a member of the Prime Minister's Council on Trade and Industry, Government of India and the Board of Governors of the National Council of Applied Economic Research, New Delhi.

Shri Mukesh D. Ambani is a Member of Millennium Development Goals (MDG) Advocacy Group (MDG Advocate) constituted by United Nations (UN) and a Member of The Foundation Board of World Economic Forum.

Shri Mukesh D. Ambani is a member of the Indo-US CEOs Forum, International Advisory Board of the National Bank of Kuwait, International Advisory Council of Bank of America, The Brookings, McKinsey & Company, Council on Foreign Relations, Member of The Business Council and Asia Business Council and London School of Economics' India Advisory Group.

He is the Chairman, Board of Governors of the Indian Institute of Management, Bangalore and Chairman of Pandit Deendayal Petroleum University, Gandhinagar.

He has been appointed as a Director by the Board of Directors of the Bank of America Corporation on its Board. He is the first non-American to occupy such a position. He is the Chairman of Reliance Retail Limited, Reliance Jio Infocomm Limited (Formerly known as Infotel Broadband Services Limited) and a Director of Reliance Foundation, Pratham Education Foundation, IMG Reliance Private Limited and Reliance Europe Limited.

At RIL, he is the Chairman of the Finance Committee and a Member of the Employees' Stock Compensation Committee. He is the Chairman of Audit Committee of Reliance Retail Limited.

He is Promoter of the Company and holds 36,15,846 shares of the Company in his name as on March 31, 2013.

Shri Nikhil R. Meswani is a Chemical Engineer. He is the son of Shri Rasiklal Meswani, one of the Founder Directors of the Company.

He joined Reliance in 1986 and since July 01, 1988 he is a Whole-time Director designated as Executive Director on the Board of the Company.

He is primarily responsible for Petrochemicals Division and has contributed largely to Reliance to become a global leader in Petrochemicals. In addition, he continues to shoulder several other corporate responsibilities such as Corporate Affairs and Group's taxation policies. He also takes keen interest in IPL cricket franchise "Mumbai Indians".

He was the President of Association of Synthetic Fibre Industry and was also the youngest Chairman of Asian Chemical Fibre Industries Federation.

He was named Young Global Leader by the World Economic Forum in 2005 and continues to actively participate in the activities of the Forum.

He is also a member of the Young Presidents' Organisation.

He was honoured by the Institute of Economic Studies, Ministry of Commerce & Industry, the Textile Association (India), Ministry of Textiles. He is also a distinguished Alumnus of the University Institute of Chemical Technology (UICT), Mumbai.

He is a Director of Reliance Commercial Dealers Limited. He is a member of the Finance Committee and the Shareholders'/Investors' Grievance Committee of the Company. He is the Chairman of the Audit Committee of Reliance Commercial Dealers Limited.

He holds 2,78,374 shares of the Company in his name as on March 31, 2013.

Shri Hital R. Meswani graduated with Honours in the Management & Technology programme from the University of Pennsylvania, U.S.A. where he received a Bachelor of Science Degree in Chemical Engineering from the School of Engineering and Applied Sciences and a Bachelor of Science Degree in Economics from the Wharton Business School.

He joined Reliance Industries Limited in 1990. He is on the Board of the Company as Whole-time Director designated as Executive Director since August 4, 1995, with overall responsibility of the Petroleum Refining Business and all Manufacturing, Research & Technology and Project Execution activities of the group.

He is a Director of Reliance Industrial Investments and Holdings Limited and Reliance Commercial Dealers Limited. He is the Chairman of the Audit Committee of Reliance Industrial Investments and Holdings Limited and is a member of the Audit Committee of Reliance Commercial Dealers Limited. He is a member of the Finance Committee and Shareholders'/Investors' Grievance Committee and Chairman of the Health, Safety and Environment Committee of the Company.

He has been instrumental in the execution of several mega projects of the group including the Hazira Petrochemicals complex and the world's largest Refinery complex at Jamnagar.

He has been awarded an Honorary Fellowship by IChemE (Institution of Chemical Engineers – the International Professional body for Chemical, Biochemical and Process Engineers) in recognition of his contribution to the process industries.



He is the recipient of The 2011 D. Robert Yarnall Award from The Engineering Alumni Society of the University of Pennsylvania.

He also serves on the Board of Overseers at the University of Pennsylvania.

He holds 2,11,886 shares of the Company in his name as on March 31, 2013.

Shri P.M.S. Prasad is a Whole-time Director designated as Executive Director of the Company since August 21, 2009.

He has been with the Company for about 32 years. Over the years, he has held various positions in the Fibres, Petrochemicals, Refining & Marketing and Exploration & Production Businesses of the Company.

He holds Bachelor's degrees in Science and Engineering. He was awarded an honorary doctorate degree by the University of Petroleum Engineering Studies, Dehradun in recognition of his outstanding contribution to the Petroleum sector.

He is on the Board of Governors of the University of Petroleum & Energy Studies, India. He has been conferred the Energy Executive of the Year 2008 award by Petroleum Economist in recognition of his leadership in diversifying RIL from a refining and petrochemicals group into a successful vertically diversified Exploration and Production business.

He is a member of the Health, Safety and Environment Committee of the Company.

He is a Director of Reliance Commercial Dealers Limited and some other Private Limited Companies. He is a member of the Audit Committee of Reliance Commercial Dealers Limited.

He holds 36,666 shares of the Company in his name as on March 31, 2013.

Shri Pawan Kumar Kapil has been appointed as a Whole-time Director designated as Executive Director of the Company with effect from May 16, 2010.

He holds Bachelor's degree in Chemical Engineering and has a rich experience of more than four decades in the Petroleum Refining Industry.

He joined Reliance in 1996 and led the commissioning and start-up of the Jamnagar complex. He was associated with this project since conception right through Design, Engineering, Construction and Commissioning. He also

led the commissioning of the manufacturing operations in the Special Economic Zone (SEZ) at Jamnagar by Reliance.

He started his career in 1966 with the Indian Oil Corporation. In the initial years he worked in various capacities in Operations, Technical Services and start-up/ commissioning of various Refinery Process Units/ facilities in Barauni and Gujarat Refineries. Being a person with a strong penchant for analytical work and high technology skills, he was chosen to head the Central Technical Services Department at the Corporate Office of Indian Oil Corporation. Here he did extensive work in 'expansion of the existing refineries', 'energy optimisation', 'debottlenecking studies' and 'long range planning'.

Then he moved to Mathura Refinery as the head of Refinery Operations. From Mathura he was picked up to become the Director (Technical) of Oil Coordination Committee (OCC) - the 'Think Tank' of the Ministry of Petroleum, the Government of India. He has travelled extensively and has been to USA, Russia, the Middle East, Europe and the Far East in connection with refinery design, technology selection, crude sourcing, etc. Having served for 28 years in Indian Oil Corporation and OCC in various capacities, he rose to the position of Executive Director and spearheaded the setting up of Panipat Refinery for the Indian Oil Corporation.

He has been the Site President of the Jamnagar complex of the Company from 2001 to 2010. He is currently heading Group Manufacturing Services (GMS) since 2011 and working towards achieving excellence in the areas of HSE, Technology, Reliability and Operations of all Manufacturing Sites covering Refineries, Petrochemicals and Polyester Plants of the Company. Under his able leadership, in 2005, the Jamnagar Refinery became the first Asian Refinery to be declared the 'Best Refinery in the world', at the 'World Refining & Fuel Conference' at San Francisco, USA. Both Refineries have bagged many national and international awards for Excellence in Safety performance, Energy conservation & Environment management, including the 'Golden Peacock Global Award for Sustainability for the year 2010'.

In recognition of his excellent achievements, the CHEMTECH Foundation had conferred on him the "Outstanding Achievement Award for Oil Refining" in 2008. He is also a Member of the Research Council of the Indian Institute of Petroleum, Dehradun.

He is a member of the Health, Safety and Environment Committee of the Company.

He holds 10,276 shares of the Company in his name as on March 31, 2013.

Shri Ramniklal H. Ambani is one of the senior most Directors of the Company.

He is the elder brother of Shri Dhirubhai H. Ambani, the Founder Chairman of the Company and has been instrumental in chartering the growth of the Company during its initial years of textile operations from its factory at Naroda, in Ahmedabad.

He along with Late Shri Dhirubhai H. Ambani set up and operated the textiles plant at Naroda, Ahmedabad and was responsible in establishing the Reliance Brand "VIMAL" in the textiles market in the country.

He was appointed as a Chairman of Gujarat Industrial Development Corporation Ltd. (GIDC) for 2 years from 6th June 1978.

In 1981, he was appointed as a Director of the Gujarat Industrial Investment Corporation Limited (GIIC) and continuing his services since last 32 years. He is also Chairman of Audit Committee in GIIC Ltd.

He is a Director of Sintex Industries Ltd since 1994 and is also a member of the Remuneration Committee of Sintex Industries Ltd.

He holds 1,72,632 shares of the Company in his name as on March 31, 2013.

Shri Mansingh L. Bhakta is senior partner of Messers Kanga & Company, a leading firm of Advocates and Solicitors in Mumbai. He has been in practice for over 58 years and has vast experience in legal field and particularly on matters relating to corporate laws, banking and taxation.

He is a legal advisor to leading foreign and Indian companies and banks. He has also been associated with a large number of Euro issues made by Indian companies. He was the Chairman of the Taxation Law Standing Committee of LAWASIA, an Association of Lawyers of Asia and Pacific, which has its headquarters in Australia.

He is a Director of Micro Inks Limited, the Indian Merchant's Chamber, Mumbai, JCB India Limited and Jyoti CNC Automation Limited. He is the Lead Independent Director of the Company. He is a member of the Audit Committees of Micro Inks Limited and JCB India Limited.

He is a recipient of Rotary Centennial Service Award for Professional Excellence from Rotary International. In its normal annual survey conducted by Asia Law Journal, Hong Kong, a leading International law journal, he has been nominated as one of 'the Leading Lawyers of Asia 2011'. Last year was the sixth consecutive year in which he has been so nominated.

He holds 3,20,000 shares of the Company in his name as on March 31, 2013.

Shri Yogendra P. Trivedi is practicing as senior advocate in Supreme Court. He is a member of the Rajya Sabha. He holds important positions in various fields viz. economics, professional, political, commercial, education, medical, sports and social. He has received various Awards and merits for his contribution in various fields. He was a Director in Central Bank of India and Dena Bank, amongst many other reputed companies. He was the past President of the Indian Merchants' Chamber and presently is a Member of the Managing Committee. He was on the Managing Committee of ASSOCHAM and the International Chamber of Commerce. He was the Hon' Counsel of Republic of Ethiopia.

He is the Chairman of Sai Service Station Limited and Trivedi Consultants Private Limited. He is the Director of The Supreme Industries Limited, Zodiac Clothing Company Limited, The Seksaria Biswan Sugar Factory Limited, New Consolidated Construction Company Limited, Emami Limited and Metro Exporters Private Limited.

He is the Chairman of Indo African Chamber of Commerce. He was the President of the Cricket Club of India. He was the past President of the Western India Automobile Association. He is also Member of the Indian Merchants Chamber, All India Association of Industries, W.I.A.A. Club, B.C.A Club, Orient Club, the Yachting Association of India and Yacht Club. He is also the Chairman of the Audit Committee, the Shareholders'/ Investors' Grievance Committee, the Remuneration Committee, the Corporate Governance and Stakeholders' Interface Committee and the Employees' Stock Compensation Committee of the Company. He is a Member of the Audit Committee of Zodiac Clothing Company Limited and The Seksaria Biswan Sugar Factory Limited.

He has been conferred Honorary Doctorate (Honoris Causa) by Fakir Mohan University, Balasore, Odisha.

He holds 27,984 shares of the Company in his name as on March 31, 2013.



Dr. Dharam Vir Kapur is an honours Graduate in Electrical Engineering with wide experience in Power, Capital Goods, Chemicals and Petrochemicals Industries.

He had an illustrious career in the government sector with a successful track record of building vibrant organisations and successful project implementation. He served Bharat Heavy Electricals Limited (BHEL) in various positions with distinction. Most remarkable achievement of his career was establishment of a fast growing systems oriented National Thermal Power Corporation (NTPC) of which he was the founder Chairman-cum-Managing Director, for which he was described as a Model Manager by the Board of Executive Directors of World Bank.

As Secretary to the Government of India in the Ministries of Power, Heavy Industry and Chemicals & Petrochemicals during 1980-86, he made significant contributions with introduction of new management practices and liberalisation initiatives including authorship of “Broad banding” and “Minimum economic sizes” in industrial licensing. He was also associated with a number of national institutions as Member, the Atomic Energy Commission; Member, the Advisory Committee of the Cabinet for Science and Technology; Chairman, the Board of Governors, IIT Bombay (1983-94); Member, the Board of Governors, IIM Lucknow and Chairman, the National Productivity Council.

In recognition of his services and significant contributions in the field of Technology, Management and Industrial Development, Jawaharlal Nehru Technological University, Hyderabad, conferred on him the degree of D.Sc. He is recipient of “India Power, Life Time Achievement Award” presented by the Council of Power Utilities, for his contributions to Energy and Industry sectors. ENERTIA Awards 2010 also conferred Life Time Achievement Award on Dr. Kapur for his contribution to the Power and Energy Sector and for his leadership in the fledgling NTPC.

He is the Chairman (Emeritus) of Jacobs H&G (P) Limited and Chairman of GKN Driveline (India) Limited and Drivetech Accessories Limited. He is also a Director on the Boards of Honda Siel Power Products Limited, Zenith Birla (India) Limited, DLF Limited and other private limited companies. Earlier he was a Director on the Boards of Tata Chemicals Limited, Larsen & Toubro Limited and Ashok Leyland Limited. He is a member of the Corporate Governance and Stakeholders’ Interface Committee, the Remuneration Committee and the Health, Safety and Environment Committee of the Company. He

is Chairman of Audit Committees of Honda Siel Power Products Limited and GKN Driveline (India) Limited, Shareholders’/Investors’ Relations Committees of Honda Siel Power Products Limited and DLF Limited, Remuneration Committees of Honda Siel Power Products Limited and GKN Driveline (India) Limited, Chairman’s Executive Committee of GKN Driveline (India) Limited and Corporate Governance Committee of DLF Limited. He is a member of Audit Committees of Zenith Birla (India) Limited and DLF Limited and Equity Issuance Committee of DLF Limited.

He holds 13,544 shares of the Company in his name as on March 31, 2013.

Shri Mahesh Prasad Modi, M.Sc (Econ.) (London), Fellow, Economic Development Institute of the World Bank, held high positions in the Government of India as Chairman of Telecom Commission & Secretary, Telecommunications Department & Director General, Telecommunications; Secretary, the Ministry of Coal; Special Secretary (Insurance), Economic Affairs Department; and Joint Secretary, the Ministry of Petroleum, Chemicals and Fertilizers. He has served as Director on the Board of Directors of many public sector and private sector companies, including: GAIL (Founder Director), IPCL, BPCL, CRL, BRPL, Life Insurance Corporation of India, General Insurance Corporation, Mangalore Refinery & Petrochemicals, Essar Shipping, BSES, ICICI Prudential Life Insurance Co. and India Advisory Board of BHP Billiton. He has considerable management experience, particularly in the fields of energy, petrochemicals, telecom and insurance.

He is a member of the Audit Committee, the Employees’ Stock Compensation Committee and the Corporate Governance and Stakeholders’ Interface Committee of the Company.

He is a Director on the Board of FACOR Power Limited.

He holds 2,924 shares of the Company in his name as on March 31, 2013.

Prof. Ashok Misra is a B.Tech. in Chemical Engineering from IIT Kanpur, M.S. in Chemical Engineering from the Tufts University and a Ph.D. in Polymer Science & Engineering from the University of Massachusetts. He has also completed the ‘Executive Development Programme’ and ‘Strategies for Improving Directors’ Effectiveness Programme’ at the Kellogg School of Management, Northwestern University.

He was the Director at the Indian Institute of Technology,

Bombay from 2000 to 2008, where he made significant contribution taking the institute to greater heights. During his tenure the IIT Bombay was transformed into a leading Research & Development institute, while at the same time maintaining its reputation as a leader in quality engineering education. Prior to this he was at IIT Delhi from 1977-2000 and at Monsanto Chemical Co. from 1974-1977. He is currently the Chairman-India, Intellectual Ventures. He is a Fellow of the National Academy of Sciences, India (President from 2006 to 2008); the Indian National Academy of Engineering, the Indian Institute of Chemical Engineers, the Indian Plastics Institute and the Maharashtra Academy of Sciences. He is the Founder President of the Polymer Processing Academy and the former President of the Society of Polymer Science, India.

He is an Independent Director on the Board of Jubilant Industries Limited and a member of its Audit Committee and Compensation Committee. He is a member of the Board of Governors of IIT Delhi, member of the IIT Council and a member of the Central Advisory Board of Education of MHRD. He is a member of the Shareholders'/ Investors' Grievance Committee of the Company and a Member of the Investment Committee for Aditya Birla Private Equity – Sunrise Fund. He was on the Board of National Thermal Power Corporation Limited for 6 years. He is/has been on the Boards or Councils of several national and international institutions. He has received several awards including the Distinguished Alumnus Awards from all his alma maters – IIT Kanpur, Tufts University and University of Massachusetts. He was awarded the Distinguished Service Award by IIT Delhi during its Golden Jubilee in 2011. He was awarded the Doctor of Science by Thapar University, Patiala. He has co-authored a book on Polymers, was awarded 6 patents and has over 150 international publications. He is on the editorial board of several scientific journals.

He holds 2,300 shares of the Company in his name as on March 31, 2013.

Prof. Dipak C. Jain has a M.S. in Mathematical Statistics from Guwahati University, India and a Ph.D. in Marketing from the University of Texas at Dallas, United States of America. Prof. Jain is a distinguished teacher and scholar. He had been Dean of the Kellogg School of Management, Northwestern University, Evanston, Illinois, United States of America from 2001 to 2009 and an Associate Dean from 1996 to 2001. Currently, he is the Dean of INSEAD, a leading business school with three campuses at Fontainebleau (Paris), France, Singapore,

and Abu Dhabi. He has more than 30 years' experience in management education. He has published several articles in international journals on marketing and allied subjects.

His academic honors include the Sidney Levy Award for Excellence in Teaching in 1995; the John D.C. Little Best Paper Award in 1991; Kraft Research Professorships in 1989-90 and 1990-91; the Beatrice Research Professorship in 1987-88; the Outstanding Educator Award from the State of Assam in India in 1982; Gold Medal for the Best Post-Graduate of the Year from Guwahati University in India in 1978; Gold Medal for the Best Graduate of the Year from Darrang College in Assam in India in 1976; Gold Medal from Jaycees International in 1976; the Youth Merit Award from Rotary International in 1976; and the Jawaharlal Nehru Merit Award, the Government of India in 1976.

He is a Director of Hindustan Media Ventures Limited and HT Global Education. He is also a Director of John Deere & Company, United States of America, Global Logistic Properties, Singapore and Northern Trust Bank, United States of America. He is a member of the Employees' Stock Compensation Committee of the Company. He is a Director of Reliance Retail Limited and also a member of its Audit Committee.

He does not hold any shares of the Company in his name as on March 31, 2013.

Dr. Raghunath Anant Mashelkar, an eminent scientist, is a Ph.D. in Chemical Engineering. He is the National Research Professor and also the President of Global Research Alliance, a network of publicly funded R&D institute from Asia-Pacific, Europe and USA with over 60,000 scientists.

Formerly, Dr. Mashelkar was the Director General of the Council of Scientific and Industrial Research (CSIR) for over eleven years. He was also the President of Indian National Science Academy (INSA).

He is the only third Indian Engineer to have been elected as Fellow of Royal Society (FRS), London in the twentieth century. He is Foreign Associate of National Academy of Science, USA (2005), Foreign Fellow of US National Academy of Engineering (2003), Fellow of Royal Academy of Engineering, U.K. (1996) and Fellow of American Academy of Arts & Science (2011).

Thirty universities have honoured him with honorary doctorates, which include Universities of London, Salford, Pretoria, Wisconsin and Delhi.



He has won over 50 awards and medals from several bodies for his outstanding contribution in the field of science and technology. He is the only scientist so far to have won the JRD Tata Corporate Leadership Award (1998) and the Star of Asia Award (2005) at the hands of George Bush Sr., the former President of USA.

The President of India honoured Dr. Mashelkar with Padmashri (1991) and with Padmabhushan (2000), which are two of the highest civilian honours in recognition of his contribution to nation building.

He is a Director of Tata Motors Limited, Hindustan Unilever Limited, Thermax Limited, KPIT Cummins Infosystems Limited, IKP Knowledge Park, Piramal Enterprises Limited (formerly Piramal Healthcare Limited) and several private limited companies. He is also a Director of Reliance Gene Medix Plc. (company incorporated outside India).

He is a member of the Audit Committee and the Remuneration Committee of the Company.

He is a member of the Audit Committees of Tata Motors Limited, Hindustan Unilever Limited and Piramal Enterprises Limited (formerly Piramal Healthcare Limited). He is a member of the Remuneration Committee of Hindustan Unilever Limited and KPIT Cummins Infosystems Ltd.

He does not hold any shares of the Company in his name as on March 31, 2013.

3. Board Meetings, Board Committee Meetings and Procedures

A. Institutionalised decision making process

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The Chairman and Managing Director is assisted by the Executive Directors/ Executive Committee comprising senior management personnel.

The Board has constituted seven standing Committees, namely Audit Committee, Corporate Governance and Stakeholders' Interface Committee, Employees' Stock Compensation Committee, Finance Committee, Health, Safety and Environment Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee. The Board is authorised to constitute

additional functional Committees, from time to time, depending on the business needs.

The internal guidelines of the Company for Board/Board Committee meetings facilitate the decision making process at the meetings of the Board/Board Committees in an informed and efficient manner. The following subsections deal with the practice of these guidelines at Reliance.

B. Scheduling and selection of agenda items for Board meetings

- (i) Minimum five pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.
- (ii) The meetings are usually held at the Company's office at Maker Chambers IV, 222 Nariman Point, Mumbai 400 021.
- (iii) All divisions/departments of the Company are advised to schedule their work plans well in advance, particularly with regard to matters requiring discussion/approval/decision at the Board/Board Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the agenda for the Board/Board Committee meetings.
- (iv) The Board is given presentations covering Finance, Sales, Marketing, major business segments and operations of the Company, over view of the business operations of major subsidiary companies, global business environment, all business areas of the Company including business opportunities, business strategy and the risk management practices before taking on record the quarterly/annual financial results of the Company.

The information required to be placed before the Board includes:

- General notices of interest of Directors.
- Appointment, remuneration and resignation of Directors.
- Formation/Reconstitution of Board Committees.
- Terms of reference of Board Committees.
- The minutes of the Board meetings of unlisted subsidiary companies.

- Minutes of meetings of Audit Committee and other Committees of the Board.
 - Declaration of independent directors at the time of appointment/annually.
 - Appointment or resignation of Chief Financial Officer and Company Secretary.
 - Annual operating plans of businesses, capital budgets and any updates.
 - Quarterly results for the Company and its operating divisions or business segments.
 - Annual Financial results of the Company, Auditors' Report and the Report of the Board of Directors.
 - Quarterly Secretarial Audit reports submitted by the Secretarial Auditors.
 - Dividend declaration.
 - Quarterly summary of all long-term borrowings made, bank guarantees issued, loans and investments made.
 - Significant changes in accounting policies and internal controls.
 - Takeover of a company or acquisition of a controlling or substantial stake in another company.
 - Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.
 - Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies.
 - Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
 - Appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee.
 - Internal Audit findings and External Audit Reports (through the Audit Committee).
 - Proposals for major investments, mergers and acquisitions.
 - Details of any joint venture, acquisitions of companies or collaboration agreement.
 - Status of business risk exposures, its management and related action plans.
 - Making of loans and investment of surplus funds.
 - Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer (if any), etc.
 - Show cause, demand, prosecution notices and penalty notices which are materially important.
 - Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
 - Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
 - Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
 - Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like implementation of Voluntary Retirement Scheme, etc.
 - Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
 - Brief on statutory developments, changes in government policies, etc. with impact thereof, directors' responsibilities arising out of any such developments.
 - Compliance Certificate certifying compliance with all Laws as applicable to the Company.
 - Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996.
 - Brief on information disseminated to the press.
- (v) The Chairman of the Board and the Company Secretary in consultation with other concerned members of the senior management, finalise the agenda for the Board meetings.
- C. Board material distributed in advance**
- The agenda and notes on agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.



D. Recording Minutes of proceedings at Board and Committee meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board/Board Committee for their comments. The minutes are entered in the Minutes Book within 30 days from conclusion of the meeting.

E. Post meeting follow-up mechanism

The Guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board and Board Committees thereof. The important decisions taken at the Board/Board Committee meetings are communicated to the departments/divisions concerned promptly. Action taken report on the decisions/minutes of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Board Committee for noting by the Board/Board Committee.

F. Compliance

The Company Secretary, while preparing the agenda, notes on agenda, minutes, etc. of the meeting(s), is

responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 read with the Rules issued thereunder and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

4. Number of Board meetings held and the dates on which held

Five Board meetings were held during the year, as against the minimum requirement of four meetings.

The details of the Board meetings held are as under:

Sl. No.	Date	Board Strength	No. of Directors Present
1	April 20, 2012	13	10
2	July 20, 2012	13	13
3	October 15, 2012	13	13
4	January 18, 2013	13	12
5	March 29, 2013	13	13

5. Attendance of Directors at Board meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various companies:

Name of the Director	Attendance at meetings during 2012-13		No. of Other Directorship(s) ¹	No. of Membership(s) / Chairmanship(s) of Board Committees in other Companies
	Board Meetings	Last AGM		
Mukesh D. Ambani	5	Yes	2	1 (as Chairman)
Nikhil R. Meswani	5	Yes	1	1 (as Chairman)
Hital R. Meswani	5	Yes	2	2 (including 1 as Chairman)
P.M.S. Prasad	5	Yes	1	1
Pawan Kumar Kapil	4	Yes	Nil	Nil
Ramniklal H. Ambani	5	No	2	1 (as Chairman)
Mansingh L. Bhakta	5	Yes	3	2
Yogendra P. Trivedi	5	Yes	6	2
Dr. Dharam Vir Kapur	5	Yes	5	6 (including 4 as Chairman)
Maresh P. Modi	4	Yes	1	Nil
Prof. Ashok Misra	5	Yes	1	1
Prof. Dipak C. Jain	4	No	2	1
Dr. Raghunath A. Mashelkar	4	Yes	5	3

¹The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under Section 25 of the Companies Act, 1956 and private limited companies.

²In accordance with Clause 49, Memberships/Chairmanships of only Audit Committees and Shareholders'/Investors' Grievance Committees in all public limited companies (excluding Reliance Industries Limited) have been considered.

Video/tele-conferencing facilities are used to facilitate directors travelling abroad or present at other locations to participate in the meetings.

6. Board Committees:

A. Standing Committees

Details of the Standing Committees of the Board and other related information are provided hereunder:

Composition of Board Level Committees

Audit Committee

1. Yogendra P. Trivedi - Independent Director (Chairman of the Committee)
2. Mahesh P. Modi - Independent Director
3. Dr. Raghunath A. Mashelkar - Independent Director

Shareholders'/ Investors' Grievance Committee

1. Mansingh L. Bhakta - Independent Director (Chairman of the Committee)^a
2. Yogendra P. Trivedi - Independent Director (Chairman of the Committee)^b
3. Nikhil R. Meswani - Executive Director
4. Hital R. Meswani - Executive Director
5. Prof. Ashok Misra – Independent Director^c

Remuneration Committee

1. Mansingh L. Bhakta - Independent Director (Chairman of the Committee)^a
2. Yogendra P. Trivedi - Independent Director (Chairman of the Committee)^b
3. Dr. Dharam Vir Kapur – Independent Director
4. Dr. Raghunath A. Mashelkar – Independent Director^c

Corporate Governance and Stakeholders' Interface Committee

1. Yogendra P. Trivedi - Independent Director (Chairman of the Committee)
2. Mahesh P. Modi - Independent Director
3. Dr. Dharam Vir Kapur - Independent Director

Employees' Stock Compensation Committee

1. Yogendra P. Trivedi - Independent Director (Chairman of the Committee)
2. Mukesh D. Ambani - Chairman and Managing Director
3. Mahesh P. Modi - Independent Director
4. Prof. Dipak C. Jain - Independent Director

Health, Safety & Environment Committee

1. Hital R. Meswani - Executive Director (Chairman of the Committee)
2. Dr. Dharam Vir Kapur - Independent Director
3. P.M.S. Prasad - Executive Director
4. Pawan Kumar Kapil - Executive Director

Finance Committee

1. Mukesh D. Ambani - Chairman and Managing Director (Chairman of the Committee)
2. Nikhil R. Meswani - Executive Director
3. Hital R. Meswani - Executive Director

a. up to July 20, 2012; b. Chairman w.e.f. July 20, 2012 and c. w.e.f. July 20, 2012

Shri K. Sethuraman, Group Company Secretary and Chief Compliance Officer is the Secretary of all Board Committees.

**Meetings of the Board Level Committees held during the year and attendance of Directors:**

Name of the Committee	Meetings held	Mukesh D. Ambani	Nikhil R. Meswani	Hital R. Meswani	P.M.S. Prasad	P.K. Kapil	Mansingh L. Bhakta	Yogendra P. Trivedi	Dr. Dharam Vir Kapur	Mahesh P. Modi	Prof. Ashok Misra	Prof. Dipak C. Jain	Dr. Raghunath A. Mashelkar
Audit Committee	5	NA	NA	NA	NA	NA	NA	5	NA	4	NA	NA	3
Shareholders' / Investors' Grievance Committee	4	NA	4	4	NA	NA	1*	4	NA	NA	3**	NA	NA
Remuneration Committee	1	NA	NA	NA	NA	NA	1*	1	1	NA	NA	NA	0***
Corporate Governance and Stakeholders' Interface Committee	1	NA	NA	NA	NA	NA	NA	1	1	0	NA	NA	NA
Employees' Stock Compensation Committee	1	1	NA	NA	NA	NA	NA	1	NA	1	NA	1	NA
Health, Safety & Environment Committee	4	NA	NA	4	3	3	NA	NA	4	NA	NA	NA	NA
Finance Committee	7	7	7	7	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA – Not a member of the Committee

* Up to July 20, 2012. One meeting of each of the Committee held during his tenure.

** Appointed as a Member w.e.f. July 20, 2012. Three meetings held during his tenure.

*** Appointed as a Member w.e.f. July 20, 2012. No meeting held during his tenure.

Terms of Reference and other details**(i) Audit Committee**

Composition: All the members of the Audit Committee possess financial / accounting expertise / exposure. The composition of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Objective: The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to

oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies.

Terms of Reference: The terms of reference / powers of the Audit Committee are as under:

A. Powers of Audit Committee

- 1 To investigate any activity within its terms of reference.

- 2 To seek information from any employee.
 - 3 To obtain outside legal or other professional advice.
 - 4 To secure attendance of outsiders with relevant expertise, if it considers necessary.
- B. The role of Audit Committee includes**
- 1 Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - 2 Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of Statutory Auditors including Cost Auditors and fixation of audit fees.
 - 3 Approval of payment to Statutory Auditors including Cost Auditors for any other services rendered by them.
 - 4 Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of related party transactions.
 - Qualifications in draft audit report.
 - 5 Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
 - 6 Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - 7 Reviewing with the management, the performance of Statutory Auditors including Cost Auditors and Internal Auditors, adequacy of internal control systems.
 - 8 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - 9 Discussion with Internal Auditors, any significant findings and follow up thereon.
 - 10 Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - 11 Discussion with Statutory Auditors including Cost Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
 - 12 To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 - 13 To review the functioning of the Whistle Blower Mechanism.
 - 14 Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
 - 15 Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.
 - 16 To review the following information:
 - The management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses; and



- The appointment, removal and terms of remuneration of Internal Auditors.

17 Reviewing the financial statements and in particular the investments made by the unlisted subsidiaries of the Company.

General

Executives of Accounts Department, Finance Department, Secretarial Department and Management Audit Cell and Representatives of the Statutory and Internal Auditors attend the Audit Committee Meetings. The Cost Auditors appointed by the Company under Section 233B of the Companies Act, 1956 attend the Audit Committee Meeting, where cost audit reports are discussed.

The due date for filing the Cost Audit Reports in XBRL mode for the financial year ended March 31, 2012 was February 28, 2013 and the Cost Audit Reports were filed by the Lead Cost Auditor on January 17, 2013. The due date for filing the Cost Audit Reports for the financial year ended March 31, 2013 is September 30, 2013.

The Chairman of the Audit Committee was present at the last Annual General Meeting.

(ii) Corporate Governance and Stakeholders' Interface (CGSI) Committee

Terms of Reference: The terms of reference of the Corporate Governance and Stakeholders' Interface Committee, *inter alia*, include the following:

- 1 Observance of practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary.
- 2 Provision of correct inputs to the media so as to preserve and protect the Company's image and standing.
- 3 Dissemination of factually correct information to the investors, institutions and public at large.
- 4 Interaction with the existing and prospective FIIs and rating agencies, etc.
- 5 Establishing oversight on important corporate communication on behalf of the Company with the assistance of consultants/advisors, if necessary.
- 6 Ensuring institution of standardised channels of internal communications across the Company to facilitate a high level of disciplined participation.
- 7 Recommendation for nomination of Directors on the Board.

Selection of Independent Directors:

Considering the requirement of the skill-sets on the Board, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Corporate Governance and Stakeholders' Interface Committee, which also acts as Nomination Committee, for appointment, *inter alia*, of independent directors on the Board. The number of directorships and memberships held in various committees of other companies by such persons is also considered. The Board considers the recommendations of the Committee and takes appropriate decision.

(iii) Employees' Stock Compensation Committee

Terms of Reference: The Committee was formed, *inter alia*, to formulate detailed terms and conditions of the Employees' Stock Option Scheme including:

- 1 The quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate.
- 2 The conditions under which option vested in employees may lapse in case of termination of employment for misconduct.
- 3 The exercise period within which the employee should exercise the option and that the option would lapse on failure to exercise the option within the exercise period.
- 4 The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee.
- 5 The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period.
- 6 The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others.
- 7 The grant, vesting and exercise of options in case of employees who are on long leave.
- 8 The procedure for cashless exercise of options, if any.

(iv) Finance Committee

Terms of Reference: The terms of reference of the Finance Committee, *inter alia*, include the following:

- 1 Review the Company's financial policies, risk

assessment and minimisation procedures, strategies and capital structure, working capital and cash flow management and make such reports and recommendations to the Board with respect thereto as it may deem advisable.

- 2 Review banking arrangements and cash management.
- 3 Exercise all powers to borrow moneys (otherwise than by issue of debentures) within the limits approved by the Board and taking necessary actions connected therewith including refinancing for optimisation of borrowing costs.
- 4 Giving of guarantees/issuing letters of comfort/providing securities within the limits approved by the Board.
- 5 Borrow monies by way of loan and/or issuing and allotting bonds/notes denominated in one or more foreign currencies in international markets, for the purpose of refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments within the limits approved by the Board.
- 6 Provide corporate guarantee/performance guarantee by the Company within the limits approved by the Board.
- 7 Approve opening and operation of Investment Management Accounts with foreign banks and appoint them as agents, establishment of representative/sales offices in or outside India etc.
- 8 Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

- 9 Other transactions or financial issues that the Board may desire to have them reviewed by the Finance Committee.
- 10 Delegate authorities from time to time to the executives/authorised persons to implement the decisions of the Committee.
- 11 Regularly review and make recommendations about changes to the charter of the Committee.

(v) Health, Safety and Environment (HS&E) Committee

Terms of Reference: The Health, Safety and Environment Committee has been constituted, *inter alia*, to monitor and ensure maintaining the highest standards of environmental, health and safety norms and compliance with applicable pollution and environmental laws at all works / factories / locations of the Company and to recommend measures, if any, for improvement in this regard.

The Committee reviews, *inter alia*, the Health, Safety and Environment Policy of the Company, performance on health, safety and environment matters and the procedures and controls being followed at various manufacturing facilities of the Company and compliance with the relevant statutory provisions.

(vi) Remuneration Committee

Terms of Reference: The Remuneration Committee has been constituted to recommend/review remuneration of the Managing Director and Whole-time Directors, based on their performance and defined assessment criteria.

Remuneration policy, details of remuneration and other terms of appointment of Directors:

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

Remuneration paid to the Chairman and Managing Director and the Whole-time Directors during 2012-13:

₹ in crore

Name of the Director	Salary	Perquisites and allowances	Retiral benefits	Commission payable	Performance Linked Incentive*	Total	Stock Options granted
Mukesh D. Ambani	4.16	0.60	0.89	9.35	-	15.00	Nil
Nikhil R. Meswani	1.04	1.45	0.24	8.32	-	11.05	Nil
Hital R. Meswani	1.04	1.45	0.24	8.32	-	11.05	Nil
P.M.S. Prasad	0.86	1.33	0.16	-	3.12	5.47	Nil
Pawan Kumar Kapil	0.50	0.75	0.09	-	0.65	1.99	Nil

* Performance Linked Incentive for financial year 2011-12 was paid during financial year 2012-13



The Chairman and Managing Director's compensation has been set at ₹ 15 crore as against ₹ 38.93 crore that he is eligible as per the shareholders' approval, reflecting his desire to continue to set a personal example for moderation in managerial compensation levels.

The performance criteria for the Executive Directors who are entitled for Performance Linked Incentive (PLI) is determined by the Remuneration Committee.

The tenure of office of the aforesaid Managing Director and Whole-time Directors is for a period of 5 years from their respective dates of appointments and can be terminated by either party by giving three months' notice in writing. There is no separate provision for payment of severance fees.

Sitting fee and commission to the Non-Executive Directors:

₹ in lakhs	
Name of the Non-Executive Director	Sitting Fee
Ramniklal H. Ambani	1.00
Mansingh L. Bhakta	1.40
Yogendra P. Trivedi	3.40
Dr. Dharam Vir Kapur	2.20
Mahesh P. Modi	1.80
Prof. Ashok Misra	1.60
Prof. Dipak C. Jain	1.00
Dr. Raghunath A. Mashelkar	1.40
Total	13.80

Each of the Non-Executive Directors will also be paid commission amounting to ₹ 50 lakhs on an annual basis and the total commission payable to such directors shall not exceed ₹ 5 (five) crore per annum in the aggregate.

During the year, the Company has paid ₹ 0.29 crore as professional fees to M/s. Kanga & Co., a firm in which Shri Mansingh L. Bhakta, Director of the Company, is a partner. There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

(vii) Shareholders' / Investors' Grievance Committee

Terms of Reference: The Shareholders'/Investors' Grievance Committee, *inter alia*, approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also looks into redressal of shareholders'/investors' complaints related to transfer of shares, non-receipt of annual reports, non-receipt of declared dividend, etc. The Committee oversees performance of the Registrars & Transfer Agents of the Company and

recommends measures for overall improvement in the quality of investor services. The Committee also monitors implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Compliance Officer

Shri K. Sethuraman, Group Company Secretary and Chief Compliance Officer, is the Compliance Officer for complying with the requirements of the Securities Laws and the Listing Agreements with the Stock Exchanges.

Investor Grievance Redressal

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	Number of Complaints
Non-Receipt of Annual Reports	275
Non-Receipt of Dividend Warrants	2265
Non-Receipt of Interest/ Redemption Warrants	144
Non-Receipt of Certificates	142
Total	2826

As on March 31, 2013, 10 complaints were outstanding which were resolved by April 4, 2013.

B. Functional Committees

The Board is authorised to constitute one or more Functional Committees delegating thereto powers and duties with respect to specific purposes. Meetings of such Committees are held as and when the need arises. Time schedule for holding the meetings of such Functional Committees are finalised in consultation with the Committee Members.

Procedure at Committee Meetings

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as may be practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its work. Minutes of the proceedings of the Committee meetings are placed before the Board meetings for perusal and noting.

7. Meetings of Independent Directors

The Independent Directors of the Company meet from time to time as they deem appropriate without the presence of Executive Directors or management personnel. These meetings are conducted in an informal manner to enable the Independent Directors to discuss matters pertaining to the affairs of the Company and put forth their views to the Lead Independent Director. The Lead Independent

Director takes appropriate steps to present such views to the Chairman and Managing Director.

8. Code of Business Conduct & Ethics for Directors/ Management Personnel

The Code of Business Conduct & Ethics for Directors/ Management Personnel ('the Code'), as recommended by the Corporate Governance and Stakeholders' Interface Committee and adopted by the Board, is a comprehensive Code applicable to all Directors and Management Personnel. The Code while laying down, in detail, the standards of business conduct, ethics and governance, centres around the following theme:

"The Company's Board of Directors and Management Personnel are responsible for and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. This Code should be adhered to in letter and in spirit."

A copy of the Code has been put on the Company's website www.ril.com. The Code has been circulated to all the Directors and Management Personnel and the compliance of the same is affirmed by them annually.

A declaration signed by the Chairman and Managing Director of the Company is given below:

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct & Ethics for Directors/Management Personnel in respect of the financial year 2012-13.

Mukesh D. Ambani
Chairman and Managing Director

9. Subsidiary Companies' Monitoring Framework

All subsidiary companies of the Company are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company does not have any material unlisted subsidiary and hence is not required to nominate an independent director of the Company on the Board of any subsidiary. The Company monitors performance of subsidiary companies, *inter alia*, by the following means:

- (a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.

- (b) All minutes of Board meetings of the unlisted subsidiary companies are placed before the Company's Board regularly.
- (c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

Prof. Dipak C. Jain, Independent Director of the Company has been appointed as a Director on the Board of Reliance Retail Limited, a subsidiary of the Company.

10. General Body Meetings

(i) Annual General Meetings

The Annual General Meetings of the Company during the preceding three years were held at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai - 400 020.

The date and time of the Annual General Meetings held during the preceding three years and the special resolution(s) passed thereat are as follows:

Year	Date	Time	Special Resolution Passed
2011-12	June 07, 2012	11.00 a.m.	Nil
2010-11	June 03, 2011	11.00 a.m.	Nil
2009-10	June 18, 2010	11.00 a.m.	Nil

(ii) Special Resolution passed through Postal Ballot

No special resolution was passed through Postal Ballot during the Financial Year 2012-13. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

11. a. Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors and the management, their relatives or subsidiaries, etc. that may have potential conflict with the interests of the Company at large

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 30 of the Standalone Financial Statements, forming part of the Annual Report.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share,



profitability, legal requirements, liquidity and capital resources of subsidiaries and associates.

All related party transactions are negotiated on arms length basis and are intended to further the interests of the Company.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

However, SEBI has issued Show Cause Notices in the last three years in connection with (i) sale of shares of erstwhile Reliance Petroleum Limited; (ii) the allotment of equity shares of the Company to certain companies against detachable warrants attached to privately placed debentures issued by the Company and (iii) disclosure of Earnings Per Share and diluted Earnings Per Share in the filing with the Stock Exchanges in respect of shares against warrants issued in April, 2007. The Company has submitted its reply for the same.

12. Means of Communication

- (i) **Quarterly Results:** Quarterly Results of the Company are published in 'Financial Express'/'Indian Express' and 'Navshakti' and are displayed on the Company's website www.ril.com.
- (ii) **News Releases, Presentations, etc.:** Official news releases and Official Media Releases are sent to the Stock Exchanges.
- (iii) **Presentations to Institutional Investors / Analysts:** Detailed Presentations are made to Institutional Investors and Financial Analysts, on the unaudited quarterly financial results as well as the annual audited financial results of the Company. These presentations are also uploaded on the Company's website www.ril.com.
- (iv) **Website:** The Company's website www.ril.com contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.
- (v) **Annual Report:** Annual Report containing, *inter alia*, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors'

Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website www.ril.com.

- (vi) **Chairman's Communique:** Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings. The same is also placed on the website of the Company and sent to the Stock Exchanges.
- (vii) **Reminder to Investors:** Reminders for unclaimed shares, unpaid dividend/unpaid interest or redemption amount on debentures are sent to the shareholders/debenture holders as per records every year.
- (viii) **Corporate Filing and Dissemination System (CFDS):** The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by listed companies. All disclosures and communications to BSE & NSE are filed electronically through the CFDS portal and hard copies of the said disclosures and correspondence are also filed with the Stock Exchanges.
- (ix) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, etc. are filed electronically on NEAPS.
- (x) **BSE Corporate Compliance & Listing Centre (the "Listing Centre"):** The Listing Centre of BSE is a web based application designed by BSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, etc. are also filed electronically on the Listing Centre.
- (xi) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- (xii) **Designated Exclusive email-id:** The Company has designated the following email-ids exclusively for investor servicing:
 - (a) For queries on Annual Report - investor_relations@ril.com
 - (b) For queries in respect of shares in physical mode- rilinvestor@karvy.com

(xiii) **Shareholders' Feedback Survey:** The Company had sent feedback forms seeking shareholders' views on various matters relating to investor services and the Annual Report 2011-12. The feedback received from the shareholders was placed before the Shareholders'/Investors' Grievance Committee.

13. General Shareholder Information

(i) Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17110MH1973PLC019786.

(ii) Annual General Meeting

(Day, Date, Time and Venue):

Thursday, June 06, 2013 at 11.00 a.m.

Birla Matushri Sabhagar,

19, New Marine Lines, Mumbai 400 020

(iii) **Financial Year:** April 1, 2013 to March 31, 2014

(iv) Financial Calendar (tentative)

Results for the quarter ending:

June 30, 2013 - Third week of July, 2013

September 30, 2013 - Third week of October, 2013

December 31, 2013 - Third week of January, 2014

March 31, 2014 - Third week of April, 2014

Annual General Meeting - June, 2014

(v) Date of Book Closure

Tuesday, May 14, 2013 to Saturday, May 18, 2013

(both days inclusive) for payment of dividend.

(vi) Dividend Payment Date

Credit/dispatch of dividend warrants between June 7, 2013 and June 13, 2013.

(vii) Listing on Stock Exchanges

A) Equity Shares

(i) BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001
Scrip Code 500325

(ii) National Stock Exchange of India Limited (NSE)

"Exchange Plaza",
Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Trading Symbol - RELIANCE EQ
ISIN : INE002A01018

B) Global Depository Receipts (GDRs)

(i) Listing

Luxembourg Stock Exchange,
11, Avenue de la Porte-Neuve,
L – 2227, Luxembourg.

Also traded on International Order Book System (London Stock Exchange) and PORTAL System (NASDAQ, USA) Trading Symbol RILYP, CUSIP 759470107

(ii) Overseas Depository

The Bank of New York Mellon Corporation
101, Barclay Street, New York,
NY 10286 USA

(iii) Domestic Custodian

ICICI Bank Limited,
Empire Complex,
E7/F7, 1st Floor,
414, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013

C) Debt Securities

(i) The Wholesale Debt Market (WDM) Segment of BSE & NSE.

(ii) Debenture Trustees

(a) Axis Bank Limited

Axis House, C-2,
Wadia International Centre,
Pandurang Budhkar Marg,
Worli, Mumbai 400 025

(b) IDBI Trusteeship Services Limited

Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai 400 001

(c) Axis Trustee Services Limited

Axis House, 2nd Floor,
Wadia International Centre,
Pandurang Budhkar Marg,
Worli, Mumbai 400 025

D) Payment of Listing Fees: Annual listing fee for the year 2013-14 has been paid by the Company to BSE and NSE. Annual maintenance and listing agency fee for the calendar year 2013 has been paid by the Company to the Luxembourg Stock Exchange.

E) Payment of Depository Fees: Annual Custody/ Issuer fee for the year 2013-14 has been paid by the Company to NSDL and CDSL.

**(viii) Stock Market Price Data**

Month	National Stock Exchange (NSE) (In ₹ per share)		BSE Limited (BSE) (In ₹ per share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2012	762.90	723.70	762.40	724.05
May 2012	751.40	673.05	750.90	671.00
June 2012	742.95	673.40	742.50	673.50
July 2012	746.10	706.65	745.00	707.30
August 2012	824.90	730.55	824.95	730.50
September 2012	881.60	760.05	881.00	760.10
October 2012	862.00	682.35	860.40	792.35
November 2012	814.90	761.10	814.55	761.00
December 2012	849.80	789.75	849.40	789.60
January 2013	955.00	836.25	954.80	836.30
February 2013	901.00	805.75	900.60	805.80
March 2013	869.40	764.40	869.00	765.00

(ix) Share Price Performance in comparison to broad based indices – BSE Sensex and NSE Nifty as on March 31, 2013

	BSE (% Change)		NSE (% Change)	
	RIL	Sensex	RIL	Nifty
FY 2012-13	3.40%	8.23%	3.34%	7.31%
2 years	-26.16%	-3.13%	-26.33%	-2.59%
3 years	43.99%	7.46%	43.90%	8.26%
5 years	-31.67%	20.40%	-31.78%	20.02%

(x) Registrars and Transfer Agents

Karvy Computershare Private Limited
Plot No.17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081.
Tel:+91 40-44655070-5099
Toll Free No.18004258998
Fax +91 40-23114087
e-mail: rilinvestor@karvy.com
Website: www.karvy.com

List of Investor Service Centres of Karvy Computershare Private Limited is available on the website of the Company www.ril.com.

(xi) Share Transfer System

Share transfers are processed and share certificates duly endorsed are returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Managing Director and/or Company Secretary. A summary of transfer/transmission of securities of the Company so approved by the Managing Director/Company Secretary is placed at every Board meeting / Shareholders'/Investors' Grievance Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with the Stock Exchanges.

(xii) A) Distribution of Shareholding as on March 31, 2013

Category code	Category of shareholder	Number of shareholders	Total number of shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group¹			
(1)	Indian	70*	146 39 41 357	45.34
(2)	Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	70*	146 39 41 357	45.34
(B)	Public Shareholding²			
(1)	Institutions	2 105	92 87 66 000	28.77

Category code	Category of shareholder	Number of shareholders	Total number of shares	As a percentage of (A+B+C)
(2)	Non-institutions	31 59 658	72 18 49 105	22.36
	Total Public Shareholding	31 61 763	165 06 15 105	51.13
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	0	0	0.00
(2)	Public	1	11 41 06 920	3.53
	TOTAL (A) + (B) + (C)	31 61 834	322 86 63 382	100.00

¹For definitions of “Promoter Shareholding” and “Promoter Group”, refer to Clause 40A of Listing Agreement.

²For definition of “Public Shareholding”, refer to Clause 40A of Listing Agreement.

*As per disclosure under regulation 30(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, furnished by the promoters.

B) Shareholding Pattern by Size as on March 31, 2013

Sl. No.	Category (Shares)	Holders	Shares	% of Total Shares
1	Up to 500	30 31 891	20 45 98 535	6.34
2	501 - 1000	77 105	5 41 61 190	1.68
3	1001 - 2000	32 706	4 53 63 129	1.41
4	2001 - 3000	8 574	2 08 93 273	0.65
5	3001 - 4000	3 589	1 24 60 936	0.39
6	4001 - 5000	1 983	89 38 531	0.28
7	5001 - 10000	3 173	2 18 89 392	0.68
8	10001 - 20000	1 134	1 58 75 206	0.49
9	Above 20000	1 679	284 44 83 190	88.10
	TOTAL	31 61 834	322 86 63 382	100.00

C) Build up of Equity Share Capital

Sl. No.	Particulars	Allotment Date	No. of Shares
1	Subscribers to Memorandum	October 19, 1975	1 100
2	Shareholders of Reliance Textile Industries Limited (Merged with the Company)	May 9, 1977	59 50 000
3	Conversion of Loan	September 28, 1979	9 40 000
4	Rights Issue - I	December 31, 1979	6 47 832
5	Bonus Issue - I	September 19, 1980	45 23 359
6	Debenture Series I Conversion	December 31, 1980	8 40 575
7	Consolidation of Fractional Coupon Shares	May 15, 1981	24 673
8	Conversion of Loan	June 23, 1981	2 43 200
9	Conversion of Loan	September 22, 1981	1 40 800
10	Rights Issue II	October 6, 1981	23 80 518
11	Debenture Series II Conversion	December 31, 1981	8 42 529
12	Debenture Series I Conversion Phase II	December 31, 1981	27 168
13	Shareholders of Sidhpur Mills Co Limited (Merged with the Company)	April 12, 1982	81 059
14	Rights Issue II NRI	June 15, 1982	774
15	Debenture Series III Conversion	August 31, 1982	19 20 000
16	Rights Issue II	September 9, 1982	41
17	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) II	December 29, 1982	1 942



Sl. No.	Particulars	Allotment Date	No. of Shares
18	Bonus Issue- II	September 30, 1983	1 11 39 564
19	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) III	September 30, 1983	371
20	Debenture Series IV Conversion	September 30, 1983	64 00 000
21	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) IV	April 5, 1984	617
22	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) V	June 20, 1984	50
23	Debenture Series I Conversion	October 1, 1984	97 66 783
24	Debenture Series II Conversion	December 31, 1984	2 16 571
25	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VI	January 31, 1985	91
26	Consolidation of Fractional Coupon Shares	April 30, 1985	45 005
27	Debenture Series E Conversion	April 30, 1985	53 33 333
28	Debenture Series III Conversion	July 5, 1985	52 835
29	Debenture Series IV Conversion	December 17, 1985	42 871
30	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VII	December 31, 1985	106
31	Consolidation of Fractional Coupon Shares	December 31, 1985	610
32	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VIII	November 15, 1986	40 284
33	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) IX	April 1, 1987	169
34	Debenture Series G Conversion	August 1, 1987	6 60 30 100
35	Rights Issue III	February 4, 1988	3 15 71 695
36	Debenture Series G Conversion	February 4, 1988	29 35 380
37	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) X	June 2, 1988	25
38	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XI	October 31, 1988	10
39	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XII	November 29, 1990	322
40	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XIII	May 22, 1991	46
41	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XIV	October 10, 1991	25
42	Euro Issue GDR-I	June 3, 1992	1 84 00 000
43	Shareholders of Sidhpur Mills Co Limited (Merged with the Company)		4060
44	Shareholders of Reliance Petrochemicals Limited (Merged with the Company)	December 4, 1992	7 49 42 763
45	Loan Conversion	July 7, 1993	3 16 667
46	Debenture Series H Conversion	August 26, 1993	3 64 60 000
47	Warrant Conversion (Debenture Series F)	August 26, 1993	1 03 16 092
48	Euro Issue GDR II	February 23, 1994	2 55 32 000
49	Loan Conversion	March 1, 1994	18 38 950
50	Warrant Conversion (Debenture Series J)	August 3, 1994	87 40 000
51	Private Placement of Shares	October 21, 1994	2 45 45 450
52	Conversion of Reliance Petrochemicals Limited Debentures	December 22, 1994	75 472
53	Shareholders of Reliance Polypropylene Limited and Reliance Polyethylene Limited (Merged with the Company)	March 16, 1995	9 95 75 915
54	Warrants Conversion	March 10, 1995	74 80 000
55	Conversion of 3.5% ECB Due 1999 I	May 24, 1997	544

Sl. No.	Particulars	Allotment Date	No. of Shares
56	Conversion of 3.5% ECB Due 1999 II	July 11, 1997	13 31 042
57	Conversion of 3.5% ECB Due 1999 III	July 22, 1997	6 05 068
58	Conversion of 3.5% ECB Due 1999 IV	September 13, 1997	18 64 766
59	Conversion of 3.5% ECB Due 1999 V	October 22, 1997	18 15 755
60	Conversion of 3.5% ECB Due 1999 VI	November 4, 1997	1 03 475
61	Bonus Issue III	December 20, 1997	46 60 90 452
62	Conversion of 3.5% ECB Due 1999 VII	December 4, 1997	15 68 499
63	Conversion of 3.5% ECB Due 1999 VIII	September 27, 1999	7 624
64	Conversion of Warrants	January 12, 2000	12 00 00 000
65	Shareholders of Reliance Petroleum Limited (Merged with the Company)	October 23, 2002	34 26 20 509
66	Shareholders of Indian Petrochemicals Corporation Limited (Merged with the Company)	October 13, 2007	6 01 40 560
67	Exercise of Warrants	October 3, 2008	12 00 00 000
68	ESOS – Allotment	Various dates in 2008-09	1 49 632
69	Shareholders of Reliance Petroleum Limited (Merged with the Company)	September 30, 2009	6 92 52 623
70	Bonus Issue IV	November 28, 2009	1 62 67 93 078
71	ESOS – Allotment	Various dates in 2009-10	5 30 426
72	ESOS – Allotment	Various dates in 2010-11	29 99 648
73	ESOS – Allotment	Various dates in 2011-12	13 48 763
74	ESOS - Allotment	February 22, 2013	1 86 891
	Less: Shares bought back and extinguished on January 24, 2005		-28 69 495
	Less: Shares bought back and extinguished from February 08, 2012 to January 22, 2013		-4 62 46 280
	Total Equity as on March 31, 2013		322 86 63 382

(xiii) Corporate Benefits to Investors**a. Dividend Declared for the last 10 Years**

Financial Year	Dividend Declaration	Dividend per Share*
2002-03	June 16, 2003	5
2003-04	June 24, 2004	5.25
2004-05	August 03, 2005	7.5
2005-06	June 27, 2006	10
2006-07	March 10, 2007	11
2007-08	June 12, 2008	13
2008-09	October 7, 2009	13
2009-10	June 18, 2010 (post bonus issue 1:1)	7
2010-11	June 03, 2011	8
2011-12	June 07, 2012	8.5

* Share of paid-up value of ₹10 per share.

Note: Dividend of ₹ 9.00 per share, recommended by the Directors on April 16, 2013, is subject to declaration by the shareholders at the ensuing Annual General Meeting.

b. Bonus Issues of Fully Paid-up Equity Shares

Financial Year	Ratio
1980-81	3:5
1983-84	6:10
1997-98	1:1
2009-10	1:1

c. Shares issued on Demerger

Consequent upon the demerger of the Coal based, Gas based, Financial services and Telecommunications undertakings/businesses of the Company in December, 2005, the shareholders of the Company were allotted equity shares of the four companies, namely, Reliance Energy Ventures Limited (REVL), Reliance Natural Resources Limited (RNRL), Reliance Capital Ventures Limited (RCVL) and Reliance Communication Ventures Limited (RCoVL) in the ratio of one equity share of each of the companies for every equity share held by the shareholders except specified shareholders, in Reliance Industries Limited, as on the record date fixed for the purpose.



Accordingly, 122,31,30,422 equity shares each of REVL, RNRL, RCVL and RCoVL were allotted on January 27, 2006.

(xiv) Dematerialisation of Shares

Sl. No.	Mode of Holding	% age
1	NSDL	95.28
2	CDSL	2.30
3	Physical	2.42
	Total	100.00

97.58% of Company's paid-up Equity Share Capital has been dematerialised upto March 31, 2013 (97.49% up to March 31, 2012). Trading in Equity Shares of the Company is permitted only in dematerialised form.

(xv) Liquidity

The Company's Equity Shares are among the most liquid and actively traded shares on the Indian Stock Exchanges. RIL shares consistently rank among the top few frequently traded shares, both in terms of the number of shares traded, as well as value. The highest trading activity is witnessed on the BSE and NSE.

Relevant data for the average daily turnover for the financial year 2012-13 is given below:

	BSE	NSE	Total
Shares (nos.)	4 34 133	30 90 171	35 24 304
Value (in ₹ crore)	34.32	244.98	279.30

[Source: This information is compiled from the data available from the websites of BSE and NSE]

(xvi) Outstanding GDRs / Warrants and Convertible Bonds, Conversion Date and likely impact on equity

(a) **GDRs:** Outstanding GDRs as on March 31, 2013 represent 11,41,06,920 equity shares constituting 3.53% of the paid-up Equity Share Capital of the Company. Each GDR represents two underlying equity shares in the Company. GDR is not a specific time-bound instrument and can be surrendered at any time and converted into the underlying equity shares in the Company. The shares so released in favor of the investors upon surrender of GDRs can either be held by the investors concerned in their name or sold off in the Indian secondary markets for cash. To the extent of the shares so sold in Indian markets, GDRs can be reissued under the available head room.

RIL GDR Program - Important Information

RIL GDRs are listed at Luxembourg Stock Exchange. GDRs are traded on International Order Book (IOB) of London Stock Exchange. GDRs are also traded amongst Qualified Institutional Investors in the Portal System of NASD, USA.

RIL GDRs are exempted securities under US Securities Law. RIL GDR program has been established under Rule 144A and Regulation S of the US Securities Act, 1933. Reporting is done under the exempted route of Rule 12g3-2(b) under the US Securities Exchange Act, 1934.

The Bank of New York Mellon is the Depository and ICICI Bank Limited is the Custodian of all the Equity Shares underlying the GDRs issued by the Company.

RIL GDR Price Movement over last 1 year



(Source : Bank of New York Mellon website)

(b) **Employee Stock Options:** The Company has not granted any Options during the financial year 2012-13.

Members may refer to the disclosures set out under Annexure I to the Directors' Report with regard to particulars of Employees' Stock Options.

(xvii) Plant Locations

Allahabad

A/10-A/27, UPSIDC Industrial Area
P. O. T.S.L. Allahabad - 211 010,
Uttar Pradesh, India.

Barabanki

Dewa Road, P.O. Somaiya Nagar
Barabanki - 225 123, Uttar Pradesh, India.

Dahej

P. O. Dahej,
Taluka: Vagra, Dist: Bharuch - 392 130,
Gujarat, India

Gadimoga

Tallarevu Mandal
East Godavari District Gadimoga – 533 463,
Andhra Pradesh, India

Hazira

Village Mora, P.O. Bhatha, Surat
Hazira Road, Surat - 394 510, Gujarat, India.

Hoshiarpur

Dharamshala Road, V.P.O. Chohal
District Hoshiarpur - 146 024, Punjab, India.

Jamnagar

Village Meghpar/Padana, Taluka Lalpur
Jamnagar - 361 280, Gujarat, India.

Jamnagar SEZ Unit

Village Meghpar/Padana, Taluka Lalpur
Jamnagar - 361 280, Gujarat, India.

Nagothane

Nagothane Manufacturing Division
P. O. Petrochemicals Township
Nagothane - 402 125, Roha Taluka,
Dist. Raigad, Maharashtra, India.

Nagpur

Village Dahali, Mouda Ramtek Road
Tehsil Mouda – 441 104, District Nagpur
Maharashtra, India.

Naroda

103/106, Naroda Industrial Estate, Naroda,
Ahmedabad - 382 330, Gujarat, India.

Patalganga

B-1 to B-5 & A3, MIDC Industrial Area, P.O. Rasayani,
Patalganga – 410 220, Dist. Raigad
Maharashtra, India.

Silvassa

342, Kharadpada, Naroli, Near Silvassa
Union Territory of Dadra & Nagar
Haveli - 396 235, India.

Vadodara

P. O. Petrochemicals
Vadodara - 391 346, Gujarat, India.

Oil & Gas Blocks

Panna Mukta, Tapti, NEC-OSN-97/2, KG-DWN-98/3,
GS-OSN-2000/1, CY-PR-DWN-2001/3, CYDWN-2001/2,
KG-DWN-2003/1, CB-ONN-2003/1, KG-DWN-2004/4,
MN-DWN-2004/1, MN-DWN-2004/2 and KG-DWN-2005/2.

CBM Blocks

SP (West) – CBM – 2001/1, SP (East) – CBM – 2001/1

(xviii) Address for Correspondence**(a) Investor Correspondence****For Shares/Debtentures held in Physical form**

Karvy Computershare Private Limited
Plot No.17-24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081.
Tel:+91 40-44655070-5099
Toll Free No.18004258998
Fax +91 40-23114087
e-mail: rilinvestor@karvy.com
Website: www.karvy.com

For Shares/Debtentures held in Demat form

Investors' concerned Depository Participant(s) and
/or Karvy Computershare Private Limited.

(b) Any query on Annual Report

Shri S. Sudhakar
Vice President, Corporate Secretarial
Reliance Industries Limited,
3rd Floor, Maker Chambers IV,
222, Nariman Point,
Mumbai 400 021.
e-mail: investor_relations@ril.com

(xix) Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund

During the year under review, the Company has credited ₹ 6.53 crore, lying in the unpaid / unclaimed dividend account, to the Investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

The cumulative amount transferred to IEPF up to March 31, 2013 is ₹ 99.27 crore.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on June 07, 2012 (date of last Annual General Meeting) on the website of the Company (www.ril.com), as also on the Ministry of Corporate Affairs website.

(xx) Equity Shares in the Suspense Account

In terms of Clause 5A(I) and Clause 5A(II) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense accounts which were issued in demat form and physical form, respectively:



Particulars	Demat		Physical	
	Number of Shareholders	Number of equity shares	Number of Shareholders (phase wise transfers)	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2012	97	1,322	1,64,437	64,13,975
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	1	14	1,346*	1,18,583*
Number of shareholders to whom shares were transferred from the suspense account during the year	1	14	1,300	1,14,717
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2013	96	1,308	1,63,137	62,99,258

*3,866 shares held by 46 shareholders were transferred from the suspense account on April 3, 2013.

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2013 shall remain frozen till the rightful owner of such shares claims the shares.

14. Compliance Certificate of the Auditors

Certificate from the Auditors of the Company, M/s. Chaturvedi & Shah, M/s. Deloitte Haskins & Sells and M/s. Rajendra & Co., confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is attached to the Directors' Report forming part of the Annual Report.

This Certificate has also been forwarded to the Stock Exchanges where the securities of the Company are listed.

15. Adoption of Mandatory and Non-Mandatory Requirements of Clause 49

The Company has complied with all mandatory requirements and has adopted following non-mandatory requirements of Clause 49:

Remuneration Committee

The Company has constituted Remuneration Committee to recommend/review remuneration of the Managing Director and Whole-time Directors based on their performance and defined assessment criteria.

Communication to Shareholders

Half yearly Reports covering financial results were sent to members at their registered addresses.

Audit Qualification

The Company is in the regime of unqualified financial statements.

Training of Board Members

The Board members are provided with the necessary

documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Whistle Blower policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

16. CEO and CFO Certification

The Chairman and Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.

Secretarial Audit Report

The Board of Directors
Reliance Industries Limited
3rd Floor, Maker Chambers IV
222 Nariman Point
Mumbai 400 021

I have examined the registers, records and documents of Reliance Industries Limited (“the Company”) for the financial year ended on March 31, 2013 according to the provisions of-

- The Companies Act, 1956 and the Rules made under that Act;
 - The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made under that Act;
 - The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
 - The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB);
 - The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
 - The Equity Listing Agreements with BSE Limited and National Stock Exchange of India Limited and GDR Listing Agreement with Luxembourg Stock Exchange and Debt Listing Agreements with National Stock Exchange of India Limited and BSE Limited; and
 - The Memorandum and Articles of Association;
1. Based on my examination and verification of the registers, records and documents produced to me and according to the information and explanations given to me by the Company, I report that the Company has, in my opinion, complied with the provisions of the

Companies Act, 1956 (“the Act”) and the Rules made under the Act and the Memorandum and Articles of Association of the Company, with regard to:

- (a) maintenance of various statutory registers and documents and making necessary entries therein;
- (b) closure of the Register of Members / Debenture holders;
- (c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- (d) service of documents by the Company on its Members, Debenture holders, Debenture Trustees, Auditors and the Registrar of Companies;
- (e) notice of Board meetings and Committee meetings of Directors;
- (f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- (g) the 38th Annual General Meeting held on June 7, 2012;
- (h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- (i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- (j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;
- (k) payment of remuneration to Directors including the Managing Director and Whole-time Directors;
- (l) appointment and remuneration of Auditors and Cost Auditors;
- (m) transfers and transmissions of the Company’s shares and debentures, and issue and dispatch of duplicate certificates of shares;
- (n) payment of interest on debentures and redemption of debentures;
- (o) declaration and payment of dividends;
- (p) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- (q) borrowings and registration, modification and satisfaction of charges wherever applicable;



- (r) investment of the Company's funds including inter corporate loans and investments and loans to others;
 - (s) giving guarantees in connection with loans taken by subsidiaries and associate companies;
 - (t) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
 - (u) Allotment of equity shares of the Company pursuant to Employees Stock Option Scheme;
 - (v) Buy-back of equity shares of the Company;
 - (w) Directors' report;
 - (x) contracts, common seal, registered office and publication of name of the Company; and
 - (y) generally, all other applicable provisions of the Act and the Rules made under the Act.
2. I further report that:
- (a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings / debenture holdings and directorships in other companies and interests in other entities;
 - (b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel;
 - (c) the Company has obtained all necessary approvals under the various provisions of the Act; and
 - (d) there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
3. The Company has complied with the provisions of the Securities Contracts (Regulations) Act, 1956 and the Rules made under the Act, with regard to maintenance of minimum public shareholding.
4. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed thereunder by the Depositories with regard to dematerialisation / rematerialisation of securities and reconciliation of records of dematerialised securities with all securities issued by the Company.
5. The Company has complied with the provisions of the FEMA 1999 and the Rules and Regulations made under that Act to the extent applicable to ODI, FDI and ECB.
6. I further report that:
- (a) the Company has complied with the requirements under the Equity Listing Agreements entered into with the BSE Limited and the National Stock Exchange of India Limited and GDR Listing Agreement with Luxembourg Stock Exchange and the Debt Listing Agreements with National Stock Exchange of India Limited and BSE Limited;
 - (b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - (c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
 - (d) the Company has complied with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to implementation of Employee Stock Option Scheme;
 - (e) the Company has complied with the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - (f) the Company has complied with the provisions of Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.
- I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- Dr K R Chandratre**
Practising Company Secretary
Certificate of Practice No. 5144
April 16, 2013

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 39th Annual Report and the audited accounts for the financial year ended March 31, 2013.

Financial Results

The financial performance of the Company, for the year ended March 31, 2013 is summarised below:

	2012-13		2011-12	
	₹ crore	\$ Mn*	₹ crore	\$ Mn*
Profit before Tax	26,284	4,842	25,750	5,061
Less: Current Tax	5,244	966	5,150	1,012
Deferred Tax	37	7	560	110
Profit for the year	21,003	3,869	20,040	3,939
Add: Balance in Profit & Loss Account	7,609	1,668	6,514	1,453
Add: On Amalgamation	1,116	206	-	-
	29,728	5,743	26,554	5,392
Less: Appropriation:				
Transferred to General Reserve	18,000	3,316	16,000	3,145
Transferred to Capital Redemption Reserve on buy back of Equity Shares	43	8	4	1
Proposed Dividend on Equity Shares	2,628	484	2,531	497
Tax on Dividend	447	82	410	81
Closing Balance	8,610	1,853	7,609	1,668

* 1 \$ = ₹ 54.285 Exchange Rate as on March 31, 2013 (1 \$ = ₹ 50.875 as on March 31, 2012)

Results of Operations

The global economy in the Financial Year (FY) 2012-13 improved slowly, but was short on expectations. Several European economies experienced recession due to high unemployment, banking fragility, fiscal tightening and sluggish growth. The U.S. economy improved marginally, driven mainly by housing and the consumer sectors; however, capital investments remained sluggish. Among the Asian economies, China going through a political transition, experienced considerably slow growth. Deceleration in industrial output and exports weakened India's economic growth significantly.

FY 2012-13 proved to be a challenging year amidst global economic uncertainties and disturbances in many parts of the world. Despite these constraints and challenging environment, the Company performed reasonably well and the highlights of the performance are as under:

- Revenue from operations increased by 9.2% to ₹ 371,119 crore (\$68.4 billion)
- Exports increased by 15% to ₹ 239,226 crore (\$ 44.1 billion)

- PBDIT decreased by 2.6% at ₹ 38,785 crore (\$ 7.1 billion)
- Profit Before Tax increased by 2.1% at ₹ 26,284 crore (\$ 4.8 billion)
- Cash Profit was at ₹ 30,505 crore (\$ 5.6 billion)
- Net Profit increased by 4.8% to ₹ 21,003 crore (\$3.9 billion)
- Gross Refining Margin was \$ 9.2 / bbl for the year ended March 31, 2013

The consolidated revenue from operations of the Company for the year ended March 31, 2013 was ₹ 397,062 crore, an increase of 10.8% on a Year-on-Year basis.

The Company is one of India's largest contributors to the national exchequer primarily by way of payment of taxes and duties to various government agencies. During the year, a total of ₹ 28,950 crore (\$ 5.3 billion) was paid in the form of various taxes and duties.

The Company featured in the Fortune Global 500 list of the world's largest corporations for the eighth consecutive year. The company was ranked 99th based on sales and 130th based on profits.



Buy-Back of Equity Shares

The Buy-back Offer announced by the Company on January 20, 2012 was closed on January 19, 2013. Pursuant to the said Buy-back, the Company bought back and extinguished 4,62,46,280 equity shares of ₹ 10 each of an aggregate face value of ₹ 46,24,62,800 (which includes 36,63,431 equity shares of ₹10 each bought back in FY 2011-12). Consequent to the Buy-back, the paid-up equity share capital of the Company as on March 31, 2013 (excluding allotment of shares made during the year pursuant to Employees Stock Option Scheme) stood at ₹ 3228,47,61,257.

The Buy-back programme was the largest ever implemented to-date in the history of Indian capital markets and was EPS (Earnings Per Share) accretive for the Company. It is expected to supplement earnings growth from operations, for higher EPS, in the near future.

Dividend

Your Directors have recommended a dividend of ₹ 9.00 per Equity Share (last year ₹ 8.50 per Equity Share) for the financial year ended March 31, 2013, amounting to ₹ 3075 crore (inclusive of tax of ₹ 447 crore and net of reversal of excess provision of previous year) one of the highest payout by any private sector domestic company. The dividend will be paid to members whose names appear in the Register of Members as on May 13, 2013; in respect of shares held in dematerialised form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.

The dividend payout for the year under review has been formulated in accordance with shareholders' aspirations and the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals.

Credit Rating

The Company continues to have the highest domestic credit ratings of AAA from CRISIL (S&P subsidiary) and Fitch. Moody's and S&P have reaffirmed investment grade ratings for international debt of the Company, as Baa2 positive outlook (local currency issuer rating) and BBB positive outlook respectively. The Company's international rating from Moody's and S&P is higher than the country's sovereign rating. Strong credit ratings by leading international agencies reflect the Company's financial discipline and prudence.

Employees' Stock Option Scheme

The Employees' Stock Compensation Committee, constituted in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('the SEBI Guidelines'), administers and monitors the Employees' Stock Option Scheme of the Company.

The applicable disclosures as stipulated under the SEBI Guidelines as at March 31, 2013 (cumulative position) are provided in Annexure I to this Report.

The issuance of equity shares pursuant to exercise of Options does not affect the statement of profit and loss of the Company, as the exercise is made at the market price prevailing as on the date of the grant plus taxes as applicable.

The Company has received a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the SEBI Guidelines and the resolution passed by the shareholders. The Certificate would be placed at the Annual General Meeting for inspection by members.

Management's Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

Some of the Major events of the year include the following:

RIL-BP Partnership

In its second year of the partnership, Reliance Industries Limited (RIL) and BP combined their expertise in deepwater exploration and development and operations in India. Both the teams worked closely to understand the complex geology of the east-coast of India including KG-D6 block. The efforts are on to map out an exploration and development campaign that will efficiently target high quality prospects in deeper zones and optimise existing as well as future development plans.

Smart Transformation At Reliance (STAR)

The Company has embarked on one of the largest business transformation project STAR in order to make RIL "FUTURE READY". It would help the Company bring end-to-end digital chain to free up resources, will also help enhance organisational entrepreneurship, create a world-class human resource framework to retain talent and fulfill mission of being an "Employer of Choice".

Shale Gas Business

FY 2012-13 was a pivotal year for RIL's North American Shale Gas business. It gained significant growth momentum and delivered superior performance despite adverse market conditions imposed by low gas prices and higher service costs. It was landmark year strategically, as Reliance completed carry obligations in the Carrizo and Pioneer JVs and transitioned into post-carry mode, allowing for improved governance rights and increased alignment on activity levels.

Retail Business

The retail business continued its growth journey during the year with new store launches as well as strong same store sales growth. The business accomplished a milestone by crossing a revenue of ₹ 10,000 crore during the year. The business grew by 42% to reach revenue of ₹ 10,800 crore as against ₹ 7,599 crore registered in the previous financial year. The business has achieved cash break-even with earnings before depreciation, finance cost and tax expense (EBDIT) of ₹ 78 crore. The milestone of crossing ₹ 10,000 crore revenue and reaching cash break-even at EBDIT level is a significant step in Reliance Retail's journey towards attaining market leadership by democratizing access to all types of products and services across all segments for the discerning Indian customer.

During the year under review, the realignment and consolidation of the various formats of retail businesses being carried on by the subsidiary companies of Reliance Retail Limited, was proposed, subject to necessary approvals of the High Court of Judicature at Bombay.

The consolidation exercise and consequent reduction in the number of companies will help in enhancing operational flexibility, efficiencies and greater and optimal utilisation of resources and also lead to significant reduction in the multiplicity of legal and regulatory compliances.

Infocomm Business

Reliance Jio Infocomm Limited "RJIL" (formerly Infotel Broadband Services Limited) with Broadband Wireless Access (BWA) spectrum in all the 22 telecom circles of India, plans to provide reliable fast internet connectivity through the 20 MHz, contiguous, Pan-India BWA spectrum. In addition to connectivity, RJIL also plans to enable end-to-end solutions that address the entire value chain across various digital services in key domains of national interest such as education, healthcare, security, financial services, government-citizen interfaces and entertainment. RJIL aims to comprehensively address the requisite components of the customer need, thereby fundamentally enhancing the opportunity and experience of hundreds of millions of users in India.

RJIL has finalized key agreements with its technology partners, service providers, infrastructure providers, application partners, device manufacturers and other strategic partners for the project. It aims to create a digital eco system which can be used to benefit the industry, the government and, above all, the people of this country. RJIL has also completed the detailed planning for Pan India implementation of the infrastructure needed for the project.

Reliance Haryana SEZ

The Model Economic Township (MET) has been envisioned to be developed as an industrial infrastructure to support economic growth in a public private partnership framework with the Government of Haryana through HSIIDC Limited (a Government of Haryana company).

The start-up phase of operationalization of MET in the district Jhajjar of Haryana has commenced during the year.

Reliance Jamnagar Infrastructure Limited

During the year under review, Reliance Jamnagar Infrastructure Limited, a wholly owned subsidiary which was acting as a co-developer in the Jamnagar SEZ got amalgamated with the Company.

Expansion of Operations

Your Company has commenced implementing significant expansion plans in the Petrochemical business and on completion over the next 3 to 4 years, the overall volume is expected to increase by more than 60%. Your Company is also setting up the world's largest petcoke gasification facility at Jamnagar to convert the lowest cost fossil fuels - coal and coke into gas.

Consolidated Financial Statements

In accordance with the Accounting Standard (AS) -21 on Consolidated Financial Statements read with AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interest in Joint Ventures, the audited Consolidated Financial Statements are provided in the Annual Report.

Subsidiaries

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and



the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

Details of major subsidiaries of the Company and their business operations during the year under review are covered in the Management's Discussion and Analysis Report.

Directors

Shri Mahesh P. Modi, Dr. Dharam Vir Kapur, Dr. Raghunath A. Mashelkar and Shri Pawan Kumar Kapil, Directors, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Auditors and Auditors' Report

M/s. Chaturvedi & Shah, Chartered Accountants, M/s. Deloitte Haskins & Sells, Chartered Accountants and M/s. Rajendra & Co., Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion

of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letters from all of them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Cost Auditors

The Company has appointed the following cost auditors for conducting Cost Audit for the financial year 2012-13:

- (i) For the Textiles Business - M/s. Kiran J. Mehta & Co, Cost Accountants;
- (ii) For the Chemicals Business - M/s. Diwanji & Associates, Cost Accountants, M/s. K. G. Goyal & Associates, Cost Accountants, M/s. V. J. Talati & Co., Cost Accountants, M/s. Bandyopadhyaya Bhaumik & Co., Cost Accountants, M/s Shome & Banerjee, Cost Accountants, M/s. Kiran J. Mehta & Co, Cost Accountants and M/s. Dilip M. Malkar & Co., Cost Accountants;
- (iii) For the Polyester Business - Shri Suresh D. Shenoy, Cost Accountant, M/s. V. Kumar & Associates, Cost Accountants;
- (iv) For Electricity Generation - M/s. Dilip M. Malkar & Co., Cost Accountants;
- (v) For Petroleum Business - M/s. V. J. Talati & Co., Cost Accountants; and
- (vi) For Oil & Gas Business - M/s Kiran J. Mehta & Co., Cost Accountants; Shri Suresh D. Shenoy, Cost Accountant; M/s Bandyopadhyaya Bhaumik & Co., Cost Accountants and M/s Shome & Banerjee, Cost Accountants.

M/s Shome & Banerjee, Cost Accountants have been nominated as the Lead Cost Auditor of the Company.

Secretarial Audit Report

As a measure of good corporate governance practice, the Board of Directors of the Company appointed Dr. K.R. Chandratre, Practicing Company Secretary, to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2013, is provided in the Annual Report.

The Secretarial Audit Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, The Foreign Exchange Management Act, 1999 to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB), all the Regulations and Guidelines of SEBI as applicable to the Company, including The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, Listing Agreements with the Stock Exchanges and the Memorandum and Articles of Association of the Company.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. Having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are provided in Annexure-II to this Report.

Transfer of amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on June 07, 2012 (date of last Annual General Meeting) on the website of the Company (www.ril.com), as also on the Ministry of Corporate Affairs website.

Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance practices as prevalent globally.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

Business Responsibility Report

SEBI, vide its Circular CIR/CFD/DIL/8/2012 dated August 13, 2012, mandated the top 100 listed entities, based on market capitalisation at BSE and NSE, to include Business Responsibility Report as part of the Annual Report describing the initiatives taken by the companies from Environmental, Social and Governance perspective.

Accordingly, the Business Responsibility Report is attached and forms part of the Annual Report.

Acknowledgement

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

Mukesh D. Ambani

Chairman and Managing Director

April 16, 2013



Annexure – I

Disclosures required under the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

(a) Options granted - 5,97,30,217; (b) Exercise Price - 5,74,56,000 options granted at an exercise price of ₹ 642 per option (adjusted for bonus issue), 54,000 options granted at an exercise price of ₹ 842 per option (adjusted for bonus issue); 20,16,000 options granted at an exercise price of ₹ 1146 per option (adjusted for bonus issue); 1,00,200 options granted at an exercise price of ₹ 644.50 per option (adjusted for bonus issue); 16,000 options granted at an exercise price of ₹ 995 per option; 19,200 options granted at an exercise price of ₹ 929 per option; 4,100 options granted at an exercise price of ₹ 972 per option; 18,000 options granted at an exercise price of ₹ 871 per option; 23,717 options granted at an exercise price of ₹ 847 per option; 15,000 options granted at an exercise price of ₹ 765 per option and 8,000 options granted at an exercise price of ₹ 715 per option. The above exercise prices exclude all applicable taxes, as may be levied in this regard; (c) Options vested 2,84,45,590; (d) Options exercised 52,15,360; (e) The total number of shares arising as a result of exercise of options - 52,15,360; (f) Options lapsed - 2,19,53,179; (g) Variation in terms of options - Exercise Period for Options vested under the first tranche was extended up to July 6, 2013; (h) Money realised by exercise of options - ₹ 359,98,32,048; (i) total number of options in force [(a) - (d) - (f)] - 3,25,61,678; (j) Employee wise details of options granted to: (i) Senior Management Personnel: Shri Nikhil R. Meswani - 14,00,000, Shri Hital R. Meswani - 14,00,000, Shri P.M.S. Prasad - 10,00,000 and Shri P.K. Kapil - 1,00,000 (ii) Any other employee who received a grant in any one year of options amounting to 5% or more of options granted - Nil (iii) Identified employees, who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant - Nil and (k) Diluted Earnings Per Share (EPS) before exceptional items pursuant to issue of shares on exercise of Options calculated in accordance with AS-20 'Earnings Per Share' is ₹ 64.82.

Annexure – II

Particulars required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988

A. Conservation of Energy

(a) Energy conservation measures taken:

Major energy conservation measures carried out

during the year 2012-13 are listed below:

Allahabad Manufacturing Division

- Optimization of Dow heat consumption in polymerization by modifying split box.

Barabanki Manufacturing Division

- Replacement of 70W HPSV Lamps with 30W and 42W LED Lamps.
- Replacement of 250W Metal Halide Lamps with 150W Green Energy Efficient Lamps.

Dahej Manufacturing Division

- Reactor feed preheater is replaced with higher size for better heat recovery based on Pinch study of MEG Plant.
- Optimization of steam & power system using online optimizer.
- Steam saving in Propylene compressor by troubleshooting antisurge valve opening problem in Ethane Propane Recovery Unit.
- Power saving by replacement of air compressor's 1st stage inter cooler in Air Separation plant.
- Vacuum improvement of Caustic Evaporation Unit by re-tubing of second effect evaporator and plugging of tubes in first and third effect evaporator.
- Increasing insulation thickness of MP and LP steam header in yard piping based on Economical Insulation thickness in view of increase in Fuel Price.

Hazira Manufacturing Division

- Upgrading Gas Turbine capability of Gas Turbine (GT-4) at CPP&U plant.
- Upgrading Gas Turbine capability of Gas Turbine (GT-1) and running it in Advanced Process Control in manual mode at CPP&U plant.
- Burner optimization in Heat Recovery Steam Generators at CPP&U plant.
- Replacing MP steam consumption with LP steam consumption in Dehydrator Reboiler in MEG plant.
- LP steam saving by Pure Terephthalic Acid dryer outlet temperature optimization.
- 50% capacity Boiler Feed Pump (BFP) operation resulting in LP steam savings at CPP&U plant.
- Power saving due to stoppage of vapour Pressure Swing Absorption plant based on oxygen optimization after catalyst change out at MEG plant.
- Modification in operating philosophy of oxygen compressor at MEG plant.

Hoshiarpur Manufacturing Division

- Saving in electricity consumption by replacing traditional lights with CFL.

Jamnagar Manufacturing Division (DTA)

- Grid Transformer Relay setting change facilitated reduction in Steam Turbine Generator condensation load in CPP.
- Reduction in Lean Amine circulation through increased Methyl ethanolamine strength from 35 to 37.5 wt % in Lean Amine in sulphur complex.
- LP steam reduction in air preheater in all Coker heaters improving heater efficiency.
- MP steam reduction in stripper by optimizing process conditions in Diesel Hydrotreater plant.
- MP steam reduction in Crude unit by maintaining reduced LP steam super heat temperature.
- C3-C4 fuel saving by routing PP line D degassing column vent to fuel gas header instead to flare system.
- Condensate recovery in Sulphur Recovery Unit.
- Heat recovery from Light Coker Gas Oil pump around to preheat cold Vacuum Residue from tanks to reduce firing in Coker heaters.

Jamnagar Manufacturing Division (SEZ)

- Peak firing enablement of Gas Turbine resulting in operation of 4 GT's instead of 5 GT's.
- Use of Light Coker Gas Oil stream as heating media instead of MP steam in Stripper Reboiler of Coker plant.
- Reduction in fuel by reducing reflux rate in the stripper column in Heavy Naphtha Hydrotreater plant.
- Five pumps operation instead of six at Refinery Tank farm for crude units feeding.
- Feed temperature of Heavy Naphtha Hydrotreater stripper increased which resulted in fuel saving in Reboiler by extracting additional energy from air cooler.
- Velocity HP steam optimization in all passes of heater, in Coker plant.
- MP steam saving in Naphtha Splitter by reducing reflux rate.
- Furnace stack O₂ reduction from 3 to 1.5% in Crude Distillation Unit furnaces and improving efficiency, by stack O₂ optimization.
- Power saving in Vent Gas Recovery compressor by optimal distribution of load between two trains of Polypropylene units.

- HP steam saving in turbine by reduction of Alkylation refrigeration discharge pressure from 5.2 to 5.03 Kg / cm² in Alkylation Unit.
- Power saving by impeller trimming of 5 Gasoline and 5 Diesel transfer pumps at Refinery Tank farm.

Nagothane Manufacturing Division

- Converting a turbine from steam driven to motor driven resulting in reduction in steam generation at CPP.
- Uprating Gas Turbine (GT-51) resulting in improvement in heat rate of 195 Kcal / KWH.
- Optimized the De-aerators pressure in CPP based on availability of LP steam in the complex.
- Reduced the HP steam let down through Pressure Reducing & De-superheating System and maximized HP extraction from Propylene Refrigeration Turbine.

Patalganga Manufacturing Division

- Stoppage of Steam Turbine Generator at CPP plant.

Silvassa Manufacturing Division

- Improved Power Factor by Installation of 2 capacitors of 7500 KVAR.

Vadodara Manufacturing Division

- Direct supply of Polymer Grade Propylene from Naphtha Cracker Plant to Polypropylene Copolymer Plant.
- Shifting of 40 MT / hr steam load from Aux boiler to Heat Recovery Steam Generator.
- Change in control philosophy at steam network to avoid steam venting at Acrylo Nitrile plant.
- In Naphtha Cracker Plant, optimization of De-aerator after installation of Dissolved Oxygen Analyser to reduce steam consumption.
- Steam to flare control valve output indication and control on Distributed Control System (Naphtha Cracker Plant).
- Ethylene Glycol recycle water optimization (reduction of recycle water in re-absorber, reactor inlet and aldehyde purge).
- Improved condensate recovery by increased flow circulation (from integrated offsite plant to Poly Butadiene Rubber plant).
- Gas Turbine (GT1) component up rate to reduce heat rate and improve power generation.
- Replacement of damper having twin blade (air ceiling) to ensure minimum leakage of flue gas at Gas Turbine (GT1) & repair of deformed duct as well as internal insulation.



- Stoppage of one Cooling Water pump in Integrated Offsite Plant Cooling Tower by isolating two cells.
- Dry ice cleaning of heater convection bank.

(b) Additional investments/proposals being implemented for reduction of consumption of energy:

Dahej Manufacturing Division

- Conversion of electrolyser from 2nd Generation to Energy efficient 5th Generation elements and membranes in Chlor Alkali plant.
- Installation of Hydraulic Turbine in Ethane Propane Recovery Unit.
- Reduction in steam consumption of Gas Cracker Unit by supply of ethylene to Vinyl Chloride Monomer plant directly from ethylene tower.
- Reduction in steam consumption of Gas Cracker Unit by De-aerator feed heating by LP condensate in Gas Cracker Unit.
- LP steam supply to Vinyl Chloride Monomer plant from CPP for stopping MP to LP let-down in Vinyl Chloride Monomer.
- Revamping of condensate stripper in Gas Cracker Unit.
- Application of new insulation material on VHP steam line from CPP to Ethane Propane Recovery Unit.
- Preheat slurry stripper feed with centrate water in PVC .
- Use of quench water instead of LP steam in Lead reactor Preheater based on Pinch study conducted in Gas Cracker Unit.
- Increased steam generation and condensate recovery in MEG plant.
- Increasing the size of LP steam Import control valve in MEG Plant to maximize Steam Turbine Generator Extraction in CPP and Reduce LP to LLP let down of MEG Plant.
- Reduction in steam consumption in MEG Plant by installing condensate pot in place of steam trap.

Hazira Manufacturing Division

- Operation of Heads-1 preheater to reduce steam consumption at Heads-1 column at Vinyl Chloride Monomer plant.

Jamnagar Manufacturing Division (DTA)

- HP steam reduction in Stripper Reboiler by implementing hot separator equipment in Tatoray Unit-2.
- Power reduction by operating smaller chiller at

higher efficiency for propane cooling instead of operating high capacity chiller at low efficiency.

Jamnagar Manufacturing Division (SEZ)

- Installation of thermo compressor at Fluidised Catalytic Cracker Unit for Low medium Pressure steam.
- Heat recovery from crude column overhead vapour in Crude Distillation Unit.
- Use of LP steam in Deisohexaniser reboiler in place of MP steam.
- MP steam production from Diesel product circuit in Vacuum Gas Oil Hydrotreater Units 3

Nagothane Manufacturing Division

- Uprating Gas Turbine Generator.
- Installation of small air compressors so as to stop the operation of a bigger compressor.

Naroda Manufacturing Division

- Replacement of 161 old motors with Energy Efficient Motors.

Vadodara Manufacturing Division

- Instead of operating two boilers at part load to increase efficiency, operation of only one aux boiler to meet steam demand.
- Replacement of DM water coil in waste heat boiler to reduce the stack temperature at Naphtha Cracker plant.
- Replacement of two existing chillers with energy efficient chillers in Poly Vinyl Chloride plant.
- Installation of new footprint turbine for Charge Gas Compressor and Propylene Refrigeration Compressor for cracker plant.
- Installation of a turbine at Naphtha Cracker Plant for power generation from SHP Steam let-down.

(c) Impact of measures of (a) and (b) given above for reduction of energy consumption and consequent impact on the cost of production of goods:

Allahabad Manufacturing Division

- Optimization of Dow heat consumption in polymerization by modifying split box, resulting in heat consumption reduction by 0.05 MMKCal / MT chip and financial savings of ₹ 0.33 crore per annum.

Barabanki Manufacturing Division

- Replacement of 70W HPSV Lamps with 30W and 42W LED Lamps, resulting in power saving of 633 KWH per annum.
- Replacement of 250W Metal Halide Lamps with

150W Green Energy Efficient Lamps resulting in power saving of 720 KWH per annum.

Dahej Manufacturing Division

- Reactor feed preheater is replaced with higher size for better heat recovery based on Pinch study of MEG Plant, resulting in fuel saving of 1.06 MMKCal / hr and financial savings of ₹ 1.26 crore for the year.
- Optimization of steam & power system using online optimizer, resulting in fuel saving of 3.58 MMKCal / hr and financial savings of ₹ 4.48 crore per annum.
- Steam saving in Propylene compressor by troubleshooting antisurge valve opening problem in Ethane Propane Recovery Unit, resulting in fuel saving of 2.47 MMKCal / hr and financial savings of ₹ 2.56 crore per annum.
- Power saving by replacement of air compressor's 1st stage inter cooler in Air Separation plant, resulting in fuel saving of 0.51 MMKCal / hr and financial savings of ₹ 1.24 crore per annum.
- Vacuum improvement of Caustic Evaporation Unit by re-tubing of second effect evaporator and plugging of tubes in first and third effect evaporator, resulting in fuel saving of 2.46 MMKCal / hr and financial savings of ₹ 2.17 crore per annum.
- Increasing insulation thickness of MP and LP steam header in yard piping based on Economical Insulation thickness in view of increase in Fuel Price, resulting in fuel saving of 0.99 MMKCal / hr and financial savings of ₹ 1.24 crore per annum.
- Conversion of electrolyser from 2nd Generation to Energy efficient 5th Generation elements and membranes in Chlor Alkali plant, shall result in power saving of 8,670 KW / hr and financial savings of ₹ 73.59 crore per annum.
- Installation of Hydraulic Turbine in Ethane Propane Recovery Unit, shall result in power saving of 387 KW / hr and financial savings of ₹ 2.37 crore per annum.
- Reduction in steam consumption of Gas Cracker Unit by supply of ethylene to Vinyl Chloride Monomer plant directly from ethylene tower, shall result in fuel saving of 1.6 MMKCal / hr and financial savings of ₹ 7.49 crore per annum.
- Reduction in steam consumption of Gas Cracker Unit by De-aerator feed heating by LP condensate in Gas Cracker Unit, shall result in fuel saving of 0.7 MMKCal / hr and financial savings of ₹ 3.19 crore per annum.

- LP steam supply to Vinyl Chloride Monomer plant from CPP for stopping MP to LP let-down in Vinyl Chloride Monomer, shall result in fuel saving of 4.95 MMKCal / hr and financial savings of ₹ 22.46 crore per annum.
- Revamping of condensate stripper in Gas Cracker Unit, shall result in fuel saving of 1.8 MMKCal / hr and financial savings of ₹ 8.17 crore per annum.
- Application of new insulation material on VHP steam line from CPP to Ethane Propane Recovery Unit, shall result in fuel saving of 1.2 MMKCal / hr and financial savings of ₹ 5.24 crore per annum.
- Preheat slurry stripper feed with centrate water in PVC, shall result in fuel saving of 1.02 MMKCal / hr and financial savings of ₹ 4.63 crore per annum.
- Use of quench water instead of LP steam in Lead reactor Preheater based on Pinch study conducted in Gas Cracker Unit, shall result in fuel saving of 0.7 MMKCal / hr and financial savings of ₹ 3.19 crore per annum.
- Increased steam generation and condensate recovery in MEG plant, shall result in fuel saving of 1.5 MMKCal / hr plant and financial savings of ₹ 6.71 crore per annum.
- Increasing the size of LP steam Import control valve in MEG Plant to maximize Steam Turbine Generator Extraction in CPP and Reduce LP to LLP let down of MEG Plant, shall result in fuel saving of 0.5 MMKCal / hr and financial savings of ₹ 2.24 crore per annum.
- Reduction in steam consumption in MEG Plant by installing condensate pot in place of steam trap, shall result in fuel saving of 0.35 MMKCal / hr and financial savings of ₹ 1.6 crore per annum.

Hazira Manufacturing Division

- Upgrading Gas Turbine capability of Gas Turbine (GT-4) at CPP&U plant, resulting in potential energy saving of 31150 MMKCal and equivalent financial savings of ₹ 11.04 crore per annum.
- Upgrading Gas Turbine capability of GT-1 and running it in Advanced Process Control in manual mode at CPP&U plant, resulting in potential energy saving of 22680 MMKCal and equivalent financial savings of ₹ 8.03 crore per annum.
- Burner optimization in Heat Recovery Steam Generators at CPP&U plant, resulting in potential energy saving of 20871 MMKCal and equivalent financial savings of ₹ 7.39 crore per annum.
- Replacing MP steam consumption with LP steam consumption in Dehydrator Reboiler in MEG plant, resulting in potential energy saving of 8080



MMKCal and equivalent financial savings of ₹ 3.18 crore per annum.

- LP steam saving by Pure Terephthalic Acid dryer outlet temperature optimization, resulting in potential energy saving of 4616 MMKCal and equivalent financial savings of ₹ 1.82 crore per annum.
- 50% capacity Boiler Feed Pump (BFP) operation resulting in LP steam savings at CPP&U plant, resulting in potential energy saving of 4384 MMKCal and equivalent financial savings of ₹ 1.73 crore per annum.
- Power saving due to stoppage of Vapour Pressure Swing Absorption plant based on oxygen optimization after catalyst change out at MEG plant, resulting in potential energy saving of 4390 MMKCal and equivalent financial savings of ₹ 1.60 crore for the year.
- Modification in operating philosophy of oxygen compressor at MEG plant, resulting in potential energy saving of 2927 MMKCal and equivalent financial savings of ₹ 1.07 crore per annum.
- Operation of Heads-1 preheater to reduce steam consumption at Heads-1 column at Vinyl Chloride Monomer plant, shall result in anticipated energy saving of 3517 MMKCal and equivalent financial savings of ₹ 1.39 crore per annum.

Hoshiarpur Manufacturing Division

- Saving in electricity consumption by replacing traditional lights with CFL, resulting in power saving of 2.5 KW / hr.

Jamnagar Manufacturing Division (DTA)

- Grid Transformer Relay setting change facilitated reduction in Steam Turbine Generator condensation load in CPP, resulting in fuel saving of 10.2 MT / day and financial savings of ₹ 14.17 crore per annum.
- Reduction in Lean Amine circulation through increased Methyl ethanolamine strength from 35 to 37.5 wt % in Lean Amine in sulphur complex, resulting in LP steam saving of 10 TPH and financial savings of ₹ 14.74 crore per annum.
- LP steam reduction in air preheater in all Coker heaters improving heater efficiency, resulting in fuel saving of 0.98 MT / day and financial savings of ₹ 1.36 crore per annum.
- MP steam reduction in stripper by optimizing process conditions in Diesel Hydrotreater plant, resulting in MP steam saving of 1.5 TPH and financial savings of ₹ 2.95 crore per annum.

- MP steam reduction in Crude unit by maintaining reduced LP steam super heat temperature, resulting in MP steam saving of 8.2 TPH and financial savings of ₹ 2.79 crore per annum.
- C3-C4 fuel saving by routing PP line D degassing column vent to fuel gas header instead to flare system, resulting in fuel saving of 0.96 MT / day and financial savings of ₹ 1.56 crore per annum.
- Condensate recovery in Sulphur Recovery Unit, resulting in LP steam saving of 1.36 TPH and financial savings of ₹ 2.18 crore per annum.
- Heat recovery from Light Coker Gas Oil pump around to preheat cold Vacuum Residue from tanks to reduce firing in Coker heaters, resulting in MP steam saving of 8 TPH and financial savings of ₹ 13.99 crore per annum.
- HP steam reduction in Stripper Reboiler by implementing hot separator equipment in Tatoray Unit-2, shall result in HP steam saving of 5.7 TPH and financial savings of ₹ 0.93 crore per annum.
- Power reduction by operating smaller chiller at higher efficiency for propane cooling instead of operating high capacity chiller at low efficiency, shall result in power saving of 96000 KWH / day and financial savings of ₹ 2.39 crore per annum.

Jamnagar Manufacturing Division (SEZ)

- Peak firing enablement of Gas Turbine resulting in operation of 4 GT's instead of 5 GT's, resulting in fuel saving of 115.2 MT / day due to improved efficiency of Gas Turbine and financial savings of ₹ 152.85 crore per annum.
- Use of Light Coker Gas Oil stream as heating media instead of MP steam in Stripper Reboiler of Coker plant, resulting in MP steam saving of 12 TPH and financial savings of ₹ 17.17 crore per annum.
- Reduction in fuel by reducing reflux rate in the stripper column in Heavy Naphtha Hydrotreater plant, resulting in fuel saving of 4.3 MT / day and financial savings of ₹ 6.16 crore per annum.
- Five pumps operation instead of six at Refinery Tank farm for crude units feeding, resulting in MP steam saving of 15864 KWH / day by stopping the sixth pump and financial savings of ₹ 1.93 crore per annum.
- Feed temperature of Heavy Naphtha Hydrotreater stripper increased which resulted in fuel saving in Reboiler by extracting additional energy from air cooler, resulting in fuel saving of 2.5 MT / day and financial savings of ₹ 3.59 crore per annum.
- Velocity HP steam optimization in all passes of

heater, resulting in HP steam saving of 1000 Kg / hr in Coker plant and financial savings of ₹ 1.61 crore per annum.

- MP steam saving in Naphtha Splitter by reducing reflux rate, resulting in MP steam saving of 5 TPH and financial savings of ₹ 8.08 crore per annum.
- Furnace stack O₂ reduction from 3 to 1.5% in Crude Distillation Unit furnaces and improving efficiency, resulting fuel saving of 5.9 MT / day by stack O₂ optimization and financial savings of ₹ 7.86 crore per annum.
- Power saving in Vent Gas Recovery compressor by optimal distribution of load between two trains of Polypropylene units, resulting in power saving of 11184 KWH / day and financial savings of ₹ 1.48 crore per annum.
- HP steam saving in turbine by reduction of Alkylation refrigeration discharge pressure from 5.2 to 5.03 Kg / cm² in Alkylation Unit, resulting in HP steam saving of 3.5 TPH and financial savings of ₹ 5.75 crore per annum.
- Power saving by impeller trimming of 5 Gasoline and 5 Diesel transfer pumps at Refinery Tank farm, resulting in electricity saving of 9600 KWH / day and financial savings of ₹ 1.15 crore per annum.
- Installation of thermo compressor at Fluidised Catalytic Cracker Unit for Low medium Pressure steam, shall result in MP steam saving of 30 TPH and financial savings of ₹ 6.33 crore per annum.
- Heat recovery from crude column overhead vapour in Crude Distillation Unit, shall result in MP steam saving of 29 TPH and financial savings of ₹ 55.99 crore per annum.
- Use of LP steam in Deisohexaniser reboiler in place of MP steam, shall result in MP steam saving of 4.2 TPH and financial savings of ₹ 9.15 crore per annum.
- MP steam production from Diesel product circuit in Vacuum Gas Oil Hydrotreater Units 3, shall result in MP steam saving of 17 TPH and financial savings of ₹ 22.69 crore per annum.

Nagothane Manufacturing Division

- Converting a turbine from steam driven to motor driven resulting in reduction in steam generation at CPP, resulting in fuel saving of 5.28 MMKCal / hr and financial savings of ₹ 13.68 crore per annum.
- Uprating Gas Turbine (GT-51) resulting in improvement in heat rate of 195 Kcal/KWH, resulting in fuel saving of 3 MMKCal/hr and

financial savings of ₹ 7.18 crore for the year.

- Optimized the De-aerators pressure in CPP based on availability of LP steam in the complex, resulting in fuel saving of 1.76 MMKCal/hr and financial savings of ₹ 2.54 crore for the year.
- Reduced the HP steam let down through Pressure Reducing & De- superheating System and maximized HP extraction from Propylene Refrigeration Turbine, resulting in energy saving of 1.57 MMKCal / hr and financial savings of ₹ 4.16 crore per annum.
- Uprating Gas Turbine Generator, shall result in fuel saving of 1.5 MMKCal / hr and financial savings of ₹ 3.59 crore per annum.
- Installation of small air compressors so as to stop the operation of a bigger compressor, shall result in power saving of 512 KW and financial savings of ₹ 2.24 crore per annum.

Naroda Manufacturing Division

- Replacement of 161 old motors with Energy Efficient Motors, shall result in annual power saving of 18,86,698 KWH and financial savings of ₹ 1.21 crore per annum.

Patalganga Manufacturing Division

- Stoppage of Steam Turbine Generator at CPP plant, resulting in energy saving of 53602 MMKCal and financial savings of ₹ 15 crore for the year.

Silvassa Manufacturing Division

- Improved Power Factor by Installation of 2 capacitors of 7500 KVAR, resulting in financial savings of ₹ 1.51 crore for the year.

Vadodara Manufacturing Division

- Direct supply of Polymer Grade Propylene from Naphtha Cracker Plant to Polypropylene Copolymer plant, resulting in energy saving of 6419 MMKCal and financial savings of ₹ 1.99 crore for the year.
- Shifting of 40 MT / hr steam load from Aux boiler to Heat Recovery Steam Generator, resulting in energy saving of 36097 MMKCal and financial savings of ₹ 11.19 crore for the year.
- Change in control philosophy at steam network to avoid steam venting at Acrylo Nitrile plant, resulting in energy saving of 3935 MMKCal and financial savings of ₹ 1.22 crore for the year.
- In Naphtha Cracker Plant, optimization of De-aerator after installation of Dissolved Oxygen Analyser to reduce steam consumption, resulting in energy saving of 3387 MMKCal and financial savings of ₹ 1.05 crore for the year.



- Steam to flare control valve output indication and control on Distributed Control System (Naphtha Cracker Plant), resulting in energy saving of 5097 MMKCal and financial savings of ₹ 1.58 crore for the year.
 - Ethylene Glycol recycle water optimization (reduction of recycle water in re-absorber, reactor inlet and aldehyde purge), resulting in energy saving of 4065 MMKCal and financial savings of ₹ 1.26 crore for the year.
 - Improved condensate recovery by increased flow circulation (from Integrated offsite plant to Poly Butadiene Rubber plant), resulting in energy saving of 4935 MMKCal and financial savings of ₹ 1.53 crore for the year.
 - Gas Turbine (GT1) component up rate to reduce heat rate and improve power generation, resulting in energy saving of 21048 MMKCal and financial savings of ₹ 6.52 crore for the year.
 - Replacement of damper having twin blade (air ceiling) to ensure minimum leakage of flue gas at Gas Turbine (GT1) & repair of deformed duct as well as internal insulation, resulting in energy saving of 18454 MMKCal and financial savings of ₹ 5.72 crore for the year.
 - Stoppage of one Cooling Water pump in Integrated Offsite Plant Cooling Tower by isolating two cells, resulting in energy saving of 8690 MMKCal and financial savings of ₹ 2.69 crore for the year.
 - Dry ice cleaning of heater convection bank, resulting in energy saving of 5091 MMKCal and financial savings of ₹ 1.58 crore for the year.
 - Instead of operating two boilers at part load to increase efficiency, operation of only one aux boiler to meet steam demand, shall result in annual energy saving of 38710 MMKCal and financial savings of ₹ 12 crore per annum.
 - Replacement of DM water coil in waste heat boiler to reduce the stack temperature at Naphtha Cracker plant, shall result in annual energy saving of 6935 MMKCal and financial savings of ₹ 2.15 crore per annum.
 - Replacement of two existing chillers with energy efficient chillers in Poly Vinyl Chloride plant, shall result in annual energy saving of 6355 MMKCal and financial savings of ₹ 1.97 crore per annum.
 - Installation of new footprint turbine for Charge Gas Compressor and Propylene Refrigeration Compressor for cracker plant, shall result in annual energy saving of 89032 MMKCal and financial savings of ₹ 27.60 crore per annum.
 - Installation of a turbine at Naphtha Cracker Plant for power generation from SHP Steam let-down, shall result in annual energy saving of 26935 MMKCal and financial savings of ₹ 8.35 crore per annum.
- (d) Total energy consumption and energy consumption per unit of production as per Form 'A' attached hereto:**
- B. TECHNOLOGY ABSORPTION**
- (e) Efforts made in technology absorption - as per Form B given below:**
- Form B**
- Research and Development (R&D)**
- 1. Specific areas in which the research and development (R&D) is being carried out by the Company**
- High stability catalyst additive for maximizing petrochemicals co-production in fluidized catalytic cracking.
 - Novel fluid catalytic cracking process for converting low-value streams to light olefins.
 - New process to remove chloride from hydrocarbon streams.
 - Detailed characterization technique to predict, monitor and control gasoline blending.
 - Online composition prediction and composition-based process models to plan, monitor and control refinery process.
 - Extraction of relatively hydrogen-rich stream from a low-quality refinery stream.
 - The use of feed properties and operating conditions to optimize petroleum coke quality.
 - Advanced concept for gasifying petroleum coke.
 - Separation of olefins from coker gas oil for linear alkyl benzene (LAB) production.
 - Determination of crude corrosion potential and requisite mitigation.
 - Removal of heat stable salts and sodium from refinery streams.
 - Hydroisomerization catalyst for diesel production and low pressure, ultra-low sulphur diesel hydrotreating catalyst.
 - Carbon dioxide capture from flue gas.
 - Technology development to process low-cost, heavy crudes.
 - Computational fluid dynamics studies for trouble shooting plant operations.
 - New process for acidity reduction of crude.
 - Hydroprocessing kinetic model development

including deactivation kinetics, and mechanistic model with catalyst parameters.

- Fundamental ethylene reactor model.
- Process and catalyst for high performance, polypropylene homo polymer grades.
- Process and catalyst system for high performance, impact polypropylene and biaxially oriented polypropylene grades.
- Compounded pipe-grade resin for water and gas applications.
- Specialty multilayer films for aseptic packaging.
- Specialty high flow melt blown polypropylene grades.
- Development of metallocene-grade polyethylene film.
- Upgradation of existing polymer extrusion systems for quality improvement and capacity enhancement.
- Online tool for establishing the safe operating boundaries and operating window for high pressure polyolefins plant.
- Process for effective monomer recovery in polyolefin plants.
- Commercialization of terpolymer grade for heat sealing film application.
- Process and catalyst for producing ultra-high molecular weight polyethylene with targeted range of molecular weight and high density grades.
- Technology using high performance in-house catalyst for manufacturing alpha olefins.
- Novel homogeneous catalysts and process for ethylene polymerization.
- Regeneration and alternate applications of spent catalysts and adsorbents.
- Synthesis and characterization of noble metal nano-particles and their deposition on commercial catalysts.
- Lab-scale development of superabsorbent polymers.
- Specialty polyethylene products.
- Lab-scale development of microbial and photocatalytic processes for effluent treatment in acrylonitrile and polyvinyl chloride plants.
- Catalytic process for production of 1-hexene.
- Next generation paraffin dehydrogenation catalyst.
- Identification of novel materials for catalytic applications.
- Self-healing elastomers.
- Novel catalyst system for 1,3-butadiene.

- Identification of an environmentally friendly process for purified terephthalic acid (PTA) manufacture.
 - Implementation of an energy-efficient separation process in PTA plants.
 - Degassing drum installation in PTA to reduce methyl acetate losses.
 - Development of specialty polyester yarn.
 - Development of barrier polyethylene terephthalate (PET) resin for packaging oxygen sensitive foods and beverages.
 - Specialty yarns such as insect repellent yarn, multifunctional yarn and conducting polyester yarn.
 - Low antimony polyester products.
 - Use of polyester fibres as replacement for hazardous asbestos fibres in cement roof sheets.
 - Hydrophilic spun lace fibres for non-woven wipes.
 - Development of cobalt-free polyester resin.
 - PET resin with high impact strength.
 - Improved properties of recycled PET.
 - Catalyst for polyester productivity enhancement and color improvement.
 - Development of bi-shrinkage yarns for improved fabric feel and profiled yarns for differentiated effects.
 - Polytrimethylene terephthalate (PTT) based staple fibre.
- 2. Benefits derived as a result of the above R&D**
- Potential benefit of ₹ 30 crore per annum by replacing proprietary catalyst with mixture of generic catalyst and additive.
 - Benefit of ₹ 8 crore per annum from replacement of imported catalyst system for homo polypropylene manufacturing (based on in-house catalyst development).
 - In-house technology for 1-hexene manufacture.
 - Production of ultra-high molecular weight polyethylene based on process and novel catalyst.
 - Degassing drum installation in PTA plant at Patalganga to reduce methyl acetate losses has resulted in a savings of ₹ 3 crore per annum.
 - Reliability improvements in coker furnace.
 - Potential benefit of ₹ 13.8 crore per annum through research in polyester.
- 3. Future plan of action.**
- Creation of coking and hydroprocessing related facilities and process development.
 - Process for widening of crude window through total



acid number reduction and other methods.

- High-throughput facilities for catalyst development and new product evaluation.
- Computational fluid dynamics studies of plant equipment for reliability improvement.
- Molecular characterization of crude and refinery streams.
- Value addition to low value refinery streams.
- Cetane improvement additive.
- Improved catalyst system for producing impact copolymers and biaxially oriented polypropylene.
- Morphological catalyst system for 1-alkene polymerization.
- Next generation polypropylene catalyst systems for specialty products.
- Multiphasic polypropylene for automotive applications.
- High performance morphological catalyst system for slurry phase polypropylene.
- Improved, high activity catalyst system for solution phase polyethylene.
- Supported high activity catalyst system for gas phase polyethylene.
- High performance catalyst system for slurry polyethylene.
- Creation of advanced polyolefins synthesis facilities for in-house development.
- Lower silver content catalyst for ethylene oxidation.
- Alternative routes for 1,3-butadiene production.
- Process for significant coke reduction during thermal cracking of hydrocarbons.
- Novel materials for catalyst, adsorbent, support and gas storage applications.
- New catalyst material for olefin removal from aromatics streams.
- Alternate additives / catalyst for making specialty resins.
- Spin finish for flat yarn and partially oriented yarn.
- Polyester recycling initiatives for diverse end uses.
- Exploring unconventional treatments of polyesters for specific end-use requirements.
- New generation technology under development for specialty filaments.
- High insulating, polyester fabrics for apparel use.
- Development of different profiled cross-section polyester fibre for filling applications.
- Replacement of PVA in asbestos sheets.

4. Expenditure on R & D

₹ Crore

a) Capital	738
b) Revenue	380
Total	1118

Total R & D expenditure is 0.30% of the total turnover.

Technology absorption, adoption and innovation

1. Efforts, in brief, made towards technology absorption, adoption and innovation

- New catalytic cracking technology for high light olefin yields from low value hydrocarbon streams.
 - Purification of normal olefins from coker gas oil for LAB production.
 - Selection of preferred refinery configurations, based on economics and technology evaluation.
 - Selection of technology for gasification, cracking, LDPE, LLDPE, paraxylene (PX), acetic acid and other projects.
 - Improvement and innovation for in-house catalysts with higher efficiency (activity and throughput) for producing polypropylene.
 - In-house production of 1-butene catalyst.
 - Selection and pilot plant studies for improved catalysts for transalkylation.
 - Replacement of dimethyl disulphide as sulphiding agent with DSO in crackers.
 - Development of reactor models in various refinery/ petrochemicals plants.
 - Comparative evaluation and benchmarking of various technologies.
 - PTT spinning technology development.
 - Technical evaluation of design of internals in new generation polyester plants.
 - Development of profiled cross-section spun-lace polyester fibre for hygiene products.
 - Micro spun-lace fibre for wet wipes and hygiene products.
 - Productivity enhancement micro and super micro polyester staple fiber.
 - Fine denier conjugate fibre for filling applications.
- ##### 2. Benefits derived as a result of the above efforts
- New indigenous technology development and IP value creation.

- Higher productivity of catalyst system and improved production rate for polypropylene.
- Benefit of ₹ 4.2 crore by technical support to dryer problem at Hazira.
- Potential benefits of ₹ 22.9 crore per annum from polyester technology projects.

3. Information regarding Imported Technology

Product	Technology import from	Year of import	Status implementation / absorption
Isobutylene Isoprene Rubber (IIR)	Sibur, Russia	2012-13	Under Implementation
ROGC (Refinery Off-gas Cracker) for production of Ethylene & Propylene	Technip, France	2012-13	Under implementation
Mono Ethylene Glycol (MEG)	DOW Process Technologies, USA	2012-13	Under implementation
Linear Low Density Polyethylene Project at Jamnagar	Univation Technologies LLC, USA	2012-13	Under implementation
Low Density Polyethylene Project at Jamnagar	LyondellBasell, Germany	2012-13	Under implementation
Air Separation Unit for Oxygen production	Linde - Germany	2012 -13	Under implementation
Petcoke Gasification for Syngas	P66 – USA	2012-13	Under implementation
Acid Gas Recovery for cleaning Syngas	Linde - Germany	2012 -13	Under implementation
Partially oriented yarn/Fully drawn yarn (POY/FDY)	Invista/ Chemtex/Barmag/TMT	2011-2013	Plant under construction
Polyethylene Terephthalate (PET)	Invista/Chemtex/Buhler	2011-2013	Plant under construction

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to export, initiatives to increase exports, Developments of New export markets for Products and Services and Export Plan.

The Company has continued to maintain focus and avail of export opportunities based on economic considerations. During the year the Company has exports (FOB value) worth ₹ 2,27,883 crore (US\$ 41,979 million).

2. Total Foreign exchange earned and used

		₹ crore
a.	Total Foreign Exchange Earned	2,28,092
b.	Total savings in Foreign Exchange through products manufactured by the Company and deemed exports (US\$ 25,404 million)	1,37,906
	Subtotal (a+b)	3,65,998
c.	Total Foreign Exchange used	2,95,546

**Form 'A'****Form for disclosure of particulars with respect to conservation of energy****Part 'A'**

Power & Fuel Consumption

1 Electricity

	Current Year	Previous Year
a) Purchased Units (Lacs)	5,055.13	3,760.66
Total Cost (₹ In Crores) #	255.92	170.58
Rate/Unit (₹) #	5.06	4.54
b) Generation through captive power facilities		
1) Through Steam Turbine/Generator		
Units (Lacs)	53,679.73	52,605.28
KWH per unit of fuel	6.31	5.66
Total Cost (₹ In Crores)	4,057.95	3,609.07
Cost/Unit (₹)	7.56	6.86
c) Own Generation		
1) Through Diesel Generator		
Units (Lacs)	376.40	500.03
KWH per unit of fuel	3.88	4.08
Fuel Cost/Unit (₹)	11.08	9.31
2) Through Steam Turbine/Generator		
Units (Lacs)	50,761.34	53,212.68
KWH per unit of fuel	5.53	4.20
Fuel Cost/Unit (₹)	6.33	5.21
3) Through Wind Mill Turbine		
Units (Lacs)	23.81	24.82
Purchased Fuels consumed		
2 Furnace Oil		
Quantity (K. Ltrs)	36,304.06	38,027.50
Total Cost (₹ In Crores)	150.27	138.05
Average rate per Ltr. (₹)	41.39	36.30
3 Diesel Oil		
Quantity (K.Ltrs)	5,266.93	3,812.18
Total Cost (₹ In Crores)	25.37	16.61
Average rate per Ltr. (₹)	48.17	43.57
4 Others		
(a) Gas		
Quantity (1000 M3)	19,11,848.90	9,75,810.86
Total Cost (₹ In Crores)	5,050.61	2,508.32
Average rate per 1000M3 (₹)	26,417.39	25,704.99
(b) COAL / HUSK / Wood Fire		
Quantity	35,188.69	31,158.90
Total Cost (₹ In Crores)	12.18	9.45
Average rate per MT (₹)	3,460.65	3,033.58
Internal Fuels consumed		
5 Gas		
Quantity (1000 M3)	58,11,841.76	69,39,994.21
6 GT fuels		
Quantity (K.Ltrs)	5,68,883.09	3,56,106.53

Excluding Demand Charges

B. Consumption per unit of Production

Product	Electricity (KWH)		Furnace Oil/ HSD/ HFHSD (Ltrs)		LSHS (kgs)		Gas (SM3)	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Fabrics (Per 1000 mtrs)	4,469	4,566	2	2	-	-	446	461
PFY (per MT)	737	715	2	2	-	-	77	80
PSF (per MT)	362	357	17	13	-	-	73	84
PTA (per MT)	299	302	0	0	-	-	13	14
LAB (per MT)	624	593	-	-	1	0	481	538
MEG (per MT)	428	441	-	-	2	2	72	79
PVC (per MT)	418	432	-	-	1	0	31	34
HDPE (per MT)	523	530	-	-	0	0	9	15
PP (per MT)	294	301	3	2	0	0	46	54
FF (per MT)	544	571	89	87	-	-	44	26
PET (per MT)	237	245	1	-	-	-	66	73
PX (per MT)	206	198	55	29	-	-	270	309
Petro-products (per MT)	73	73	5	3	-	-	70	75
PBR (per MT)	645	634	-	-	8	0	482	491
Caustic Soda (per MT)	2,621	2,606	-	-	5	3	92	91
Acrylonitrile (per MT)	493	446	-	-	6	(0)	(23)	(38)
Cyclohexane (per MT)	39	37	-	-	-	-	-	-

For and on behalf of the Board of Directors

Mukesh D. Ambani

Chairman and Managing Director

April 16, 2013

Auditors' Certificate on Corporate Governance

To the Members,
Reliance Industries Limited

We have examined the compliance of conditions of Corporate Governance by Reliance Industries Limited, for the year ended on 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chaturvedi & Shah Chartered Accountants (Registration No. 101720W)	For Deloitte Haskins & Sells Chartered Accountants (Registration No. 117366W)	For Rajendra & Co. Chartered Accountants (Registration No. 108355W)
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D. Chaturvedi Partner Membership No.: 5611 Mumbai April 16, 2013	A. Siddharth Partner Membership No.: 31467	A. R. Shah Partner Membership No.: 47166
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Business Responsibility Report

Section A: General Information about the Company

- Corporate Identity Number (CIN) of the Company:** L17110MH1973PLC019786
- Name of the Company:** Reliance Industries Limited
- Registered address:** 3rd Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021, India
- Website:** www.ril.com
- E-mail id:** sustainability.report@ril.com
- Financial Year reported:** 2012-13
- Sector(s) that the Company is engaged in (industrial activity code-wise)**

Exploration and production of Oil & Gas, Refining, Petrochemicals (Polymers, Polyester and fibre intermediates), Textiles

Industrial Group	Description
061	Extraction of crude petroleum
062	Extraction of natural gas
131	Spinning, weaving and finishing of textiles
139	Manufacture of other Textiles
192	Manufacture of refined petroleum products
201	Manufacture of basic chemicals, fertilizer and nitrogen compounds, plastics and synthetic rubber in primary forms
203	Manufacture of man-made fibres

As per National Industrial Classification – Ministry of Statistics and Programme Implementation

- List three key products/services that the Company manufactures/provides (as in balance sheet)**
Transportation Fuels, Polymers and Polyester Fibre
- Total number of locations where business activity is undertaken by the Company**
 - Number of International Locations (Provide details of major 5):** RIL has business activity undertaken in more than 16 international locations and the major ones are USA, Malaysia, Kenya, Uganda, Rwanda and Tanzania.
 - Number of National Locations:** RIL has business activity carried out in more than 50 domestic locations with manufacturing

divisions at Allahabad, Barabanki, Dahej, Hazira, Hoshiarpur, Jamnagar, Nagothane, Nagpur, Naroda, Patalganga, Silvassa, Vadodara. Exploration and production at KGD6 – Gadimoga, Panna Mukta Tapti, CBM Blocks; and various other regional marketing offices.

10. Markets served by the Company - Local/State/National/International:

In addition to serving the Indian markets, RIL exported to 116 countries worldwide, during the FY 2012-13.

Section B: Financial Details of the Company

- Paid up Capital (INR):** 3,229 Crore
- Total Turnover (INR):** 371,119 Crore
- Total Profit After Taxes (INR):** 21,003 Crore
- Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**
1.7%
- List of activities in which expenditure in 4 above has been incurred:**
The major areas in which the above expenditure has been incurred includes education, healthcare, livelihood support, rural development, heritage conservation, environment and safety initiatives for the community.

Section C: Other Details

- Does the Company have any Subsidiary Company/ Companies?**
Yes. The number of subsidiary companies of RIL as on March 31, 2013: 121
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**
Yes, RIL encourages its subsidiary companies to participate in its group wide Business Responsibility (BR) initiatives on a wide range of topics. All subsidiaries are aligned to the activities under the aegis of Reliance Foundation. RIL's subsidiaries like Reliance Fresh, Reliance Trends, etc. have taken part in initiatives across issues like farm engagement activities, training and skill development of youth, community connected activities and promotion of education, etc.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Yes, RIL actively supports its suppliers and distributors to participate in the company's social responsibility and environmental initiatives. Currently less than 30% of other entities participate in the BR initiatives of the Company.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies.

The Corporate Governance and Stakeholders' Interface (CG) Committee of the Board of Directors is responsible for the implementation of the BR policies. The following are the committee members:

- DIN: 00001879
Name: Shri Yogendra P. Trivedi (Chairman)
Designation: Independent Director
- DIN: 00001982
Name: Shri Mahesh P. Modi (Member)
Designation: Independent Director
- DIN: 00001604
Name: Dr. Dharam Vir Kapur (Member)
Designation: Independent Director

b) Details of the BR head

Sl. No.	Particulars	Details
1.	DIN (if applicable)	00001879
2.	Name	Shri Yogendra P. Trivedi
3.	Designation	Chairman of the CG Committee
4.	Telephone number	022 - 2363 3600
5.	e-mail id	trivedi_yogendra@yahoo.co.in

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

P1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 – Businesses should promote the well-being of all employees.

P4 – Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 – Businesses should respect and promote human rights.

P6 – Businesses should respect, protect, and make efforts to restore the environment.

P7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 – Businesses should support inclusive growth and equitable development.

P9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have policy/policies for...	Y	Y ¹	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (The policies are based on the NVG-guidelines in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000, UNGC guidelines and ILO principles)	N	-	Y	N	Y	Y	N	N	N
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	-	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	-	Y	Y	Y	Y	Y	Y	Y



Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6.	Indicate the link for the policy to be viewed online?	-								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of RIL. The communication is an on-going process to cover all internal and external stakeholders.								
8.	Does the Company have in-house structure to implement the policy/policies?	Yes, the Company has an in-house structure which is reviewed by the Corporate Governance and Stakeholders' Interface Committee of the Board of Directors.								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Corporate Governance and Stakeholders' Interface Committee of the Board of Directors undertakes the responsibility of addressing stakeholder concerns related to the BR policies.								
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	RIL's policies pertaining to Health, Safety and Environment have been evaluated by external agencies viz. DNV, LRQA, BVQ.								

¹The policy is embedded in the Environment policy, Business communication policy and CSR policy.

2a. If answer to Sl. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The Company has not understood the Principles	Not Applicable								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The CG Committee assesses periodically the BR performance of the Company.

- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

RIL publishes its Sustainability Report annually based on Global Reporting Initiative's latest reporting guidelines. The last published Sustainability Report for FY 2011-12 and all the previous reports are available at http://ril.com/html/aboutus/sustainability_report.html

Section E: Principle-wise performance

Principle 1

- 1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures Suppliers/Contractors/ NGOs/Others?**

RIL's policy on bribery and anti-corruption covers all individuals worldwide working with it and its subsidiaries at all levels and grades, including directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors or any other person associated with RIL. The well defined policy lists tenets on ethical business conduct, definitions and the framework for reporting concerns.

- 2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

As specified in the Report on Corporate Governance, 2826 investor complaints were received during the FY 2012-13, which have been fully resolved. In other cases, necessary clarifications were furnished.

Principle 2

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

RIL has invested over the years in product innovation and thereby reducing the adverse impact of its operations on the environment while producing socially relevant products. The following is a list of some of our key innovations and the positive impact that they have created:

- a. Recron FR – Flame retardant fibres and yarn aimed at improving the safety of the user.
- b. Recron 3S - Used in the construction and paper industry. It can replace pulp (wood) in the paper industry and also used as a substitute for hazardous asbestos fibre in asbestos cement production. It is also being used to reinforce concrete in various airports, roads, defence establishments, etc. helping to provide a better and safer infrastructure.
- c. Recron Green - Polyester fibres of superior and consistent quality using post-consumer PET bottles. RIL has established a countrywide

network to collect the used PET bottles from all over the country, which are transported to the Company's Hoshiarpur and Barabanki plants, for conversion into Polyester Fibre.

- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain.
- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year.

- 3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

The Company's motto is to establish long term relationship with its vendors and include them in its growth story. RIL has procedures in place to do a thorough check before finalizing on prospective vendors. In addition to techno-commercial aspects, emphasis is also laid on factors like environmental practices and existing certifications, safe working conditions, prevention of child labour and general housekeeping. The Company provides technical and R&D support to vendors and shares best practices with them. RIL's officials interact with them on a regular basis and also conduct periodic audits of their facilities.

The selection procedure of RIL's transport vendors (Truck and Containers) involves scrutiny at various levels like young vehicle/container fleet, presence of mandatory inspections and safe driving procedures. Further, the Company urges its large group of transport vendors to focus on load and route optimization to ensure fuel efficiency and reduce the environmental impact due to transportation.

- 4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

In order to ensure a positive impact of sourcing of our raw materials and other resources as well as product distribution, RIL supports, encourages and develops local vendors. E.g., the Company



developed a local vendor for the supply of a highly hazardous chemical (Tri Ethyl Aluminium). The same facility has been extended to the supply of two more chemicals Di ethyl Aluminium Ethoxide and Di ethyl Aluminium Chloride.

Various contracts have been entered with local villagers around RIL's plants in vehicle hiring, material handling, housekeeping, waste handling and horticulture. These contracts have led to entrepreneurship development around the manufacturing sites and have created employment for the local populace.

Through financial assistance and encouragement, the Company has supported many small suppliers, predominantly civil contractors and transport suppliers, some of whom have now entered into second and third generation of service. With RIL's credentials to support them, these local vendors have now been able to secure work contracts in other companies and nearby locations.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

- RIL partners with various agencies to encourage end-of-life recycling and reuse. It has established a countrywide network to collect the used PET bottles from all over the country, which are transported to the Hoshiarpur and Barabanki plants, for conversion of such bottles into Polyester Fibre. This project has seen a steady increase in the requirement of post-consumer PET bottle requirement per month.
- Company recycled materials amounts to less than 1% of its total material consumption.
- At the Naroda manufacturing unit, the industrial waste is converted into manure through vermi-composting, significantly reducing the waste discharged from the plant. The Effluent Treatment Plant (ETP) sludge is now utilized to generate 'bio-manure' through this vermi-composting method.
- The Company has also focused on reducing

its packaging material at the polyester and polymer manufacturing sites by reducing or optimizing use of materials.

- At Jamnagar, substantial quantity of water required for Jamnagar refinery is obtained by desalination of sea water there by saving the fresh water resources of the area which is generally arid area. All the water after industrial use is recycled and used in greenbelt, mango groves, etc. The site has zero discharge of water.

Principle 3

1. Please indicate the Total number of employees.

23519 as on 31st March, 2013.

2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis.

29462 as on 31st March, 2013.

3. Please indicate the Number of permanent women employees.

1139 as on 31st March, 2013.

4. Please indicate the Number of permanent employees with disabilities

82 as on 31st March, 2013.

5. Do you have an employee association that is recognized by management?

RIL has multiple manufacturing sites and offices. It has various unions and associations of employees for collective bargaining at respective sites.

6. What percentage of your permanent employees is members of this recognized employee association?

Almost 100% of non-supervisory permanent employees at manufacturing locations are members of unions and are governed by wage agreements.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sl. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Since RIL does not hire Child Labour, Forced Labour or Involuntary Labour. No Reported Case.	Not Applicable
2.	Sexual harassment	No Reported Case	Not Applicable
3.	Discriminatory employment	RIL does not discriminate in the recruitment process. No Reported Case.	Not Applicable

8. What safety & skill up-gradation training was provided in the last year?

- **Permanent Employees**
- **Permanent Women Employees**
- **Casual/Temporary/Contractual Employees**
- **Employees with Disabilities**

Employee training and development is an essential element of the Company's people strategy. RIL has a robust training procedure and it does not differentiate on any parameters in terms of identifying and imparting training to its employees. RIL's permanent employees received safety and skill up-gradation training to the tune of 18.67 lac man hours in 2012-13. The permanent women employees received 0.84 lac man hours of training, casual /temporary /contractual employees received 2.63 lac man hours of training and employees with disabilities received 133 man hours of training. All its contractual employees receive mandatory safety training before entering their premises and receive on the job training through the contractor and the Company.

Principle 4

1. Has the company mapped its internal and external stakeholders?

Yes. The stakeholders have been mapped and the key categories are as below:

- i) Government and regulatory authorities
- ii) Employees
- iii) Customers
- iv) Local community
- v) Investors and shareholders
- vi) Suppliers
- vii) Trade unions
- viii) NGOs

RIL engages with its identified stakeholders on an ongoing basis through a constructive consultation process. There is a structured stakeholder engagement programme which entails specific engagement mechanisms for each stakeholder group. The Company follows a system of timely feedback and response through formal and informal channels of communication to ensure that the stakeholder information remains current and updated.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes. The Company has identified the disadvantaged, vulnerable & marginalized stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

A large number of RIL's livelihood support programmes are women centric and have helped them become independent and gain a steady source of income through a range of different vocations. The Company also aims to improve the access to quality education through adopting schools in and around its manufacturing units. These educational institutions include children from the underprivileged communities whose fee is completely or partially waived. Meritorious students are assisted with scholarships to pursue higher education in the colleges. Students who are physically challenged are specially assisted to pursue high education in colleges. During the FY 2012-13, 788 rewards and scholarships were conferred. Additionally, 'Mumbai Indians' supported projects in areas of providing access to quality education for underprivileged children, supporting girl child education, imparting life skills to the differently-abled and creating a level field by providing support classes to the vulnerable children.



RIL partners with the National Association for the Blind for providing free cornea transplants for the underprivileged and providing aid towards diagnosis of blindness at an early age. In 2012 Reliance Drishti launched India's first registered national Braille newspaper in Hindi. For its trucker community RIL conducts AIDS awareness programs on a large scale including skits and role plays. 'Hamrahi', a clinic operating in Allahabad provides voluntary testing and counselling for HIV/AIDS primarily for truckers and nearby residents. The ART Centre at Hazira has catered to more than 78,000 patients. Further, the employees at E&P sites and the Reliance Ladies Club (an association of spouses of RIL managerial employees) at Hazira with initiatives "Chirudeepam" and "Project Hope" respectively support children affected by AIDS and supply them with nutritive kit every month, as per the WHO standard.

Principle 5

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

The Company believes that a sustainable organization rests on a foundation of ethics and respect for human rights. RIL adheres to the statutes of India's Factories Act, 1948, which embodies some of the human rights principles such as prevention of child labour, forced labour and compulsory labour. RIL promotes awareness of the importance of respecting human rights within its value chain and discourage instances of abuse.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

There were no reported complaints during the FY 2012-13.

Principle 6

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

Nurturing and safeguarding the environment for long-term sustainability is the primary objective of RIL's environment policy. The Company strives to inculcate the responsibility of environmental preservation and management not only amongst its employees but also other stakeholder groups such

as contractors, suppliers and customers for shared responsibility towards environment protection. RIL encourages sharing of process and product innovations within the group and extending it to benefit the industry and key members of its value chain.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes. One of the key strategic pillars of RIL's sustainability strategy is ensuring energy security. In its endeavour to become a key global energy player, the Company has strengthened its focus in recent years on opportunities to harness alternative energy sources. RIL undertakes continuous activities to improve energy efficiency and thereby improve its Green House Gas (GHG) performance. It has a separate Clean Development Mechanism Cell to focus on climate change mitigation projects.

3. **Does the Company identify and assess potential environmental risks? Y/N**

Yes. RIL has a mechanism to identify potential environmental risks at all its manufacturing divisions and E&P locations. Mitigation measures and the environmental parameters are internalized at all stages of project design, execution, construction, operation and maintenance.

All of the Company's manufacturing divisions/ locations are ISO 14001, ISO 18001 certified. In addition, all these sites have also been covered under the British Safety Council UK's environment five star audit. The periodic audits help RIL identify potential risks at our locations.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Yes. RIL's registered and prospective Clean Development Mechanism (CDM) projects are related to energy efficiency enhancements, renewable energy projects and use of biomass in the process as a fuel. In FY 2012-13, three of its CDM projects got a total of 34692 Certified Emission Reductions ("CERS") issued from United Nations Framework Convention on Climate Change (UNFCCC) post submission of validation and verification reports. Audit of one more project has been completed and request for issuance of

86912 CERs will shortly be submitted to UNFCCC. Environmental aspects of each CDM project are elaborated in details as part of its Project Design Document and the Company does not file any separate report for environmental compliance for its CDM Projects. It is ensured that all necessary environmental and statutory clearances are in place for the CDM projects.

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes. Increasing energy efficiency across all manufacturing divisions forms an integral part of RIL's operations. Each of the Company's facilities places special emphasis to identify and undertake initiatives to enhance their energy efficiency. Please refer to Page No. 91 of the annual report for energy conservation initiatives. RIL's corporate head office has been taken up as demonstration project for deployment of renewable energy and sustainable waste management. During 2012-13 it has undertaken installation of solar photovoltaic panels on rooftop, utilization of daylight through "light pipes" and generation of biogas and organic manure by anaerobic digestion of food and garden waste. RIL continues to focus on renewable energy opportunities and during the year a feasibility study for assessing repowering potential of its existing wind farms at Upleta was initiated. Wind power generation at Jamnagar is also under consideration. As the sole industry partner in the New Millennium Indian Technology Leadership Initiative project on indigenous PEM Fuel Cell technology development, RIL is playing a major role in scale-up trials of PEM fuel cells after recently concluded successful demonstration of the PEM fuel cell technology in the lab.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes. Our emissions/waste generated reports are regularly submitted to CPCB/SPCB by the Company and no non-conformances have been observed.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There are no pending or unresolved show cause/

legal notices received from CPCB/SPCB as on end of the FY 2012-13.

Principle 7

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.

Yes. RIL is a member of The World Economic Forum, The American Chemistry Council (ACC), Indian Chemical Council (ICC), The Chemicals and Petroleum Manufacturers Association (CPMA), Gulf Petrochemicals & Chemicals Association (GPCA), European Petrochemicals Association (EPCA), Association of Oil and Gas Operators in India (AOGO) and World Business Council for Sustainable Development (WBCSD).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

RIL works closely with the Indian Centre for Plastics in the Environment (ICPE) on a voluntary basis and provide technical and financial support to help the organization plan and implement initiatives identified by the chemical and petrochemical industries.

Principle 8

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

RIL has a CSR policy that reflects its objective of economic and social development. It also reflects the Company's intent to utilise energy resources responsibly and engage with its stakeholders to understand their needs and respond to them accordingly. Further information about the specified programmes and initiatives in pursuit of the policy can be found in the Report on Corporate Social Responsibility on Page No. 49 of the annual report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

RIL has instituted registered Trusts and Foundations to cater to the various socio-economic needs of the country. They are as listed below:



- Reliance Rural Development Trust (RRDT)
- Dhirubhai Ambani Foundation (DAF)
- Reliance Foundation (RF)
- Sir Hurkisondas Nurrotumdass Hospital and Research Centre

3. Have you done any impact assessment of your initiative?

RIL continuously seeks feedback to understand the impact of its initiatives which also includes visits by its CSR teams on a periodic basis. In addition feedback is also sought from the village heads/ Sarpanch to get an understanding of the impacts of the initiatives and opportunities for improvement.

Recently, Reliance Foundation applied for ISO certification for its Bharat India Jodo (BIJ) programme. A team of external auditors conducted a site audit at Netrang cluster and the same was followed by documentation audit. A letter of Recommendation for ISO 9001 Certification has been issued by the auditors.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Community Development expenditure incurred by RIL is on various projects pertaining to education, healthcare, livelihood support, rural development, heritage conservation, environment, safety etc. RIL's contribution to community development amounts to ₹ 351 Crores during FY 2012-13.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

The Company involves the community in decision-making process, right from the problem identification stage, through implementation. The extensive engagement with the community establishes joint ownership of projects. All concerns are amicably addressed and the initiatives are adopted since they are designed as per the identified and prioritized needs of the communities, implemented with the active participation of the communities and progress is jointly evaluated with the community representatives. Regular verification is conducted by teams to ensure that initiatives implemented are sustained while feedback provided by community is incorporated and the learning cycle is mapped for each initiative.

Principle 9

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year?

RIL conducts regular Customer Relation Meets (CRM) to educate and appraise customers about all aspects of its products and takes their feedback in addition to understanding their concerns. The Company has a separate framework to deal with customer complaints. As at 31st March 2013, of the customer complaints received during the FY 2012-13, 98.8% were resolved.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

All marketing communication efforts of the Company adhere to the brand standards/ guidelines with regard to visual manifestation, brand promise and relevancy and saliency of the target group. RIL follows all legal statutes with respect to product labelling and display of product information.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Nil

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Yes. Third-party mystery customer audits, customer satisfaction index and call centre evaluation studies are conducted periodically to ensure fulfilment of the service delivery promise, conformance to internal norms and standards, identification of process improvement areas, and to understand customer attitude and behaviour. After every financial year customer feedback formats are sent to customers and based on the score received from the customers, customer satisfaction index is plotted for the specific products. Other modes of tapping customer feedback are web based customer experience surveys, factory visits for customers and direct one-on-one meeting with the plant personnel. RIL considers customer complaint redressal as an integral part of customer care and customer satisfaction and of prime importance to the Company.

Financial Statements & Notes



Independent Auditors' Report

To the Members of
Reliance Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Reliance Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid

financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act;
 - e. On the basis of the written representations received from the directors as on March 31, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No. 101720W)

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 117366W)

For **Rajendra & Co.**
Chartered Accountants
(Registration No. 108355W)

D. Chaturvedi
Partner
Membership No.: 5611

A. Siddharth
Partner
Membership No.: 31467

A. R. Shah
Partner
Membership No.: 47166

Mumbai
Date : April 16, 2013

Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a) The Company has given loans to two subsidiaries. In respect of the said loans, the maximum amount outstanding at any time during the year was ₹ 20,316 crore and the year-end balance is ₹ 18,226 crore (including interest free loan of ₹ 13,944 crore).
 - b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company.
 - c) The principal amounts are repayable over a period of three to five years, while the interest is payable annually at the discretion of the Company.
 - d) In respect of the said loans and interest thereon, there are no overdue amounts.
- e) The Company has not taken any loan during the year from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues:
 - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales



Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess, and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2013 for a period of more than six months from the date of becoming payable. Amounts due and outstanding for a period exceeding 6 months as at March 31, 2013 to be credited to Investor Education and Protection Fund of ₹ 10 crore, which are held in abeyance due to pending legal cases, have not been considered.

- b) The disputed statutory dues aggregating ₹ 1,035 crore that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Sr. No	Name of the Statute	Nature of the Dues	Amount (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
1.	Central Excise Act, 1944	Excise Duty and Service Tax	17	Various years from 1995-96 to 2010-11	Commissioner of Central Excise (Appeals)
			111	Various years from 1991-92 to 2010-11	Central Excise & Service Tax Appellate Tribunal
			1	Various years from 1982-83 to 1985-86	High Court
2.	Central Sales Tax Act, 1956 and Sales Tax Acts of various states	Sales Tax/ VAT and Entry Tax	60	Various years from 1991-92 to 2009-10	Joint/Deputy Commissioner/ Commissioner (Appeals)
			450	Various years from 1993-94 to 2008-09	Sales Tax Appellate Tribunal
			125	Various years from 1994-95 to 2009-10	High Court
			1	2007-08 to 2008-09	Supreme Court
3.	Customs Act, 1962	Custom Duty	15	2007-08	Joint/Deputy Commissioner/ Commissioner (Appeals)
			255	2007-08	Central Excise & Service Tax Appellate Tribunal
TOTAL			1,035		

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the

Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
15. The Company has given guarantees for loans taken by Others from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
16. The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has created securities / charges in respect of secured debentures issued.
20. The Company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No. 101720W)

For **Deloitte Haskins & Sells**
Chartered Accountants
(Registration No. 117366W)

For **Rajendra & Co.**
Chartered Accountants
(Registration No. 108355W)

D. Chaturvedi
Partner
Membership No.: 5611

A. Siddharth
Partner
Membership No.: 31467

A. R. Shah
Partner
Membership No.: 47166

Mumbai
Date : April 16, 2013

Reliance Industries Limited

Balance Sheet as at 31st March, 2013

	Note	(₹ in crore)	
		As at 31st March, 2013	As at 31st March, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	3,229	3,271
Reserves and Surplus	2	1,76,766	1,62,825
		<u>1,79,995</u>	1,66,096
Share Application Money Pending Allotment	1	25	-
Non-Current Liabilities			
Long Term Borrowings	3	43,012	48,034
Deferred Tax Liability (net)	4	12,193	12,122
		<u>55,205</u>	60,156
Current Liabilities			
Short Term Borrowings	5	11,511	10,593
Trade Payables	6	45,787	40,324
Other Current Liabilities	7	21,640	13,713
Short Term Provisions	8	4,348	4,258
		<u>83,286</u>	68,888
TOTAL		<u><u>3,18,511</u></u>	<u><u>2,95,140</u></u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	82,962	88,001
Intangible Assets	9	26,786	25,722
Capital Work-in-Progress	9	13,525	3,695
Intangible Assets under Development	9	5,591	4,059
Non-Current Investments	10	24,143	26,979
Long Term Loans and Advances	11	21,528	14,340
		<u>1,74,535</u>	1,62,796
Current Assets			
Current Investments	12	28,366	27,029
Inventories	13	42,729	35,955
Trade Receivables	14	11,880	18,424
Cash and Bank Balances	15	49,547	39,598
Short Term Loans and Advances	16	10,974	11,089
Other Current Assets	17	480	249
		<u>1,43,976</u>	1,32,344
TOTAL		<u><u>3,18,511</u></u>	<u><u>2,95,140</u></u>
Significant Accounting Policies			
Notes on Financial Statements	1 to 36		

As per our Report of even date

For **Chaturvedi & Shah**
Chartered AccountantsFor **Deloitte Haskins & Sells**
Chartered AccountantsFor **Rajendra & Co.**
Chartered Accountants**D. Chaturvedi**
Partner**A. Siddharth**
Partner**A.R. Shah**
PartnerMumbai
Date : April 16, 2013**K. Sethuraman**
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director**N.R. Meswani**
H.R. Meswani
P.M.S. Prasad } Executive Directors**P. K. Kapil**
R.H. Ambani
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi } Directors**Prof. Ashok Misra**
Prof. Dipak C. Jain
Dr. R.A. Mashelkar



Reliance Industries Limited

Statement of Profit and Loss for the year ended 31st March, 2013

	Note	2012-13	(₹ in crore) 2011-12
INCOME :			
Revenue from Operations	18	3,60,297	3,29,904
Other Income	19	7,998	6,192
Total Revenue		3,68,295	3,36,096
EXPENDITURE :			
Cost of Materials Consumed	20	3,06,127	2,74,814
Purchases of Stock-in-Trade		502	1,441
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	21	(3,317)	(872)
Employee Benefits Expense	22	3,354	2,862
Finance Costs	23	3,036	2,667
Depreciation and Amortisation Expense	24	9,465	11,394
Other Expenses	25	22,844	18,040
Total Expenses		3,42,011	3,10,346
Profit Before Tax		26,284	25,750
Tax Expenses			
Current Tax		5,244	5,150
Deferred Tax		37	560
Profit for the year		21,003	20,040
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	26	64.82	61.21
Significant Accounting Policies			
Notes on Financial Statements	1 to 36		

As per our Report of even date

For **Chaturvedi & Shah**
Chartered AccountantsFor **Deloitte Haskins & Sells**
Chartered AccountantsFor **Rajendra & Co.**
Chartered Accountants**D. Chaturvedi**
Partner**A. Siddharth**
Partner**A.R. Shah**
PartnerMumbai
Date : April 16, 2013**K. Sethuraman**
Company Secretary

For and on behalf of the Board
M.D. Ambani - Chairman & Managing Director
N.R. Meswani
H.R. Meswani
P.M.S. Prasad
P. K. Kapil
R.H. Ambani
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar } Executive Directors

} Directors

Reliance Industries Limited

Cash Flow Statement for the year 2012-13

	2012-13	2011-12
(₹ in crore)		
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss	26,284	25,750
Adjusted for:		
Net Prior Year Adjustments	3	1
Loss on Sale / Discard of Assets (net)	34	21
Depreciation and Amortisation Expense	11,537	13,734
Transferred from Revaluation Reserve	(2,072)	(2,340)
Effect of Exchange Rate Change	1,039	801
Net gain on Sale of Investments	(1,658)	(1,635)
Dividend Income	(77)	(10)
Interest Income	(6,245)	(4,414)
Finance Costs	3,036	2,667
	<u>5,597</u>	<u>8,825</u>
Operating Profit before Working Capital Changes	31,881	34,575
Adjusted for:		
Trade and Other Receivables	5,594	(516)
Inventories	(6,086)	(6,130)
Trade and Other Payables	6,274	3,876
	<u>5,782</u>	<u>(2,770)</u>
Cash Generated from Operations	37,663	31,805
Net Prior Year Adjustments	(3)	(1)
Taxes Paid (net)	(4,665)	(4,830)
Net Cash from Operating Activities	<u>32,995</u>	<u>26,974</u>
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(15,944)	(8,008)
Sale of Fixed Assets / Transfer of Participating Interest	33	23,245
Purchase of Investments	(4,79,071)	(3,32,438)
Sale / Redemption of Investments	4,81,203	3,15,388
Movement in Loans and Advances	(7,546)	(3,126)
Interest Income	6,451	1,883
Dividend Income	77	10
Net Cash (used in) Investing Activities	<u>(14,797)</u>	<u>(3,046)</u>



Cash Flow Statement for the year 2012-13 (Contd.)

	2012-13	(₹ in crore) 2011-12
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital	12	87
Share Application Money	25	-
Buyback of Equity Shares	(3,087)	(279)
Proceeds from Long Term Borrowings	10,262	5,229
Repayment of Long Term Borrowings	(10,306)	(8,456)
Short Term Borrowings (net)	1,274	(2,111)
Dividends Paid (including dividend distribution tax)	(2,924)	(2,772)
Interest Paid	(3,505)	(3,163)
Net Cash (used in) Financing Activities	<u>(8,249)</u>	<u>(11,465)</u>
Net Increase in Cash and Cash Equivalents	9,949	12,463
Opening Balance of Cash and Cash Equivalents	39,598	27,135
Add: On Amalgamation (₹ 16,96,263) (Refer Note No. 33)	-	-
Closing Balance of Cash and Cash Equivalents	<u>49,547</u>	<u>39,598</u>

Note :

Share application money given to Subsidiary / Associate aggregating to ₹ NIL (Previous Year ₹ 935 crore) have been converted into investments in Equity / Preference Shares.

As per our Report of even date

For **Chaturvedi & Shah**
Chartered Accountants

For **Deloitte Haskins & Sells**
Chartered Accountants

For **Rajendra & Co.**
Chartered Accountants

D. Chaturvedi
Partner

A. Siddharth
Partner

A.R. Shah
Partner

Mumbai
Date : April 16, 2013

K. Sethuraman
Company Secretary

For and on behalf of the Board
M.D. Ambani - Chairman & Managing Director
N.R. Meswani
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M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar

Executive Directors
 Directors

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

C. Own Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

D. Leased Assets

- a) Operating Leases: Rentals are expensed with reference to lease terms and other considerations.
- b) (i) Finance leases prior to 1st April, 2001: Rentals are expensed with reference to lease terms and other considerations.
(ii) Finance leases on or after 1st April, 2001: The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss account.
- c) However, rentals referred to in (a) or (b) (i) above and the interest component referred to in (b) (ii) above pertaining to the period upto the date of commissioning of the assets are capitalised.
- d) All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Initial direct costs in respect of lease are expensed in the year in which such costs are incurred. Income from lease assets is accounted by applying the interest rate implicit in the lease to the net investment.

E. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised.

F. Depreciation and Amortisation

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life except, on fixed assets pertaining to refining segment and SEZ units, depreciation is provided on Straight Line method (SLM) over their useful life; on fixed bed catalyst with a life of 2 years or more, depreciation is provided over its useful life; on fixed bed catalysts having life of less than 2 years, 100% depreciation is provided in the year of addition; on additions or extensions forming an integral part of existing plants, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets and insurance spares, depreciation is provided as aforesaid over the residual life of the respective plants; premium on leasehold land is amortised over the period of lease; technical know how is amortised over the useful life of the underlying assets and computer software is amortised over a period of 5 years; on intangible assets - development rights, depletion is provided in proportion of oil and gas production achieved vis-a-vis the proved reserves (net of reserves to be



SIGNIFICANT ACCOUNTING POLICIES

retained to cover abandonment costs as per the production sharing contract and the Government of India's share in the reserves) considering the estimated future expenditure on developing the reserves as per technical evaluation; intangible assets - others are amortised over the period of agreement of right to use, provided in case of jetty the aggregate amount amortised to date is not less than the aggregate rebate availed by the Company; on amounts added on revaluation, depreciation is provided as aforesaid over the residual life of the assets as certified by the valuers'; on assets acquired under finance lease from 1st April 2001, depreciation is provided over the lease term.

G. Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

H. Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- (c) Non monetary foreign currency items are carried at cost.
- (d) In respect of branches, which are integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Branch monetary assets and liabilities are restated at the year end rates.
- (e) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

I. Investments

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

J. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis. By-products are valued at net realisable value.

K. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, sales tax, service tax, excise duty and sales during trial run period, adjusted for discounts (net), Value Added Tax (VAT) and gain / loss on corresponding hedge contracts. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

L. Excise Duty / Service Tax and Sales Tax / Value Added Tax

Excise duty / Service tax is accounted on the basis of both, payments made in respect of goods cleared / services

SIGNIFICANT ACCOUNTING POLICIES

provided as also provision made for goods lying in bonded warehouses. Sales tax / Value added tax paid is charged to Profit and Loss account.

M. Employee Benefits

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

N. Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is charged to the Profit and Loss account in the year of exercise of option.

O. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

P. Financial Derivatives and Commodity Hedging Transactions

In respect of derivative contracts, premium paid, gains / losses on settlement and losses on restatement are recognised in the Profit and Loss account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

Q. Accounting for Oil and Gas Activity

The Company has adopted Full Cost Method of accounting for its Oil and Gas activity and all costs incurred in acquisition, exploration and development are accumulated considering the country as a cost centre. Oil and Gas Joint Ventures are in the nature of Jointly Controlled Assets. Accordingly, assets and liabilities as well as income and expenditure are accounted on the basis of available information on line by line basis with similar items in the Company's financial statements, according to the participating interest of the Company.

R. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

S. Premium on Redemption of Bonds / Debentures

Premium on redemption of bonds / debentures, net of tax impact, are adjusted against the Securities Premium Account.

T. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



Notes on Financial Statements for the Year ended 31st March, 2013

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

1. SHARE CAPITAL

	As at 31st March, 2013	As at 31st March, 2012
(₹ in crore)		
Authorised Share Capital:		
500,00,00,000 Equity Shares of ₹ 10 each (500,00,00,000)	5,000	5,000
100,00,00,000 Preference Shares of ₹ 10 each (100,00,00,000)	1,000	1,000
	<u>6,000</u>	<u>6,000</u>
Issued, Subscribed and Paid up:		
322,86,63,382 Equity Shares of ₹ 10 each fully paid up (327,10,59,340)	3,229	3,271
Less: Calls in arrears - by others [₹ 3,653 (Previous Year ₹ 3,653)]	-	-
	<u>3,229</u>	<u>3,271</u>
TOTAL	<u>3,229</u>	<u>3,271</u>

- 1.1 162,67,93,078 Shares were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium (162,67,93,078) and Reserves.
- 1.2 6,92,52,623 Shares were allotted in the last five years pursuant to the various Schemes of amalgamation (12,93,93,183) without payments being received in cash.
- 1.3 45,04,27,345 Shares were allotted on conversion / surrender of Debentures and Bonds, conversion of Term (45,04,27,345) Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception.
- 1.4 17,18,83,624 Shares held by Subsidiaries do not have Voting Rights and are not eligible for Bonus Shares (17,18,83,624)
- 1.5 4,62,46,280 Shares were bought back and extinguished in the last five years. (36,63,431)
- 1.6 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	% held	No. of Shares	% held
Life Insurance Corporation of India	25,77,59,467	7.98	23,19,67,257	7.09

- 1.7 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares		No. of Shares	
Equity Shares at the beginning of the year	327,10,59,340		327,33,74,008	
Add : Shares issued on exercise of Employee Stock Options	1,86,891		13,48,763	
Less : Shares cancelled on buy back of Equity Shares	4,25,82,849		36,63,431	
Equity Shares at the end of the year	<u>322,86,63,382</u>		<u>327,10,59,340</u>	

- 1.8 The Company has reserved issuance of 13,37,43,590 (Previous year 13,39,30,481) Equity Shares of ₹ 10 each for offering to eligible employees of the Company and its subsidiaries under Employees Stock Option Scheme (ESOS). During the year, the Company has not granted any options to the eligible employees [Previous year 68,817 options, which includes 4,100 options at a price of ₹ 972 per option, 18,000 options at a price of ₹ 871 per option, 23,717 options at a price of ₹ 847 per option, 15,000 options at a price of ₹ 765 per option and 8,000 options at a price of ₹ 715 per option plus all applicable taxes, as may be levied in this regard on the Company]. The options would vest over a maximum period of 7 years or such other period as may be decided by the Employees Stock Compensation Committee from the date of grant based on specified criteria.

Notes on Financial Statements for the Year ended 31st March, 2013

1.9 Share application money pending allotment represents application money received on account of employees stock option scheme.

2. RESERVES AND SURPLUS

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Revaluation Reserve		
As per last Balance Sheet	3,127	5,467
Less: Transferred to Profit and Loss Account (Refer Note No. 9.9)	2,072	2,340
	<u>1,055</u>	<u>3,127</u>
Capital Reserve		
As per last Balance Sheet	291	291
Capital Redemption Reserve		
As per last Balance Sheet	4	-
Add : On Amalgamation (Refer Note No. 33)	1	-
Add : Transferred from Profit and Loss Account on buy back of Equity Shares	43	4
	<u>48</u>	<u>4</u>
Securities Premium Reserve		
As per last Balance Sheet	50,677	50,878
Add : On issue of shares	12	85
	<u>50,689</u>	<u>50,963</u>
Less : On Redemption of Debentures/Bonds	-	11
Less : On buy back of Equity Shares	3,044	275
	<u>47,645</u>	<u>50,677</u>
Less: Calls in arrears - by others [₹ 2,21,548 (Previous Year ₹ 2,21,548)]	-	-
	<u>47,645</u>	<u>50,677</u>
Debentures Redemption Reserve		
As per last Balance Sheet	1,117	1,117
General Reserve*		
As per last Balance Sheet	1,00,000	84,000
Add: Transferred from Profit and Loss Account	18,000	16,000
	<u>1,18,000</u>	<u>1,00,000</u>
Profit and Loss Account		
As per last Balance Sheet	7,609	6,514
Add : On Amalgamation (Refer Note No. 33)	1,116	-
Add: Profit for the year	21,003	20,040
	<u>29,728</u>	<u>26,554</u>
Less: Appropriations		
Transferred to General Reserve	18,000	16,000
Transferred to Capital Redemption Reserve on buy back of Equity Shares	43	4
Proposed Dividend on Equity Shares** [Dividend per Share ₹ 9.0/- (Previous year ₹ 8.5/-)]	2,628	2,531
Tax on Dividend**	447	410
	<u>8,610</u>	<u>7,609</u>
TOTAL	<u>1,76,766</u>	<u>1,62,825</u>

* Cumulative amount withdrawn on account of Depreciation on Revaluation is ₹ 2,563 crore.



Notes on Financial Statements for the Year ended 31st March, 2013

** Proposed Dividend on Equity Shares and Tax on Dividend are net of reversal of excess provision of previous year pertaining to Equity Shares bought back before the record date of Dividend, aggregating to ₹ 17 crore.

3. LONG TERM BORROWINGS

(₹ in crore)

	As at 31st March, 2013		As at 31st March, 2012	
	Non Current	Current	Non Current	Current
Secured				
Non Convertible Debentures	1,842	4,182	6,024	3,044
Long Term Maturities of Finance Lease Obligations (Refer Note No. 9.7 and 30)	147	22	168	20
	<u>1,989</u>	<u>4,204</u>	<u>6,192</u>	<u>3,064</u>
Unsecured				
Bonds	9,066	-	4,564	-
Term Loans- from banks	31,951	13,697	37,269	6,753
Deferred payment liabilities	6	3	9	3
	<u>41,023</u>	<u>13,700</u>	<u>41,842</u>	<u>6,756</u>
TOTAL	<u>43,012</u>	<u>17,904</u>	<u>48,034</u>	<u>9,820</u>

3.1 Non Convertible Debentures referred above to the extent of:

- ₹ 1,593 crore are secured by way of first mortgage / charge on the immovable properties situated at Hazira Complex and at Jamnagar Complex (other than SEZ units) of the Company.
- ₹ 2,500 crore are secured by way of first mortgage / charge on the immovable properties situated at Jamnagar Complex (other than SEZ units) of the Company.
- ₹ 1,300 crore are secured by way of first mortgage / charge on all the properties situated at Hazira Complex and at Patalganga Complex of the Company.
- ₹ 50 crore are secured by way of first mortgage / charge on certain properties situated at Ahmedabad in the State of Gujarat and on fixed assets situated at Nagpur Complex of the Company.
- ₹ 30 crore are secured by way of first mortgage / charge on certain properties situated at Surat in the State of Gujarat and on fixed assets situated at Allahabad Complex of the Company.
- ₹ 51 crore are secured by way of first mortgage / charge on movable and immovable properties situated at Thane in the State of Maharashtra and on movable properties situated at Baulpur Complex of the Company.
- ₹ 500 crore are secured by way of first mortgage / charge on the immovable properties situated at Jamnagar Complex (SEZ unit) of the Company.

3.2 Maturity profile and Rate of interest of Non Convertible Debentures are as set out below :

(₹ in crore)

Rate of Interest	2014-15	2015-16	2016-17	2017-18	2018-19	2020-21
6.25%	133	133	133	133	133	-
8.75%	-	-	-	-	-	500
9.25%	250	-	-	-	-	-
10.75%	-	-	-	-	370	-
Zero Coupon Debentures	26	31	-	-	-	-

3.3 Finance Lease obligations are secured against leased assets.

Notes on Financial Statements for the Year ended 31st March, 2013

3.4 Maturity profile and Rate of interest of Bonds are as set out below :

Rate of Interest	Maturity Profile							(₹ in crore)
	2015-16	2016-17	2018-19	2026-27	2027-28	2046-47	2096-97	
2.86%	932	-	-	-	-	-	-	
6.21%	-	271	-	-	-	-	-	
6.24%	-	879	-	-	-	-	-	
6.34%	-	-	206	-	-	-	-	
6.51%	-	706	-	-	-	-	-	
6.61%	-	-	923	-	-	-	-	
7.63%	-	-	-	-	27	-	-	
8.25%	-	-	-	184	-	-	-	
9.38%	-	-	-	120	-	-	-	
10.25%	-	-	-	-	-	-	68	
10.38%	-	355	-	-	-	-	-	
10.50%	-	-	-	-	-	52	-	

3.5 Bonds include, 5.875% Senior Perpetual Notes (the "Notes") of ₹ 4,343 crore. The Notes have no fixed maturity date and the Company will have an option, from time to time, to redeem the Notes, in whole or in part, on any semi-annual interest payment date on or after February 5, 2018 at 100% of the principal amount plus accrued interest.

3.6 Maturity Profile of Unsecured Term Loans are as set out below :

	Maturity Profile				(₹ in crore)
	1-2 years	2-3 years	3-4 years	Beyond 4 years	
Term Loans- from banks	3,637	6,525	8,854	12,935	

4. DEFERRED TAX LIABILITY (Net)

	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liability		
Related to fixed assets	12,293	12,207
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	100	85
TOTAL	12,193	12,122

5. SHORT TERM BORROWINGS

	As at 31st March, 2013	As at 31st March, 2012
Secured		
Working Capital Loans		
From Banks		
Foreign Currency Loans	406	738
Rupee Loans	27	19
	433	757
Unsecured		
Other Loans and Advances		
From Banks		
Foreign Currency Loans - Buyers/Packing Credit	10,978	9,736
Rupee Loans	100	100
	11,078	9,836
TOTAL	11,511	10,593

5.1 Working capital loans are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares (not relating to plant and machinery), book debts, outstanding monies, receivables, claims, bills, materials in transit, etc. save and except receivables of Oil and Gas Division.



Notes on Financial Statements for the Year ended 31st March, 2013

6. TRADE PAYABLES

(₹ in crore)

	As at 31st March, 2013	As at 31st March, 2012
Micro, Small and Medium Enterprises	66	33
Others	45,721	40,291
TOTAL	45,787	40,324

6.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

(₹ in crore)

Particulars	As at 31st March, 2013	As at 31st March, 2012
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

7. OTHER CURRENT LIABILITIES

(₹ in crore)

	As at 31st March, 2013	As at 31st March, 2012
Current maturities of long term debt (Refer Note No. 3)	17,882	9,800
Current maturities of finance lease obligations (Refer Note No. 3 and 9.7)	22	20
Interest accrued but not due on borrowings	340	424
Unclaimed Dividends #	152	129
Application money received and due for refund #	1	1
Unpaid matured debentures and interest accrued thereon #	1	1
Creditors for Capital Expenditure	1,430	1,189
Other Payables *	1,812	2,149
TOTAL	21,640	13,713

* Includes statutory dues, security deposit and advance from customers.

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund except ₹ 10 crore (Previous Year ₹ 9 crore) which is held in abeyance due to legal cases pending.

8. SHORT TERM PROVISIONS

(₹ in crore)

	As at 31st March, 2013	As at 31st March, 2012
Provisions for Employee Benefits (Refer Note No. 22.1)	126	191
Proposed Dividend	2,643	2,531
Tax on Dividend	449	410
Provision for Wealth Tax	44	79
Other Provisions #	1,086	1,047
TOTAL	4,348	4,258

Notes on Financial Statements for the Year ended 31st March, 2013

- # The Company had recognised liability based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on 31st March, 2012 of ₹ 326 crore as per the estimated pattern of despatches. During the year, ₹ 326 crore was utilised for clearance of goods. Provision recognised under this class for the year is ₹ 336 crore which is outstanding as on 31st March, 2013. Actual outflow is expected in the next financial year. The Company had recognised customs duty liability on goods imported of ₹ 704 crore as at 31st March, 2012. During the year, further provision of ₹ 339 crore was made and sum of ₹ 296 crore was reversed on fulfilment of export obligation. Closing balance on this account as at 31st March, 2013 is ₹ 747 crore. Other class of provisions where recognition is based on substantial degree of estimation relate to disputed customer / supplier / third party claims, rebates or demands against the Company. Any additional information in this regard can be expected to seriously prejudice the position of the Company.

9. FIXED ASSETS

(₹ in crore)

Description	Gross Block				Depreciation / Amortisation				Net Block	
	As at 01-04-2012	Additions / Adjustment	Deductions/ Adjustments	As at 31-03-2013	As at 01-04-2012	For the Year	Deductions/ Adjustments	As at 31-03-2013	As at 31-03-2013	As at 31-03-2012
TANGIBLE ASSETS :										
OWN ASSETS :										
Leasehold Land	1,577	45	-	1,622	242	54	-	296	1,326	1,335
Freehold Land	1,221	89	1	1,309	-	-	-	-	1,309	1,221
Buildings	7,792	730	6	8,516	2,568	518	2	3,084	5,432	5,224
Plant & Machinery	1,34,993	3,066	486	1,37,573	62,319	7,950	435	69,834	67,739	72,674
Electrical Installations	3,582	9	-	3,591	1,564	164	-	1,728	1,863	2,018
Equipments \$	6,459	106	15	6,550	1,556	314	14	1,856	4,694	4,903
Furniture & Fixtures	524	18	20	522	336	35	19	352	170	188
Vehicles	316	90	29	377	171	50	21	200	177	145
Ships	386	1	-	387	254	14	-	268	119	132
Aircrafts & Helicopters	46	-	-	46	23	4	-	27	19	23
Sub-Total	1,56,896	4,154	557	1,60,493	69,033	9,103	491	77,645	82,848	87,863
LEASED ASSETS :										
Plant & Machinery	318	-	-	318	180	24	-	204	114	138
Ships	10	-	-	10	10	-	-	10	-	-
Sub-Total	328	-	-	328	190	24	-	214	114	138
Total (A)	1,57,224	4,154	557	1,60,821	69,223	9,127	491	77,859	82,962	88,001
INTANGIBLE ASSETS : *										
Technical Knowhow fees	3,403	-	-	3,403	1,725	185	-	1,910	1,493	1,678
Software	488	6	13	481	428	11	13	426	55	60
Development Rights	35,179	4,091	-	39,270	19,525	2,742	-	22,267	17,003	15,654
Others	9,199	-	20	9,179	869	75	-	944	8,235	8,330
Total (B)	48,269	4,097	33	52,333	22,547	3,013	13	25,547	26,786	25,722
Total (A + B)	2,05,493	8,251	590	2,13,154	91,770	12,140	504	1,03,406	1,09,748	1,13,723
Previous Year	2,21,253	12,981	28,741	2,05,493	78,546	13,734	510	91,770	1,13,723	
Capital Work-in-Progress									13,525	3,695
Intangible Assets under Development									5,591	4,059

\$ Includes Office Equipments

* Other than internally generated

9.1 Leasehold Land includes ₹ 203 crore (Previous Year ₹ 203 crore) in respect of which lease-deeds are pending execution.

9.2 Buildings include :

- i) Cost of shares in Co-operative Housing Societies ₹ 1 crore (Previous Year ₹ 1 crore).
- ii) ₹ 5 crore (Previous Year ₹ 5 crore) in respect of which conveyance is pending.
- iii) ₹ 93 crore (Previous Year ₹ 93 crore) in shares of Companies / Societies with right to hold and use certain area of Buildings.



Notes on Financial Statements for the Year ended 31st March, 2013

9.3 Intangible assets - Others include :

- i) Jetties amounting to ₹ 812 crore (Previous Year ₹ 812 crore), the Ownership of which vests with Gujarat Maritime Board. However, under an agreement with Gujarat Maritime Board, the Company has been permitted to use the same at a concessional rate.
- ii) ₹ 8,367 crore (Previous Year ₹ 8,387 crore) in preference shares of subsidiaries and lease premium paid with right to hold and use Land and Buildings.

9.4 Capital Work-in-Progress and Intangible Assets under development include :

- i) ₹ 2,795 crore (Previous Year ₹ 2,320 crore) on account of project development expenditure.
- ii) ₹ 4,685 crore (Previous Year ₹ 933 crore) on account of cost of construction materials at site.

9.5 Gross Block includes ₹ 12,901 crore added on revaluation of Building, Plant & Machinery and Equipments as at 01.01.2009 based on reports issued by international valuers.

9.6 Additions in Plant and Machinery, Capital Work-in-Progress, Intangible Assets - Development Rights and Intangible Assets under development includes ₹ 5,070 crore (net loss) [Previous Year ₹ 7,558 crore (net loss)] on account of exchange difference during the year.

9.7 i) In respect of Fixed Assets acquired on finance lease on or after 1st April, 2001, the minimum lease rentals outstanding as on 31st March, 2013 are as follows:

(₹ in crore)

	Total Minimum Lease Payments outstanding As at 31 st March		Future interest on Outstanding Lease Payments		Present value of Minimum Lease Payments As at 31 st March	
	2013	2012	2012-13	2011-12	2013	2012
Within one year	37	36	15	16	22	20
Later than one year and not later than five years	147	146	35	44	112	102
Later than five years	36	73	1	7	35	66
Total	220	255	51	67	169	188

ii) General Description of Lease terms:

- (a) Lease rentals are charged on the basis of agreed terms.
- (b) Assets are taken on lease over a period of 5 to 10 years.

9.8 Project Development Expenditure

(in respect of Projects up to 31st March, 2013, included under Capital work-in-progress and Intangible Assets under development)

(₹ in crore)

	2012-13	2011-12
Opening Balance	2,320	1,886
Add: Transferred from Profit and Loss Account (Refer Note No. 25)	98	37
Interest Capitalised	385	430
	483	467
	2,803	2,353
Less: Project Development Expenses Capitalised during the year	8	33
Closing Balance	2,795	2,320

9.9 The Gross Block of Fixed Assets includes ₹ 38,122 crore (Previous Year ₹ 38,122 crore) on account of revaluation of Fixed Assets carried out since inception. Consequent to the said revaluation there is an additional charge of depreciation of ₹ 2,072 crore (Previous Year ₹ 2,340 crore) and an equivalent amount has been withdrawn from Revaluation Reserve and credited to the Profit and Loss Account. This has no impact on profit for the year.

9.10 Additions for the year includes freehold land ₹ 56 crore, buildings ₹ 674 crore, plant and machinery ₹ 1,189 crore, furniture and fixtures ₹ 12 crore, vehicles ₹ 10 crore and software ₹ 1 crore on amalgamation of Reliance Jamnagar Infrastructure Limited with the Company. Accumulated depreciation of ₹ 603 crore on the above assets has included in depreciation for the year. (Refer Note No. 33)

Notes on Financial Statements for the Year ended 31st March, 2013

10. NON-CURRENT INVESTMENTS

(Long Term Investments)

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Trade Investments		
In Equity Shares - Unquoted, fully paid up		
1,00,00,000 Petronet India Limited of ₹ 10 each (1,00,00,000)	10	10
	<u>10</u>	<u>10</u>
In Equity Shares of Associate Companies - Unquoted, fully paid up		
64,29,20,000 Gujarat Chemical Port Terminal Company (64,29,20,000) Limited of ₹ 1 each	64	64
62,63,125 Indian Vaccines Corporation Limited (62,63,125) of ₹ 10 each	1	1
11,08,500 Reliance Europe Limited of Sterling (11,08,500) Pound 1 each	4	4
52,00,000 Reliance Utilities and Power Private (26,00,000) Limited Class 'A' shares of ₹ 1 each [₹ 40,40,000 (Previous Year ₹ 19,90,000)]	-	-
- Reliance Utilities Private Limited (26,00,000) Class 'A' shares of ₹ 1 each [₹ NIL (Previous Year ₹ 20,50,000)]	-	-
	<u>69</u>	<u>69</u>
In Preference Shares of Associate Company - Unquoted, fully paid up		
50,00,00,000 9% Non-Cumulative Redeemable Preference (50,00,00,000) Shares of Reliance Gas Transportation Infrastructure Limited of ₹ 10 each	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
Total Trade Investments (A)	<u>2,079</u>	<u>2,079</u>
Other Investments		
In Equity Shares of Associate Company - Quoted, fully paid up		
68,60,064 Reliance Industrial Infrastructure Limited (68,60,064) of ₹ 10 each	16	16
	<u>16</u>	<u>16</u>
In Equity Shares of Associate Company - Unquoted, fully paid up		
22,500 Reliance LNG Limited of ₹ 10 each (22,500) [₹ 2,25,000 (Previous Year ₹ 2,25,000)]	-	-
	<u>-</u>	<u>-</u>



Notes on Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
In Equity Shares of Subsidiary Companies -		
Unquoted, fully paid up		
4,79,76,90,000 Reliance Jio Infocomm Limited (4,79,76,90,000) of ₹10 each	4,798	4,798
- Reliance Exploration & Production DMCC (1,76,200) of AED 1000 each	-	211
2,00,000 Reliance Global Business B.V. of Euro 0.01 each (2,00,000) [₹ 1,25,400 (Previous Year ₹ 1,25,400)]	-	-
14,75,04,400 Reliance Industrial Investments and (14,75,04,400) Holdings Limited of ₹10 each	148	148
42,450 Reliance Industries (Middle East) (42,450) DMCC of AED 1000 each	46	46
- Reliance Jamnagar Infrastructure Limited (10,00,00,000) of ₹ 10 each	-	100
- Reliance Retail Limited of ₹10 each (5,22,00,00,000)	-	5,220
20,20,200 Reliance Strategic Investments Limited (20,20,200) of ₹ 10 each	2	2
26,91,150 Reliance Ventures Limited of ₹ 10 each (26,91,150)	2,351	2,351
65,50,001 RIL (Australia) Pty Limited of Aus \$ 1 each (59,00,001)	25	22
50,000 Reliance Energy Generation and Distribution (50,000) Limited of ₹ 10 each [₹ 5,00,000 (Previous Year ₹ 5,00,000)]	-	-
5,66,70,00,000 Reliance Commercial Associates Limited of ₹ 10 (-) each	5,667	-
50,000 Reliance Gas Pipelines Limited of ₹ 10 each (-) [₹ 5,01,256 (Previous Year ₹ NIL)]	-	-
	13,037	12,898
	13,053	12,914
In Preference shares of Subsidiary Companies -		
Unquoted, fully paid up		
5,92,70,31,111 Reliance Global Business B.V. (6,60,77,27,511) Class 'A' Shares of Euro 0.01 each	382	426
4,02,800 9% Non Cumulative Compulsorily Convertible (4,02,800) Preference Shares of Reliance Strategic Investments Limited of ₹ 1 each	113	113
63,436 5% Non Cumulative Compulsorily Convertible (3,54,156) Preference Shares of Reliance Industries (Middle East) DMCC of AED 1000 each	85	474

Notes on Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	As at 31st March, 2012	(₹ in crore)
- 5% Non Cumulative Compulsorily Convertible (24,82,316) Preference Shares of Reliance Exploration & Production DMCC of AED 1000 each	-	3,121	
- 10% Non-Cumulative Optionally Convertible (18,50,000) Preference Shares of Reliance Jamnagar Infrastructure Limited of ₹ 10 each	-	925	
- Reliance Netherlands B.V. Class 'A' Shares of (62,000) Euro 1 each [₹ NIL (Previous Year ₹ 37,57,820)]	-	-	
- 9% Cumulative Optionally Convertible Preference (2,58,00,00,000) Shares of Reliance Retail Limited of ₹ 10 each	-	2,580	
2,64,70,00,000 9% Cumulative Redeemable Preference Shares of (-) Reliance Jio Infocomm Limited of ₹ 10 each	2,647	-	
	<u>3,227</u>	<u>7,639</u>	
In Preference shares of Subsidiary Company - Unquoted, partly paid up			
- Reliance Netherlands B.V. Class 'A' (1,37,000) Shares of Euro 1 each (Euro 0.60 each paid up)	-	1	
	<u>-</u>	<u>1</u>	
	3,227	7,640	
In Debentures of Subsidiary Companies - Unquoted, Fully paid up			
2,79,90,000 0% Unsecured Convertible Debentures (2,79,90,000) of Reliance Industrial Investments and Holdings Limited of ₹ 100 each	280	280	
8,83,143 0% Unsecured Convertible Redeemable (8,83,143) Debentures of Reliance Industrial Investments and Holdings Limited of ₹ 5,000 each	442	442	
	<u>722</u>	<u>722</u>	
In Government Securities-Unquoted			
6 Years National Savings Certificate (Deposited with Sales Tax Department and other Government Authorities) [₹ 1,69,920 (Previous Year ₹ 2,43,420)]	-	-	
In Government Securities-Quoted			
8.33% GOI 2026	650	-	
In Fixed Maturity Plan - Quoted fully paid up			
2,50,00,000 Axis Fixed Term Plan - (Series 21/22/34) - Growth (5,00,00,000)	25	50	
2,50,00,000 Baroda Pioneer Fixed Maturity Plan - Series C - (-) Growth	25	-	
19,00,00,000 Birla Sunlife Fixed Term Plan - (47,00,00,000) (Series ES/EV/EY/FC/GA/GB/GF) - Growth	190	470	



Notes on Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
3,00,00,000 BNP Paribas Fixed Term Fund - Series 24 A - (-) Growth	30	-
40,00,00,000 DSP Blackrock Fixed Maturity Plan - (40,50,00,000) (Series 37/38/43/88/89/91/93) - Growth	400	405
17,00,00,000 DWS Fixed Maturity Plan - (20,30,00,000) (Series 6/7/9/10/26/28/30) - Growth	170	203
35,20,00,000 HDFC Fixed Maturity Plan - Growth (54,70,00,000) (Series 21/23/24)	352	547
1,50,00,000 HSBC Fixed Term Plan - (Series 86/90) - Growth (4,50,00,000)	15	45
86,50,00,000 ICICI Prudential Fixed Maturity Plan - Cumulative (71,50,00,000) (Series 62/63/65/66/67)	865	715
7,00,00,000 IDFC Fixed Maturity Plan - (Series 7/8/11/14/65) - (19,20,00,000) Growth	70	192
- India Bulls Fixed Maturity Plan - Growth (3,50,00,000)	-	35
34,50,00,000 JP Morgan Fixed Maturity Plan - (15,00,00,000) (Series 6/12/13/16/18) - Growth	345	150
29,50,00,000 Kotak Fixed Maturity Plan - (27,00,00,000) (Series 76/80/82/97/98/99/101/102/103) - Growth	295	270
12,50,00,000 L&T Fixed Maturity Plan - VII - Growth (-)	125	-
6,50,00,000 LIC Nomura MF Fixed Maturity Plan - (3,50,00,000) (Series 52/56/58) - Growth	65	35
45,00,00,000 Reliance Fixed Horizon Fund - XXII/XXIII (-) (Series 5/9/33) - Growth	450	-
12,00,00,000 Religare Fixed Maturity Plan - (17,30,00,000) (Series XIII/XIV/XVII/XVIII) - Growth	120	173
38,00,00,000 SBI Debt Fund - (Series 2/12/13/14/15/25) - (16,00,00,000) Growth	380	160
10,00,00,000 Sundaram Fixed Term Plan - (4,00,00,000) (Series CQ/DC/DF/DH) - Growth	100	40
25,00,00,000 Tata Fixed Maturity Plan - (Series 39/40/42) - (13,50,00,000) Growth	250	134
14,00,00,000 UTI Fixed Income Fund - (-) (Series XIII - III / XIV - VII) - Growth	140	-
	4,412	3,624
Total Other Investments (B)	22,064	24,900
Total Non Current Investments (A + B)	24,143	26,979
Aggregate amount of quoted investments	5,078	3,640
Market Value of quoted investments	5,329	3,945
Aggregate amount of unquoted investments	19,065	23,339

Notes on Financial Statements for the Year ended 31st March, 2013

11. LONG TERM LOANS AND ADVANCES

(₹ in crore)

(Unsecured and Considered Good)

	As at 31st March, 2013	As at 31st March, 2012
Capital Advances #	1,208	1,190
Deposits with Related parties (Refer Note No. 30)	1,469	1,741
Loans and Advances to Related Parties (Refer Note No. 30)	18,308	10,243
Advance Income Tax (Net of Provision)	475	1,100
Other Loans and Advances*	68	66
TOTAL	21,528	14,340

* Includes Loans to Employees.

Includes ₹ NIL (Previous Year ₹ 42 crore) to Reliance Haryana SEZ Limited, ₹ 2 crore (Previous Year ₹ NIL) to Reliance Industrial Infrastructure Limited.

11.1 Loans and Advances in the nature of Loans given to Subsidiaries :

A) Loans and Advances in the nature of Loans

(₹ in crore)

Sr No.	Name of the Company		As at 31st March, 2013	As at 31st March, 2012	Maximum Balance during the year
1.	Reliance Industrial Investments and Holdings Limited*	Subsidiary	17,306	9,622	19,135
2.	Reliance Ventures Limited	Subsidiary	-	-	1,767
3.	Reliance Strategic Investments Limited	Subsidiary	-	-	2,421
4.	Reliance Retail Limited	Subsidiary	920	617	1,181
5.	Reliance Exploration & Production DMCC	Subsidiary	71	-	72
6.	Reliance Brands Limited	Subsidiary	11	-	11

* Excluding Debentures of ₹ 722 crore (Previous Year ₹ 722 crore)

- (a) Loans and Advances shown above, fall under the category of 'Long Term Loans & Advances' in nature of Loans and are re-payable within 3 to 5 years.
- (b) All the above loans and advances are interest bearing except for an amount of ₹ 13,944 crore paid to Reliance Industrial Investments and Holdings Limited.
- (c) Loans to employees as per Company's policy are not considered.

B) (i) Investment by the loanee in the shares of the Company

*None of the loanees and loanees of subsidiary companies have, per se, made investments in shares of the Company. These investments represent shares of the Company allotted as a result of amalgamation of erstwhile Reliance Petroleum Limited (amalgamation in 2001-02) and Indian Petrochemicals Corporation Limited with the Company under the Schemes approved by the Hon'ble High Court of Judicature at Bombay and Gujarat and certain subsequent inter se transfer of shares.

(₹ in crore)

Sr No.	Name of the Company	No. of Shares	Amount
1.	*Reliance Aromatics and Petrochemicals Limited	2,98,89,898	274
2.	*Reliance Energy and Project Development Limited	20,58,000	303

(ii) Investment by Reliance Industrial Investments and Holdings Limited in subsidiaries

In Equity Shares :

Sr No.	Name of the Company	No. of Shares
1	Reliance Commercial Land & Infrastructure Limited	4,30,10,000
2	Reliance Global Business B.V.	18,00,000
3	Reliance Gas Corporation Limited	50,000



Notes on Financial Statements for the Year ended 31st March, 2013

Sr No.	Name of the Company	No. of Shares
4	Reliance Universal Enterprises Limited	38,55,000
5	Indiawin Sports Private Limited	26,50,000
6	Reliance Corporate Services Limited	10,000
7	Reliance Industries Investment and Holding Limited	50,000
8	Reliance Security Solutions Limited	50,000
9	Mark Project Services Private Limited	5,000
10	GenNext Innovation Ventures Limited	50,000
11	Kanhatech Solutions Limited	72,00,000
12	Reliance Sibur Elastomers Private Limited	8,83,86,308
13	Reliance Payment Solutions Limited	20,00,000
14	Reliance Exploration & Production DMCC	1,76,200

In Preference Shares :

Sr No.	Name of the Company	No. of Shares
1	Reliance Industries Investment and Holding Limited	32,12,300
2	Reliance Jio Infocomm Limited	12,50,00,000
3	Reliance Exploration & Production DMCC	13,79,816

(iii) Investment by Reliance Exploration & Production DMCC in Subsidiaries

In Equity Shares :

Sr No.	Name of the Company	No. of Shares
1	Gulf Africa Petroleum Corporation	16,720
2	Central Park Enterprises DMCC	367

(iv) Investment by Reliance Retail Limited in Subsidiaries in Equity Shares:

Sr No.	Name of the Company	No. of Shares
1	Reliance Fresh Limited	10,50,000
2	Reliance Retail Finance Limited	20,20,000
3	Reliance Retail Insurance Broking Limited	40,00,000
4	Reliance Financial Distribution and Advisory Services Limited	50,000
5	Reliance-GrandOptical Private Limited	50,000

(v) Investment by Reliance Brands Limited in Subsidiaries in Equity Shares:

Sr No.	Name of the Company	No. of Shares
1	Reliance Style Fashion India Private Limited	10,10,000
2	Reliance Styles India Limited	50,000
3	Reliance Lifestyle Holdings Limited	50,000

11.2 (i) Assets given on finance lease on or after 1st April, 2001

(₹ in crore)

Particulars	Total		Not later than one year		Later than one year and not later than five years		Later than five years	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Gross Investment	3	21	3	17	-	4	-	-
Less: Unearned Finance Income	-	1	-	1	-	-	-	-
Present Value of Minimum Lease Rental	3	20	3	16	-	4	-	-

(ii) General Description of Lease terms:

- Lease rentals are charged on the basis of agreed rate of interest.
- Assets are given on lease for a period of five years.

Notes on Financial Statements for the Year ended 31st March, 2013

12. CURRENT INVESTMENTS

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Investment in Government Securities - Quoted		
7.59% GOI 2016	5	5
8.20% GOI 2025	278	-
8.33% GOI 2026	102	-
8.97% GOI 2030	149	-
	534	5
Investment in Debentures or Bonds - Quoted, Fully Paid up		
- Axis Bank Limited (250)	-	25
- CitiFinancial Consumer Finance India Limited (1,000)	-	98
300 EXIM Bank of India (1,250)	30	120
38,200 Housing Development Finance Corporation Limited (18,387)	3,828	1,822
6,500 Infrastructure Development Finance Company Limited (10,750)	647	1,060
15,095 India Infrastructure Finance Company Limited (15,095)	149	149
42,63,562 Indian Railway Finance Corporation Limited (32,62,862)	521	350
5,150 LIC Housing Finance Limited (5,550)	515	545
7,250 National Bank for Agriculture and Rural Development (3,500)	726	349
49,44,752 National Highways Authority of India (49,44,752)	494	494
42,74,393 Power Finance Corporation Limited (42,76,093)	688	858
40 Power Grid Corporation of India Limited (920)	5	112
595 Rural Electrification Corporation Limited (450)	59	44
- Steel Authority of India Limited (550)	-	53
650 Tata Steel Limited (250)	58	26
1,320 Tata Power Company Limited (1,370)	133	142
	7,853	6,247
Investment in Debentures or Bonds - Unquoted, Fully Paid up		
3,000 Tata Sons Limited (-)	300	-
Investment in Fixed Maturity Plan - Quoted, Fully Paid up		
5,00,00,000 Axis Fixed Term Plan - (Series 15/16/21/22) - Growth (6,50,00,000)	50	65



Notes on Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
2,50,00,000 Baroda Pioneer Fixed Maturity Plan - (Series A/2) - (1,20,00,000) Growth	25	12
12,00,00,000 Birla Sun Life Fixed Term Plan - (-) (Series FM/FO/FP) - Dividend	120	-
57,50,00,000 Birla Sun Life Fixed Term Plan - (Series DB/DL/DN/DO/DQ/ (61,00,00,000) DS/ES/EV/EW/EY/FA/FC/FD/FM/FO/FP/HD)- Growth	575	610
1,50,00,000 Birla Sunlife Interval Income Fund - (-) Annual Plan 5 - Growth	15	-
5,00,00,000 BNP Paribas Fixed Term Fund Series 25A - Growth (-)	50	-
- Canara Robeco Fixed Maturity Plan - (10,00,00,000) (Series 6 / 7) - Growth	-	100
53,00,00,000 DSP Blackrock Fixed Maturity Plan - (41,00,00,000) (Series 7/10/12/16/18/37/38/39/43/44/90/94) - Growth	530	410
32,80,00,000 DWS Fixed Maturity Plan - (14,30,00,000) (Series 6/7/9/10/11/18/27/29/90/92) - Growth	328	143
5,00,00,000 HDFC Annual Interval Fund - Series 1 - Growth (-)	50	-
62,70,00,000 HDFC Fixed Maturity Plan (44,00,00,000) (Series XVI/XVIII/XIX/XXI) - Growth	627	440
4,50,00,000 HSBC Fixed Term Series 86 - Growth (-)	45	-
88,00,00,000 ICICI Prudential Fixed Maturity Plan (39,00,00,000) (Series 54/59/62/63/67) - Cumulative	880	390
- ICICI Prudential Fixed Maturity Plan (5,00,00,000) Series 55 - Dividend	-	50
2,98,46,064 ICICI Prudential Interval Fund Annual Interval Plan - I (12,04,25,008) Institutional Cumulative	32	130
3,00,00,000 ICICI Prudential Interval Fund Series VI Annual (-) Interval Plan - C - Growth	30	-
9,96,19,002 ICICI Prudential Long Term Plan Premium Plus - (-) Annual Dividend	100	-
2,50,00,000 IDBI Fixed Maturity Plan Series - III - Growth (-)	25	-
44,30,00,000 IDFC Fixed Maturity Plan - (15,50,00,000) (Series 7/8/12/13/52/64/65/66/78/79) - Growth	443	155
12,00,00,000 IDFC Series Interval Fund - (Series I/II) - Growth (-)	120	-
3,50,00,000 Indiabulls Fixed Maturity Plan - Growth (-)	35	-
21,50,00,000 JP Morgan India Fixed Maturity Plan - (Series 6/8/17) (10,50,00,000) - Growth	215	105
36,00,00,000 Kotak Fixed Maturity Plan (23,00,00,000) (Series 57/60/62/76/80/82/83/100) - Growth	360	230

Notes on Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
4,00,00,000 L&T Fixed Maturity Plan - VII - Growth	40	-
(-)		
14,50,00,000 LIC Nomura MF Fixed Maturity Plan	145	-
(-) (Series 52/53/54/60/61) - Growth		
11,00,00,000 Reliance Fixed Horizon Fund - XXIII - Series 6 -	110	-
(-) Growth		
24,80,00,000 Religare Fixed Maturity Plan -	248	60
(6,00,00,000) (Series VIII/IX/XIII/XIV/XVII/XVIII) - Growth		
14,00,00,000 SBI Debt Fund (Series 5/7) - Dividend	140	-
(-)		
53,00,00,000 SBI Debt Fund (Series 1/6/7/11/12/13/17/18/19/23/24)	530	765
(76,50,00,000) - Growth		
6,50,00,000 Sundaram Fixed Term Plan (Series BK/BN/CQ/ DG) -	65	22
(2,20,00,000) Growth		
13,50,00,000 Tata Fixed Maturity Plan (Series 34/36/37/39/40) -	135	240
(24,00,00,000) Growth		
5,49,80,083 UTI Fixed Income Interval Fund - Annual Interval Plan	70	83
(6,66,98,706) (Series - II/III) - Institutional Growth		
13,00,00,000 UTI Fixed Term Income Fund Series IX / XII -	130	26
(2,61,12,073) Dividend		
22,50,00,000 UTI Fixed Term Income Fund Series XIV - V/VI/VII -	225	-
(-) Growth		
	6,493	4,036
Investment in Mutual Fund - Unquoted		
11,08,67,422 Axis Short Term Fund - Institutional Growth	135	-
(-)		
1,31,48,48,855 Birla Sunlife Dynamic Bond Fund - Retail - Growth	2,418	730
(41,19,71,606)		
5,56,20,512 Birla Sunlife Short Term Fund - Growth	225	-
(-)		
2,31,91,812 Canara Robeco Short Term Fund - Regular Growth	30	-
(-)		
4,59,45,325 Canara Robeco Short Term Institutional Growth Fund	60	-
(-)		
5,96,310 DSP Black Rock Liquidity Fund - Institutional Plan	100	-
(-) Growth		
11,14,37,619 DSP BlackRock Short Term Fund - Growth	210	-
(-)		
48,23,954 DSP BlackRock Strategic Bond Fund -Institutional	625	-
(-) Plan - Growth		
11,66,82,484 DWS GILT Fund - Regular Plan - Growth	150	-
(-)		
1,04,54,867 DWS Insta Cash Plus Fund - Super Institutional Plan -	-	-
(-) Bonus		
4,66,90,013 DWS Money Plus Fund - Regular Plan	46	-
(-) (Principle Units) - Bonus		



Notes on Financial Statements for the Year ended 31st March, 2013

		(₹ in crore)	
		As at 31st March, 2013	As at 31st March, 2012
14,48,86,484	DWS Premier Bond Fund - Premium Plus Plan -	150	25
(2,48,38,796)	Growth		
12,93,69,261	DWS Short Maturity Fund - Premium Plus Growth	147	40
(3,77,86,469)			
60,38,424	DWS Treasury Fund - Cash - Regular Plan - Bonus	59	-
(-)			
19,73,54,869	HDFC Short Term Opportunities Fund - Growth	240	-
(-)			
14,69,19,109	HDFC Floating Rate Income Fund - Long Term Plan	300	-
(-)	- Growth		
22,67,48,577	HDFC High Interest Fund - Short Term Plan - Growth	500	-
(-)			
86,58,009	HDFC Liquid Fund Growth	20	-
(-)			
25,68,76,110	HDFC Medium Term Opportunities Fund - Growth	305	-
(-)			
22,68,83,560	HDFC Short Term Plan - Growth	485	-
(-)			
16,70,54,915	HSBC Income Fund Short Term Institutional Plus	180	-
(-)	Growth		
3,46,29,245	ICICI Prudential Gilt Treasury Plan - Growth	100	-
(-)			
42,70,29,582	ICICI Prudential Institutional Short Term Plan -	975	85
(3,99,55,814)	Cumulative Option		
14,42,759	ICICI Prudential Liquid - Growth	25	-
(-)			
4,39,26,695	IDBI Short Term Bond Fund - Growth	50	-
(-)			
2,33,10,265	IDFC - SSIF - Medium Term - Plan - Growth	45	-
(-)			
42,82,45,478	IDFC - SSIF - Short Term - Plan D - Growth	625	-
(-)			
9,99,03,094	IDFC Banking Debt Fund - Regular Plan - Growth	100	-
(-)			
1,75,479	IDFC Cash Fund - Growth - (Regular Plan)	25	-
(-)			
23,42,26,669	IDFC Super Saver Income Fund -Medium Term - Plan	285	-
(-)	B - Growth		
10,38,13,700	J P Morgan India Short term Income Fund - Growth	125	-
(-)			
46,01,17,659	J P Morgan India Treasury Fund - Direct Plan - Bonus	700	-
(-)			
11,10,88,159	JM High Liquidity Fund - Bonus Option - Bonus Units	109	-
(-)			
8,84,33,460	Kotak Bond (Short Term) - Growth	185	-
(-)			

Notes on Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
7,51,00,293 L & T - Short Term Opportunities Fund - Growth (-)	80	-
1,17,585 LIC Nomura MF Liquid Fund - Growth (7,37,24,677)	25	141
5,81,04,402 DWS Treasury Fund - Investment - Bonus (-)	75	-
4,70,53,586 Morgan Stanley Short Term Bond Fund - Institutional (-) Plus Growth	60	-
12,02,16,390 Reliance Income Fund - Growth - Bonus Option (-)	131	-
13,27,54,784 Religare Active Income Fund - Growth (-)	175	-
18,67,56,236 Religare Short Term Fund - Growth (-)	285	-
52,63,28,065 SBI Dynamic Bond Fund - Growth (-)	725	-
1,90,032 SBI Premier Liquid Fund - Growth (-)	35	-
18,37,26,275 SBI Short Term Debt Fund - Growth (-)	235	-
4,32,75,524 Sundaram Flexible Fund Short - Term Plan - Growth (-)	80	-
3,02,49,315 Sundaram Monthly Income Plan MOD Bonus (-) (Principal Units)	34	-
9,21,73,180 Tata Income Fund Plan A - Appreciation Option - (-) Bonus	97	-
1,94,65,573 TATA Short Term Bond Fund Plan A - Growth (-)	40	-
37,23,783 UTI Floating Rate Fund - STP - Growth (-)	700	-
1,90,537 UTI Money Market Fund - Institutional Plan - Growth (-)	25	-
30,35,68,335 UTI Short Term Income Fund Institutional - Growth (-) Option	400	-
20,30,859 UTI Treasury Advantage Fund - Institutional Plan (-)	250	-
	13,186	1,021
Investment in Certificate of Deposits with Scheduled Banks - Unquoted	-	15,720
Total Current Investments	28,366	27,029
Aggregate amount of quoted investments	14,880	10,288
Market Value of quoted investments	15,460	10,453
Aggregate amount of unquoted investments	13,486	16,741



Notes on Financial Statements for the Year ended 31st March, 2013

13. INVENTORIES

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Raw Materials	7,882	8,342
Raw Materials in Transit	13,820	11,008
Stock-in-Process	6,361	5,274
Finished Goods	10,819	7,944
Stores, Chemicals and Packing Materials	3,794	3,333
Stock-in-Trade	53	54
TOTAL	42,729	35,955

14. TRADE RECEIVABLES

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
(Unsecured and Considered Good)		
Over six months	41	14
Others	11,839	18,410
TOTAL	11,880	18,424

15. CASH AND BANK BALANCES

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Balance with Banks #	740	875
Cash on hand	15	14
Fixed deposits with banks *	48,792	38,709
TOTAL	49,547	39,598

Balance with Banks includes Unclaimed Dividend of ₹ 152 crore (Previous Year ₹ 129 crore)

* Fixed deposits with banks include deposits of ₹ 13,173 crore (Previous Year ₹ 6,860 crore) with maturity of more than 12 months.

16. SHORT TERM LOANS AND ADVANCES

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
(Unsecured and Considered Good)		
Loans and Advances to Related Parties (Refer Note No. 30)	3,674	4,169
Balance with Customs, Central Excise Authorities	2,549	1,525
Deposits	399	358
Others*#	4,352	5,037
TOTAL	10,974	11,089

* Netted for Loans and Advances considered doubtful ₹ 70 crore (Previous Year ₹ 70 crore)

Includes primarily Interest Receivable on Fixed Deposits with Banks, Advance to sundry creditors.

17. OTHER CURRENT ASSETS

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Interest accrued on Investment	480	249
TOTAL	480	249

Notes on Financial Statements for the Year ended 31st March, 2013

18. REVENUE FROM OPERATIONS	(₹ in crore)	
	2012-13	2011-12
Sale of Products	3,71,021	3,39,721
Income from Services	98	71
	<u>3,71,119</u>	<u>3,39,792</u>
Less: Excise Duty/ Service Tax Recovered	10,822	9,888
TOTAL	<u><u>3,60,297</u></u>	<u><u>3,29,904</u></u>

18.1 PARTICULARS OF SALE OF PRODUCTS	(₹ in crore)	
Particulars	2012-13	2011-12
Petroleum Products	2,73,790	2,45,335
Petrochemicals Products	88,108	80,625
Oil & Gas	8,173	12,620
Others	950	1,141
TOTAL	<u><u>3,71,021</u></u>	<u><u>3,39,721</u></u>

19. OTHER INCOME	(₹ in crore)	
	2012-13	2011-12
Interest		
From Current Investments	892	431
From Long Term Investments	460	109
From Others	4,893	3,874
	<u>6,245</u>	<u>4,414</u>
Dividend		
From Current Investments	74	6
From Long Term Investments	3	4
	<u>77</u>	<u>10</u>
Net gain on Sale of Investments		
From Current Investments	1,234	1,060
From Long Term Investments	424	575
Adjustment to the carrying amount of investments [(₹ NIL (Previous Year ₹ 14,64,610))]	-	-
	<u>1,658</u>	<u>1,635</u>
Other non operating income *	18	133
TOTAL	<u><u>7,998</u></u>	<u><u>6,192</u></u>

* Other non operating income includes income from finance lease of ₹ 1 crore (Previous Year ₹ 3 crore).

20. COST OF MATERIALS CONSUMED	2012-13		2011-12	
	₹ in crore	% of Consumption	₹ in crore	% of Consumption
Imported	2,77,824	90.75	2,51,583	91.55
Indigenous	28,303	9.25	23,231	8.45
TOTAL	<u><u>3,06,127</u></u>	<u><u>100.00</u></u>	<u><u>2,74,814</u></u>	<u><u>100.00</u></u>

20.1 PARTICULARS OF MATERIALS CONSUMED	(₹ in crore)	
Particulars	2012-13	2011-12
Crude Oil	2,79,316	2,53,997
Others	26,811	20,817
TOTAL	<u><u>3,06,127</u></u>	<u><u>2,74,814</u></u>



Notes on Financial Statements for the Year ended 31st March, 2013

21. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE		(₹ in crore)	
Inventories (at close)	2012-13		2011-12
Finished Goods / Stock-in-Trade	10,872	7,998	
Stock-in-Process	6,361	5,274	
	17,233		13,272
Inventories (at commencement)			
Finished Goods / Stock-in-Trade	7,998	7,491	
Stock-in-Process	5,274	4,909	
	13,272	12,400	
Add: On Amalgamation (Refer Note No. 33)	644	-	
	13,916		12,400
TOTAL	(3,317)		(872)

22. EMPLOYEE BENEFITS EXPENSE		(₹ in crore)	
	2012-13		2011-12
Salaries and Wages	2,925	2,433	
Contribution to Provident and Other Funds	218	215	
Staff Welfare Expenses	211	214	
TOTAL	3,354		2,862

22.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

Defined Contribution Plans		(₹ in crore)	
Contribution to Defined Contribution Plans, recognised as expense for the year is as under :			
	2012-13		2011-12
Employer's Contribution to Provident Fund	91	80	
Employer's Contribution to Superannuation Fund	15	15	
Employer's Contribution to Pension Scheme	19	15	

The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the trust vis-a-vis statutory rate.

Defined Benefit Plan

The employees' gratuity fund scheme managed by a Trust (Life Insurance Corporation of India for SEZ unit of the Company) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

Notes on Financial Statements for the Year ended 31st March, 2013

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in crore)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2012-13	2011-12	2012-13	2011-12
Defined Benefit obligation at beginning of year	436	383	137	179
On Amalgamation (Refer Note No. 33)	2	-	1	-
Current Service Cost	31	27	9	8
Interest Cost	34	32	9	11
Actuarial (gain) / loss	26	17	25	39
Benefits paid	(29)	(23)	(53)	(100)
Defined Benefit obligation at year end	500	436	128	137

II) Reconciliation of opening and closing balances of fair value of Plan Assets

(₹ in crore)

	Gratuity (Funded)	
	2012-13	2011-12
Fair value of Plan assets at beginning of year	394	327
On Amalgamation (Refer Note No. 33)	2	-
Expected return on plan assets	34	29
Actuarial gain / (loss)	10	2
Employer contribution	92	59
Benefits paid	(29)	(23)
Fair value of Plan assets at year end	503	394
Actual return on plan assets	44	31

III) Reconciliation of fair value of assets and obligations

(₹ in crore)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	As at 31st March		As at 31st March	
	2013	2012	2013	2012
Fair value of Plan assets	503	394	-	-
Present value of obligation	500	436	128	137
Amount recognised in Balance Sheet	(3)	42	128	137

IV) Expenses recognised during the year

(₹ in crore)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2012-13	2011-12	2012-13	2011-12
Current Service Cost	31	27	9	8
Interest Cost	34	32	9	11
Expected return on Plan assets	(34)	(29)	-	-
Actuarial (gain) / loss	16	15	25	39
Net Cost	47	45	43	58



Notes on Financial Statements for the Year ended 31st March, 2013

V) Investment Details :

	% Invested	
	As at 31st March, 2013	As at 31st March, 2012
GOI Securities	5.70	7.52
Public Securities	4.60	6.18
State Government Securities	1.68	2.42
Insurance Policies	87.84	83.72
Others (including bank balances)	0.18	0.16
	100.00	100.00

VI) Actuarial assumptions

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2012-13 1994-96 (Ultimate)	2011-12 1994-96 (Ultimate)	2012-13 1994-96 (Ultimate)	2011-12 1994-96 (Ultimate)
Mortality Table (LIC)				
Discount rate (per annum)	8%	8.50%	8%	8.50%
Expected rate of return on plan assets (per annum)	8%	8.50%	-	-
Rate of escalation in salary (per annum)	6%	6%	6%	6%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

22.2 The Company had announced Voluntary Separation Scheme (VSS) for the employees during the previous year. A sum of ₹ NIL (Previous Year ₹ 5 crore) has been paid during the year and debited to Statement of Profit and Loss under the head "Employee Benefits Expense".

23. FINANCE COSTS

	2012-13	2011-12
Interest Expenses	2,152	1,966
Other borrowing costs	16	18
Applicable loss on foreign currency transactions and translation	868	683
TOTAL	3,036	2,667

(₹ in crore)

24. DEPRECIATION AND AMORTISATION EXPENSE

	2012-13	2011-12
Depreciation and Amortisation (Refer Note No. 9.10)	11,537	13,734
Less: Transferred from revaluation reserve (Refer Note No. 9.9)	2,072	2,340
TOTAL	9,465	11,394

(₹ in crore)

Notes on Financial Statements for the Year ended 31st March, 2013

25. OTHER EXPENSES

(₹ in crore)

	2012-13		2011-12
Manufacturing expenses			
Stores, Chemicals and Packing Materials	3,799		3,482
Electric Power, Fuel and Water	7,166		4,094
Labour Processing, Production Royalty and Machinery Hire Charges	1,569		1,829
Repairs to Building	28		40
Repairs to Machinery	698		728
Exchange Difference (Net)	(73)		161
Excise Duty #	36		(28)
Lease Rent [₹ 44,00,000]	-		1
	13,223		10,307
Selling and Distribution Expenses			
Warehousing and Distribution Expenses	4,935		4,380
Sales tax / VAT	1,102		821
Other Selling and Distribution Expenses	635		192
	6,672		5,393
Establishment Expenses			
Professional fees	1,090		705
General Expenses	404		255
Rent	97		122
Insurance	611		522
Rates & Taxes	145		83
Other Repairs	229		258
Travelling Expenses	122		82
Payment to Auditors	18		17
Loss on Sale /Discard of Fixed Assets	48		45
Charity and Donations	283		288
	3,047		2,377
Less: Transferred to Project Development Expenditure	98		37
TOTAL	22,844		18,040

Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.

25.1 VALUE OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED :

	2012-13		₹ in crore	2011-12	
	₹ in crore	% of Consumption		₹ in crore	% of Consumption
Imported	1,725	45.41	1,816	52.15	
Indigenous	2,074	54.59	1,666	47.85	
TOTAL	3,799	100.00	3,482	100.00	

25.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

(₹ in crore)

	2012-13	2011-12
Raw Materials and Stock-in-Trade	2,81,719	2,54,248
Stores, Chemicals and Packing Materials	3,260	3,120
Capital goods	2,204	325



Notes on Financial Statements for the Year ended 31st March, 2013

25.3 PAYMENT TO AUDITORS AS :

	2012-13	(₹ in crore) 2011-12
(a) Auditor		
Statutory Audit Fees	7	7
Tax Audit Fees	1	1
(b) Certification and Consultation Fees	9	9
(c) Cost Audit Fees	1	-
(Previous Year ₹ 39,85,000)		
TOTAL	18	17

25.4 A sum of ₹ 3 crore [Previous Year ₹ 1 crore] is included under establishment expenses representing Net Prior Period Items.

25.5 EXPENDITURE IN FOREIGN CURRENCY :

	2012-13	(₹ in crore) 2011-12
Oil and Gas Activity	1,565	1,633
Repairs to Machinery (Includes ₹ 5 crore for SEZ units)	42	84
Repairs to Building (₹ 8,41,593)	-	1
Employee Benefits Expense (Includes ₹ 6,61,989 for SEZ units)	24	40
Sales Promotion Expenses (Includes ₹ 2 crore for SEZ units)	34	29
Brokerage and Commission (Includes ₹ 2 crore for SEZ units)	46	31
Ocean Freight (Includes ₹ 669 crore for SEZ units)	1,328	1,085
Warehousing and Distribution Expenses (Includes ₹ 1,141 crore for SEZ units)	1,487	1,349
Insurance (Includes ₹ 14,78,002 for SEZ units)	2	2
Rent	6	5
Rates & Taxes (Includes ₹ 2,674 for SEZ units)	1	1
Other Repairs (Includes ₹ 1 crore for SEZ units)	13	15
Travelling Expenses	13	9
Professional Fees (Includes ₹ 22 crore for SEZ units)	179	204
Charity and Donations	12	9
Labour Processing, Production Royalty and Hire Charges (Includes ₹ 10 crore for SEZ units)	11	1
Bank Charges (Includes ₹ 8 crore for SEZ units)	19	15
General Expenses (Includes ₹ 9 crore for SEZ units)	114	74
Interest Expenses (Includes ₹ 459 crore for SEZ units)	1,501	1,392

Notes on Financial Statements for the Year ended 31st March, 2013

26. EARNINGS PER SHARE (EPS)

	2012-13	2011-12
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in crore)	21,003	20,040
ii) Weighted Average number of equity shares used as denominator for calculating EPS	3,23,99,64,480	3,27,42,26,242
iii) Basic and Diluted Earnings per share (₹)	64.82	61.21
iv) Face Value per equity share (₹)	10.00	10.00

27. EARNINGS IN FOREIGN EXCHANGE

	2012-13	2011-12
FOB value of exports [Excluding captive transfers to Special Economic Zone of ₹ 21,480 crore (Previous Year ₹ 21,278 crore)]	2,27,883	1,98,269
Interest	2	1
Others	207	204

28. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

The Company has paid dividend in respect of shares held by Non-Residents on repatriation basis. This inter-alia includes portfolio investment and direct investment, where the amount is also credited to Non-Resident External Account (NRE A/c). The exact amount of dividend remitted in foreign currency cannot be ascertained. The total amount remittable in this respect is given herein below:

	2012-13 (Final Dividend)	2011-12 (Final Dividend)
a) Number of Non Resident Shareholders	40,266	40,493
b) Number of Equity Shares held by them	57,01,32,298	59,71,01,671
c) (i) Amount of Dividend Paid (Gross) (₹ in Crore)	485	478
(ii) Tax Deducted at Source	-	-
(iii) Year to which dividend relates	2011-12	2010-11

29. Fixed assets taken on finance lease prior to 1st April, 2001, amount to ₹ 444 crore (Previous Year ₹ 444 crore). Future obligations towards lease rentals under the lease agreements as on 31st March, 2013 amount to ₹ 2 crore (Previous Year ₹ 3 crore).

	2012-13	2011-12
Within one year (₹ 44,00,000)	-	1
Later than one year and not later than five years	2	2
TOTAL	2	3



Notes on Financial Statements for the Year ended 31st March, 2013

30. RELATED PARTY DISCLOSURES :

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

- (i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industrial Investments and Holdings Limited	Subsidiary Companies
2	Reliance Ventures Limited	
3	Reliance Strategic Investments Limited	
4	Reliance Industries (Middle East) DMCC	
5	Reliance Retail Limited	
6	Reliance Netherlands B.V. (Liquidated on 27th March, 2013)	
7	Reliance Haryana SEZ Limited	
8	Reliance Fresh Limited	
9	Retail Concepts and Services (India) Limited	
10	Reliance Retail Insurance Broking Limited	
11	Reliance Dairy Foods Limited	
12	Reliance Exploration & Production DMCC	
13	Reliance Retail Finance Limited	
14	RESQ Limited	
15	Reliance Commercial Associates Limited	
16	Reliancedigital Retail Limited	
17	Reliance Financial Distribution and Advisory Services Limited	
18	RIL (Australia) Pty Limited	
19	Gapco Kenya Limited	
20	Gapco Rwanda Limited	
21	Gapco Tanzania Limited	
22	Gapco Uganda Limited	
23	Gapoil (Zanzibar) Limited	
24	Gulf Africa Petroleum Corporation	
25	Transenergy Kenya Limited	
26	Recron (Malaysia) Sdn Bhd	
27	Reliance Payment Solutions Limited *	
28	Reliance Brands Limited	
29	Reliance Footprint Limited	
30	Reliance Trends Limited	
31	Reliance Lifestyle Holdings Limited	
32	Reliance Universal Ventures Limited	
33	Delight Proteins Limited	
34	Reliance Autozone Limited	
35	Reliance F&B Services Limited	
36	Reliance Gems and Jewels Limited	
37	Reliance Integrated Agri Solutions Limited	
38	Strategic Manpower Solutions Limited	

* Formerly known as Reliance Retail Travel & Forex Services Limited

Notes on Financial Statements for the Year ended 31st March, 2013

Sr. No.	Name of the Related Party	Relationship
39	Reliance Agri Products Distribution Limited	Subsidiary Companies
40	Reliance Digital Media Limited	
41	Reliance Food Processing Solutions Limited	
42	Reliance Home Store Limited	
43	Reliance Leisures Limited	
44	Reliance Loyalty & Analytics Limited	
45	Reliance Retail Securities and Broking Company Limited	
46	Reliance Supply Chain Solutions Limited	
47	Reliance Trade Services Centre Limited	
48	Reliance Vantage Retail Limited	
49	Wave Land Developers Limited	
50	Reliance-GrandOptical Private Limited	
51	Reliance Universal Commercial Limited	
52	Reliance Petroinvestments Limited	
53	Reliance Global Commercial Limited	
54	Reliance People Serve Limited	
55	Reliance Infrastructure Management Services Limited	
56	Reliance Global Business B.V.	
57	Reliance Gas Corporation Limited	
58	Reliance Global Energy Services Limited	
59	Kanhatech Solutions Limited **	
60	Reliance Global Energy Services (Singapore) Pte. Limited	
61	Reliance Personal Electronics Limited	
62	Reliance Polymers (India) Limited	
63	Reliance Polyolefins Limited	
64	Reliance Aromatics and Petrochemicals Limited	
65	Reliance Energy and Project Development Limited	
66	Reliance Chemicals Limited	
67	Reliance Universal Enterprises Limited	
68	Reliance Review Cinema Limited	
69	Reliance Replay Gaming Limited	
70	Two Sisters Foods India Limited	
71	International Oil Trading Limited (Liquidated on 7th February 2013)	
72	RIL USA Inc.	
73	Reliance Commercial Land & Infrastructure Limited	
74	Reliance Corporate IT Park Limited	
75	Reliance Eminent Trading & Commercial Private Limited	
76	Reliance Progressive Traders Private Limited	
77	Reliance Prolific Traders Private Limited	
78	Reliance Universal Traders Private Limited	
79	Reliance Prolific Commercial Private Limited	
80	Reliance Comtrade Private Limited	
81	Reliance Ambit Trade Private Limited	
82	Reliance Petro Marketing Limited	

** Formerly known as Reliance One Enterprises Limited



Notes on Financial Statements for the Year ended 31st March, 2013

Sr. No.	Name of the Related Party	Relationship
83	LPG Infrastructure (India) Limited	Subsidiary Companies
84	Reliance Corporate Centre Limited	
85	Reliance Convention and Exhibition Centre Limited	
86	Central Park Enterprises DMCC	
87	Reliance International B. V.	
88	Reliance Corporate Services Limited	
89	Indiawin Sports Private Limited	
90	Reliance Holding USA Inc.	
91	Reliance Marcellus LLC	
92	Reliance Jio Infocomm Limited ***	
93	Reliance Strategic (Mauritius) Limited	
94	Reliance Eagleford Midstream LLC	
95	Reliance Eagleford Upstream LLC	
96	Reliance Eagleford Upstream GP LLC	
97	Reliance Eagleford Upstream Holding LP	
98	Mark Project Services Private Limited	
99	Reliance Energy Generation and Distribution Limited	
100	Reliance Marcellus II LLC	
101	Reliance Security Solutions Limited	
102	Reliance Industries Investment and Holding Limited	
103	Reliance Office Solutions Private Limited	
104	Reliance Style Fashion India Private Limited	
105	GenNext Innovation Ventures Limited	
106	Reliance Home Products Limited	
107	Infotel Telecom Limited	
108	Reliance Styles India Limited	
109	Rancore Technologies Private Limited	
110	Omni Symmetry LLC	
111	Reliance Sibur Elastomers Private Limited	
112	Surela Investment and Trading Private Limited	
113	Model Economic Township Limited	
114	Delta Corp East Africa Limited	
115	Delta Square Limited	
116	Kaizen Capital LLP	
117	Affinity Names Inc	
118	Reliance USA Gas Marketing LLC	
119	Reliance Aerospace Technologies Limited	
120	Reliance Gas Pipelines Limited	
121	Achman Commercial Private Limited	
122	Reliance Jio Infocomm Pte Limited	
123	Reliance do Brasil Industria e Comercio de Produtos Texteis, Quimicos, Petroquimicos e Derivados Ltda.	

*** Formerly known as Infotel Broadband Services Limited

Notes on Financial Statements for the Year ended 31st March, 2013

Sr. No.	Name of the Related Party	Relationship
124	Reliance Hyper Realty Limited # (amalgamated with Reliance Commercial Land & Infrastructure Limited w.e.f. 01.04.2012)	Subsidiary Companies
125	Reliance Commercial Realty Assets Limited ## (amalgamated with Reliance Commercial Land & Infrastructure Limited w.e.f. 01.04.2012)	
126	Reliance Oil and Gas Mauritius Limited (amalgamated with Reliance Energy Generation and Distribution Limited w.e.f. 01.04.2012)	
127	Reliance Exploration and Production Mauritius Limited (amalgamated with Reliance Energy Generation and Distribution Limited w.e.f. 01.04.2012)	
128	Reliance Industrial Infrastructure Limited	Associates
129	Reliance Europe Limited	
130	Reliance LNG Limited	
131	Indian Vaccines Corporation Limited	
132	Gujarat Chemical Port Terminal Company Limited	
133	Reliance Utilities and Power Private Limited	
134	Reliance Utilities Private Limited	
135	Reliance Ports and Terminals Limited	
136	Reliance Gas Transportation Infrastructure Limited	
137	Reliance Commercial Dealers Limited	Key Managerial Personnel
138	Shri Mukesh D. Ambani	
139	Shri Nikhil R. Meswani	
140	Shri Hital R. Meswani	
141	Shri P.M.S. Prasad	
142	Shri P.K.Kapil	Enterprises over which Key Managerial Personnel are able to exercise significant influence
143	Dhirubhai Ambani Foundation	
144	Jamnaben Hirachand Ambani Foundation	
145	Hirachand Govardhandas Ambani Public Charitable Trust	
146	HNH Trust and HNH Research Society	
147	Reliance Foundation	

Formerly known as Reliance Hypermart Limited

Formerly known as Reliance Wellness Limited

(ii) Transactions during the year with related parties : (₹ in crore)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Subsidiaries	Associates	Key Managerial Personnel	Others	Total
1.	Purchase of Fixed Assets	52	43	-	-	95
2.	Purchase / Subscription of Investments	5	105	-	-	110
		8,317	-	-	-	8,317
3.	Sale / Transfer / Redemption of Investments	4,225	-	-	-	4,225
		11,498	-	-	-	11,498
4.	Capital Advance given	3,265	-	-	-	3,265
		-	2	-	-	2
5.	Net Loans and advances, Deposits given / (returned)	42	-	-	-	42
		7,546	27	-	-	7,573
		3,151	17	-	-	3,168
6.	Revenue from Operations	26,166	336	-	-	26,502
		19,661	312	-	-	19,973



Notes on Financial Statements for the Year ended 31st March, 2013

						(₹ in crore)
Sr. No.	Nature of Transactions (Excluding reimbursements)	Subsidiaries	Associates	Key Managerial Personnel	Others	Total
7.	Other Income	842	9	-	-	851
		<i>673</i>	<i>7</i>	-	-	<i>680</i>
8.	Purchases / Material Consumed	2,319	167	-	-	2,486
		<i>357</i>	<i>151</i>	-	-	<i>508</i>
9.	Electric Power, Fuel and Water	-	1,325	-	-	1,325
		-	<i>1,140</i>	-	-	<i>1,140</i>
10.	Hire Charges	-	408	-	-	408
		<i>1</i>	<i>408</i>	-	-	<i>409</i>
11.	Employee Benefits Expense	6	-	-	-	6
		<i>29</i>	-	-	-	<i>29</i>
12.	Payment to Key Managerial Personnel	-	-	44	-	44
		-	-	<i>44</i>	-	<i>44</i>
13.	Sales and Distribution Expenses	21	2,845	-	-	2,866
		<i>53</i>	<i>2,381</i>	-	-	<i>2,434</i>
14.	Rent	-	-	-	-	-
		<i>29</i>	-	-	-	<i>29</i>
15.	Professional Fees	760	56	-	-	816
		<i>261</i>	<i>36</i>	-	-	<i>297</i>
16.	General Expenses	41	258	-	-	299
		<i>38</i>	-	-	-	<i>38</i>
17.	Donations	-	-	-	218	218
		-	-	-	<i>210</i>	<i>210</i>
18.	Finance Cost	16	-	-	-	16
		<i>18</i>	-	-	-	<i>18</i>
Balance as at 31st March, 2013						
19.	Investments	16,986	2,085	-	-	19,071
		<i>21,260</i>	<i>2,085</i>	-	-	<i>23,345</i>
20.	Trade Receivables	5,977	30	-	-	6,007
		<i>3,952</i>	<i>25</i>	-	-	<i>3,977</i>
21.	Capital Advance	-	2	-	-	2
		<i>42</i>	-	-	-	<i>42</i>
22.	Loans & Advances	21,973	9	-	-	21,982
		<i>14,400</i>	<i>12</i>	-	-	<i>14,412</i>
23.	Deposits	-	1,469	-	-	1,469
		<i>299</i>	<i>1,442</i>	-	-	<i>1,741</i>
24.	Trade and other payables	540	252	-	-	792
		<i>753</i>	<i>405</i>	-	-	<i>1,158</i>
25.	Finance Lease Obligations	167	2	-	-	169
		<i>187</i>	<i>1</i>	-	-	<i>188</i>
26.	Financial Guarantees	29,867	1,213	-	-	31,080
		<i>28,446</i>	<i>1,137</i>	-	-	<i>29,583</i>
27.	Performance Guarantees	134	1	-	-	135
		<i>36</i>	<i>1</i>	-	-	<i>37</i>

Note :

Figures in italic represents Previous Year's amount including transactions with Erstwhile Reliance Jamnagar Infrastructure Limited.

Notes on Financial Statements for the Year ended 31st March, 2013

Disclosure in Respect of Material Related Party Transactions during the year :

1. Purchase of Fixed Assets include Reliance Fresh Limited ₹ 1 crore (Previous Year ₹ 2 crore), Reliance Industrial Infrastructure Limited ₹ 2 crore (Previous Year ₹ 1 crore), Reliance Jamnagar Infrastructure Limited ₹ NIL (Previous Year ₹ 2 crore), Reliance Digital Retail Limited ₹ 4 crore (Previous Year ₹ 1 crore), Reliance Ports and Terminals Limited ₹ 41 crore (Previous Year ₹ 104 crore), Reliance Footprint Limited ₹ 1 crore (Previous Year ₹ NIL), Reliance Security Solutions Limited ₹ 3 crore (Previous Year ₹ NIL), Reliance Haryana SEZ Limited ₹ 43 crore (Previous Year ₹ NIL).
2. Purchase / Subscription of Investments include Reliance Exploration & Production DMCC ₹ NIL (Previous Year ₹ 558 crore), Reliance Exploration & Production Mauritius Limited ₹ NIL (Previous Year ₹ 348 crore), Reliance Oil & Gas Mauritius Limited ₹ NIL (Previous Year ₹ 95 crore), Reliance Jio Infocomm Limited ₹ 2,647 crore (Previous Year ₹ 642 crore), Reliance Retail Limited ₹ NIL (Previous Year ₹ 2,580 crore), RIL (Australia) Pty Limited ₹ 3 crore (Previous Year ₹ 2 crore), Reliance Commercial Associates Limited ₹ 5,667 crore (Previous Year ₹ NIL).
3. Sale / Transfer of Investments include to Reliance Energy Generation and Distribution Limited ₹ NIL (Previous Year ₹ 3,265 crore), Reliance Industrial Investments and Holdings Limited ₹ 1,544 crore (Previous Year ₹ NIL), Reliance Universal Ventures Limited ₹ 7,800 crore (Previous Year ₹ NIL).
Redemption of Investments by Reliance Global Business B.V. ₹ 49 crore (Previous Year ₹ NIL), Reliance Industries (Middle East) DMCC ₹ 431 crore (Previous Year ₹ NIL), Reliance Exploration & Production DMCC ₹ 1,673 crore (Previous Year ₹ NIL), Reliance Netherlands B.V. ₹ 1 crore (Previous Year ₹ NIL).
4. Capital Advances given include Reliance Haryana SEZ Limited ₹ NIL (Previous Year ₹ 42 crore), Reliance Industrial Infrastructure Limited ₹ 2 crore (Previous Year ₹ NIL).
5. Loans given during the year include Reliance Industrial Investments and Holdings Limited ₹ 7,684 crore (Previous Year ₹ 2,625 crore), Reliance Retail Limited ₹ 303 crore (Previous Year ₹ 617 crore), Reliance Exploration & Production DMCC ₹ 71 crore (Previous Year ₹ NIL), Reliance Brands Limited ₹ 11 crore (Previous Year ₹ NIL). Deposits given during the year include Gujarat Chemical Port Terminal Company Limited ₹ 27 crore (Previous Year ₹ 17 crore). Loans returned during the year include Gapco Tanzania Limited ₹ NIL (Previous Year ₹ 84 crore), Reliance Exploration & Production DMCC ₹ NIL (Previous Year ₹ 8 crore).
Advances in the nature of application money returned during the year Reliance Prolific Traders Private Limited ₹ 523 crore (Previous Year ₹ NIL).
6. Revenue from Operations include to Reliance Jamnagar Infrastructure Limited ₹ NIL (Previous Year ₹ 1 crore), Reliance Retail Limited ₹ NIL (Previous Year ₹ 6 crore), Gapco Kenya Limited ₹ 6,559 crore (Previous Year ₹ 4,559 crore), Gapco Tanzania Limited ₹ 2,937 crore (Previous Year ₹ 526 crore), Recron (Malaysia) Sdn Bhd ₹ 367 crore (Previous Year ₹ 124 crore), Reliance Trends Limited ₹ 6 crore (Previous Year ₹ 5 crore), LPG Infrastructure (India) Limited ₹ 392 crore (Previous Year ₹ 269 crore), Reliance Petro Marketing Limited ₹ 77 crore (Previous Year ₹ 216 crore), RIL USA Inc. ₹ 14,242 crore (Previous Year ₹ 12,572 crore), Reliance Industrial Investments and Holdings Limited ₹ 679 crore (Previous Year ₹ 733 crore), Reliance Fresh Limited ₹ 9 crore (Previous Year ₹ 6 crore), Reliance Gems and Jewels Limited ₹ 475 crore (Previous Year ₹ 504 crore), Reliance Utilities Private Limited ₹ NIL (Previous Year ₹ 145 crore), Reliance Utilities and Power Private Limited ₹ 243 crore (Previous Year ₹ NIL), Reliance Ports and Terminals Limited ₹ 6 crore (Previous Year ₹ 20 crore), Reliance Gas Transportation Infrastructure Limited ₹ 86 crore (Previous Year ₹ 147 crore), Reliance Corporate IT Park Limited ₹ 2 crore (Previous Year ₹ 5 crore), Reliance Industries (Middle East) DMCC ₹ NIL (Previous Year ₹ 100 crore), Reliance Jio Infocomm Limited ₹ 408 crore (Previous Year ₹ 35 crore), Reliance Digital Retail Limited ₹ 4 crore (Previous Year ₹ NIL), Reliance Progressive Traders Private Limited ₹ 5 crore (Previous Year ₹ NIL), Reliance Prolific Traders Private Limited ₹ 1 crore (Previous Year ₹ NIL), Reliance Eminent Trading & Commercial Private Limited ₹ 2 crore (Previous Year ₹ NIL), Gujarat Chemical Port Terminal Company Limited ₹ 1 crore (Previous Year ₹ NIL).



Notes on Financial Statements for the Year ended 31st March, 2013

7. Other Income from Reliance Industrial Investments and Holdings Limited ₹ 371 crore (Previous Year ₹ 315 crore), Reliance Ventures Limited ₹ 108 crore (Previous Year ₹ 40 crore), Reliance Strategic Investments Limited ₹ 86 crore (Previous Year ₹ 71 crore), Reliance Exploration & Production DMCC ₹ 2 crore (Previous Year ₹ NIL), Gapco Kenya Limited ₹ 2 crore (Previous Year ₹ 4 crore), Gapco Tanzania Limited ₹ 2 crore (Previous Year ₹ 4 crore), Recron (Malaysia) Sdn Bhd ₹ 6 crore (Previous Year ₹ 7 crore), Reliance Jio Infocomm Limited ₹ 41 crore (Previous Year ₹ 39 crore), Reliance Retail Limited ₹ 72 crore (Previous Year ₹ 16 crore), RIL USA Inc. ₹ 25 crore (Previous Year ₹ 18 crore), Reliance Holdings USA Inc. ₹ 122 crore (Previous Year ₹ 132 crore), Reliance Eagleford Upstream Holding LP ₹ NIL (Previous Year ₹ 2 crore), Reliance Marcellus LLC ₹ 3 crore (Previous Year ₹ 10 crore), Reliance Corporate IT Park Limited ₹ 1 crore (Previous Year ₹ 3 crore), Reliance Industrial Infrastructure Limited ₹ NIL (Previous Year ₹ 2 crore), Reliance Europe Limited ₹ 5 crore (Previous Year ₹ 5 crore), Gapco Uganda Limited ₹ 1 crore (Previous Year ₹ 1 crore), Reliance Gems and Jewels Limited ₹ NIL (Previous Year ₹ 11 crore), Reliance Utilities and Power Private Limited ₹ 3 crore (Previous Year ₹ NIL), Reliance Ports and Terminals Limited ₹ 1 crore (Previous Year ₹ NIL).
8. Purchases / material consumed from Recron (Malaysia) Sdn Bhd ₹ 1 crore (Previous Year ₹ 2 crore), Reliance Petro Marketing Limited ₹ 2 crore (Previous Year ₹ 3 crore), Reliance Jamnagar Infrastructure Limited ₹ NIL (Previous Year ₹ 350 crore), Reliance Ports and Terminals Limited ₹ 154 crore (Previous Year ₹ 138 crore), Reliance Industrial Infrastructure Limited ₹ 12 crore (Previous Year ₹ 11 crore), Reliance Footprint Limited ₹ 2 crore (Previous Year ₹ 2 crore), Gujarat Chemical Port Terminal Company Limited ₹ 1 crore (Previous Year ₹ 2 crore), Reliance Industries (Middle East) DMCC ₹ 2,314 crore (Previous Year ₹ NIL).
9. Electric Power, Fuel and Water charges paid to Reliance Utilities and Power Private Limited ₹ 1,325 crore (Previous Year ₹ 369 crore), Reliance Utilities Private Limited ₹ NIL (Previous Year ₹ 771 crore).
10. Hire Charges paid to Reliance Industrial Infrastructure Limited ₹ 30 crore (Previous Year ₹ 21 crore), Gujarat Chemical Port Terminal Company Limited ₹ 57 crore (Previous Year ₹ 66 crore), Reliance Gas Transportation Infrastructure Limited ₹ 196 crore (Previous Year ₹ 235 crore), Reliance Ports and Terminals Limited ₹ 125 crore (Previous Year ₹ 86 crore), Reliance Corporate IT Park Limited ₹ NIL (Previous Year ₹ 1 crore).
11. Employee Benefits Expense include to Reliance People Serve Limited ₹ 3 crore (Previous Year ₹ 3 crore), Reliance Fresh Limited ₹ 3 crore (Previous Year ₹ 20 crore), Reliance Polyolefins Limited ₹ NIL (Previous Year ₹ 5 crore), Reliance Trends Limited ₹ NIL (Previous Year ₹ 1 crore).
12. Payment to Key Managerial Personnel include to Shri Mukesh D. Ambani ₹ 15 crore (Previous Year ₹ 15 crore), Shri Nikhil R. Meswani ₹ 11 crore (Previous Year ₹ 11 crore), Shri Hital R. Meswani ₹ 11 crore (Previous Year ₹ 11 crore), Shri P.M.S. Prasad ₹ 5 crore (Previous Year ₹ 5 crore), Shri P.K. Kapil ₹ 2 crore (Previous Year ₹ 2 crore).
13. Sales and Distribution Expenses include to Reliance Fresh Limited ₹ NIL (Previous Year ₹ 43 crore), Reliance Ports and Terminals Limited ₹ 2,835 crore (Previous Year ₹ 2,370 crore), Gujarat Chemical Port Terminal Company Limited ₹ 10 crore (Previous Year ₹ 11 crore), Reliance Jamnagar Infrastructure Limited ₹ NIL (Previous Year ₹ 7 crore), Gapco Kenya Limited ₹ NIL (Previous Year ₹ 3 crore), Reliance Commercial Land and Infrastructure Limited ₹ 5 crore (Previous Year ₹ NIL), Reliance Polyolefins Limited ₹ 16 crore (Previous Year ₹ NIL).
14. Rent paid to Reliance Jamnagar Infrastructure Limited ₹ NIL (Previous Year ₹ 29 crore).
15. Professional Fees paid to Reliance Supply Chain Solutions Limited ₹ NIL (Previous Year ₹ 18 crore), Reliance Corporate IT Park Limited ₹ 736 crore (Previous Year ₹ 240 crore), Reliance Netherlands B.V. ₹ NIL (Previous Year ₹ 1 crore), Reliance Europe Limited ₹ 37 crore (Previous Year ₹ 27 crore), GenNext Ventures LLP ₹ NIL (Previous Year ₹ 2 crore), Reliance Industrial Infrastructure Limited ₹ 19 crore (Previous Year ₹ 9 crore), Reliance Security Solutions Limited ₹ 1 crore (Previous Year ₹ NIL), Indiawin Sports Private Limited ₹ 23 crore (Previous Year ₹ NIL).

Notes on Financial Statements for the Year ended 31st March, 2013

16. General Expenses include to Reliance Fresh Limited ₹ 14 crore (Previous Year ₹ 11 crore), Reliance Trends Limited ₹ 6 crore (Previous Year ₹ 3 crore), Reliance Gems and Jewels Limited ₹ 7 crore (Previous Year ₹ 7 crore), Reliancedigital Retail Limited ₹ 1 crore (Previous Year ₹ 3 crore), Indiawin Sports Private Limited ₹ 12 crore (Previous Year ₹ 14 crore), Reliance Commercial Dealers Limited ₹ 258 crore.
17. Donations to Dhirubhai Ambani Foundation ₹ 1 crore (Previous Year ₹ 86 crore), Jamnaben Hirachand Ambani Foundation ₹ 8 crore (Previous Year ₹ 8 crore), HNH Trust and HNH Research Society ₹ 2 crore (Previous Year ₹ 3 crore), Hirachand Govardhandas Ambani Public Charitable Trust ₹ 1 crore (Previous Year ₹ 1 crore), Reliance Foundation ₹ 206 crore (Previous Year ₹ 112 crore).
18. Finance Costs include to Reliance Corporate IT Park Limited ₹ 16 crore (Previous Year ₹ 18 crore).
19. Loans and Advances include Reliance Industrial Investments and Holdings Limited ₹ 17,642 crore (Previous Year ₹ 9,905 crore), Reliance Retail Limited ₹ 928 crore (Previous Year ₹ 621 crore), Reliance Strategic Investments Limited ₹ NIL (Previous Year ₹ 22 crore), Gapco Kenya Limited ₹ 2 crore (Previous Year ₹ 2 crore), Gapco Tanzania Limited ₹ 2 crore (Previous Year ₹ 2 crore), Gapco Uganda Limited ₹ 1 crore (Previous Year ₹ 1 crore), Reliance Jio Infocomm Limited ₹ NIL (Previous Year ₹ 10 crore), Recron (Malaysia) Sdn Bhd ₹ 6 crore (Previous Year ₹ 7 crore), Reliance Europe Limited ₹ 8 crore (Previous Year ₹ 12 crore), RIL USA Inc. ₹ NIL (Previous Year ₹ 2 crore), Reliance Holding USA Inc. ₹ NIL (Previous Year ₹ 18 crore), Reliance Marcellus LLC ₹ NIL (Previous Year ₹ 2 crore), Reliance Energy Generation and Distribution Limited ₹ 3,265 crore (Previous Year ₹ 3,265 crore), Reliance Exploration & Production DMCC ₹ 72 crore (Previous Year ₹ NIL), Reliance Corporate IT Park Limited ₹ 3 crore (Previous Year ₹ 20 crore), Reliance Prolific Traders Private Limited (Application Money) ₹ NIL (Previous Year ₹ 523 crore), Reliance Ventures Limited ₹ 42 crore (Previous Year ₹ NIL), Reliance Brands Limited ₹ 11 crore (Previous Year ₹ NIL).
20. Deposits include Reliance Jamnagar Infrastructure Limited ₹ NIL (Previous Year ₹ 299 crore), Gujarat Chemical Port Terminal Company Limited ₹ 69 crore (Previous Year ₹ 42 crore), Reliance Utilities and Power Private Limited ₹ 350 crore (Previous Year ₹ 200 crore), Reliance Ports and Terminals Limited ₹ 1,050 crore (Previous Year ₹ 1,050 crore), Reliance Utilities Private Limited ₹ NIL (Previous Year ₹ 150 crore).

31. (a) Disclosure of the Company's Interest in Oil and Gas Joint Ventures:

Sr. No.	Name of the Fields in the Joint Ventures	% Interest	Sr. No.	Name of the Fields in the Joint Ventures	% Interest
1	Panna Mukta	30% (30%)	8	CY-PR-DWN-2001/3	70% (70%)
2	Tapti	30% (30%)	9	CY-DWN-2001/2	70% (70%)
3	NEC - OSN - 97/2	60% (60%)	10	CB-ONN-2003/1	70% (70%)
4	KG - DWN - 98/3	60% (60%)	11	KG-DWN-2004/4	70% (70%)
5	GS - OSN - 2000/1	90% (90%)	12	MN-DWN-2004/1	70% (70%)
6	KG-DWN-2003/1	60% (60%)	13	MN-DWN-2004/2	70% (70%)
7	KG-DWN-2005/2	50% (50%)			

Figures in bracket represent Previous Year's (%) Interest.

(b) Disclosure of the blocks surrendered during the year:

Sr. No.	Name of the Fields	% Interest	Sr. No.	Name of the Fields	% Interest
1	KK-DWN-2001/1	70%	5	MN-DWN-2004/3	70%
2	KK-DWN-2001/2	70%	6	MN-DWN-2004/4	70%
3	MN-DWN-2003/1	55%	7	MN-DWN-2004/5	70%
4	KG-DWN-2004/7	70%	8	SH(NORTH)-CBM-2003/11	100%



Notes on Financial Statements for the Year ended 31st March, 2013

(c) Net Quantities of Company's interest (on gross basis) in proved reserves and proved developed reserves :

	Proved Reserves (Million MT)		Proved Developed Reserves (Million MT)	
	2012-13	2011-12	2012-13	2011-12
Oil:				
Beginning of the year	3.06	8.29	2.42	7.66
Reduction on transfer of participating interest	-	(1.69)	-	(1.65)
Revision of estimates	-	(2.61)	-	(2.66)
Production	(0.60)	(0.93)	(0.60)	(0.93)
Closing balance for the year	2.46	3.06	1.82	2.42

	Proved Reserves (Million M ³)		Proved Developed Reserves (Million M ³)	
	2012-13	2011-12	2012-13	2011-12
Gas:				
Beginning of the year	1,03,958	1,85,821	25,159	1,07,362
Reduction on transfer of participating interest	-	(56,621)	-	(30,543)
Revision of estimates	59	(12,418)	43	(38,836)
Production	(6,732)	(12,824)	(6,732)	(12,824)
Closing balance for the year	97,285	1,03,958	18,470	25,159

* 1 cubic meter (M³) = 35.315 cubic feet and 1 cubic feet = 1000 BTU

(d) The Government of India, by its letter of 02 May 2012 has communicated that it proposes to disallow certain costs which the PSC relating to Block KG-DWN-98/3 entitles RIL to recover. RIL continues to maintain that a Contractor is entitled to recover all of its costs under the terms of the PSC and there are no provisions that entitle the Government to disallow the recovery of any Contract Cost as defined in the PSC. The Company has already initiated arbitration on the above issue.

32. As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.
33. The figures for the current year include figures of Reliance Jamnagar Infrastructure Limited (RJIL), the wholly owned subsidiary company engaged in infrastructure development and maintenance developer of the operating Special Economic Zone, which is amalgamated with the Company with effect from 1st April, 2011 as per the Scheme of Amalgamation (the Scheme) sanctioned by the Hon'ble High Court of Gujarat at Ahmedabad, and are therefore to that extent not comparable with those of previous year.

The Scheme became effective on 22nd October, 2012, the appointed date of the Scheme being 1st April, 2011.

In accordance with the scheme and as per approval of the High Court:

- The assets, liabilities, reserves, rights and obligations of erstwhile RJIL have been transferred to and vested with the Company with effect from 1st April, 2011 and have been recorded at their respective book values, under the pooling of interest method of accounting for amalgamation as prescribed in Accounting Standard 14 on Accounting for Amalgamations.
- Being a wholly owned subsidiary company, 10,00,00,000 equity shares & 18,50,000, 10% non-cumulative optionally convertible preference shares of erstwhile RJIL held by the Company have been cancelled against Share Capital of the amalgamating company and no shares has been issued in pursuance to scheme of amalgamation.
- Amount added on amalgamation to profit and loss account is inclusive of profit for the period 1st April 2011 till 31st March 2012 and is net of stamp duty paid on amalgamation.

Notes on Financial Statements for the Year ended 31st March, 2013

34. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in crore)

	As at 31st March, 2013	As at 31st March, 2012
(I) Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts		
(a) In respect of joint ventures	-	-
(b) In respect of others	1,663	1,343
(B) Guarantees		
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties		
(a) In respect of joint ventures	-	-
(b) In respect of others	31,080	29,583
(ii) Performance Guarantees		
(a) In respect of joint ventures	-	-
(b) In respect of others	258	159
(iii) Outstanding guarantees furnished to Banks and Financial Institutions including in respect of Letters of Credits		
(a) In respect of joint ventures	160	228
(b) In respect of others	5,099	5,167
(C) Other Money for which the company is contingently liable		
(i) Liability in respect of bills discounted with Banks (Including third party bills discounting)		
(a) In respect of joint ventures	-	-
(b) In respect of others	3,961	631
(II) Commitments		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
(a) In respect of Joint Ventures	441	340
(b) In respect of others	7,948	9,923
(B) Uncalled Liability on Shares and other investments partly paid ₹ NIL [Previous Year ₹ 37,19,139]	-	-
(C) Other commitments		
(a) Sales tax deferral liability assigned	2,345	3,560
(b) Guarantee against future cash calls *	1,645	3,141

* The Company has issued guarantees against future cash calls to be made by JV Partners of its wholly owned subsidiary Reliance Marcellus LLC.

(III) The Income-Tax assessments of the Company have been completed up to Assessment Year 2010-11. The disputed demand outstanding up to the said Assessment Year is ₹ 1,192 crore. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.



Notes on Financial Statements for the Year ended 31st March, 2013

35. FINANCIAL AND DERIVATIVE INSTRUMENTS

a) Derivative contracts entered into by the Company and outstanding as on 31st March, 2013

(i) For hedging Currency and Interest Rate Related Risks:

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March amount to ₹ 1,27,469 crore (Previous Year ₹ 86,561 crore). Category wise break up is given below:

Sr. No.	Particulars	As at 31st March, 2013		As at 31st March, 2012	
				(₹ in crore)	
1	Interest Rate Swaps	32,431		32,193	
2	Currency Swaps	3,319		4,199	
3	Options	2,307		25,138	
4	Forward Contracts	89,412		25,031	

(ii) For hedging commodity related risks :

Category wise break up is given below :

Sr. No.	Particulars	As at 31st March, 2013		As at 31st March, 2012	
		Petroleum product sales	Crude Oil purchases	Petroleum product sales	Crude oil purchases
1	Forward swaps	7,334	16,575	16,722	18,842
2	Futures	3,794	5,488	2,309	5,879
3	Spreads	44,900	50,366	25,193	81,337
4	Options	-	23,895	2,720	8,875

In addition the Company has net margin hedges outstanding for contracts relating to petroleum product sales of 85,168 kbbl (Previous Year 81,869 kbbl).

b) Foreign currency exposures that are not hedged by derivative instruments as on 31st March, 2013 amount to ₹ 71,627 crore (Previous Year ₹ 82,198 crore).

36. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

As per our Report of even date

For Chaturvedi & Shah
Chartered Accountants

For Deloitte Haskins & Sells
Chartered Accountants

For Rajendra & Co.
Chartered Accountants

D. Chaturvedi
Partner

A. Siddharth
Partner

A.R. Shah
Partner

Mumbai
Date : April 16, 2013

K. Sethuraman
Company Secretary

For and on behalf of the Board
M.D. Ambani - Chairman & Managing Director
N.R. Meswani
H.R. Meswani
P.M.S. Prasad
P. K. Kapil
R.H. Ambani
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar

Executive Directors

Directors

Consolidated Financial Statements & Notes



Independent Auditors' Report

To The Board of Directors of
Reliance Industries Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **RELIANCE INDUSTRIES LIMITED** (the "Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
 - (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

6. Financial statements / consolidated financial statements of certain subsidiaries which reflect total assets (net) of ₹ 55,953 crore as at March 31, 2013, total revenue (net) of ₹ 45,263 crore and net cash flows amounting to ₹ 131 crore for the year then ended, have been audited by one or jointly by two of us or one of us with other and financial statements of an associate in which the share of profit of the Group is ₹ 11 crore have been audited by one of us.
7. We did not audit the financial statements / consolidated financial statements of certain subsidiaries, whose financial statements / consolidated financial statements reflect total assets (net) of ₹ 38,202 crore as at March 31, 2013 / December 31, 2012, total revenues (net) of ₹ 13,483 crore and net cash flows amounting to ₹ (355) crore for the year ended on that date and financial statements of an associate in which the share of profit of the Group is ₹ 1 crore. These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, is based solely on the reports of the other auditors.
8. We have relied on the unaudited financial statements of certain associates wherein the Group's share of profit aggregate ₹ 3 crore. These unaudited financial statements as approved by the respective Boards of Directors of these companies have been furnished to us by the management and our report in so far as it relates to the amounts included in respect of the associates is based solely on such approved unaudited financial statements.

Our opinion is not qualified in respect of other matters.

For Chaturvedi & Shah Chartered Accountants (Registration No. 101720W)	For Deloitte Haskins & Sells Chartered Accountants (Registration No. 117366W)	For Rajendra & Co. Chartered Accountants (Registration No. 108355W)
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D. Chaturvedi
Partner
Membership No.: 5611
Mumbai

A. Siddharth
Partner
Membership No.: 31467

A. R. Shah
Partner
Membership No.: 47166

Date : April 16, 2013

Reliance Industries Limited

Consolidated Balance Sheet as at 31st March, 2013

	Note	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	2,936	2,979
Reserves and Surplus	2	1,79,094	1,66,466
		1,82,030	1,69,445
Share Application Money Pending Allotment	1	25	-
Minority Interest		949	799
Non-Current Liabilities			
Long Term Borrowings	3	70,960	65,352
Deferred Tax Liability (net)	4	11,588	11,567
Long Term Provisions	5	531	421
		83,079	77,340
Current Liabilities			
Short Term Borrowings	6	18,362	17,283
Trade Payables	7	49,700	40,368
Other Current Liabilities	8	23,655	17,553
Short Term Provisions	9	4,557	4,403
		96,274	79,607
TOTAL		3,62,357	3,27,191
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	98,715	1,03,169
Intangible Assets	10	34,772	35,645
Capital Work-in-Progress	10	17,191	6,495
Intangible Assets under Development	10	32,761	18,868
Non-Current Investments	11	13,979	11,423
Long Term Loans and Advances	12	9,025	6,741
Other Non-Current Assets	13	-	1
		2,06,443	1,82,342
Current Assets			
Current Investments	14	28,869	27,173
Inventories	15	54,601	46,692
Trade Receivables	16	9,750	16,939
Cash and Bank Balances	17	50,456	40,731
Short-Term Loans and Advances	18	10,455	9,754
Other Current Assets	19	1,783	3,560
		1,55,914	1,44,849
TOTAL		3,62,357	3,27,191
Significant Accounting Policies			
Notes on Financial Statements			

1 to 35

As per our Report of even date

For **Chaturvedi & Shah**
Chartered AccountantsFor **Deloitte Haskins & Sells**
Chartered AccountantsFor **Rajendra & Co.**
Chartered Accountants**D. Chaturvedi**
Partner**A. Siddharth**
Partner**A.R. Shah**
PartnerMumbai
Date : April 16, 2013**K. Sethuraman**
Company Secretary

For and on behalf of the Board
M.D. Ambani - Chairman & Managing Director
N.R. Meswani
H.R. Meswani
P.M.S. Prasad
P. K. Kapil
R.H. Ambani
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar

Executive Directors

Directors



Reliance Industries Limited

Consolidated Statement of Profit and Loss for the year ended 31st March, 2013

(₹ in crore)

INCOME	Note	2012-13	2011-12
Revenue from Operations	20	3,97,062	3,58,501
Other Income	21	7,867	6,194
Total Revenue		4,04,929	3,64,695
EXPENDITURE :			
Cost of Materials Consumed		3,26,779	2,91,800
Purchases of Stock-in-Trade		10,425	9,235
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	22	(4,954)	(2,844)
Employee Benefits Expense	23	5,179	3,955
Finance Costs	24	3,463	2,893
Depreciation and Amortisation Expense	25	11,232	12,401
Other Expenses	26	26,588	21,847
Total Expenses		3,78,712	3,39,287
Profit before Tax		26,217	25,408
Tax Expenses			
Current Tax		5,327	5,226
Deferred Tax		4	465
Profit for the year (before adjustment for Minority Interest)		20,886	19,717
Add: Share of (Profit) / Loss transferred (to) / from Minority Interest		(7)	7
Profit for the year (after adjustment for Minority Interest)		20,879	19,724
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	27	70.65	66.15
Basic and Diluted (in ₹) (Before exceptional items)	27	70.65	67.18
Significant Accounting Policies			
Notes on Financial Statements	1 to 35		

As per our Report of even date

For **Chaturvedi & Shah**
Chartered AccountantsFor **Deloitte Haskins & Sells**
Chartered AccountantsFor **Rajendra & Co.**
Chartered Accountants**D. Chaturvedi**
Partner**A. Siddharth**
Partner**A.R. Shah**
PartnerMumbai
Date : April 16, 2013**K. Sethuraman**
Company Secretary

For and on behalf of the Board
M.D. Ambani - Chairman & Managing Director
N.R. Meswani
H.R. Meswani
P.M.S. Prasad
P. K. Kapil
R.H. Ambani
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar

Executive Directors

Directors

Reliance Industries Limited

Consolidated Cash Flow Statement for the year 2012-13

(₹ in crore)

	2012-13	2011-12
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss	26,217	25,408
Adjusted for:		
Miscellaneous Expenditure written off	16	13
Share in Income of Associates	(67)	(70)
Net Prior Year Adjustments	3	1
Loss on Sale / Discard of Assets (net)	95	32
Depreciation and Amortisation Expense	13,393	14,827
Transferred from Revaluation Reserve	(2,081)	(2,356)
Transferred from Capital Reserve	(80)	(70)
Effect of Exchange Rate Change	1,129	1,010
Net gain on Sale of Investments	(1,768)	(1,696)
Exceptional Item	-	309
Dividend Income	(131)	(30)
Interest Income	(5,816)	(4,167)
Finance Costs	3,463	2,893
	8,156	10,696
Operating Profit before Working Capital Changes	34,373	36,104
Adjusted for:		
Trade and Other Receivables	7,289	(1,068)
Inventories	(7,525)	(7,724)
Trade and Other Payables	7,608	2,044
	7,372	(6,748)
Cash Generated from Operations	41,745	29,356
Net Prior Year Adjustments	(3)	(1)
Taxes Paid (net)	(4,824)	(4,881)
Net Prior Year Adjustments on Account of Subsidiaries	-	9
Net Cash from Operating Activities	36,918	24,483
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(30,726)	(16,381)
Sale of Fixed Assets / Transfer of Participating Interest	2,138	23,317
Purchase of Investments	(4,84,826)	(3,32,414)
Sale / Redemption of Investments	4,82,102	3,17,422
Movement in Loans and Advances	(2,610)	676
Interest Income	6,144	1,052
Dividend Income	128	27
Net Cash (used in) Investing Activities	(27,650)	(6,301)

**Consolidated Cash Flow Statement for the year 2012-13 (Contd.)**(₹ in crore)
2011-12

	2012-13	2011-12
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital	12	87
Proceeds from Issue of Share Capital to Minority	390	7
Redemption of Preference Share Capital of Minority	(10)	-
Share Application Money	25	-
Buyback of Equity Shares	(3,087)	(279)
Proceeds from Long Term Borrowings	19,182	6,108
Repayment of Long Term Borrowings	(10,532)	(9,545)
Short Term Borrowings (net)	2,004	2,389
Dividends Paid (including dividend distribution tax)	(2,949)	(2,772)
Interest Paid	(4,626)	(3,585)
Miscellaneous Expenditure / Issue expenses	(1)	-
Net Cash from / (used in) Financing Activities	<u>408</u>	<u>(7,590)</u>
Net Increase in Cash and Cash Equivalents	9,676	10,592
Opening Balance of Cash and Cash Equivalents	40,731	30,139
Add: Upon addition of Subsidiaries	<u>49</u>	<u>-</u>
	40,780	30,139
Closing Balance of Cash and Cash Equivalents	<u>50,456</u>	<u>40,731</u>

As per our Report of even date

For **Chaturvedi & Shah**
Chartered AccountantsFor **Deloitte Haskins & Sells**
Chartered AccountantsFor **Rajendra & Co.**
Chartered Accountants**D. Chaturvedi**
Partner**A. Siddharth**
Partner**A.R. Shah**
PartnerMumbai
Date : April 16, 2013**K. Sethuraman**
Company Secretary

For and on behalf of the Board
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H.R. Meswani
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P. K. Kapil
R.H. Ambani
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar

Executive Directors
Directors

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

A. Principles of consolidation

The consolidated financial statements relate to Reliance Industries Limited ('the Company') and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
- b) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".
- c) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.
- d) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- e) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
- f) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- g) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- h) Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
- i) The Company accounts for its share in change in net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Profit or Loss through its reserves for the balance, based on available information.
- j) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- k) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

B. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

C. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

1. SHARE CAPITAL

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Authorised Share Capital:		
500,00,00,000 Equity Shares of ₹ 10 each (500,00,00,000)	5,000	5,000
100,00,00,000 Preference Shares of ₹ 10 each (100,00,00,000)	1,000	1,000
	<u>6,000</u>	<u>6,000</u>
Issued, Subscribed and Paid up:		
293,63,08,755 Equity Shares of ₹ 10 each fully paid up (297,87,04,713)	2,936	2,979
Less: Calls in arrears - by others [₹ 3,653 (Previous Year ₹ 3,653)]	-	-
	<u>2,936</u>	<u>2,979</u>
TOTAL	<u>2,936</u>	<u>2,979</u>

- 1.1 1,45,94,41,214 Shares were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium (1,45,94,41,214) and Reserves.
- 1.2 6,92,52,419 Shares were allotted in the last five years pursuant to the various Schemes of amalgamation (12,93,92,979) without payments being received in cash.
- 1.3 45,04,27,345 Shares were allotted on conversion / surrender of Debentures and Bonds, conversion of Term (45,04,27,345) Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception.
- 1.4 4,62,46,280 Shares were bought back and extinguished in the last five years.
(36,63,431)
- 1.5 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2013	As at 31st March, 2012
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	297,87,04,713	298,10,19,381
Add : Shares issued on exercise of Employee Stock Options	1,86,891	13,48,763
Less : Shares cancelled on buy back of Equity Shares	4,25,82,849	36,63,431
Equity Shares at the end of the year	<u>293,63,08,755</u>	<u>297,87,04,713</u>

- 1.6 The Company has reserved issuance of 13,37,43,590 (Previous year 13,39,30,481) Equity Shares of ₹ 10 each for offering to eligible employees of the Company and its subsidiaries under Employees Stock Option Scheme (ESOS). During the year, the Company has not granted any options to the eligible employees [Previous year 68,817 options, which includes 4,100 options at a price of ₹ 972 per option, 18,000 options at a price of ₹ 871 per option, 23,717 options at a price of ₹ 847 per option, 15,000 options at a price of ₹ 765 per option and 8,000 options at a price of ₹ 715 per option plus all applicable taxes, as may be levied in this regard on the Company]. The options would vest over a maximum period of 7 years or such other period as may be decided by the Employees Stock Compensation Committee from the date of grant based on specified criteria.
- 1.7 Issued, Subscribed and paid up capital excludes 29,23,54,627 (Previous Year 29,23,54,627) equity shares directly held by subsidiaries/trust, before their becoming subsidiaries of the Company, which have been eliminated.
- 1.8 Share application money pending allotment represents application money received on account of employees stock option scheme.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

2. RESERVES AND SURPLUS

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Revaluation Reserve		
As per last Balance Sheet	3,740	6,085
Add: On Revaluation	-	9
	<u>3,740</u>	<u>6,094</u>
Less: Transferred to Profit and Loss Account (Refer Note No. 10.8)	2,081	2,356
Add: Transferred from Minority Interest	<u>2</u>	<u>2</u>
	1,661	3,740
Capital Reserve		
As per last Balance Sheet	603	697
Add: On Consolidation of Subsidiaries (Net)	49	(24)
	<u>652</u>	<u>673</u>
Less: Transferred to Profit and Loss Account	80	70
	572	603
Exchange Fluctuation Reserve	1,097	1,069
Capital Redemption Reserve		
As per last Balance Sheet	13	9
Add : Transferred from Profit and Loss Account on buy back / redemption of Shares	43	4
	<u>56</u>	<u>13</u>
Securities Premium Reserve		
As per last Balance Sheet	45,258	45,459
Add : On issue of shares	12	85
	<u>45,270</u>	<u>45,544</u>
Less : On Redemption of Debentures/Bonds	-	11
Less : On buy back of Equity Shares	3,044	275
	<u>42,226</u>	<u>45,258</u>
Less : Calls in arrears - by others (₹ 2,21,548; Previous Year ₹ 2,21,548)	-	-
	42,226	45,258
Debentures Redemption Reserve		
As per last Balance Sheet	1,117	1,117
Statutory Reserve		
As per last Balance Sheet	78	72
Add : Transferred from Minority Interest [Previous Year (₹ 1,72,043)]	2	-
Add : Transferred from Profit and Loss Account	<u>6</u>	<u>6</u>
	86	78



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

2. RESERVES AND SURPLUS (Contd.)

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
General Reserve*		
As per last Balance Sheet	1,00,004	84,004
Add: Transferred from Profit and Loss Account	<u>18,000</u>	<u>16,000</u>
	1,18,004	1,00,004
Share in Reserves of Associates		
Revaluation Reserve		
As per last Balance Sheet	10	10
Profit and Loss Account		
As per last Balance Sheet	14,574	13,801
(Short) Provision of Tax for earlier years (net) [Previous Year (₹ 28,34,742)]	(54)	-
(Short) Provision of Tax for earlier years (net) - Minority Interest [(₹ 43,379); Previous Year ₹ NIL]	-	-
Less: Expenses on Amalgamation	10	-
Add: Profit for the year	<u>20,879</u>	<u>19,724</u>
	35,389	33,525
Less: Appropriations		
Transferred to Statutory Reserve	6	6
Transferred to General Reserve	18,000	16,000
Transferred to Capital Redemption Reserve on buy back/redemption of Shares	43	4
Proposed Dividend on Equity Shares** [Dividend per Share ₹ 9.0/-; (Previous Year ₹ 8.5/-)]	2,628	2,531
Tax on Dividend**	447	410
Proposed Dividend on Preference Shares (Minority Interest ₹ 19,880/-; Previous Year ₹ 19,880/-)	-	-
Tax on Dividend on Preference Shares (Minority Interest ₹ 3,379/-; Previous Year ₹ 3,225/-)	-	-
	<u>14,265</u>	<u>14,574</u>
TOTAL	<u><u>1,79,094</u></u>	<u><u>1,66,466</u></u>

* Cumulative amount withdrawn on account of Depreciation on Revaluation is ₹ 2,563 crore.

** Proposed Dividend on Equity Shares and Tax on Dividend are net of reversal of excess provision of previous year pertaining to Equity Shares bought back before the record date of Dividend, aggregating to ₹ 17 crore.

2.1 In view of the loss for the year, the subsidiary Company Reliance Jio Infocomm Limited has not created the Debenture Redemption Reserve of ₹ 252 crore (Previous Year ₹ 152 crore) in terms of section 117C of the Companies Act, 1956. The Company shall create the Debenture Redemption Reserve out of profits, if any, in the future years.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

3. LONG TERM BORROWINGS

	As at 31st March, 2013		(₹ in crore) As at 31st March, 2012	
	Non Current	Current	Non Current	Current
Secured				
Non Convertible Debentures	1,842	4,182	6,024	3,044
Term Loans from Banks	7	4	5	2
Long Term Maturities of Finance Lease Obligations	32	11	38	10
	<u>1,881</u>	<u>4,197</u>	<u>6,067</u>	<u>3,056</u>
Unsecured				
Bonds / Debentures	28,347	-	14,376	-
Term Loans- from Banks	40,726	13,697	44,900	6,753
Deferred Payment Liabilities	6	3	9	3
	<u>69,079</u>	<u>13,700</u>	<u>59,285</u>	<u>6,756</u>
TOTAL	<u>70,960</u>	<u>17,897</u>	<u>65,352</u>	<u>9,812</u>

3.1 Non Convertible Debentures referred above to the extent of:

- ₹ 1,593 crore are secured by way of first mortgage / charge on the immovable properties situated at Hazira Complex and at Jamnagar Complex (other than SEZ units) of the Company.
- ₹ 2,500 crore are secured by way of first mortgage / charge on the immovable properties situated at Jamnagar Complex (other than SEZ units) of the Company.
- ₹ 1,300 crore are secured by way of first mortgage / charge on all the properties situated at Hazira Complex and at Patalganga Complex of the Company.
- ₹ 50 crore are secured by way of first mortgage / charge on certain properties situated at Ahmedabad in the State of Gujarat and on fixed assets situated at Nagpur Complex of the Company.
- ₹ 30 crore are secured by way of first mortgage / charge on certain properties situated at Surat in the State of Gujarat and on fixed assets situated at Allahabad Complex of the Company.
- ₹ 51 crore are secured by way of first mortgage / charge on movable and immovable properties situated at Thane in the State of Maharashtra and on movable properties situated at Baulpur Complex of the Company.
- ₹ 500 crore are secured by way of first mortgage / charge on the immovable properties situated at Jamnagar Complex (SEZ unit) of the Company.

3.2 Secured Term Loans from banks are secured by hypothecation of vehicles and are repayable over a period of 3 to 5 years.

3.3 Finance Lease Obligations are secured against leased assets



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

4. DEFERRED TAX LIABILITY (Net)

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Deferred Tax Liability		
Related to Fixed Assets	14,682	14,336
Deferred Tax Assets		
Related to Fixed Assets	38	45
Disallowances under the Income Tax Act, 1961	109	93
Carried Forward Loss of Subsidiaries	2,947	2,631
	<u>3,094</u>	<u>2,769</u>
TOTAL	<u>11,588</u>	<u>11,567</u>

5. LONG TERM PROVISIONS

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Provisions for Annuities	231	236
Others #	300	185
TOTAL	<u>531</u>	<u>421</u>

Includes provision for Decommissioning and Liability for derivative transactions.

6. SHORT TERM BORROWINGS

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Secured		
Working Capital Loans		
From Banks		
Foreign Currency Loans	601	1,004
Rupee Loans	27	19
	<u>628</u>	<u>1,023</u>
Unsecured		
A. Other Loans and Advances		
From Banks		
Foreign Currency Loans *	17,569	14,627
Rupee Loans	110	1,580
	<u>17,679</u>	<u>16,207</u>
B. Loans from related parties (Refer Note No. 28)	55	53
TOTAL	<u>18,362</u>	<u>17,283</u>

* Includes Buyers Credit/Packing Credit

6.1. Working Capital Loans referred above to the extent of :

- a) ₹ 453 crore (Previous Year ₹ 863 crore) are secured by legal charges over certain properties and hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares (not relating to plant and machinery), book debts, outstanding monies, receivables, claims, bills, materials in transit, etc. save and except receivable of Oil and Gas Division.
- b) ₹ 175 crore (Previous Year ₹ 160 crore) is secured by hypothecation of Plant and Machinery.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

7. TRADE PAYABLES (₹ in crore)

	As at 31st March, 2013	As at 31st March, 2012
Micro, Small and Medium Enterprises	66	33
Others	49,634	40,335
TOTAL	49,700	40,368

8. OTHER CURRENT LIABILITIES (₹ in crore)

	As at 31st March, 2013	As at 31st March, 2012
Current maturities of long term debt (Refer Note No. 3)	17,886	9,802
Current maturities of finance lease obligations (Refer Note No. 3)	11	10
Interest accrued but not due on borrowings	690	523
Unclaimed Dividend #	152	129
Application money received and due for refund #	1	1
Unpaid matured debentures and interest accrued thereon #	1	1
Creditors for Capital Expenditure	2,017	1,375
Other Payables *	2,897	5,712
TOTAL	23,655	17,553

* Includes statutory dues, security deposits, advance from customers and Income received in advance.

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund except ₹ 10 crore (Previous Year ₹ 9 crore) which is held in abeyance due to legal cases pending.

9. SHORT TERM PROVISIONS (₹ in crore)

	As at 31st March, 2013	As at 31st March, 2012
Provisions for Employee Benefits	194	235
Proposed Dividend	2,643	2,531
Tax on Dividend	449	410
Provision for Wealth Tax	46	79
Provision for Income Tax (Net of advance tax)	7	50
Other Provisions *	1,218	1,098
TOTAL	4,557	4,403

* Includes primarily provision for Customs duty, Excise Duty on Finished Goods, Other duties and taxes.



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

10. FIXED ASSETS

(₹ in crore)

Description	Gross Block				Depreciation / Amortisation				Net Block	
	As at 01-04-2012	Additions	Deductions/ Adjustments	As at 31-03-2013	As at 01-04-2012	For the Year	Deductions/ Adjustments	As at 31-03-2013	As at 31-03-2013	As at 31-03-2012
TANGIBLE ASSETS :										
OWN ASSETS :										
Leasehold Land	2,584	225	-	2,809	393	109	2	500	2,309	2,191
Freehold Land	6,222	261	1	6,482	-	-	-	-	6,482	6,222
Buildings	11,458	481	-	11,939	3,082	345	(5)	3,432	8,507	8,376
Plant & Machinery	1,39,964	3,092	343	1,42,713	63,598	7,959	391	71,166	71,547	76,366
Electrical Installations	4,314	97	21	4,390	1,633	201	2	1,832	2,558	2,681
Equipments \$	8,141	400	66	8,475	1,805	413	21	2,197	6,278	6,336
Furniture & Fixtures	980	119	29	1,070	430	72	22	480	590	550
Vehicles	384	104	36	452	197	55	25	227	225	187
Ships	386	1	-	387	254	14	-	268	119	132
Aircrafts & Helicopters	45	-	-	45	23	4	-	27	18	22
Sub-Total	1,74,478	4,780	496	1,78,762	71,415	9,172	458	80,129	98,633	1,03,063
LEASED ASSETS :										
Plant & Machinery	274	4	-	278	168	28	-	196	82	106
Ships	10	-	-	10	10	-	-	10	-	-
Sub-Total	284	4	-	288	178	28	-	206	82	106
Total (A)	1,74,762	4,784	496	1,79,050	71,593	9,200	458	80,335	98,715	1,03,169
INTANGIBLE ASSETS* :										
Technical Knowhow fees	3,469	21	(2)	3,492	1,725	185	-	1,910	1,582	1,744
Software	621	56	8	669	495	45	9	531	138	126
Development Rights	50,847	4,091	935	54,003	19,977	3,890	109	23,758	30,245	30,870
Others	3,776	1	20	3,757	871	79	-	950	2,807	2,905
Total (B)	58,713	4,169	961	61,921	23,068	4,199	118	27,149	34,772	35,645
Total (A+B)	2,33,475	8,953	1,457	2,40,971	94,661	13,399	576	1,07,484	1,33,487	1,38,814
Previous Year	2,38,293	26,665	31,483	2,33,475	80,193	14,827	359	94,661	1,38,814	
Capital Work-in-Progress									17,191	6,495
Intangible Assets under Development									32,761	18,868

\$ Includes Office Equipments

* Other than internally generated

10.1 Leasehold Land includes ₹ 203 crore (Previous Year ₹ 203 crore) in respect of which lease-deeds are pending execution.

10.2 Buildings include :

- i) Cost of shares in Co-operative Housing Societies ₹ 1 crore (Previous Year ₹ 1 crore).
- ii) ₹ 5 crore (Previous Year ₹ 5 crore) in respect of which conveyance is pending.
- iii) ₹ 93 crore (Previous Year ₹ 93 crore) in shares of Companies / Societies with right to hold and use certain area of Buildings.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

10.3 Intangible assets - Others include :

- i) Jetties amounting to ₹ 812 crore (Previous Year ₹ 812 crore), the Ownership of which vests with Gujarat Maritime Board. However, under an agreement with Gujarat Maritime Board, the Company has been permitted to use the same at a concessional rate.
- ii) ₹ 2,899 crore (Previous Year ₹ 2,919 crore) in shares of companies and lease premium paid with right to hold and use Land and Buildings.

10.4 Capital Work-in-Progress and Intangible Assets under Development include:

- i) ₹ 5,849 crore (Previous Year ₹ 3,948 crore) on account of project development expenditure.
- ii) ₹ 5,804 crore (Previous Year ₹ 1,406 crore) on account of cost of construction materials at site.

10.5 Gross Block includes ₹ 11 crore added on revaluation of Buildings, Plant & Machinery and Storage Tanks as at 31.12.2010, ₹ 12,901 crore added on revaluation of Buildings, Plant & Machinery and Equipments as at 01.01.2009 ₹ 238 crore added on revaluation of Buildings, Plant & Machinery and Storage Tanks as at 31.12.2009 and ₹ 155 crore added on revaluation of Buildings, Plant & Machinery and Storage Tanks as at 22.12.2008, based on reports issued by international valuers.

10.6 Additions in Plant and Machinery, Capital Work-in-Progress, Intangible Assets - Development Rights and Intangible Assets under Development include ₹ 5,948 crore (net loss) [Previous Year ₹ 7,924 crore (net loss)] on account of exchange difference during the year.

10.7 Project Development Expenditure:

(in respect of Projects upto 31st March, 2013, included under Capital Work-in-Progress and Intangible Assets under Development)

	2012-13	2011-12
		(₹ in crore)
Opening Balance	3,948	2,460
Add: Transferred from Profit and Loss Account (Refer Note No. 26)	128	123
Expenses on Project under Construction	485	255
Interest Capitalised	<u>1,296</u>	<u>1,208</u>
	1,909	1,586
Less: Project Development Expenses Capitalised during the year	8	98
Closing Balance	<u>5,849</u>	<u>3,948</u>

10.8 The Gross Block of Fixed Assets includes ₹ 38,517 crore (Previous Year ₹ 38,517 crore) on account of revaluation of Fixed Assets carried out since inception. Consequent to the said revaluation, there is an additional charge of depreciation of ₹ 2,081 crore (Previous Year ₹ 2,356 crore) and an equivalent amount has been withdrawn from Revaluation Reserve and credited to the Statement of Profit and Loss. This has no impact on profit for the year.

10.9 Depreciation for the year includes ₹ 6 crore (Previous Year ₹ NIL) capitalised during the year.



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

11. NON-CURRENT INVESTMENTS

(Long Term Investments)

(₹ in crore)

A. INVESTMENTS IN ASSOCIATES

In Equity Shares - Quoted, fully paid up

68,60,064 Reliance Industrial Infrastructure Limited of ₹ 10 each
(68,60,064)

136 125

136 125

In Equity Shares - Unquoted, fully paid up

11,08,500 Reliance Europe Limited of Sterling Pound 1 each
(11,08,500)

30 28

22,500 Reliance LNG Limited of ₹ 10 each

(22,500) [₹ 2,22,012 ; (Previous Year ₹ 2,22,012)]

- -

5,000 Reliance Commercial Trading Private Limited of ₹ 10 each
(5,000)

- -

74,99,990 Reliance Commercial Dealers Limited of ₹10 each
(74,99,990)

10 10

- Delta Hydrocarbon S.A. Luxembourg

- 27

(10,40,000) - Delta Corp East Africa Limited of KES 10 each

- 93

(7,12,47,314) 62,63,125 Indian Vaccines Corporation Limited of ₹10 each
(62,63,125)

1 1

64,29,20,000 Gujarat Chemical Port Terminal Company Limited
(64,29,20,000) of ₹ 1 each

70 68

52,00,000 Reliance Utilities and Power Private

(26,00,000) Limited Class 'A' shares of ₹ 1 each
[₹ 40,40,000 ; (Previous Year ₹ 19,90,000)]

- -

- Reliance Utilities Private Limited

- -

(26,00,000) Class 'A' shares of ₹ 1 each
[₹ NIL ; (Previous Year ₹ 20,50,000)]

5,000 Gaurav Overseas Private Limited of ₹ 10 each
(5,000)

- -

(2,000) - Reliance Investments Holdings B.V. of Euro 50 each

- 1

- Paradise Global Enterprises B.V. of Euro 1 each

- -

(25,000) [₹ NIL ; (Previous Year ₹ 17,16,668)]

- Reliance Investments Sarl of Euro 25 each

- -

(250) [₹ NIL ; (Previous Year ₹ 69)]

37,24,971 Deccan Cargo & Express Logistics Private Limited
(37,24,971) of ₹ 100 each

- -

EFS Midstream LLC

1,372 1,133

51,54,872 Algenol LLC

451 503

(49,04,372)

3,72,38,095 Aurora Algae Inc

157 117

(2,20,00,000)

46,87,500 Extramarks Education Private Limited of ₹ 10 each

125 125

(46,87,500)

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
5,000 Reliance Jio Private Limited of ₹ 10 each (-) [₹ 50,000 ; (Previous Year ₹ NIL)]	-	-
5,000 Reliance Jio Cloudworks Private Limited of ₹ 10 each (-) [₹ 50,000 ; (Previous Year ₹ NIL)]	-	-
5,000 Reliance Jio Electronics Private Limited of ₹ 10 each (-) [₹ 50,000 ; (Previous Year ₹ NIL)]	-	-
5,000 Reliance Jio Media Private Limited of ₹ 10 each (-) [₹ 50,000 ; (Previous Year ₹ NIL)]	-	-
	<u>2,216</u>	<u>2,106</u>
In Preference Shares - Unquoted, Fully paid up		
50,00,00,000 9% Non Cumulative Redeemable Preference Shares of Reliance (50,00,00,000) Gas Transportation Infrastructure Limited of ₹ 10 each	2,000	2,000
	<u>2,000</u>	<u>2,000</u>
In Debentures - Unquoted, Fully Paid Up		
4,22,335 Zero Coupon Secured Optionally Convertible Redeemable (4,22,335) Debentures of Reliance Commercial Trading Private Limited of ₹ 1000 each	42	42
30,47,704 Compulsorily Convertible Debentures of Deccan Cargo & (30,47,704) Express Logistics Private Limited of ₹ 100 each	3	3
1,00,000 9% Optionally Fully Convertible Debentures of (-) Extramarks Education Private Limited of ₹ 10,000 each	100	-
	<u>145</u>	<u>45</u>
In Limited Liability Partnership		
GenNext Ventures LLP [₹ 2,00,000 ; (Previous Year ₹ NIL)]	-	-
	<u>-</u>	<u>-</u>
Total Investment in Associates (A)	<u>4,497</u>	<u>4,276</u>
B. INVESTMENTS IN OTHERS		
In Government Securities-Unquoted		
6 Years National Savings Certificate (Deposited with Sales Tax Department and other Government Authorities) [₹ 23,49,560 ; (Previous Year ₹ 19,43,420)]	-	-
	<u>-</u>	<u>-</u>
In Government Securities-Quoted		
8.33% GOI 2026	650	-
	<u>650</u>	<u>-</u>
Trade Investments		
In Equity Shares-Unquoted, fully paid up		
1,00,00,000 Petronet India Limited of ₹ 10 each (1,00,00,000)	10	10
5,000 Retailers Association's Skill Council of India of ₹ 10 each (5,000) [₹ 1,00,000 ; (Previous Year ₹ 1,00,000)]	-	-
25 The Colaba Central Co-operative Consumer's Wholesale (25) and Retail Stores Limited (Sahakari Bhandar) of ₹ 200 each. [₹ 5,000 ; (Previous Year ₹ 5,000)]	-	-
	<u>10</u>	<u>10</u>



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Other Investments		
In Equity Shares-Quoted, fully paid up		
10,59,07,273 (10,59,07,273) EIH Limited of ₹ 2 each	1,433	1,433
4,85,32,764 (4,85,32,764) Himachal Futuristic Communications Limited of ₹ 1 each	57	57
17,50,954 (9,12,919) ICICI Bank Limited of ₹ 10 each	174	79
97,25,000 (-) NMDC Limited of ₹ 1 each	142	-
89,82,030 (-) NTPC Limited of ₹ 10 each	134	-
7,69,000 (-) Oil India Limited of ₹ 10 each	42	-
41,73,123 (-) Oil and Natural Gas Corporation Limited of ₹ 5 each	136	-
9,33,011 (5,40,727) State Bank of India of ₹ 10 each	199	112
- (8,72,011) HDFC Bank Limited of ₹ 2 each	-	39
1,44,00,000 (1,44,00,500) Housing Development Finance Corporation Limited of ₹ 2 each	949	949
19,48,680 (14,87,160) Den Networks Limited of ₹ 10 each	19	13
- (2,28,232) Axis Bank Limited of ₹ 10 each	-	26
- (2,67,751) Canara Bank of ₹ 10 each	-	12
- (1,80,258) Punjab National Bank of ₹ 10 each	-	16
	3,285	2,736
In Equity Shares-Unquoted, fully paid up		
85,000 (85,000) National Stock Exchange of India Limited of ₹ 10 each	28	28
2,53,800 (2,53,800) Shinano Retail Private Limited of ₹10 each (₹ 25,38,000 ; Previous Year ₹ 25,38,000)	-	-
5,000 (5,000) Reliance Apparel India Private Limited of ₹ 10 each (₹ 1,00,000 ; Previous Year ₹ 1,00,000)	-	-
34,53,378 (33,78,378) Terra Power LLC	83	10
1,000 (1,000) Air Controls and Chemical Engineering Company Limited of ₹ 1 each (₹ 1,500 ; Previous Year ₹ 1,500)	-	-

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
1,500 Reliance Research and Development Services Private (1,500) Limited of ₹ 10 each (₹ 15,000, Previous Year ₹ 15,000)	-	-
- Parabool Enterprises BV (18) of Euro 100 each	-	47
1,800 Teesta Retail Private Limited of ₹ 10 each (1,800) (₹ 18,000 ; Previous Year ₹ 18,000)	-	-
400 Sonali Land Private Limited of ₹ 10 each (-) [₹ 4,000 ; (Previous Year ₹ NIL)]	-	-
910 Reliance First Private Limited of ₹ 10 each (-) [₹ 9,114 ; (Previous Year ₹ NIL)]	-	-
860 Reliance Tankages Private Limited of ₹ 10 each (-) [₹ 8,600 ; (Previous Year ₹ NIL)]	-	-
	111	85
In Debentures - Quoted, fully paid up		
1,500 HDB Financial Services Limited - 9.43% (-) Secured Redeemable Non Convertible Debentures of ₹ 5,00,000 each	75	-
	75	-
In Debentures - Unquoted, fully paid up		
44,05,550 D. E. Shaw India Securities Private Limited - 7.90% (-) Optionally Convertible Debentures of ₹ 100 each	72	-
2,000 Indiabulls Housing Finance Limited - 10.60% (-) Secured Redeemable Non Convertible Debentures of ₹ 10,00,000 each	200	-
- Zero coupon Unsecured Optionally Fully Convertible (1,00,00,000) Debentures of Reliance K G Exploration & Production Private Limited of ₹ 10 each	-	10
	272	10
In Fixed Maturity Plan - Quoted, fully paid up		
2,50,00,000 Axis Fixed Term Plan - (Series 21/22/34) - Growth (5,00,00,000)	25	50
2,50,00,000 Baroda Pioneer Fixed Maturity Plan - Series C - (-) Growth	25	-
19,00,00,000 Birla Sunlife Fixed Term Plan - (47,00,00,000) (Series ES/EV/EY/FC/GA/GB/GF) - Growth	190	470
3,00,00,000 BNP Paribas Fixed Term Fund - Series 24 A - Growth (-)	30	-
40,00,00,000 DSP Blackrock Fixed Maturity Plan - (40,50,00,000) (Series 37/38/43/88/89/91/93) - Growth	400	405
17,00,00,000 DWS Fixed Maturity Plan - (20,30,00,000) (Series 6/7/9/10/26/28/30) - Growth	170	203
35,20,00,000 HDFC Fixed Maturity Plan - Growth (54,70,00,000) (Series 21/23/24)	352	547



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
1,50,00,000 HSBC Fixed Term Plan - (Series 86/90) - Growth (4,50,00,000)	15	45
86,50,00,000 ICICI Prudential Fixed Maturity Plan - Cumulative (71,50,00,000) (Series 62/63/65/66/67)	865	715
7,00,00,000 IDFC Fixed Maturity Plan - (Series 7/8/11/14/65) - (19,20,00,000) Growth	70	192
- India Bulls Fixed Maturity Plan - Growth (3,50,00,000)	-	35
34,50,00,000 JP Morgan Fixed Maturity Plan - (15,00,00,000) (Series 6/12/13/16/18) - Growth	345	150
29,50,00,000 Kotak Fixed Maturity Plan - (27,00,00,000) (Series 76/80/82/97/98/99/101/102/103) - Growth	295	270
12,50,00,000 L&T Fixed Maturity Plan - VII - Growth (-)	125	-
6,50,00,000 LIC Nomura MF Fixed Maturity Plan - (3,50,00,000) (Series 52/56/58) - Growth	65	35
45,00,00,000 Reliance Fixed Horizon Fund - XXII/XXIII (-) (Series 5/9/33) - Growth	450	-
12,00,00,000 Religare Fixed Maturity Plan - (17,30,00,000) (Series XIII/XIV/XVII/XVIII) - Growth	120	173
38,00,00,000 SBI Debt Fund - (Series 2/12/13/14/15/25) - Growth (16,00,00,000)	380	160
10,00,00,000 Sundaram Fixed Term Plan - (4,00,00,000) (Series CQ/DC/DF/DH) - Growth	100	40
25,00,00,000 Tata Fixed Maturity Plan - (Series 39/40/42) - Growth (13,50,00,000)	250	134
14,00,00,000 UTI Fixed Income Fund - (-) (Series XIII - III / XIV - VII) - Growth	140	-
	4,412	3,624
In Mutual Fund - Unquoted fully paid up		
- DWS Insta Cash Plus Fund - Institutional - Bonus (1,15,35,485) Option of ₹ 10 each	-	11
- DWS Insta Cash Plus Fund - Bonus Option of ₹ 10 each (3,37,19,111)	-	33
	-	44
In Public Sector Undertaking/Public Financial Institution & Corporate Bonds - Quoted, fully paid up		
- 11.80% TISCO Perpetual bonds of ₹ 10,00,000 each (1,287)	-	131
	-	131
In Others		
11,53,511 Faering Capital India Evolving Fund of ₹ 1,000 each (7,20,000)	115	72

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
3,79,028 (4,05,950) HDFC India Real Estate of ₹ 1,000 per unit	40	43
50,000 (50,000) JM Financial Property Fund - I of ₹ 9,547.42 per unit; (Previous Year ₹ 9,722.59 per unit)	48	49
MPM Bioventure IV-QP, LP, USA	99	101
5,000 (5,000) Multiples Private Equity Fund - Scheme 1 of ₹ 1,00,000 each, ₹ 46,350 paid up (Previous Year ₹ 25,700 paid up)	24	13
2,000 (2,000) Peninsula Realty Fund of ₹ 1,00,000 each	26	23
21,600 (21,600) Urban Infrastructure Opportunities Fund of ₹ 87,500 per unit (Previous Year ₹ 91,500 per unit)	192	201
25,000 (25,000) LICHFL Urban Development Fund of ₹ 10,000 each (₹ 2,000 paid up)	5	5
Sundaram Mutual Fund (₹ NIL, Previous Year ₹ 5,000)	-	-
	<u>549</u>	<u>507</u>
In ETF - Quoted, fully paid up		
3,99,000 (-) Kotak Gold Exchange Traded Fund of ₹ 100 each	118	-
	<u>118</u>	<u>-</u>
Total Investments in Others (B)	9,482	7,147
Total Long Term Investments (A + B)	<u>13,979</u>	<u>11,423</u>
12. LONG-TERM LOANS AND ADVANCES		(₹ in crore)
(Unsecured and Considered Good)		
Capital Advances#	2,467	2,260
Deposits##	2,733	2,453
Loans and Advances to Related Parties (Refer Note No. 28)	86	277
Advance Income Tax (Net of Provision)	693	1,329
Other Loans and Advances*	3,046	422
TOTAL	<u>9,025</u>	<u>6,741</u>
# Includes ₹ 2 crore (Previous Year ₹ NIL) to Reliance Industrial Infrastructure Limited.		
## Includes ₹ 1,977 crore (Previous Year ₹ 1,873 crore) relating to Deposits with related parties (Refer Note No. 28)		
* Includes claims receivable from statutory authorities, loans to employees etc.		
13. OTHER NON CURRENT ASSETS		(₹ in crore)
Miscellaneous Expenditure (to the extent not written off or adjusted) (₹ 7,61,510)	-	1
TOTAL	<u>-</u>	<u>1</u>



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

14. CURRENT INVESTMENTS

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Investment in Equity Shares - Quoted, Fully Paid up		
74,62,500 NTPC Limited of ₹ 10 each	106	-
(-)		
18,88,171 Oil and Natural Gas Corporation Limited of ₹ 5 each	58	-
(-)		
- Den Networks Limited of ₹ 10 each	-	4
(4,61,520)	164	4
Investment in Debentures - Quoted, Fully Paid up		
- Citi Corporation Finance (India) Limited -		
(5,000) Secured Non Convertible Redeemable Debentures of	-	47
₹ 1,00,000 each - Series 331		
Investment in Government Securities - Quoted		
7.59% GOI 2016	5	5
8.20% GOI 2025	278	-
8.33% GOI 2026	102	-
8.97% GOI 2030	149	-
6.35% GOI 2020	1	1
8.53% MAHA SDL 2020	-	-
(₹ 30,264 ; Previous Year ₹ 30,000)		
8.13% GOI 2022 (Previous Year ₹ 48,000)	22	-
7.80% GOI 2020	-	-
(₹ 7,91,120; Previous Year ₹ 7,91,000)		
8.79% GOI 2021	16	-
8.88% Gujarat 2022	-	-
(₹ 20,13,200; Previous Year ₹ NIL)		
9.12% Gujarat 2022	2	-
8.85% MAHA SDL 2022	-	-
(₹ 19,01,520; Previous Year ₹ NIL)		
9.24% Punjab 2022	-	-
(₹ 4,03,620; Previous Year ₹ NIL)		
8.13% OIL MKT COS SB 2021	-	-
(₹ NIL; Previous Year ₹ 14,80,000)		
8.65% WB 2021	-	-
(₹ NIL; Previous Year ₹ 1,00,000)		
8.75% SAIL	-	3
9.64% PGC 2016 Bond	-	1
9.35% PGC 2016 Bond	-	1
8.08% GOI 2022	-	2
8.97% Kerala GS 2022	-	2
9.48% REC SR 101	-	3
	575	

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Investment in Debentures or Bonds - Quoted, Fully Paid up		
- Axis Bank Limited (250)	-	25
- CitiFinancial Consumer Finance India Limited (1,000)	-	98
349 EXIM Bank of India (1,250)	35	120
38,307 Housing Development Finance Corporation Limited (18,387)	3,839	1,822
6,500 Infrastructure Development Finance Company Limited (10,750)	647	1,060
15,095 India Infrastructure Finance Company Limited (15,095)	149	149
42,63,562 Indian Railway Finance Corporation Limited (32,62,862)	521	350
5,153 LIC Housing Finance Limited (5,550)	515	545
7,250 National Bank for Agriculture and Rural Development (3,500)	726	349
49,44,752 National Highways Authority of India (49,44,752)	494	494
42,74,393 Power Finance Corporation Limited (42,76,093)	688	858
120 Power Grid Corporation of India Limited (920)	15	112
595 Rural Electrification Corporation Limited (450)	59	44
- Steel Authority of India Limited (550)	-	53
650 Tata Steel Limited (250)	58	26
1,320 Tata Power Company Limited (1,370)	133	142
	7,879	6,247
Investment in Debentures or Bonds - Unquoted, Fully Paid up		
3,000 Tata Sons Limited (-)	300	-
Investment in Fixed Maturity Plan - Quoted, Fully Paid up		
5,00,00,000 Axis Fixed Term Plan - (Series 15/16/21/22) - Growth (6,50,00,000)	50	65
2,50,00,000 Baroda Pioneer Fixed Maturity Plan - (1,20,00,000) (Series A/2) - Growth	25	12
12,00,00,000 Birla Sun Life Fixed Term Plan - (-) (Series FM/FO/FP) - Dividend	120	-



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
57,50,00,000 Birla Sun Life Fixed Term Plan - (Series DB/DL/DN/DO/DQ/ (61,00,00,000) DS/ES/EV/EW/EY/FA/FC/FD/FM/FO/FP/HD)- Growth	575	610
1,50,00,000 Birla Sunlife Interval Income Fund - (-) Annual Plan 5 - Growth	15	-
5,00,00,000 BNP Paribas Fixed Term Fund Series 25A - Growth (-)	50	-
- Canara Robeco Fixed Maturity Plan - (10,00,00,000) (Series 6 / 7) - Growth	-	100
53,00,00,000 DSP Blackrock Fixed Maturity Plan - (41,00,00,000) (Series 7/10/12/16/18/37/38/39/43/44/90/94) - Growth	530	410
32,80,00,000 DWS Fixed Maturity Plan - (14,30,00,000) (Series 6/7/9/10/11/18/27/29/90/92) - Growth	328	143
5,00,00,000 HDFC Annual Interval Fund - Series 1 - Growth (-)	50	-
62,70,00,000 HDFC Fixed Maturity Plan (44,00,00,000) (Series XVI/XVIII/XIX/XXI) - Growth	627	440
4,50,00,000 HSBC Fixed Term Series 86 - Growth (-)	45	-
88,00,00,000 ICICI Prudential Fixed Maturity Plan (39,00,00,000) (Series 54/59//62/63/67) - Cumulative	880	390
- ICICI Prudential Fixed Maturity Plan (5,00,00,000) Series 55 - Dividend	-	50
2,98,46,064 ICICI Prudential Interval Fund Annual Interval Plan - I (12,04,25,008) Institutional Cumulative	32	130
3,00,00,000 ICICI Prudential Interval Fund Series VI Annual (-) Interval Plan - C - Growth	30	-
9,96,19,002 ICICI Prudential Long Term Plan Premium Plus - (-) Annual Dividend	100	-
2,50,00,000 IDBI Fixed Maturity Plan Series - III - Growth (-)	25	-
44,30,00,000 IDFC Fixed Maturity Plan - (15,50,00,000) (Series 7/8/12/13/52/64/65/66/78/79) - Growth	443	155
12,00,00,000 IDFC Series Interval Fund - (Series I/II) - Growth (-)	120	-
3,50,00,000 Indiabulls Fixed Maturity Plan - Growth (-)	35	-
21,50,00,000 JP Morgan India Fixed Maturity Plan - (Series 6/8/17) - (10,50,00,000) Growth	215	105
36,00,00,000 Kotak Fixed Maturity Plan (23,00,00,000) (Series 57/60/62/76/80/82/83/100) - Growth	360	230
4,00,00,000 L&T Fixed Maturity Plan - VII - Growth (-)	40	-
14,50,00,000 LIC Nomura MF Fixed Maturity Plan (-) (Series 52/53/54/60/61) - Growth	145	-

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

		(₹ in crore)	
		As at 31st March, 2013	As at 31st March, 2012
11,00,00,000	Reliance Fixed Horizon Fund - XXIII - Series 6 - Growth	110	-
(-)			
24,80,00,000	Religare Fixed Maturity Plan -	248	60
(6,00,00,000)	(Series VIII/IX/XIII/XIV/XVII/XVIII) - Growth		
14,00,00,000	SBI Debt Fund (Series 5/7) - Dividend	140	-
(-)			
53,00,00,000	SBI Debt Fund (Series 1/6/7/11/12/13/17/18/19/23/24)	530	765
(76,50,00,000)	- Growth		
6,50,00,000	Sundaram Fixed Term Plan (Series BK/BN/CQ/DG) -	65	22
(2,20,00,000)	Growth		
13,50,00,000	Tata Fixed Maturity Plan (Series 34/36/37/39/40) -	135	240
(24,00,00,000)	Growth		
5,49,80,083	UTI Fixed Income Interval Fund - Annual Interval Plan	70	83
(6,66,98,706)	(Series - II/III) - Institutional Growth		
13,00,00,000	UTI Fixed Term Income Fund Series IX / XII -	130	26
(2,61,12,073)	Dividend		
22,50,00,000	UTI Fixed Term Income Fund Series XIV - V/VI/VII -	225	-
(-)	Growth		
		6,493	4,036
Investment in Mutual Fund - Unquoted			
11,08,67,422	Axis Short Term Fund - Institutional Growth	135	-
(-)			
1,31,48,48,855	Birla Sunlife Dynamic Bond Fund - Retail - Growth	2,418	730
(41,19,71,606)			
5,56,20,512	Birla Sunlife Short Term Fund - Growth	225	-
(-)			
2,31,91,812	Canara Robeco Short Term Fund - Regular Growth	30	-
(-)			
4,59,45,325	Canara Robeco Short Term Institutional Growth Fund	60	-
(-)			
5,96,310	DSP Black Rock Liquidity Fund - Institutional Plan	100	-
(-)	Growth		
11,14,37,619	DSP BlackRock Short Term Fund - Growth	210	-
(-)			
48,23,954	DSP BlackRock Strategic Bond Fund -Institutional	625	-
(-)	Plan - Growth		
11,66,82,484	DWS GILT Fund - Regular Plan - Growth	150	-
(-)			
1,04,54,867	DWS Insta Cash Plus Fund - Super Institutional Plan -	-	-
(-)	Bonus		
4,66,90,013	DWS Money Plus Fund - Regular Plan	46	-
(-)	(Principle Units) - Bonus		
14,48,86,484	DWS Premier Bond Fund - Premium Plus Plan - Growth	150	25
(2,48,38,796)			



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
12,93,69,261 DWS Short Maturity Fund - Premium Plus Growth (3,77,86,469)	147	40
60,38,424 DWS Treasury Fund - Cash - Regular Plan - Bonus (-)	59	-
19,73,54,869 HDFC Short Term Opportunities Fund - Growth (-)	240	-
14,69,19,109 HDFC Floating Rate Income Fund - Long Term Plan (-) - Growth	300	-
22,67,48,577 HDFC High Interest Fund - Short Term Plan - Growth (-)	500	-
86,58,009 HDFC Liquid Fund Growth (-)	20	-
25,68,76,110 HDFC Medium Term Opportunities Fund - Growth (-)	305	-
22,68,83,560 HDFC Short Term Plan - Growth (-)	485	-
16,70,54,915 HSBC Income Fund Short Term Institutional Plus (-) Growth	180	-
27,12,060 ICICI Prudential Liquid fund - Growth (-)	47	-
3,46,29,245 ICICI Prudential Gilt Treasury Plan - Growth (-)	100	-
42,70,29,582 ICICI Prudential Institutional Short Term Plan - (3,99,55,814) Cumulative Option	975	85
14,42,759 ICICI Prudential Liquid - Growth (-)	25	-
4,39,26,695 IDBI Short Term Bond Fund - Growth (-)	50	-
2,33,10,265 IDFC - SSIF - Medium Term - Plan - Growth (-)	45	-
42,82,45,478 IDFC - SSIF - Short Term - Plan D - Growth (-)	625	-
9,99,03,094 IDFC Banking Debt Fund - Regular Plan - Growth (-)	100	-
1,75,479 IDFC Cash Fund - Growth - (Regular Plan) (-)	25	-
23,42,26,669 IDFC Super Saver Income Fund -Medium Term - Plan (-) B - Growth	285	-
10,38,13,700 J P Morgan India Short term Income Fund - Growth (-)	125	-
46,01,17,659 J P Morgan India Treasury Fund - Direct Plan - Bonus (-)	700	-
11,10,88,159 JM High Liquidity Fund - Bonus Option - Bonus Units (-)	109	-

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
8,84,33,460 Kotak Bond (Short Term) - Growth	185	-
(-)		
7,51,00,293 L & T - Short Term Opportunities Fund - Growth	80	-
(-)		
1,17,585 LIC Nomura MF Liquid Fund - Growth	25	141
(7,37,24,677)		
5,81,04,402 DWS Treasury Fund - Investment - Bonus	75	-
(-)		
4,70,53,586 Morgan Stanley Short Term Bond Fund - Institutional	60	-
(-)		
Plus Growth		
12,02,16,390 Reliance Income Fund - Growth Plan - Bonus Option	131	-
(-)		
13,27,54,784 Religare Active Income Fund - Growth	175	-
(-)		
18,67,56,236 Religare Short Term Fund - Growth	285	-
(-)		
52,63,28,065 SBI Dynamic Bond Fund - Growth	725	-
(-)		
1,90,032 SBI Premier Liquid Fund - Growth	35	-
(-)		
18,37,26,275 SBI Short Term Debt Fund - Growth	235	-
(-)		
4,32,75,524 Sundaram Flexible Fund Short - Term Plan - Growth	80	-
(-)		
3,02,49,315 Sundaram Monthly Income Plan MOD Bonus	34	-
(-)		
(Principal Units)		
9,21,73,180 Tata Income Fund Plan A - Appreciation Option - Bonus	97	-
(-)		
1,94,65,573 TATA Short Term Bond Fund Plan A - Growth	40	-
(-)		
37,23,783 UTI Floating Rate Fund - STP - Growth	700	-
(-)		
1,90,537 UTI Money Market Fund - Institutional Plan - Growth	25	-
(-)		
30,35,68,335 UTI Short Term Income Fund Institutional - Growth	400	-
(-)		
Option		
20,30,859 UTI Treasury Advantage Fund - Institutional Plan	250	-
(-)		
49,784 Birla Sunlife Floating Rate Fund Short Term Growth	1	-
(-)		
- Birla Sunlife Short Term Fixed Maturity Plan -Series-1	-	2
(15,00,000)		
2,70,06,021 HDFC Liquid Fund Premium Plan - Daily Dividend	33	42
(1,27,72,028)		



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
28,13,853 HDFC Liquid Fund - Growth (-)	6	-
8,38,534 HDFC Liquid Fund - Dividend (-)	1	-
24,599 HDFC Cash Management Fund-Savings Plan-Direct Plan (-) - Dividend (₹ 3,00,000; Previous Year ₹ NIL)	-	-
6,04,758 HDFC Cash Management Fund-Savings Plan - (7,94,199) Dividend	1	1
37,41,132 ICICI Prudential Liquid Super Institutional - Dividend (-)	37	-
1,43,956 ICICI Prudential Liquid Plan - Direct - Growth (-)	3	-
35,24,215 ICICI Prudential Institutional Liquid Plan-Super (26,04,607) Institutional Daily Dividend	36	26
9,61,89,785 IDFC Banking Debt Fund - Regular Plan - Growth (-) Fund	97	-
1,90,639 JM High Liquidity Fund (1,41,586) (Previous Year ₹ 25,00,000)	1	-
- Kotak Fixed Maturity Plan 6M Series 9 (4,50,000) (₹ NIL; Previous Year ₹ 25,00,000)	-	-
- Reliance Fixed Horizon Fund XXI Series3 Growth (5,00,120)	-	1
- Tata Fixed Income Portfolio Fund-B2 (9,09,761)	-	1
47,177 SBI-Premier Liquid Fund - Growth (39,140)	9	7
317 SBI - Premier Liquid Fund Super Institutional - Growth (-) (₹ 5,59,864; Previous Year ₹ NIL)	-	-
	13,458	1,101
Investment in certificate of deposits with Scheduled Banks - Unquoted	-	15,720
Total Current Investments	28,869	27,173

15. INVENTORIES

	As at 31st March, 2013	(₹ in crore) As at 31st March, 2012
Raw Materials	7,938	8,446
Raw Materials in Transit	13,820	11,008
Stock-in-Process	11,537	10,535
Stock-in-Trade	3,428	1,935
Finished Goods	13,913	11,218
Stores, Chemicals and Packing Materials	3,965	3,550
TOTAL	54,601	46,692

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

16. TRADE RECEIVABLES (Unsecured and Considered Good)		(₹ in crore)
	As at	As at
	31st March, 2013	31st March, 2012
Over six months	60	50
Others	9,690	16,889
TOTAL	9,750	16,939
17. CASH AND BANK BALANCES		(₹ in crore)
	As at	As at
	31st March, 2013	31st March, 2012
Balance with Banks #	1,205	1,412
Cash on hand	59	34
Fixed deposits with banks *	49,192	39,285
TOTAL	50,456	40,731
# Balance with Banks includes Unclaimed Dividend of ₹ 152 crore (Previous Year ₹ 129 crore)		
* Fixed deposits with banks include deposits of ₹ 13,189 crore (Previous Year ₹ 6,891 crore) with maturity of more than 12 months.		
18. SHORT-TERM LOANS AND ADVANCES (Unsecured and Considered Good)		(₹ in crore)
	As at	As at
	31st March, 2013	31st March, 2012
Loans and Advances to Related Parties (Refer Note No. 28)	8	12
Balance with Customs, Central Excise Authorities	2,809	1,861
Deposits	421	378
Others*#	7,217	7,503
TOTAL	10,455	9,754
* Netted off for Loans and Advances considered doubtful ₹ 70 crore (Previous Year ₹ 72 crore)		
# Includes primarily Interest Receivable on Fixed Deposits with banks, Share Application Money, Advance to sundry creditors and advance to employees.		
19. OTHER CURRENT ASSETS		(₹ in crore)
	As at	As at
	31st March, 2013	31st March, 2012
Interest accrued on Investment	510	261
Share Application Money	955	3,143
Others *	318	156
TOTAL	1,783	3,560
* Includes Interest Receivables.		
20. REVENUE FROM OPERATIONS		(₹ in crore)
	2012-13	2011-12
Sale of Products	4,06,427	3,67,560
Income from Services	1,965	1,011
	4,08,392	3,68,571
Less: Excise Duty/ Service Tax Recovered	11,330	10,070
TOTAL	3,97,062	3,58,501



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	(₹ in crore)	
	2012-13	2011-12
21. OTHER INCOME		
Interest		
From Current Investments	922	751
From Long Term Investments	489	129
From Others	4,405	3,287
	<u>5,816</u>	4,167
Dividend		
From Current Investments	95	15
From Long Term Investments	36	15
	<u>131</u>	30
Net Gain on Sale of Investments		
From Current Investments	1,303	1,026
From Long Term Investments	465	670
Adjustment to the carrying amount of investments [₹ NIL (Previous Year ₹ 14,64,610)]	-	-
	<u>1,768</u>	1,696
Share in income of Associates	67	70
Other non operating income	85	231
TOTAL	<u>7,867</u>	<u>6,194</u>
22. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE		(₹ in crore)
Inventories (at close)	2012-13	2011-12
Finished Goods / Stock-in-Trade	17,341	13,153
Stock-in-Process	11,537	10,535
	<u>28,878</u>	23,688
Inventories (at commencement)		
Finished Goods / Stock-in-Trade	13,153	10,965
Stock-in-Process	10,535	9,879
	<u>23,688</u>	20,844
Opening Stock of Subsidiaries acquired during the year	236	-
	<u>23,924</u>	20,844
TOTAL	<u>(4,954)</u>	<u>(2,844)</u>
23. EMPLOYEE BENEFITS EXPENSE	2012-13	(₹ in crore) 2011-12
Salaries and Wages	4,529	3,378
Contribution to Provident and Other Funds	329	295
Staff Welfare Expenses	321	282
TOTAL	<u>5,179</u>	<u>3,955</u>
24. FINANCE COSTS	2012-13	(₹ in crore) 2011-12
Interest Expenses	2,574	2,187
Other borrowing costs	21	23
Applicable loss on foreign currency transactions and translation	868	683
TOTAL	<u>3,463</u>	<u>2,893</u>

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

	2012-13	2011-12
25. DEPRECIATION AND AMORTISATION EXPENSE		(₹ in crore)
Depreciation and Amortisation	13,393	14,827
Less: Transferred from Revaluation Reserve (Refer Note No. 10.8)	2,081	2,356
Less: Transferred from Capital Reserve	80	70
TOTAL	11,232	12,401
26. OTHER EXPENSES		(₹ in crore)
Manufacturing expenses		2011-12
Stores, Chemicals and Packing Materials	4,285	3,943
Electric Power, Fuel and Water	7,993	4,740
Labour Processing, Production Royalty and Machinery Hire Charges	1,651	1,876
Repairs to Building	86	115
Repairs to Machinery	837	849
Exchange Difference (Net)	(57)	255
Excise Duty #	50	(28)
Lease Rent	3	1
	14,848	11,751
Land Development and Construction Expenditure	49	104
Selling and distribution expenses		
Warehousing and Distribution Expenses	5,364	4,747
Sales Tax /VAT	1,105	824
Other Selling and Distribution Expenses	956	458
	7,425	6,029
Establishment expenses		
Professional Fees	876	749
General Expenses *	987	1,216
Rent	762	574
Insurance	652	557
Rates & Taxes	212	117
Other Repairs	260	306
Travelling Expenses	226	149
Payment to Auditors	24	22
Loss on Sale / Discard of Assets	110	55
Investments Written Off ^	-	51
Charity and Donations	285	290
	4,394	4,086
Less: Transfer to Project Development Expenditure (Net)	128	123
TOTAL	26,588	21,847

Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.

* Includes expenses incurred in Oman- Block 18, Oman- Block 41 and East Timor-Block K amounting to ₹ NIL (Previous Year ₹ 258 crore), an exceptional item.

^ An exceptional item

26.1 A sum of ₹ 3 crore [Previous Year ₹ 1 crore] is included under establishment expenses representing Net Prior Period Items.



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

27. EARNINGS PER SHARE (EPS)	2012-13	2011-12
i) Net Profit after tax (after adjusting Minority Interest) as per Statement of Profit and Loss (₹ in crore)	20,879	19,724
ii) (Short) provision of tax for earlier years (net) (₹ in crore) [Previous Year (₹ 28,34,742)]	(54)	-
iii) (Short) Provision of Tax for earlier years (net) - Minority Interest [(₹ 43,379); Previous Year ₹ NIL]		
iv) Net profit attributable to equity shareholders (₹ in crore)	20,825	19,724
v) Net Profit before Exceptional item (₹ in crore)	20,825	20,033
vi) Weighted Average number of equity shares used as denominator for calculating EPS	294,76,09,853	298,18,71,615
vii) Basic and Diluted Earnings per share (₹)	70.65	66.15
viii) Basic and Diluted Earnings (before exceptional items) per share (₹)	70.65	67.18
ix) Face Value per equity share (₹)	10.00	10.00

28. Related Party Disclosures :

(i) List of related parties and relationships:

Sr. No.	Name of the Related Party	Relationship
1.	Reliance Industrial Infrastructure Limited	Associate Companies / Joint Ventures
2.	Reliance Europe Limited	
3.	Reliance LNG Limited	
4.	Indian Vaccines Corporation Limited	
5.	Gujarat Chemical Port Terminal Company Limited	
6.	Reliance Utilities and Power Private Limited	
7.	Reliance Utilities Private Limited	
8.	Reliance Ports and Terminals Limited	
9.	Reliance Gas Transportation Infrastructure Limited	
10.	Reliance Commercial Dealers Limited	
11.	Reliance Commercial Trading Private Limited	
12.	Diesel Fashion India Reliance Private Limited	
13.	Atri Exports Private Limited	
14.	Shree Salasar Bricks Private Limited	
15.	N.C. Trading Company Private Limited	
16.	KCIPI Trading Company Private Limited	
17.	Prakhar Commercials Private Limited	
18.	Pepino Farms Private Limited	
19.	Marugandha Land Developers Private Limited	
20.	Jaipur Enclave Private Limited	
21.	Einsten Commercials Private Limited	
22.	Ashwani Commercials Private Limited	
23.	Vishnumaya Commercials Private Limited	
24.	Carin Commercials Private Limited	
25.	Netravati Commercials Private Limited	

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

Sr. No.	Name of the Related Party	Relationship
26.	Rakshita Commercials Private Limited	Associate Companies / Joint Ventures
27.	Kaniska Commercials Private Limited	
28.	Rocky Farms Private Limited	
29.	Centura Agro Private Limited	
30.	Fame Agro Private Limited	
31.	Noveltech Agro Private Limited	
32.	Honeywell Properties Private Limited	
33.	Parinita Commercials Private Limited	
34.	Chander Commercials Private Limited	
35.	Creative Agrotech Private Limited	
36.	Reliance-Vision Express Private Limited	
37.	Marks and Spencer Reliance India Private Limited	
38.	Reliance-GrandVision India Supply Private Limited	
39.	Office Depot Reliance Supply Solutions Private Limited	
40.	Supreme Tradelinks Private Limited	
41.	Reliance Paul & Shark Fashions Private Limited	
42.	Gaurav Overseas Private Limited	
43.	Reliance Innovative Building Solutions Private Limited	
44.	Deccan Cargo & Express Logistics Private Limited	
45.	IMG Reliance Private Limited	
46.	EFS Midstream LLC	
47.	Zegna South Asia Private Limited	
48.	D.E. Shaw India Securities Private Limited	
49.	India Gas Solutions Private Limited	
50.	Algenol LLC	
51.	Aurora Algae Inc.	
52.	Extramarks Education Private Limited	
53.	GenNext Ventures LLP	
54.	Iconix Lifestyle India Private Limited	
55.	In Vogue Brand Solutions Private Limited	
56.	Reliance Jio Cloudworks Private Limited	
57.	Reliance Jio Electronics Private Limited	
58.	Reliance Jio Media Private Limited	
59.	Reliance Jio Private Limited	
60.	Shri Mukesh D. Ambani	Key Managerial Personnel
61.	Shri Nikhil R. Meswani	
62.	Shri Hital R. Meswani	
63.	Shri P.M.S. Prasad	
64.	Shri P. K. Kapil	



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

Sr. No.	Name of the Related Party	Relationship
65.	Dhirubhai Ambani Foundation	Enterprises over which Key Managerial Personnel are able to exercise significant influence
66.	Jamnaben Hirachand Ambani Foundation	
67.	Hirachand Govardhandas Ambani Public Charitable Trust	
68.	HNH Trust and HNH Research Society	
69.	Reliance Foundation	

(ii) Transactions during the year with related parties :

(₹ in crore)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Associates	Key Managerial Personnel	Others	Total
1.	Purchase of Fixed Assets	48	-	-	48
		248	-	-	248
2.	Purchase / Subscription of Investments	210	-	-	210
		1,106	-	-	1,106
3.	Sale / Transfer / Redemption of Investments	1	-	-	1
		-	-	-	-
4.	Capital Advance given	2	-	-	2
		-	-	-	-
5.	Net Loans and advances, Deposits given / (returned)	(22)	-	-	(22)
		221	-	-	221
6.	Unsecured Loans (taken) / repaid	-	-	-	-
		(27)	-	-	(27)
7.	Revenue from Operations	385	-	-	385
		321	-	-	321
8.	Other Income	12	-	-	12
		7	-	-	7
9.	Purchases / Material Consumed	167	-	-	167
		151	-	-	151
10.	Electric Power, Fuel and Water	1,325	-	-	1,325
		1,140	-	-	1,140
11.	Hire Charges	423	-	-	423
		408	-	-	408
12.	Employee Benefits Expense	-	-	-	-
		5	-	-	5
13.	Payment to Key Managerial Personnel	-	44	-	44
		-	44	-	44
14.	Sales and Distribution Expenses	2,845	-	-	2,845
		2,381	-	-	2,381
15.	Rent	1	-	-	1
		-	-	-	-

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

Sr. No.	Nature of Transactions (Excluding reimbursements)	(₹ in crore)			Total
		Associates	Key Managerial Personnel	Others	
16.	Professional Fees	56	-	-	56
		<i>36</i>	-	-	<i>36</i>
17.	General expenses	275	-	-	275
18.	Donations	-	-	-	-
		-	-	218	218
		-	-	<i>210</i>	<i>210</i>
19.	Finance Cost	5	-	-	5
		<i>33</i>	-	-	<i>33</i>
20.	Investment written off (net)	-	-	-	-
		<i>51</i>	-	-	<i>51</i>
Balance as at 31st March, 2013					
21.	Investments	4,264	-	-	4,264
		<i>4,097</i>	-	-	<i>4,097</i>
22.	Trade Receivables	33	-	-	33
		<i>26</i>	-	-	<i>26</i>
23.	Capital Advance	2	-	-	2
		-	-	-	-
24.	Loans and Advances	94	-	-	94
		<i>289</i>	-	-	<i>289</i>
25.	Deposits	1,977	-	-	1,977
		<i>1,873</i>	-	-	<i>1,873</i>
26.	Unsecured Loans	55	-	-	55
		<i>53</i>	-	-	<i>53</i>
27.	Trade and Other Payables	257	-	-	257
		<i>498</i>	-	-	<i>498</i>
28.	Finance Lease Obligations	13	-	-	13
		<i>15</i>	-	-	<i>15</i>
29.	Financial Guarantees	1,213	-	-	1,213
		<i>1,137</i>	-	-	<i>1,137</i>
30.	Performance Guarantees	1	-	-	1
		<i>1</i>	-	-	<i>1</i>

Note :

Figures in italic represents Previous Year's amount.

Disclosure in respect of Material Related Party Transactions during the year :

- Purchase of Fixed Assets include Reliance Ports and Terminals Limited ₹ 46 crore (Previous Year ₹ 248 crore), Reliance Industrial Infrastructure Limited ₹ 2 crore (Previous Year ₹ NIL).
- Purchase / Subscription of Investments include EFS Midstream LLC ₹ NIL (Previous Year ₹ 474 crore), Algenol LLC ₹ 26 crore (Previous Year ₹ 504 crore), Aurora Algae LLC ₹ 84 crore (Previous Year ₹ 117 crore), Extramarks Education Private Limited ₹ 100 crore (Previous Year ₹ NIL), Reliance Commercial Dealers Limited ₹ NIL (Previous Year ₹ 2 crore), Delta Corp East Africa Limited ₹ NIL (Previous Year ₹ 9 crore).



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

3. Sale / Transfer / Redemption of investments include Reliance Investments Holdings B.V. ₹ 1 crore (Previous Year ₹ NIL).
4. Capital Advances given include Reliance Industrial Infrastructure Limited ₹ 2 crore (Previous Year ₹ NIL).
5. Loans given during the year include Reliance Commercial Trading Private Limited ₹ 1 crore (Previous Year ₹ 4 crore), Reliance Commercial Dealers Limited ₹ NIL (Previous Year ₹ 67 crore), Gujarat Chemical Port Terminal Company Limited ₹ NIL (Previous Year ₹ 17 crore), Delta Corp East Africa Limited ₹ NIL (Previous Year ₹ 8 crore). Loan returned during the year include Reliance Commercial Dealers Limited ₹ 69 crore (Previous Year ₹ NIL).
Deposits given include Gujarat Chemical Port Terminal Company Limited ₹ 27 crore (Previous Year ₹ NIL), Atri Exports Private Limited ₹ 1 crore (Previous Year ₹ NIL), Shree Salasar Bricks Private Limited ₹ 2 crore (Previous Year ₹ NIL), Ashwani Commercial Private Limited ₹ 17 crore (Previous Year ₹ NIL), Einsten Commercials Private Limited ₹ NIL (Previous Year ₹ 1 crore), Carin Commercials Private Limited ₹ NIL (Previous Year ₹ 86 crore), Kaniska Commercials Private Limited ₹ NIL (Previous Year ₹ 23 crore), Gaurav Overseas Private Limited ₹ NIL (Previous Year ₹ 15 crore). Deposits return during the year include Kaniska Commercials Private Limited ₹ 1 crore (Previous Year ₹ NIL).
6. Unsecured Loan taken during the year include Reliance Europe Limited ₹ NIL (Previous Year ₹ 27 crore).
7. Revenue from Operations includes Reliance Ports and Terminals Limited ₹ 7 crore (Previous Year ₹ 22 crore), Reliance Gas Transportation and Infrastructure Limited ₹ 134 crore (Previous Year ₹ 153 crore), Reliance Utilities Private Limited ₹ NIL (Previous Year ₹ 145 crore), Reliance Utilities and Power Private Limited ₹ 243 crore (Previous Year NIL), Gujarat Chemical Port Terminal Company Limited ₹ 1 crore (Previous Year ₹ NIL).
8. Other Income includes Interest from Reliance Industrial Infrastructure Limited ₹ NIL (Previous Year ₹ 2 crore), Guarantee Commission from Reliance Europe Limited ₹ 5 crore (Previous Year ₹ 5 crore), Reliance Utilities and Power Private Limited ₹ 3 crore (Previous Year ₹ NIL), Reliance Ports and Terminals Limited ₹ 1 crore (Previous Year ₹ NIL), Extramarks Education Private Limited ₹ 3 crore (Previous Year ₹ NIL).
9. Purchases / Material Consumed includes Reliance Ports and Terminals Limited ₹ 154 crore (Previous Year ₹ 138 crore), Reliance Industrial Infrastructure Limited ₹ 12 crore (Previous Year ₹ 11 crore), Gujarat Chemical Port Terminal Company Limited ₹ 1 crore (Previous Year ₹ 2 crore).
10. Electric Power, Fuel and Water charges paid to Reliance Utilities and Power Private Limited ₹ 1,325 crore (Previous Year ₹ 369 crore), Reliance Utilities Private Limited ₹ NIL (Previous Year ₹ 771 crore).
11. Hire Charges paid to Reliance Industrial Infrastructure Limited ₹ 30 crore (Previous Year ₹ 21 crore), Gujarat Chemical Port Terminal Company Limited ₹ 57 crore (Previous Year ₹ 66 crore), Reliance Gas Transportation Infrastructure Limited ₹ 196 crore (Previous Year ₹ 235 crore), Reliance Ports and Terminals Limited ₹ 140 crore (Previous Year ₹ 86 crore).
12. Employee Benefits Expense include Reliance Gas Transportation Infrastructure Limited ₹ NIL (Previous Year ₹ 5 crore).
13. Payment to Key Managerial Personnel include to Shri Mukesh D. Ambani ₹ 15 crore (Previous Year ₹ 15 crore), Shri Nikhil R. Meswani ₹ 11 crore (Previous Year ₹ 11 crore), Shri Hital R. Meswani ₹ 11 crore (Previous Year ₹ 11 crore), Shri P.M.S. Prasad ₹ 5 crore (Previous Year ₹ 5 crore), Shri P.K. Kapil ₹ 2 crore (Previous Year ₹ 2 crore).
14. Sales and Distribution Expenses include Reliance Ports and Terminals Limited ₹ 2,835 crore (Previous Year ₹ 2,370 crore), Gujarat Chemical Port Terminal Company Limited ₹ 10 crore (Previous Year ₹ 11 crore).
15. Rent paid to Reliance Industrial Infrastructure Limited ₹ 1 crore (Previous Year ₹ NIL).
16. Professional Fees include Reliance Europe Limited ₹ 37 crore (Previous Year ₹ 27 crore), Reliance Industrial Infrastructure Limited ₹ 19 crore (Previous Year ₹ 9 crore).
17. General expenses include Reliance Commercial Dealers Limited ₹ 258 crore (Previous Year ₹ NIL), Reliance Ports and Terminals Limited ₹ 17 crore (Previous Year ₹ NIL).
18. Donations to Dhirubhai Ambani Foundation ₹ 1 crore (Previous Year ₹ 86 crore), Jamnaben Hirachand Ambani Foundation ₹ 8 crore (Previous Year ₹ 8 crore), HNH Trust and HNH Research Society ₹ 2 crore (Previous Year ₹ 3 crore), Hirachand Gowardhandas Ambani Public Charitable Trust ₹ 1 crore (Previous Year ₹ 1 crore), Reliance Foundation ₹ 206 crore (Previous Year ₹ 112 crore).

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

19. Finance Cost include Reliance Industrial Infrastructure Limited ₹ 4 crore (Previous Year ₹ 8 crore), Reliance Europe Limited ₹ 1 crore (Previous Year ₹ 1 crore), Reliance Ports and Terminals Limited ₹ NIL (Previous Year ₹ 24 crore).
20. Investment written off (net) includes Deccan Cargo and Express Logistics Private Limited ₹ NIL (Previous Year ₹ 51 crore).
21. Loans and Advances include Reliance Europe Limited ₹ 8 crore (Previous Year ₹ 12 crore), Reliance Commercial Dealers Limited ₹ 76 crore (Previous Year ₹ 145 crore), Reliance Commercial Trading Private Limited ₹ 10 crore (Previous Year ₹ 9 crore), Delta Corp East Africa Limited ₹ NIL (Previous Year ₹ 65 crore), Shree Salasar Bricks Private Limited ₹ NIL (Previous Year ₹ 31 crore), Atri Exports Private Limited ₹ NIL (Previous Year ₹ 18 crore), Jaipur Enclave Private Limited ₹ NIL (Previous Year ₹ 4 crore), Marugandha Land Developers Private Limited ₹ NIL (Previous Year ₹ 5 crore).
22. Deposits include Reliance Utilities and Power Private Limited ₹ 350 crore (Previous Year ₹ 200 crore), Reliance Ports and Terminals Limited ₹ 1,050 crore (Previous Year ₹ 1,050 crore), Reliance Utilities Private Limited ₹ NIL (Previous Year ₹ 150 crore), Rocky Farms Private Limited ₹ 29 crore (Previous Year ₹ 29 crore), Chander Commercials Private Limited ₹ 33 crore (Previous Year ₹ 33 crore), Honeywell Properties Private Limited ₹ 50 crore (Previous Year ₹ 50 crore), Parinita Commercials Private Limited ₹ 6 crore (Previous Year ₹ 6 crore), Creative Agrotech Private Limited ₹ 15 crore (Previous Year ₹ 15 crore), Ashwani Commercials Private Limited ₹ 53 crore (Previous Year ₹ 36 crore), Einsten Commercials Private Limited ₹ 43 crore (Previous Year ₹ 43 crore), Vishnumaya Commercials Private Limited ₹ 9 crore (Previous Year ₹ 9 crore), Netravati Commercials Private Limited ₹ 6 crore (Previous Year ₹ 6 crore), Fame Agro Private Limited ₹ 3 crore (Previous Year ₹ 3 crore), Centura Agro Private Limited ₹ 8 crore (Previous Year ₹ 8 crore), Noveltech Agro Private Limited ₹ 3 crore (Previous Year ₹ 3 crore), Rakshita Commercials Private Limited ₹ 6 crore (Previous Year ₹ 6 crore), Carin Commercials Private Limited ₹ 95 crore (Previous Year ₹ 95 crore), Prakhar Commercials Private Limited ₹ 48 crore (Previous Year ₹ 48 crore), Pepino Farms Private Limited ₹ 1 crore (Previous Year ₹ 1 crore), Kaniska Commercials Private Limited ₹ 22 crore (Previous Year ₹ 23 crore), Gaurav Overseas Private Limited ₹ 17 crore (Previous Year ₹ 17 crore) and Gujarat Chemical Port Terminal Company Limited ₹ 69 crore (Previous Year ₹ 42 crore), Shree Salasar Bricks Private Limited ₹ 33 crore (Previous Year ₹ NIL), Atri Exports Private Limited ₹ 19 crore (Previous Year ₹ NIL), Jaipur Enclave Private Limited ₹ 4 crore (Previous Year ₹ NIL), Marugandha Land Developers Private Limited ₹ 5 crore (Previous Year ₹ NIL).
23. Unsecured loans include Reliance Europe Limited ₹ 55 crore (Previous Year ₹ 53 crore).

29. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in crore)

	As at 31st March, 2013	As at 31st March, 2012
(I) Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts		
(a) In respect of joint ventures	-	-
(b) In respect of others	1,734	1,396
(B) Guarantees		
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties		
(a) In respect of joint ventures	-	-
(b) In respect of others	3,159	1,159
(ii) Performance Guarantees		
(a) In respect of joint ventures	-	-
(b) In respect of others	229	123
(iii) Outstanding guarantees furnished to Banks and Financial Institutions including in respect of Letters of Credits		
(a) In respect of joint ventures	160	228
(b) In respect of others	5,309	5,314



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

(C) Other Money for which the company is contingently liable		
(i) Liability in respect of bills discounted with Banks (Including third party bills discounting)		
(a) In respect of joint ventures	-	-
(b) In respect of others	3,961	631
(II) Commitments		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
(a) In respect of Joint Ventures	448	344
(b) In respect of others	15,547	18,092
(B) Uncalled Liability on Shares and Other Investments Partly paid	243	294
(C) Other commitments		
Sales tax deferral liability assigned	2,345	3,560
(III) The Income-Tax assessments of the Company have been completed up to Assessment Year 2010-11. The disputed demand outstanding up to the said Assessment Year is ₹ 1,192 crore. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.		

30. FINANCIAL AND DERIVATIVE INSTRUMENTS

a) Derivative contracts entered into by the Company and outstanding as on 31st March, 2013

(i) For hedging Currency and Interest Rate Related Risks:

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March, 2013 amount to ₹ 1,29,553 crore (Previous Year ₹ 88,598 crore).

Category wise break up is given below :

Sr. No.	Particulars	As at 31st March, 2013	
		As at 31st March, 2013	As at 31st March, 2012
			(₹ in crore)
1	Interest Rate Swaps	33,181	34,068
2	Currency Swaps	4,444	4,199
3	Options	2,307	25,138
4	Forward Contracts	89,621	25,193

(ii) For hedging commodity related risks :

Category wise break up is given below :

Sr. No.	Particulars	As at 31st March, 2013			As at 31st March, 2012		
		Petroleum product sales (in Kbbl)	Crude Oil purchases (in Kbbl)	Other products (in Kg)	Petroleum product sales (in Kbbl)	Crude oil purchases (in Kbbl)	Other products (in Kg)
1	Forward swaps	7,334	16,575	1,101	16,722	18,842	1,214
2	Futures	6,259	5,488	-	4,809	5,879	-
3	Spreads	44,900	50,366	-	25,193	81,337	-
4	Options	-	23,895	-	2,720	8,875	-

In addition, the Company has net margin hedges outstanding for contracts relating to petroleum product sales of 85,168 kbbl (Previous Year 81,869 kbbl).

b) Foreign currency exposures that are not hedged by derivative instruments as on 31st March 2013 amount to ₹ 79,912 crore (Previous Year ₹ 89,892 crore).

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

31. In respect of jointly controlled entities, the Company's share of assets, liabilities, income and expenditure of the joint venture companies are as follows:

(₹ in crore)

Particulars	As at 31st March, 2013	As at 31st March, 2012
(i) Assets		
Fixed Assets	144	126
Non-Current Investments	-	25
Non-Current Assets	47	29
Current Investments	9	39
Current Assets	197	139
(ii) Liabilities		
Long Term Borrowings	-	-
Non-Current Liabilities and Provisions	19	14
Short Term Borrowings	10	20
Current Liabilities and Provisions	77	73
(iii) Income	333	277
(iv) Expenses	406	338

32. The audited/unaudited financial statements of foreign subsidiaries / associates have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or International Financial Reporting Standards. The differences in accounting policies of the Company and its subsidiaries / associates are not material and there are no material transactions from 1st January, 2013 to 31st March, 2013 in respect of subsidiaries / associates having financial year ended 31st December, 2012.

33. Segment Information:

The Company has identified three reportable segments viz. Petrochemicals, Refining and Oil & Gas. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

(i) Primary Segment Information :

(₹ in crore)

Particulars	Petrochemicals		Refining		Oil and Gas		Others		Unallocable		Total	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
1 Segment Revenue												
External Turnover	94,137	86,338	2,90,427	2,58,697	11,100	13,896	12,728	9,640	-	-	4,08,392	3,68,571
Inter Segment Turnover	40	124	82,496	67,835	108	278	1,850	523	-	-	-	-
Gross Turnover	94,177	86,462	3,72,923	3,26,532	11,208	14,174	14,578	10,163	-	-	4,08,392*	3,68,571*
Less: Excise duty / Service Tax recovered	6,807	5,388	4,012	4,496	198	59	313	127	-	-	11,330	10,070
Net Turnover	87,370	81,074	3,68,911	3,22,036	11,010	14,115	14,265	10,036	-	-	3,97,062	3,58,501
2 Segment Result before Interest and Taxes	7,159	9,060	12,815	9,847	3,668	5,555	323	(130)	(101)	111	23,864	24,443
Less: Interest Expense	-	-	-	-	-	-	-	-	3,463	2,893	3,463	2,893
Add: Interest Income	-	-	-	-	-	-	-	-	5,816	4,167	5,816	4,167
Add: Exceptional Item	-	-	-	-	-	(258)	-	-	-	(51)	-	(309)
Profit Before Tax	7,159	9,060	12,815	9,847	3,668	5,297	323	(130)	2,252	1,334	26,217	25,408
Current Tax	-	-	-	-	-	-	-	-	5,327	5,226	5,327	5,226
Deferred Tax	-	-	-	-	-	-	-	-	4	465	4	465
Profit after Tax (before adjustment for Minority Interest)	7,159	9,060	12,815	9,847	3,668	5,297	323	(130)	(3,079)	(4,357)	20,886	19,717
Add: Share of (Profit) / Loss transferred to Minority	-	-	(14)	(37)	-	-	7	44	-	-	(7)	7
Profit after Tax (after adjustment for Minority Interest)	7,159	9,060	12,801	9,810	3,668	5,297	330	(86)	(3,079)	(4,357)	20,879	19,724
3 Other Information												
Segment Assets	48,889	42,432	1,08,419	1,09,523	53,067	43,048	35,091	32,347	1,16,891	99,841	3,62,357	3,27,191
Segment Liabilities	6,929	7,213	40,998	35,040	3,748	3,162	2,571	1,392	3,208	6,174	57,454	52,981
Capital Expenditure	8,134	2,197	3,778	2,746	13,739	15,859	5,835	3,098	806	669	32,292	24,569
Depreciation and Amortisation	2,058	2,137	4,434	4,398	4,028	5,191	454	439	258	236	11,232	12,401
Non Cash Expenses other than depreciation and Amortisation	-	-	-	-	34	258	-	-	-	51	34	309

*Total Gross Turnover is after elimination of inter segment turnover of ₹ 84,494 crore (Previous Year ₹ 68,760 crore).

(ii) As per Accounting Standard on Segment Reporting (AS-17), the Company has reported segment information on consolidated basis including businesses conducted through its subsidiaries.

(iii) The reportable Segments are further described below :

— The petrochemicals segment includes production and marketing operations of petrochemical products namely, High and Low density Polyethylene, Polypropylene, Polyvinyl Chloride, Poly Butadiene Rubber, Polyester Yarn, Polyester Fibre, Purified Terephthalic Acid, Paraxylene, Ethylene Glycol, Olefins, Aromatics, Linear Alkyl Benzene, Butadiene, Acrylonitrile, Caustic Soda and Polyethylene Terephthalate.

— The refining segment includes production and marketing operations of the petroleum products.

— The oil and gas segment includes exploration, development and production of crude oil and natural gas.

— The businesses, which were not reportable segments during the year, have been grouped under the “Others” segment. This mainly comprises of:

* Textile

* Retail Business

* SEZ development

* Telecom / Broadband Business

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

(iv) Secondary Segment Information:

	2012-13	2011-12
(₹ in crore)		
1. Segment Revenue – External Turnover		
- Within India	1,42,299	1,21,618
- Outside India	2,66,093	2,46,953
Total Revenue	4,08,392	3,68,571
2. Segment Assets		
- Within India	3,21,946	2,98,786
- Outside India	40,411	28,405
Total Assets	3,62,357	3,27,191
3. Segment Liability		
- Within India	53,602	50,749
- Outside India	3,852	2,232
Total Liability	57,454	52,981
4. Capital Expenditure		
- Within India	21,931	14,810
- Outside India	10,361	9,759
Total Expenditure	32,292	24,569

34. The Subsidiary companies considered in the consolidated financial statements are:

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance Industrial Investments and Holdings Limited (including Petroleum Trust)	India	100.00%
Reliance Ventures Limited	India	100.00%
Reliance Strategic Investments Limited	India	100.00%
Reliance Industries (Middle East) DMCC *	U.A.E.	100.00%
Reliance Retail Limited	India	91.01%
Reliance Netherlands B.V. * (Liquidated on 27th March, 2013)	Netherlands	100.00%
Reliance Haryana SEZ Limited	India	92.50%
Reliance Fresh Limited	India	91.01%
Retail Concepts and Services (India) Limited	India	91.01%
Reliance Retail Insurance Broking Limited	India	91.01%
Reliance Dairy Foods Limited	India	91.01%
Reliance Exploration & Production DMCC *	U.A.E.	100.00%
Reliance Retail Finance Limited	India	91.01%
RESQ Limited	India	91.01%
Reliance Commercial Associates Limited	India	94.45%
Reliancedigital Retail Limited	India	91.01%
Reliance Financial Distribution and Advisory Services Limited	India	91.01%
RIL (Australia) Pty Limited	Australia	100.00%
Gapco Kenya Limited *	Kenya	76.00%
Gapco Rwanda Limited *	Rwanda	76.00%
Gapco Tanzania Limited *	Tanzania	76.00%
Gapco Uganda Limited *	Uganda	76.00%
Gapoil (Zanzibar) Limited *	Zanzibar	76.00%
Gulf Africa Petroleum Corporation *	Mauritius	76.00%
Transenergy Kenya Limited *	Kenya	76.00%
Recron (Malaysia) Sdn Bhd *	Malaysia	100.00%
Reliance Payment Solutions Limited #	India	100.00%



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance Brands Limited	India	94.45%
Reliance Footprint Limited	India	91.01%
Reliance Trends Limited	India	91.01%
Reliance Lifestyle Holdings Limited	India	94.45%
Reliance Universal Ventures Limited	India	94.45%
Delight Proteins Limited	India	91.01%
Reliance Autozone Limited	India	91.01%
Reliance F&B Services Limited	India	91.01%
Reliance Gems and Jewels Limited	India	91.01%
Reliance Integrated Agri Solutions Limited	India	91.01%
Strategic Manpower Solutions Limited	India	100.00%
Reliance Agri Products Distribution Limited	India	91.01%
Reliance Digital Media Limited	India	91.01%
Reliance Food Processing Solutions Limited	India	91.01%
Reliance Home Store Limited	India	91.01%
Reliance Leisures Limited	India	91.01%
Reliance Loyalty & Analytics Limited	India	91.01%
Reliance Retail Securities and Broking Company Limited	India	91.01%
Reliance Supply Chain Solutions Limited	India	91.01%
Reliance Trade Services Centre Limited	India	91.01%
Reliance Vantage Retail Limited	India	100.00%
Wave Land Developers Limited	Kenya	100.00%
Reliance-GrandOptical Private Limited	India	91.01%
Reliance Universal Commercial Limited	India	100.00%
Reliance Petroinvestments Limited	India	100.00%
Reliance Global Commercial Limited	India	100.00%
Reliance People Serve Limited	India	100.00%
Reliance Infrastructure Management Services Limited	India	100.00%
Reliance Global Business B.V.	Netherlands	100.00%
Reliance Gas Corporation Limited	India	100.00%
Reliance Global Energy Services Limited	U.K.	100.00%
Kanhatech Solutions Limited **	India	72.00%
Reliance Global Energy Services (Singapore) Pte. Limited	Singapore	100.00%
Reliance Personal Electronics Limited	India	91.01%
Reliance Polymers (India) Limited	India	100.00%
Reliance Polyolefins Limited	India	100.00%
Reliance Aromatics and Petrochemicals Limited	India	100.00%
Reliance Energy and Project Development Limited	India	100.00%
Reliance Chemicals Limited	India	100.00%
Reliance Universal Enterprises Limited	India	100.00%
International Oil Trading Limited (Liquidated on 7th February, 2013)	British Virgin Island	100.00%
Reliance Review Cinema Limited	India	91.01%
Reliance Replay Gaming Limited	India	91.01%
Two Sisters Foods India Limited	India	45.51%
RIL USA Inc.*	U.S.A	100.00%
Reliance Commercial Land & Infrastructure Limited	India	100.00%
Reliance Corporate IT Park Limited	India	100.00%
Reliance Eminent Trading & Commercial Private Limited	India	100.00%
Reliance Progressive Traders Private Limited	India	100.00%

Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance Prolific Traders Private Limited	India	100.00%
Reliance Universal Traders Private Limited	India	100.00%
Reliance Prolific Commercial Private Limited	India	100.00%
Reliance Comtrade Private Limited	India	100.00%
Reliance Ambit Trade Private Limited	India	100.00%
Reliance Petro Marketing Limited	India	91.01%
LPG Infrastructure (India) Limited	India	91.01%
Reliance Corporate Centre Limited	India	100.00%
Reliance Convention and Exhibition Centre Limited	India	100.00%
Central Park Enterprises DMCC *	U.A.E	100.00%
Reliance International B. V.	Netherlands	100.00%
Reliance Corporate Services Limited	India	100.00%
Indiawin Sports Private Limited	India	100.00%
Reliance Holding USA Inc.*	U.S.A	100.00%
Reliance Marcellus LLC*	U.S.A	100.00%
Reliance Jio Infocomm Limited ##	India	95.00%
Reliance Strategic (Mauritius) Limited	Mauritius	100.00%
Reliance Eagleford Midstream LLC*	U.S.A	100.00%
Reliance Eagleford Upstream LLC*	U.S.A	100.00%
Reliance Eagleford Upstream GP LLC*	U.S.A	100.00%
Reliance Eagleford Upstream Holding LP*	U.S.A	100.00%
Mark Project Services Private Limited	India	100.00%
Reliance Energy Generation and Distribution Limited	India	100.00%
Reliance Marcellus II LLC*	U.S.A	100.00%
Reliance Security Solutions Limited	India	100.00%
Reliance Industries Investment and Holding Limited	India	100.00%
Reliance Office Solutions Private Limited	India	91.01%
Reliance Style Fashion India Private Limited	India	94.45%
GenNext Innovation Ventures Limited	India	100.00%
Reliance Home Products Limited	India	91.01%
Infotel Telecom Limited	India	95.00%
Reliance Styles India Limited	India	94.45%
Rancore Technologies Private Limited	India	95.00%
Omni Symmetry LLC *	U.S.A.	100.00%
Reliance Sibur Elastomers Private Limited	India	74.90%
Surela Investment and Trading Private Limited	India	100.00%
Model Economic Township Limited	India	92.50%
Delta Corp East Africa Limited	Kenya	58.80%
Delta Square Limited	Kenya	58.80%
Kaizen Capital LLP	U.K.	49.98%
Affinity Names Inc. *	U.S.A.	100.00%
Reliance USA Gas Marketing LLC *	U.S.A.	100.00%
Reliance Aerospace Techonologies Limited	India	100.00%
Reliance Gas Pipelines Limited	India	100.00%
Achman Commercial Private Limited	India	91.01%
Reliance Jio Infocomm Pte. Limited	Singapore	95.00%
Reliance do Brasil Indústria e Comércio de Produtos Têxteis, Químicos, Petroquímicos e Derivados Ltda.*	Brazil	99.98%

Formerly known as Infotel Broadband Services Limited

Formerly known as Reliance Retail Travel & Forex Services Limited

** Formerly known as Reliance One Enterprises Limited

* Subsidiary Company having 31st December as a reporting date.



Notes on Consolidated Financial Statements for the Year ended 31st March, 2013

35. The significant Associates / Joint Ventures considered in the consolidated financial statements are:

Name of the Associates / Joint Ventures	Country of Incorporation	Proportion of ownership interest
Reliance Industrial Infrastructure Limited	India	45.43%
Reliance Europe Limited #	U.K.	50.00%
Reliance LNG Limited	India	45.00%
Gujarat Chemical Port Terminal Company Limited	India	41.80%
Reliance Commercial Dealers Limited	India	50.00%
Reliance-Vision Express Private Limited	India	45.51%
Reliance-Grandvision India Supply Private Limited	India	45.51%
Marks and Spencer Reliance India Private Limited	India	44.60%
Reliance Innovative Building Solutions Private Limited	India	50.00%
Diesel Fashion India Reliance Private Limited	India	44.60%
Office Depot Reliance Supply Solutions Private Limited	India	45.51%
Zegna South Asia Private Limited	India	44.60%
Reliance Paul & Shark Fashions Private Limited	India	45.51%
IMG Reliance Private Limited	India	50.00%
EFS Midstream LLC #	U.S.A	50.00%
D. E. Shaw India Securities Private Limited **	India	50.00%
India Gas Solutions Private Limited	India	50.00%
Extramarks Education Private Limited	India	38.46%
Supreme Tradelinks Private Limited	India	44.60%
Gaurav Overseas Private Limited	India	50.00%
Reliance Commercial Trading Private Limited	India	50.00%
Deccan Cargo & Express Logistics Private Limited	India	30.89%
GenNext Ventures LLP	India	50.00%
Algenol LLC #	U.S.A.	42.18%
Aurora Algea Inc. #	U.S.A.	34.61%
Iconix Lifestyle India Private Limited	India	45.51%
In Vogue Brand Solutions Private Limited	India	44.60%
Reliance Jio Cloudworks Private Limited	India	50.00%
Reliance Jio Electronics Private Limited	India	50.00%
Reliance Jio Media Private Limited	India	50.00%
Reliance Jio Private Limited	India	50.00%

** Formerly known as Basis Point Securities Private Limited

Associate Company having 31st December as a reporting date.

Financial Information of Subsidiary Companies

													₹ in crore
Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
1	Reliance Industrial Investments and Holdings Limited	INR	149.06	647.78	19,646.17	19,646.17	2,705.38	679.49	(11.97)	0.01	(11.98)	-	India
2	Reliance Ventures Limited	INR	2.69	2,367.48	2,427.10	2,427.10	1,122.01	120.12	12.31	0.81	11.50	-	India
3	Reliance Strategic Investments Limited	INR	2.33	1,168.14	1,187.73	1,187.73	609.30	104.89	18.98	2.46	16.52	-	India
4	Reliance Industries (Middle East) DMCC	INR	158.22	(99.54)	295.82	295.82	-	1,696.76	(34.26)	-	(34.26)	-	U.A.E
		USD MN	28.77	(18.10)	53.79	53.79	-	308.53	(6.23)	-	(6.23)	-	
5	Reliance Retail Limited *	INR	8,315.90	(98.51)	9,164.87	9,164.87	816.83	24.69	(60.18)	-	(60.18)	-	India
6	Reliance Haryana SEZ Limited	INR	0.05	(49.53)	4,991.01	4,991.01	-	6.53	(14.48)	(0.14)	(14.34)	-	India
7	Reliance Fresh Limited *	INR	1.05	(1,349.87)	6,268.54	6,268.54	190.94	5,255.99	(119.67)	(64.89)	(54.78)	-	India
8	Retail Concepts & Services (India) Limited *	INR	0.05	(0.04)	0.01	0.01	-	-	(0.01)	-	(0.01)	-	India
9	Reliance Retail Insurance Broking Limited	INR	4.00	2.83	10.21	10.21	4.75	20.50	3.00	0.56	2.44	-	India
10	Reliance Dairy Foods Limited	INR	0.05	(62.34)	214.49	214.49	0.01	513.24	(36.57)	(13.33)	(23.24)	-	India
11	Reliance Exploration & Production DMCC	INR	2,328.76	(1,851.79)	593.73	593.73	-	18.31	(34.92)	-	(34.92)	-	U.A.E
		USD MN	423.45	(336.72)	107.96	107.96	-	3.33	(6.35)	-	(6.35)	-	
12	Reliance Retail Finance Limited	INR	2.02	99.80	101.83	101.83	101.75	0.06	(0.02)	-	(0.02)	-	India
13	RESQ Limited *	INR	0.05	(9.17)	26.02	26.02	0.00	32.13	(3.24)	-	(3.24)	-	India
14	Reliance Commercial Associates Limited	INR	6,000.00	(2.23)	8,445.40	8,445.40	-	0.32	(2.21)	-	(2.21)	-	India
15	Reliance digital Retail Limited *	INR	1.05	(104.66)	984.39	984.39	0.01	2,166.38	(2.67)	(3.31)	0.64	-	India
16	Reliance Financial Distribution and Advisory Services Limited *	INR	0.05	(28.92)	29.02	29.02	-	2.96	(0.20)	-	(0.20)	-	India
17	RIL (Australia) Pty Limited	INR	37.09	(37.09)	0.51	0.51	-	0.00	(17.50)	-	(17.50)	-	Australia
		AUD MN	6.55	(6.55)	0.09	0.09	-	0.00	(3.09)	-	(3.09)	-	
18	Gapco Kenya Limited	INR	93.18	230.80	1,850.09	1,850.09	-	6,977.70	20.26	10.95	9.31	-	Kenya
		KSH MN	1,459.54	3,615.22	28,980.09	28,980.09	-	1,09,299.80	317.36	171.50	145.86	-	
19	Gapco Rwanda Limited	INR	3.91	1.55	15.58	15.58	-	72.30	(1.06)	(0.27)	(0.79)	-	Rwanda
		FRW MN	448.50	177.67	1,786.91	1,786.91	-	8,290.13	(121.32)	(31.03)	(90.29)	-	
20	Gapco Tanzania Limited	INR	103.32	303.49	839.05	839.05	-	1,738.41	62.13	31.30	30.83	-	Tanzania
		TZS MN	29,910.00	87,855.00	2,42,888.00	2,42,888.00	-	5,03,236.00	17,985.00	9,060.00	8,925.00	-	
21	Gapco Uganda Limited	INR	17.88	89.35	143.18	143.18	-	518.57	17.11	5.37	11.74	-	Uganda
		USH MN	8,750.10	43,722.63	70,059.41	70,059.41	-	2,53,745.27	8,370.07	2,625.77	5,744.30	-	
22	Gapoil (Zanzibar) Limited	INR	1.73	(1.19)	7.05	7.05	-	0.07	0.02	0.01	0.01	-	Zanzibar
		TZS MN	500.00	(343.51)	2,044.23	2,044.23	-	19.10	4.93	3.00	1.93	-	
23	Gulf Africa Petroleum Corporation	INR	120.99	(50.60)	300.82	300.82	-	-	(6.93)	-	(6.93)	-	Mauritius
		USD MN	22.00	(9.20)	54.70	54.70	-	-	(1.26)	-	(1.26)	-	
24	Transenergy Kenya Limited	INR	7.66	(5.83)	1.86	1.86	-	2.70	2.25	-	2.25	-	Kenya
		KSH MN	120.00	(91.29)	29.11	29.11	-	42.31	35.24	-	35.24	-	
25	Recron (Malaysia) Sdn Bhd	INR	4.50	1,500.79	3,521.39	3,521.39	-	5,586.18	(208.09)	(86.22)	(121.87)	-	Malaysia
		RM MN	2.50	834.47	1,957.96	1,957.96	-	3,106.02	(115.70)	(47.94)	(67.76)	-	
26	Reliance Payment Solutions Limited	INR	2.00	(1.33)	1.75	1.75	0.06	0.04	(0.01)	-	(0.01)	-	India
27	Reliance Brands Limited	INR	80.86	(48.38)	288.46	288.46	97.11	62.71	(36.37)	(12.92)	(23.45)	-	India
28	Reliance Footprint Limited *	INR	1.05	(16.24)	223.08	223.08	0.01	239.84	(1.00)	(0.71)	(0.29)	-	India
29	Reliance Trends Limited *	INR	1.05	(28.45)	809.53	809.53	0.01	878.55	(2.64)	(1.56)	(1.08)	-	India
30	Reliance Lifestyle Holdings Limited	INR	0.05	(10.99)	54.52	54.52	-	50.46	(5.82)	-	(5.82)	-	India
31	Reliance Universal Ventures Limited	INR	0.05	(8.56)	8,400.47	8,400.47	-	0.02	(0.19)	-	(0.19)	-	India

As on 31.12.2012: 1 EUR = ₹ 72.5125, 1 US \$ = ₹ 54.9950, 1 RM = ₹ 17.9850, 1 KSH = ₹ 0.6384, 1 FRW = ₹ 0.0872, 1 TZS = ₹ 0.0345, 1 USH = ₹ 0.0204, 1 BRL = ₹ 26.7918; Exchange Rate as on 31.3.2013, 1 EUR = ₹ 69.4950, 1 US \$ = ₹ 54.2850, 1 Aus \$ = ₹ 56.6250, 1 KSH = ₹ 0.6353, 1 SGD = ₹ 43.7200, 1 GBP = ₹ 82.2275.

* Financial Information is based on Unaudited Results.



Financial Information of Subsidiary Companies

₹ in crore

Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
32	Delight Proteins Limited	INR	0.05	(14.52)	26.02	26.02	0.01	62.71	(3.17)	(1.37)	(1.80)	-	India
33	Reliance Autozone Limited *	INR	0.05	(9.81)	30.62	30.62	0.01	37.41	(2.88)	(1.17)	(1.71)	-	India
34	Reliance F&B Services Limited	INR	0.05	(3.73)	3.97	3.97	0.00	12.49	(1.08)	-	(1.08)	-	India
35	Reliance Gems and Jewels Limited *	INR	1.01	(19.04)	645.88	645.88	0.01	758.72	(4.08)	(1.85)	(2.23)	-	India
36	Reliance Integrated Agri Solutions Limited *	INR	0.05	(0.32)	0.01	0.01	-	0.00	0.00	-	0.00	-	India
37	Strategic Manpower Solutions Limited	INR	0.05	(26.05)	5.38	5.38	-	270.75	(3.63)	-	(3.63)	-	India
38	Reliance Agri Products Distribution Limited *	INR	0.05	(0.13)	0.02	0.02	-	0.00	(0.01)	-	(0.01)	-	India
39	Reliance Digital Media Limited *	INR	0.05	(3.48)	2.01	2.01	-	0.04	(0.11)	-	(0.11)	-	India
40	Reliance Food Processing Solutions Limited	INR	0.05	(118.93)	53.78	53.78	0.01	0.27	(36.97)	25.85	(62.82)	-	India
41	Reliance Home Store Limited *	INR	0.05	(0.09)	0.16	0.16	-	-	(0.02)	-	(0.02)	-	India
42	Reliance Leisures Limited *	INR	1.05	(27.71)	134.13	134.13	0.01	104.50	(10.31)	(4.03)	(6.28)	-	India
43	Reliance Loyalty & Analytics Limited *	INR	0.05	(10.51)	0.61	0.61	-	-	(0.00)	-	(0.00)	-	India
44	Reliance Retail Securities and Broking Company Limited *	INR	0.05	(1.24)	0.06	0.06	-	0.07	(0.04)	-	(0.04)	-	India
45	Reliance Supply Chain Solutions Limited *	INR	1.01	2.71	7.34	7.34	-	95.72	(0.31)	-	(0.31)	-	India
46	Reliance Trade Services Centre Limited *	INR	0.05	(16.76)	0.36	0.36	-	0.02	(0.01)	-	(0.01)	-	India
47	Reliance Vantage Retail Limited	INR	0.56	(40.87)	85.74	85.74	-	-	(2.46)	-	(2.46)	-	India
48	Wave Land Developers Limited	INR	148.16	35.10	203.05	203.05	-	37.21	37.09	0.85	36.24	-	Kenya
		KSH MN	2,332.11	552.42	3,196.20	3,196.20	-	585.78	583.85	13.44	570.41	-	
49	Reliance-GrandOptical Private Limited	INR	0.05	(0.02)	0.04	0.04	-	-	(0.00)	-	(0.00)	-	India
50	Reliance Universal Commercial Limited	INR	0.05	0.01	4.49	4.49	4.48	0.00	(0.00)	-	(0.00)	-	India
51	Reliance Petroinvestments Limited	INR	8.88	175.16	185.43	185.43	184.47	0.02	(0.02)	-	(0.02)	-	India
52	Reliance Global Commercial Limited	INR	0.05	0.01	4.49	4.49	4.48	0.00	(0.00)	-	(0.00)	-	India
53	Reliance People Serve Limited	INR	0.05	(2.36)	0.65	0.65	-	3.03	(0.05)	-	(0.05)	-	India
54	Reliance Infrastructure Management Services Limited	INR	0.05	(0.01)	0.37	0.37	-	2.06	0.01	0.00	0.01	-	India
55	Reliance Global Business B. V.	INR	412.04	17.34	429.61	429.61	-	0.33	0.18	-	0.18	-	Netherlands
		EUR MN	59.29	2.50	61.82	61.82	-	0.05	0.03	-	0.03	-	
56	Reliance Gas Corporation Limited	INR	0.05	(0.01)	8.89	8.89	2.76	-	(0.00)	-	(0.00)	-	India
57	Reliance Global Energy Services (Singapore) Pte. Ltd.	INR	6.56	0.96	8.88	8.88	-	10.14	0.92	0.05	0.87	0.79	Singapore
		SGD MN	1.50	0.22	2.03	2.03	-	2.32	0.21	0.01	0.20	0.18	
58	Kanhatech Solutions Limited	INR	10.00	(0.89)	10.60	10.60	-	0.11	(0.51)	-	(0.51)	-	India
59	Reliance Global Energy Services Limited	INR	4.11	1.56	9.37	9.37	-	20.72	1.56	0.41	1.15	-	UK
		GBP MN	0.50	0.19	1.14	1.14	-	2.52	0.19	0.05	0.14	-	
60	Reliance Personal Electronics Limited *	INR	0.05	(0.92)	0.28	0.28	-	0.01	(0.01)	-	(0.01)	-	India
61	Reliance Polymers (India) Limited	INR	4.41	2,180.50	2,184.97	2,184.97	0.01	0.02	(0.00)	-	(0.00)	-	India
62	Reliance Polyolefins Limited	INR	13.26	2,581.65	2,631.78	2,631.78	2,605.82	16.00	10.56	3.50	7.06	-	India
63	Reliance Aromatics and Petrochemicals Limited	INR	4.11	2,503.44	2,781.38	2,781.38	2,781.36	0.02	(0.00)	-	(0.00)	-	India
64	Reliance Energy and Project Development Limited	INR	1.01	951.80	1,256.31	1,256.31	1,255.99	0.02	(0.00)	-	(0.00)	-	India
65	Reliance Chemicals Limited	INR	7.58	2,598.64	2,606.23	2,606.23	2,604.91	0.02	(0.00)	-	(0.00)	-	India
66	Reliance Universal Enterprises Limited	INR	13.26	3,403.43	3,416.70	3,416.70	3,416.56	0.02	0.01	0.01	0.00	-	India
67	Reliance Review Cinema Limited	INR	0.05	(1.01)	0.19	0.19	0.01	1.52	(0.16)	-	(0.16)	-	India

As on 31.12.2012: 1 EUR = ₹ 72.5125, 1 US \$ = ₹ 54.9950, 1 RM = ₹ 17.9850, 1 KSH = ₹ 0.6384, 1 FRW = ₹ 0.0872, 1 TZS = ₹ 0.0345, 1 USH = ₹ 0.0204, 1 BRL = ₹ 26.7918; Exchange Rate as on 31.3.2013, 1 EUR = ₹ 69.4950, 1 US \$ = ₹ 54.2850, 1 Aus \$ = ₹ 56.6250, 1 KSH = ₹ 0.6353, 1 SGD = ₹ 43.7200, 1 GBP = ₹ 82.2275.

* Financial Information is based on Unaudited Results.

Financial Information of Subsidiary Companies

													₹ in crore
Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
68	Reliance Replay Gaming Limited *	INR	0.05	(1.13)	0.10	0.10	-	0.20	(0.48)	-	(0.48)	-	India
69	Two Sisters Foods India Limited	INR	10.00	(10.03)	3.19	3.19	-	0.07	(4.08)	-	(4.08)	-	India
70	Reliance Commercial Land & Infrastructure Limited	INR	46.90	1,945.41	5,294.93	5,294.93	70.89	5.38	4.43	-	4.43	-	India
71	Reliance Corporate IT Park Limited	INR	2,976.32	(119.00)	3,282.26	3,282.26	-	2,290.69	5.49	0.99	4.50	-	India
72	Reliance Eminent Trading & Commercial Private Limited	INR	14.67	2,051.30	2,256.20	2,256.20	-	0.12	(5.47)	-	(5.47)	-	India
73	Reliance Progressive Traders Private Limited	INR	13.96	1,742.42	2,216.54	2,216.54	0.00	1.51	(10.66)	-	(10.66)	-	India
74	Reliance Universal Traders Private Limited	INR	10.12	41.49	97.08	97.08	-	-	(1.74)	-	(1.74)	-	India
75	Reliance Prolific Traders Private Limited	INR	12.87	1,422.38	2,383.26	2,383.26	-	0.00	(2.31)	-	(2.31)	-	India
76	Reliance Prolific Commercial Private Limited	INR	1.66	331.27	364.87	364.87	-	0.02	0.02	0.01	0.01	-	India
77	Reliance Comtrade Private Limited	INR	1.48	241.41	243.12	243.12	-	0.00	(0.06)	-	(0.06)	-	India
78	Reliance Ambit Trade Private Limited	INR	1.93	465.83	490.80	490.80	-	0.15	0.14	0.07	0.07	-	India
79	Reliance Petro Marketing Limited	INR	4.11	106.47	156.29	156.29	0.07	216.62	0.07	0.02	0.05	-	India
80	LPG Infrastructure (India) Limited	INR	0.05	8.02	134.18	134.18	0.00	404.76	2.90	2.45	0.45	-	India
81	RIL USA Inc.	INR	16.50	(4.73)	3,609.82	3,609.82	-	29,609.36	(71.66)	(26.07)	(45.59)	-	USA
		USD MN	3.00	(0.86)	656.39	656.39	-	5,384.01	(13.03)	(4.74)	(8.29)	-	
82	Central Park Enterprises DMCC	INR	0.55	(0.66)	0.22	0.22	-	-	(0.22)	-	(0.22)	-	U.A.E
		USD MN	0.10	(0.12)	0.04	0.04	-	-	(0.04)	-	(0.04)	-	
83	Reliance Corporate Services Limited	INR	0.06	(0.01)	89.68	89.68	87.17	0.00	(0.00)	-	(0.00)	-	India
84	Reliance Corporate Centre Limited	INR	0.05	(0.00)	0.07	0.07	-	-	(0.00)	-	(0.00)	-	India
85	Reliance Convention and Exhibition Centre Limited	INR	0.05	(0.00)	111.90	111.90	-	-	(0.00)	-	(0.00)	-	India
86	Reliance International B.V.	INR	0.14	0.69	0.92	0.92	-	0.00	(0.04)	(0.00)	(0.04)	-	Netherlands
		EUR MN	0.02	0.10	0.13	0.13	-	0.00	(0.01)	(0.00)	(0.01)	-	
87	Indiawin Sports Private Limited	INR	2.65	(96.01)	133.64	133.64	6.50	184.56	(5.40)	-	(5.40)	-	India
88	Reliance Holding USA, Inc. *	INR	0.27	3,144.56	25,844.85	25,844.85	690.68	1.70	(134.30)	162.62	(296.92)	-	USA
		USD MN	0.05	571.79	4,699.49	4,699.49	125.59	0.31	(24.42)	29.57	(53.99)	-	
89	Reliance Marcellus LLC *	INR	1,014.93	(208.76)	8,466.81	8,466.81	-	230.65	(153.99)	-	(153.99)	-	USA
		USD MN	184.55	(37.96)	1,539.56	1,539.56	-	41.94	(28.00)	-	(28.00)	-	
90	Reliance Jio Infocomm Limited	INR	7,822.20	(16.88)	18,760.74	18,760.74	8.11	0.05	(5.75)	-	(5.75)	-	India
91	Reliance Strategic (Mauritius) Limited	INR	0.33	(0.27)	0.11	0.11	-	-	(0.11)	-	(0.11)	-	Mauritius
		USD MN	0.06	(0.05)	0.02	0.02	-	-	(0.02)	-	(0.02)	-	
92	Reliance Eagleford Midstream LLC *	INR	257.38	110.65	1,371.96	1,371.96	1,371.80	-	138.92	-	138.92	-	USA
		USD MN	46.80	20.12	249.47	249.47	249.44	-	25.26	-	25.26	-	
93	Reliance Eagleford Upstream LLC *	INR	1,255.92	(0.16)	11,903.78	11,903.78	1,255.70	-	(0.10)	-	(0.10)	-	USA
		USD MN	228.37	(0.03)	2,164.52	2,164.52	228.33	-	(0.02)	-	(0.02)	-	
94	Reliance Eagleford Upstream GP LLC *	INR	0.16	(0.01)	0.11	0.11	0.11	-	(0.00)	-	(0.00)	-	USA
		USD MN	0.03	(0.00)	0.02	0.02	0.02	-	(0.00)	-	(0.00)	-	
95	Reliance Eagleford Upstream Holding LP *	INR	1,255.81	1,224.13	14,518.13	14,518.13	-	2,611.66	754.59	-	754.59	-	USA
		USD MN	228.35	222.59	2,639.90	2,639.90	-	474.89	137.21	-	137.21	-	
96	Mark Project Services Private Limited	INR	0.05	(0.46)	0.00	0.00	-	-	(0.14)	-	(0.14)	-	India
97	Reliance Energy Generation and Distribution Limited	INR	0.05	371.80	3,636.37	3,636.37	-	0.02	(0.11)	-	(0.11)	-	India

As on 31.12.2012: 1 EUR = ₹ 72.5125, 1 US \$ = ₹ 54.9950, 1 RM = ₹ 17.9850, 1 KSH = ₹ 0.6384, 1 FRW = ₹ 0.0872, 1 TZS = ₹ 0.0345, 1 USH = ₹ 0.0204, 1 BRL = ₹ 26.7918; Exchange Rate as on 31.3.2013, 1 EUR = ₹ 69.4950, 1 US \$ = ₹ 54.2850, 1 Aus \$ = ₹ 56.6250, 1 KSH = ₹ 0.6353, 1 SGD = ₹ 43.7200, 1 GBP = ₹ 82.2275.

* Financial Information is based on Unaudited Results.



Financial Information of Subsidiary Companies

													₹ in crore
Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
98	Reliance Marcellus II LLC *	INR	553.30	(59.06)	3,968.88	3,968.88	-	148.60	(52.85)	-	(52.85)	-	USA
		USD MN	100.61	(10.74)	721.68	721.68	-	27.02	(9.61)	-	(9.61)	-	
99	Reliance Security Solutions Limited	INR	0.05	0.15	7.80	7.80	-	13.32	0.28	0.14	0.14	-	India
100	Reliance Industries Investment and Holding Limited	INR	3.26	1,430.19	1,433.48	1,433.48	1,433.38	13.84	11.72	0.03	11.69	-	India
101	Reliance Office Solutions Private Limited *	INR	5.12	1.17	6.78	6.78	3.14	3.72	2.53	-	2.53	-	India
102	Reliance Style Fashion India Private Limited	INR	1.01	(8.38)	13.76	13.76	-	10.44	(4.32)	-	(4.32)	-	India
103	GenNext Innovation Ventures Limited	INR	0.05	(0.01)	0.05	0.05	-	-	(0.00)	-	(0.00)	-	India
104	Reliance Home Products Limited *	INR	0.05	(26.61)	9.13	9.13	-	25.21	(6.13)	5.42	(11.55)	-	India
105	Reliance Styles India Limited	INR	0.05	(0.01)	0.04	0.04	-	-	(0.00)	-	(0.00)	-	India
106	Infotel Telecom Limited	INR	6.05	(0.16)	5.93	5.93	0.49	0.07	0.01	0.09	(0.08)	-	India
107	Rancore Technologies Private Limited	INR	0.05	(0.06)	68.77	68.77	-	2.19	0.04	0.03	0.01	-	India
108	Omni Symmetry LLC *	INR	3.57	-	3.57	3.57	-	-	(2.86)	-	(2.86)	-	USA
		USD MN	0.65	-	0.65	0.65	-	-	(0.52)	-	(0.52)	-	
109	Achman Commercial Private Limited	INR	0.05	(1.28)	6.77	6.77	-	0.24	(1.27)	-	(1.27)	-	India
110	Reliance Sibur Elastomers Private Limited	INR	118.01	1.94	120.07	120.07	96.89	3.54	2.77	0.83	1.94	-	India
111	Model Economic Township Limited	INR	0.05	(0.00)	0.05	0.05	-	0.00	(0.00)	-	(0.00)	-	India
112	Affinity Names Inc *	INR	1.21	-	1.21	1.21	-	-	-	-	-	-	USA
		USD MN	0.22	-	0.22	0.22	-	-	-	-	-	-	
113	Reliance Aerospace Technologies Limited	INR	0.05	(0.01)	0.05	0.05	-	-	(0.00)	-	(0.00)	-	India
114	Reliance Gas Pipelines Limited	INR	0.05	(0.00)	0.20	0.20	0.00	-	(0.00)	-	(0.00)	-	India
115	Surela Investment and Trading Private Limited	INR	0.05	(0.10)	22.04	22.04	2.49	0.15	(0.07)	0.00	(0.07)	-	India
116	Delta Corp East Africa Limited	INR	183.50	37.17	243.85	243.85	-	148.03	39.03	10.20	28.83	-	Kenya
		KSH MN	2,888.38	585.10	3,838.32	3,838.32	-	2,330.11	614.29	160.47	453.82	-	
117	Delta Square Limited	INR	0.01	5.69	7.27	7.27	-	16.13	9.56	3.12	6.44	-	Kenya
		KSH MN	0.10	89.53	114.51	114.51	-	253.88	150.46	49.12	101.34	-	
118	Kaizen Capital LLP	INR	-	-	6.74	6.74	-	37.91	5.26	-	5.26	-	U.K.
		GBP MN	-	-	0.82	0.82	-	4.61	0.64	-	0.64	-	
119	Reliance USA Gas Marketing LLC *	INR	0.01	(0.01)	0.00	0.00	-	-	(0.01)	-	(0.01)	-	U.S.A.
		USD MN	0.00	(0.00)	0.00	0.00	-	-	(0.00)	-	(0.00)	-	
120	Reliance Jio Infocomm Pte. Ltd. #	INR	0.11	-	0.11	0.11	-	-	-	-	-	-	Singapore
		USD MN	0.02	-	0.02	0.02	-	-	-	-	-	-	
121	Reliance do Brasil Indústria e Comércio de Produtos Têxteis, Químicos, Petroquímicos e Derivados Ltda.	INR	3.97	(3.86)	0.19	0.19	-	0.56	(0.03)	0.00	(0.03)	-	Brazil
		BRL MN	1.48	(1.44)	0.07	0.07	-	0.21	(0.01)	0.00	(0.01)	-	

The first accounting year of the company will be ending on 31st December 2013 / 31st March 2014

As on 31.12.2012: 1 EUR = ₹ 72.5125, 1 US \$ = ₹ 54.9950, 1 RM = ₹ 17.9850, 1 KSH = ₹ 0.6384, 1 FRW = ₹ 0.0872, 1 TZS = ₹ 0.0345, 1 USH = ₹ 0.0204, 1 BRL = ₹ 26.7918; Exchange Rate as on 31.3.2013, 1 EUR = ₹ 69.4950, 1 US \$ = ₹ 54.2850, 1 Aus \$ = ₹ 56.6250, 1 KSH = ₹ 0.6353, 1 SGD = ₹ 43.7200, 1 GBP = ₹ 82.2275.
* Financial Information is based on Unaudited Results.

Shareholders' Referencer

AT A GLANCE

- Presently, the Company has around 3.2 million shareholders holding Equity Shares in the Company.
- The Company's Equity Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Global Depository Receipts (GDRs) of the Company are listed on the Luxembourg Stock Exchange and traded on International Order Book (London Stock Exchange) and also PORTAL System (NASD, USA).
- The Company's Equity Shares are most actively traded security on both BSE and NSE.
- The Company's Equity Shares are under compulsory trading in demat form only.
- 97.58% of the Company's Equity Shares are held in demat form.
- Karvy Computershare Private Limited (Karvy), Hyderabad, an ISO 9002 Certified Registrars and Transfer Agents, is the Registrars and Transfer Agents (R&TA) of the Company.

INVESTOR SERVICE AND GRIEVANCE HANDLING MECHANISM

All investor service matters are being handled by Karvy. Karvy, the largest Registrar in the country having a vast number of Investor Service Centres across the country, discharges investor service functions effectively, efficiently and expeditiously.

The Company has an established mechanism for investor service and grievance handling, with Karvy and the Compliance Officer appointed by the Company for this purpose, being the important functional nodes. The Company has appointed Internal Securities Auditors to concurrently audit the securities related transactions being handled at Karvy.

The Company has prescribed service standards for various investor related activities being handled by Karvy, which are covered in the section on 'Initiatives Taken by the Company'. These standards are periodically reviewed by the Company. Any deviation therefrom is examined by the Internal Securities Auditors.

COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS / INVESTORS

The following are the Company's recommendations to shareholders/investors:

Open Demat Account and Dematerialise your shares

Investors should convert their physical holdings of

securities into demat holdings. Holding securities in demat form helps investors to get immediate transfer of securities. No stamp duty is payable on transfer of shares held in demat form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided. More benefits and procedure involved in dematerialisation are covered later in this Referencer.

Consolidate Multiple Folios

Investors should consolidate their shareholding held in multiple folios. This would facilitate one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

Register NECS Mandate and furnish correct bank account particulars with Company/Depository Participant (DP)

Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company in case of shares held in physical form and to the DP in case of shares held in demat form.

Submit Nomination Form

Investors should register their nominations in case of physical shares with the Company and in case of dematerialised shares with their DP. Nomination would help the nominees to get the shares transmitted in their favour without any hassles. Investors must ensure that nomination made is in the prescribed Form and must be witnessed by two witnesses in order to be effective. The Form may be downloaded from the Company's website www.ril.com under the section "Investor Relations".

Deal with Registered Intermediaries

Investors should transact through a registered intermediary who is subject to regulatory discipline of SEBI, as it will be responsible for its activities, and in case the intermediary does not act professionally, investors may take up the matter with SEBI/Stock Exchanges.

Obtain documents relating to purchase and sale of securities

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of



execution of purchase or sale of securities and it should be ensured that the Contract Note/Confirmation Memo contains order number, order time, trade number, trade time, security descriptions, bought and sold quantity, price, brokerage, service tax and securities transaction tax. In case the investors have any doubt about the details contained in the contract note, they can avail the facility provided by BSE / NSE to verify the trades on BSE / NSE websites. It is recommended that this facility be availed in respect of a few trades on random basis, even if there is no doubt as to the authenticity of the trade/transaction.

Monitor holdings regularly

Demat account should not be kept dormant for long period of time. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. Where the investor is likely to be away for a long period of time and where the securities are held in electronic form, the investor can make a request to the DP to keep the account frozen so that there can be no debit to the account till the instruction for freezing the account is countermanded by the investor.

Transfer securities before Book Closure / Record Date

The corporate benefits on the securities lying in the clearing account of the brokers cannot be made available to the members directly by the Company. In case an investor has bought any securities, he must ensure that the securities are transferred to his demat account before the book closure / record date.

Opt for Corporate Benefits in Electronic Form

In case of non cash corporate benefits like split of shares / bonus shares, the holders of shares in physical form must opt to get the shares in electronic form by providing the details of demat account to the R&TA.

Register for SMS alert facility

Investors should register their mobile numbers with DPs for SMS alert facility. National Securities Depository Limited and Central Depository Services (India) Limited proactively inform the investors of transaction in the demat account by sending SMS. Investors will be informed about debits and credits to their demat account without having to call-up their DPs and investors need not wait for receiving Transaction Statements from DPs to know about the debits and credits.

Register e-mail address

To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Affairs,

to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their e-mail addresses with Karvy, if shares are held in physical mode or with their DP, if the holding is in electronic mode.

Exercise caution

There is likelihood of fraudulent transfers in case of folios with no movement or where the shareholder has either expired or is not residing at the address registered with the Company. Company / DP should be updated on any change of address or contact details. Similarly, information of death of shareholder should also be communicated.

Mode of Postage

Share certificates and high value dividend / interest warrants / cheques / demand drafts should not be sent by ordinary post. It is recommended that investors should send such instruments by registered post or courier.

Intimate mobile number

Intimate your mobile number and changes therein if any to Karvy, if shares are held in physical mode or to your DP if the holding is in electronic mode, to receive communications on corporate actions and other information of the Company.

CONCEPTS AND PROCEDURES FOR SECURITIES RELATED MATTERS

Dealing in Securities

The Company's Equity Shares are under compulsory trading in demat form only.

What are the types of accounts for dealing in securities in demat form?

Beneficial Owner Account (B.O. Account) / Demat Account: An account opened with a DP in the name of investor for the purpose of holding and transferring securities.

Trading Account: An account opened by the broker in the name of the investor for maintenance of transactions executed while buying and selling of securities.

Bank Account: A bank account in the name of the investor which is used for debiting or crediting money for trading in the securities market.

What is the Process of trading in Securities?

The normal course of trading in the Indian market context

is briefed below:

- Step 1.** Investor / trader decides to trade.
- Step 2.** Places order with a broker to buy / sell the required quantity of respective securities.
- Step 3.** Best priced order matches based on price-time priority.
- Step 4.** Order execution is electronically communicated to the broker's terminal.
- Step 5.** Trade confirmation slip issued to the investor / trader by the broker.
- Step 6.** Within 24 hours of trade execution, contract note is issued to the investor / trader by the broker.
- Step 7.** Pay-in of funds and securities before T+2 day.
- Step 8.** Pay-out of funds and securities on T+2 day.

In case of short or bad delivery of funds / securities, the exchange orders for an auction to settle the delivery.

If the securities could not be bought in the auction, the transaction is closed out as per SEBI guidelines.

What is Delivery Instruction Slip (DIS) and what precautions one needs to observe with respect to DIS?

To give delivery of the securities, one has to fill in a form called Delivery Instruction Slip (DIS). DIS may be compared to cheque book of a bank account. The following precautions are to be taken in respect of DIS:

- Ensure and insist with DP to issue DIS book.
- Ensure that DIS numbers are pre-printed and DP takes acknowledgment for the DIS booklet issued to the investor.
- Ensure that your account number [client id] is pre-stamped.
- If the account is a joint account, all the joint holders have to sign the instruction slips. Instruction cannot be executed if all joint holders have not signed.
- Avoid using loose slips.
- Do not leave signed blank DIS with anyone viz., broker/sub-broker, DPs or any other person/entity.
- Keep the DIS book under lock and key when not in use.
- If only one entry is made in the DIS book, strike out remaining space to prevent misuse.
- Personally fill in target account-id and all details in the DIS.
- If the DIS booklet is lost / stolen / not traceable, the same must be intimated to the DP, immediately, in

writing. On receipt of such intimation, the DP will cancel the unused DIS of the said booklet.

What is online trading in securities?

Online trading in securities refers to the facility available to an investor for placing his own orders using the internet trading platform offered by the trading member viz., the broker. The orders so placed by the investor using internet would be routed through the trading member.

What precautions an online investor must take?

Investor trading online must take the following precautions:

- Default password provided by the broker is changed before placing of order.
- The password is not shared with others and password is changed at periodic intervals.
- Proper understanding of the manner in which the online trading software has to be operated.
- Adequate training on usage of software.
- The online trading system has facility for order and trade confirmation after placing the orders.

What are the other safety measures an online client must observe?

- Avoid placing order from shared PCs / through cyber cafés.
- Log out after having finished trading to avoid misuse.
- Ensure that one does not click on "remember me" option while signing in from non-regular location.
- Do not leave the terminal unattended while one is "signed-in" to the trading system.
- Protect your personal computer against viruses by placing a firewall and an anti-virus solution.
- Do not open email attachments from people you do not know.

DIVIDEND

Payment of Dividend

Dividend is paid under three modes viz:

- (a) National Electronic Clearing Services (NECS)
- (b) National Electronic Fund Transfer (NEFT)
- (c) Physical dispatch of Dividend Warrant

Payment of dividend through National Electronic Clearing Service (NECS) facility

What is payment of dividend through NECS Facility and how does it operate?

NECS facility is a centralised version of ECS facility.



The NECS system takes advantage of the centralised accounting system in banks. Accordingly, the account of a bank that is submitting or receiving payment instructions is debited or credited centrally at Mumbai. The branches participating in NECS can, however, be located anywhere across the length and breadth of the country.

What is payment of dividend through NEFT Facility and how does it operate?

NEFT is a nation-wide payment system facilitating electronic transfer of funds from one account to another. Dividend payment through NEFT denotes payment of dividend electronically through RBI clearing to selected bank branches which have implemented Core Banking Solutions (CBS). This extends to all over the country, and is not necessarily restricted to the 91 designated centres where payment can be handled through ECS. To facilitate payment through NEFT, the shareholder is required to ensure that the bank branch where his/her account is operated, is under CBS and also records the particulars of the new bank account with the DP with whom the demat account is maintained.

What is payment of dividend through Direct Credit and how does it operate?

The Company will be appointing one bank as its Dividend banker for distribution of dividend. The said banker will carry out direct credit to those investors who are maintaining accounts with the said bank, provided the bank account details are registered with the DP for dematerialised shares and / or registered with the Company's R&TA prior to the payment of dividend for shares held in physical form.

What are the benefits of NECS (payment through electronic facilities)?

Some of the major benefits are :

- a. Investor need not make frequent visits to his bank for depositing the physical paper instruments.
- b. Prompt credit to the bank account of the investor through electronic clearing.
- c. Fraudulent encashment of warrants is avoided.
- d. Exposure to delays / loss in postal service avoided.
- e. As there can be no loss in transit of warrants, issue of duplicate warrants is avoided.

Which cities provide NECS Facility?

NECS has no restriction of centres or of any geographical

area inside the country. Presently 60,225 branches of 122 banks participate in NECS.

How to avail of NECS Facility?

Investors holding shares in physical form may send their NECS Mandate Form, duly filled in, to the Company's R&TA. The Form may be downloaded from the Company's website www.ril.com under the section "Investor Relations".

However, if shares are held in dematerialised form, NECS mandate has to be sent to the concerned DP directly, in the format prescribed by the DP.

Investors must note that NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.

In this regard, shareholders are requested to furnish the new bank account number allotted by the banks post implementation of CBS, along with a copy of cheque pertaining to the concerned account, to the R&TA of the Company in case the shareholders hold shares in physical form and to the concerned DP in case the shareholders hold shares in demat form.

In case the shareholders do not provide their new account number allotted after implementation of CBS, please note that NECS to the shareholders' old account may either be rejected or returned.

Why the Company cannot take on record bank details in case of dematerialised shares?

As per the Depository Regulations, the Company is obliged to pay dividend on dematerialised shares as per the bank account details furnished by the concerned Depository. Therefore, investors are requested to keep their bank particulars updated with their concerned DP.

Can investors opt out of NECS Facility?

Investors have a right to opt out from this mode of payment by giving an advance notice of four weeks, prior to payment of dividend, either to the Company's R&TA or to the concerned DP, as the case may be.

Course of Action in case of Non-receipt of Dividend, Revalidation of Dividend Warrant, etc.

What should a shareholder do in case of non-receipt of dividend?

Shareholders may write to the Company's R&TA, furnishing the particulars of the dividend not received, and quoting the folio number /DPID and Client ID particulars (in case of dematerialised shares). On expiry of the validity period, if the dividend warrant is still shown as unpaid in the records of the Company, duplicate warrant will be issued. The R&TA would request the concerned shareholder to execute an indemnity before issuing the duplicate warrant.

However, duplicate warrants will not be issued against those shares wherein a 'stop transfer indicator' has been instituted either by virtue of a complaint or by law, unless the procedure for releasing the same has been completed.

No duplicate warrant will be issued in respect of dividends which have remained unpaid / unclaimed for a period of seven years in the unpaid dividend account of the Company as they are required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government.

Why do the shareholders have to wait till the expiry of the validity period of the original warrant for issue of duplicate warrant?

Since the dividend warrants are payable at par at several centres across the country, banks do not accept 'stop payment' instructions. Hence, shareholders have to wait till the expiry of the validity of the original warrant for issue of duplicate warrant. Validity of Dividend warrant is three months from the date of issue of the warrant.

Unclaimed Shares

What are the Regulatory provisions and procedure governing unclaimed shares lying in physical form with the Company or its R&TA ?

As per amended Clause 5A of the Listing Agreement with the Stock Exchanges:

- In terms of sub-clause (I), for shares issued pursuant to a public issue or any other issue, which remain unclaimed and are lying in the escrow account, the Company, after complying with the procedure prescribed therein, shall credit the unclaimed shares to a demat suspense account opened by the Company with one of the depository participants, for this purpose.
- In terms of sub-clause (II), for shares issued in physical form pursuant to a public issue or any other

issue, which remain unclaimed, the Company, after complying with the procedure prescribed therein, shall transfer all such unclaimed shares into one folio in the name of "Unclaimed Suspense Account" and shall dematerialise such shares with one of the depository participants.

What is the status of compliance by the Company with regard to these provisions?

In terms of Clause 5A (I) and Clause 5A (II) of the Listing Agreement, details relating to unclaimed shares such as the aggregate number of shareholders along with number of unclaimed shares lying in the suspense accounts at the beginning of the year, number of shareholders who had approached the Company claiming the unclaimed shares, number of shareholders, to whom the said unclaimed shares were transferred from the suspense accounts during the year and the aggregate number of shareholders along with number of unclaimed shares lying in the suspense accounts at the end of the year, are published in the Corporate Governance Report.

UNCLAIMED / UNPAID DIVIDEND

What are the Statutory provisions governing unclaimed dividend?

With effect from October 31, 1998, any money transferred to the 'unpaid dividend account' of the Company and remaining unpaid or unclaimed for a period of 7 years from the date it becomes due, shall be transferred to the Investor Education and Protection Fund (IEPF). Investors are requested to note that no claims shall lie against the Company or IEPF for any moneys transferred to IEPF in accordance with the provisions of Section 205C of the Companies Act, 1956.

Where can the status of unclaimed dividend be verified?

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on June 07, 2012 (date of last Annual General Meeting) on the website of the Company (www.ril.com), as also on the Ministry of Corporate Affairs website which can be accessed by the shareholders.

What is the status of unclaimed and unpaid dividend for different years?

In view of the statutory provisions, as aforesaid, the status of unclaimed and unpaid dividend of the Company is captured in Chart 1 below:

**Chart 1: Status of unclaimed and unpaid dividend for different years:**

	Dividend upto 1994-95	Dividend for 1995-96 to 2004-05	Dividend for 2005-06 and thereafter
Transfer of unpaid dividend	Transferred to General Revenue account of the Central Government	Transferred to Central Government's Investor Education and Protection Fund (IEPF)	Will be transferred to IEPF on due date(s)
Claims for unpaid dividend	Can be claimed from ROC, Maharashtra*	Cannot be claimed	Can be claimed from the Company's R&TA within the time limits provided in Chart 2 given below

* Shareholders who have not encashed their dividend warrant(s) relating to one or more of the financial year(s) upto and including 1994-95 are requested to claim such dividend from the Registrar of Companies, Maharashtra, CGO Complex, 2nd Floor, "A Wing", CBD- Belapur, Navi Mumbai - 400 614. Telephone (091) (022) 2757 6802, in Form II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978.

Chart 2: Information in respect of unclaimed and unpaid dividends declared for 2005-06 and thereafter

Financial year ended	RIL		Erstwhile IPCL (Merged with RIL)	
	Date of declaration of dividend	Last date for claiming unpaid dividend	Date of declaration of dividend	Last date for claiming unpaid dividend
31.03.2006	27.06.2006	26.06.2013	25.05.2006	24.05.2013
31.03.2007 (Interim)	10.03.2007	08.03.2014	10.03.2007	08.03.2014
31.03.2008	12.06.2008	11.06.2015		
31.03.2009	07.10.2009	06.10.2016		
31.03.2010	18.06.2010	17.06.2017		
31.03.2011	03.06.2011	02.06.2018		
31.03.2012	07.06.2012	06.06.2019		

DEMATERIALIZATION / REMATERIALIZATION OF SHARES

What is Dematerialisation of shares?

Dematerialisation (Demat) is the process by which securities held in physical form are cancelled and destroyed and the ownership thereof is entered into and retained in a fungible form in a depository by way of electronic balances.

Why dematerialise shares? Trading in Compulsory Demat Form

SEBI has notified various companies whose shares shall be traded in demat form only. By virtue of such notification, the shares of the Company are also subject to compulsory trading only in demat form on the Stock Exchanges.

Benefits of Demat

- Elimination of bad deliveries
- Elimination of all risks associated with physical certificates
- No stamp duty on transfers
- Immediate transfer / trading of securities

- Faster settlement cycle
- Faster disbursement of non cash corporate benefits like rights, bonus, etc.
- SMS alert facility
- Lower brokerage is charged by many brokers for trading in dematerialised securities
- Periodic status reports and information available on internet
- Ease related to change of address of investor
- Elimination of problems related to transmission of demat shares
- Ease in portfolio monitoring
- Ease in pledging the shares

How to dematerialise shares?

The procedure for dematerialising shares is as under :

- Open Beneficiary Account with a DP registered with SEBI.
- Submit Demat Request Form (DRF) as given by the DP, duly signed by all the holders with the names and signatures in the same order as appearing in the

concerned certificate(s) and the Company records, along with the share certificate(s).

- Demat confirmations are required to be completed in 21 days as against 30 days (excluding time for despatch) for physical transfer. Service standards prescribed by the Company for completing demat is three days from the date of the receipt of requisite documents for the purpose.
- Receive a confirmation statement of holdings from the DP. Statement of holdings is sent by the DPs from time to time.

Can I dematerialize shares held jointly, in the same combination of names, but the sequence of names is different?

Depositories provide “Transposition cum Demat facility” to help joint holders to dematerialize securities in different sequence of names. For this purpose, DRF and Transposition Form should be submitted to the DP.

What is SMS alert facility?

NSDL and CDSL have launched SMS Alert facility for demat account holders whereby the investors can receive alerts for debits (transfers) in their demat accounts and for credits in respect of corporate actions for transfers, IPO and offer for sale. Under this facility, investors can receive alerts, a day after such debits (transfers) / credits take place. These alerts are sent to those account holders who have provided their mobile numbers to their DPs. Alerts for debits are sent, if the debits (transfers) are up to five ISINs in a day. In case debits (transfers) are for more than five ISINs, alerts are sent with a message that debits for more than five ISINs have taken place and that the investor can check the details with the DP.

What is rematerialisation of shares?

It is the process through which shares held in demat form are converted into physical form by issuance of share certificate(s).

What is the procedure for rematerialisation of shares?

- Shareholders should submit duly filled in Rematerialisation Request Form (RRF) to the concerned DP.
- DP intimates the relevant Depository of such requests.
- DP submits RRF to the Company's R&TA.
- Depository confirms rematerialisation request to the Company's R&TA.
- The Company's R&TA updates accounts and prints certificate(s) and informs the Depository.

- Depository updates the Beneficiary Account of the shareholder by deleting the shares so rematerialised.
- Share certificate(s) is despatched to the shareholder.

NOMINATION FACILITY

What is nomination facility and to whom is it more useful?

Section 109A of the Companies Act, 1956 provides the facility of nomination to shareholders. This facility is mainly useful for individuals holding shares in sole name. In the case of joint holding of shares by individuals, nomination will be effective only in the event of death of all joint holders.

What is the procedure for appointing a nominee?

Investors, especially those who are holding shares in single name, are advised to avail of the nomination facility by submitting the prescribed Form 2B to the Company's R&TA. Form 2B may be downloaded from the Company's website, www.ril.com under the section “Investor Relations”.

However, if shares are held in dematerialised form, nomination has to be registered with the concerned DP directly, as per the format prescribed by the DP.

Who can appoint a nominee and who can be appointed as a nominee?

Individual shareholders holding the shares / debentures in single name or joint names can appoint a nominee. In case of joint holding, joint holders together have to appoint the nominee. While an individual can be appointed as a nominee, a trust, society, body corporate, partnership firm, karta of HUF or a power of attorney holder cannot be appointed as a nominee(s). Minor(s) can, however, be appointed as a nominee.

Can a nomination once made be revoked / varied?

It is possible to revoke / vary a nomination once made. If nomination is made by joint holders, and one of the joint holders dies, the remaining joint holder(s) can make a fresh nomination by revoking the existing nomination.

Are the joint holders deemed to be nominees to the shares?

Joint holders are not nominees; they are joint holders of the relevant shares having joint rights on the same. In the event of death of any one of the joint holders, the surviving joint holder(s) of the shares is / are the only person(s) recognised under law as holder(s) of the shares. Joint holders may together appoint a nominee.

**Is nomination form required to be witnessed ?**

A nomination form must be witnessed by two witnesses.

What rights are conferred on the nominee and how can he exercise the same?

The nominee is entitled to all the rights of the deceased shareholder to the exclusion of all other persons. In the event of death of the shareholder, all the rights of the shareholder shall vest in the nominee. In case of joint holding, all the rights shall vest in the nominee only in the event of death of all the joint holders. The nominee is required to apply to the Company or to the DP as may be applicable by reporting death of the nominator along with the attested copy of the death certificate.

What are the rights of a nominee vis-a-vis legal heirs of the deceased shareholder?

As per the provisions of section 109A of the Companies Act, 1956 and as held by Hon'ble Delhi and Mumbai High Courts, the securities would vest on the nominee upon the death of the registered holder notwithstanding the rights of the legal heirs of the deceased.

TRANSFER / TRANSMISSION / TRANSPOSITION / DUPLICATE CERTIFICATES ETC.**What is the procedure for transfer of shares in favour of transferee(s)?**

Transferee(s) need to send share certificate(s) along with share transfer deed in the prescribed form 7B, duly filled in, executed and affixed with share transfer stamps, to the Company's R&TA. It takes about 7 days for the Company's R&TA to process the transfer, although the statutory time limit fixed for completing a transfer is 15 days under the Listing Agreement and two months under the Companies Act, 1956.

Is submission of Permanent Account Number (PAN) mandatory for transfer / transmission / transposition of shares in physical form?

SEBI has made it mandatory to furnish a copy of the PAN to the Company / R&TA in the following cases, viz., (a) for securities market transactions and off-market transactions involving transfer of shares in physical form; (b) Deletion of name of the deceased holder(s), where the shares are held in the name of two or more shareholders; (c) Transmission of shares to legal heir(s), where deceased shareholder was the sole holder of the shares; and (d) Transposition of shares - where there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

What should transferee (purchaser) do in case transfer form is returned with objections?

Transferee needs to immediately proceed to get the errors/ discrepancies corrected. Transferee needs to contact the transferor (seller) either directly or through his broker for rectification or replacement with good securities. After rectification or replacement of the securities, the same can be resubmitted for effecting transfer. In case the errors are non rectifiable, purchaser has recourse to the seller and his broker through the Stock Exchange to get back his money. However, in case of off-market transactions, matter should be settled with the seller only.

Can single holding of shares be converted into joint holdings or joint holdings into single holding? If yes, what is the procedure involved in doing the same?

Yes, conversion of single holding into joint holdings or joint holdings into single holding or transfer within the family members leads to a change in the pattern of ownership, and therefore, procedure for a normal transfer as mentioned above needs to be followed.

How to get shares registered which are received by way of gift? Does it attract stamp duty?

The procedure for registration of shares gifted (held in physical form) is same as the procedure for a normal transfer. The stamp duty payable for registration of gifted shares would be @ 25 paise for every ₹ 100 or part thereof, of the face value or the market value of the shares prevailing as on the date of the document, if any, conveying the gift or the date of execution of the transfer deed, whichever is higher. The procedure for registration of shares gifted (held in demat form) is the same as the procedure for transfer of shares in demat form in off-market mode.

What is the procedure for getting shares in the name of surviving shareholder(s), in case of joint holding, in the event of death of one shareholder?

The surviving shareholder(s) will have to submit a request letter supported by an attested copy of the death certificate of the deceased shareholder and accompanied by the relevant share certificate(s). The Company's R&TA, on receipt of the said documents and after due scrutiny, will delete the name of the deceased shareholder from its records and return the share certificate(s) to the surviving shareholder(s) with necessary endorsement.

If a shareholder who holds shares in his sole name dies without leaving a Will, how can his legal heir(s) claim the shares?

The legal heir(s) should obtain a Succession Certificate or

Letter of Administration with respect to the shares and send a true copy of the same, duly attested, along with a request letter, transmission form, and the share certificate(s) in original, to the Company's R&TA for transmission of the shares in his / their name(s). In case of electronic holdings these documents have to be submitted to the concerned DP.

In case of a deceased shareholder who held shares in his / her own name (single) and had left a Will, how do the legal heir(s) get the shares transmitted in their name(s)?

The legal heir(s) shall have to get the Will probated by the Court of competent jurisdiction and then send to the Company's R&TA a copy of the Will probated by the Court, along with relevant details of the shares, the relevant share certificate(s) in original and transmission form for transmission of the shares in his / their name(s). In case of electronic holdings these documents have to be submitted to the concerned DP.

How can the change in order of names (i.e. transposition) be effected?

Share certificates along with a request letter duly signed by all the joint holders may be sent to the Company's R&TA for change in order of names, known as 'transposition'. Transposition can be done only for the entire holdings under a folio and therefore, requests for transposition of part holding cannot be accepted by the Company / R&TA. For shares held in demat form, investors are advised to approach their DP concerned for transposition of the shares.

What is the procedure for obtaining duplicate share certificate(s) in case of loss / misplacement of original share certificate(s)?

Shareholders who have lost / misplaced share certificate(s) should inform the Company's R&TA, immediately about loss of share certificate(s), quoting their folio number and details of share certificate(s), if available.

The R&TA shall immediately mark a 'stop transfer' on the folio to prevent any further transfer of shares covered by the lost share certificate(s). It is recommended that the shareholders should lodge a FIR with the police regarding loss of share certificate(s).

They should send their request for duplicate share certificate(s) to the Company's R&TA and submit documents as required by the R&TA.

What is the procedure for splitting of a share certificate into smaller lots?

Shareholders may write to the Company's R&TA enclosing the relevant share certificate for splitting into smaller lots. The share certificates, after splitting, will be sent by the Company's R&TA to the shareholders at their registered address.

What is the procedure to get the certificates issued in various denominations consolidated into a single certificate?

Consolidation of share certificates helps in saving costs in the event of dematerialising shares and also provides convenience in holding the shares physically. Shareholders having certificates in various denominations under the same folio should send all the certificates to the Company's R&TA for consolidation of all the shares into a single certificate.

If the shares are not under the same folio but have the same order of names, the shareholder should write to the Company's R&TA for the prescribed form for consolidation of folios. This will help the investors to efficiently monitor the holding and the corporate benefits receivable thereon.

MISCELLANEOUS

Change of address

What is the procedure to get change of address registered in the Company's records?

Shareholders holding shares in physical form, may send a request letter, duly signed by all the holders, giving the new address along with Pin Code, to the Company's R&TA. Shareholders are also requested to quote their folio number and furnish proof of address such as attested copies of Ration Card / PAN Card / Passport / Latest Electricity or Telephone Bill / Lease Agreement, Aadhaar Card, etc. If shares are held in dematerialised form, information about change in address needs to be sent to the DP concerned.

Change of name

What is the procedure for registering change of name of shareholders?

Shareholders may request the Company's R&TA for effecting change of name in the share certificate(s) and records of the Company. Original share certificate(s) along with the supporting documents like marriage certificate, court order etc. should be enclosed. The Company's R&TA, after verification, will effect the change of name and send the share certificate(s) in the new name of the shareholders. Shareholders holding shares in demat form, may request the concerned DP in the format prescribed by DP.

Authority to another person to deal with shares

What is the procedure for authorising any other person to deal with the shares of the Company?

Shareholder needs to execute a Power of Attorney in favour of the concerned person and submit a notarised



copy of the same to the Company's R&TA. After scrutiny of the documents, the R&TA shall register the Power of Attorney and inform the shareholders concerned about the registration number of the same. Whenever a transaction is done by the Power of Attorney holder, this registration number should be quoted in the communication.

INITIATIVES TAKEN BY THE COMPANY

Setting new benchmarks in Investor Service

The service standards that have been set by the Company for various investor related transactions / activities are as follows :

(A) Registrations

Sl. No.	Particulars	Service Standards (No. of working days)
1	Transfers	4
2	Transmission	4
3	Transposition	4
4	Deletion of Name	3
5	Folio Consolidation	3
6	Change of Name	3
7	Demat	3
8	Remat	3
9	Issue of Duplicate Certificate	35
10	Replacement of Certificate	3
11	Certificate Consolidation	3
12	Certificate Split	3

(B) Correspondence

Sl. No.	Particulars	Service Standards (No. of working days)

Queries / Complaints

1	Non-receipt of Annual Reports	2
2	Non-receipt of Dividend Warrants	4
3	Non-receipt of Interest/ Redemption Warrants	4
4	Non-receipt of Certificate	2

Event Based

1	Allotment / call money	4
2	Others	2

Sl. No.	Particulars	Service Standards (No. of working days)
Requests		
1	Change of Address	2
2	Revalidation of Dividend Warrants	3
3	Revalidation of Redemption Warrants	3
4	Bank Mandate / Details	2
5	Nomination	2
6	Power of Attorney	2
7	Multiple Queries	4
8	IEPF Letters	3

Reminder Letters to Investors

The Company gives an opportunity by sending reminder letters to investors for claiming their outstanding dividend / interest amount which is due for transfer to Investor Education & Protection Fund.

Consolidation of Folios

The Company has initiated a unique investor servicing measure for consolidation of small holdings within the same household. In terms of this, those shareholders holding less than 10 shares (under a single folio) in the Company, within the same household, can send such shares for transfer along with transfer forms duly filled in and signed, free of cost; the stamp duty involved in such cases will be borne by the Company.

Scheme for disposal of 'Odd Lot' Equity Shares

At the Annual General Meeting of the Company held on June 26, 1998, our Founder Chairman Shri Dhirubhai H. Ambani, announced, for the benefit of small shareholders, a scheme for disposal of 'Odd Lot' shares (the Scheme) to facilitate such shareholders to realise the full market value without having to suffer a discount for odd lots.

In order to assist small shareholders in disposal of such odd lot shares held in physical form, the Company has formed a Trust known as 'Reliance Odd Lot Shares Trust' which will dispose off the odd lot shares on behalf of the shareholders.

The salient features of the Scheme in force from July 1, 1998, are as under :

- This Scheme is available to Indian national residents

in respect of any master folio having holdings up to 49 shares;

- The holders of Equity Shares in odd lot may avail of the Scheme by lodging duly filled in application form and a duly executed transfer deed along with the relevant share certificate(s);
- The odd lot shares offered under the Scheme are sold through designated brokers in the BSE / NSE;
- All costs of implementing the Scheme will be borne by the Company.

INFORMATION REGARDING TAX ON DIVIDEND AND SALE OF SHARES

The provisions relating to tax on dividend and sale of shares are provided for ready reference of Shareholders:

- No tax is payable by shareholders on dividend. However, the Company is required to pay dividend tax @ 15% and surcharge @10% (proposed in the Budget 2013-14) together with education cess @ 2% and higher education cess @ 1%;
- Short Term Capital Gains (STCG) tax is payable in case the shares are sold within 12 months from the date of purchase @ 15% in case of 'individuals' together with education cess @ 2% and higher education cess @ 1%; (Surcharge @ 10% proposed in the Budget 2013-14 for income exceeding ₹ 1 crore in the case of individuals also.)
- No Long Term Capital Gains (LTCG) tax is payable on sale of shares through a recognised stock exchange, provided Securities Transaction Tax (STT) has been paid and shares are sold after 12 months from the date of purchase. In any other case, lower of the following is payable as long term capital gain tax:
 - a) 20% of the capital gain computed after substituting 'cost of acquisition' with 'indexed cost of acquisition' together with education cess @ 2% and higher education cess @ 1% in the case of 'individuals'. (Surcharge @ 10% proposed in the Budget 2013-14 for income exceeding ₹ 1 crore in the case of individuals also.)
 - b) 10% of the capital gain computed before substituting 'cost of acquisition' with 'indexed cost of acquisition' together with education cess @ 2% and higher education cess @ 1% in the case of 'individuals'. (Surcharge @ 10% proposed in the Budget 2013-14 for income exceeding ₹ 1 crore in the case of individuals also.)

- STT is payable as under

NIL in the case of purchaser & @ 0.001% in the case of seller in respect of delivery based transaction (proposed in the Budget 2013-14, w.e.f. 1st June, 2013)

@ 0.017% by the seller in respect of Sale of an option in securities and @ 0.01% in the case of seller in respect of sale of futures in securities (proposed in the Budget 2013-14, w.e.f. 1st June, 2013)

@ 0.025% by the seller in respect of transactions in securities not being settled by actual delivery.

INVESTOR SERVICING AND GRIEVANCE REDRESSAL - EXTERNAL AGENCIES

Ministry of Corporate Affairs

Ministry of Corporate Affairs (MCA) e-Governance initiative christened as "MCA 21" on the MCA portal (www.mca.gov.in): One of the key benefits of this initiative includes timely redressal of investor grievances. MCA 21 system accepts complaints under the eForm prescribed, which has to be filed online.

The status of complaint can be viewed by quoting the Service Request Number (SRN) provided at the time of filing the complaint.

Securities and Exchange Board of India (SEBI)

SEBI, in its endeavour to protect the interest of investors, has provided a platform wherein the investors can lodge their grievances. This facility is available on the SEBI website (www.sebi.gov.in) under the Investor Guidance Section.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints. Online upload of Action Taken Reports (ATRs) by the concerned companies and Online viewing by investors of actions taken on the complaint and its current status.

All companies against whom complaints are pending on SCORES, will have to take necessary steps within 7 days of receipt of complaint through SCORES and resolve the complaint within 30 days of receipt of complaint and also keep the complainant duly informed of the action taken.

Stock Exchanges

National Stock Exchange of India Limited (NSE) - NSE has formed an Investor Grievance Cell (IGC) to redress investors' grievances electronically. The investors have to log on to the website of NSE i.e. www.nseindia.com and go to the link "Investors Service".



BSE Limited (BSE) - BSE provides an opportunity to the investors to file their complaints electronically through its website www.bseindia.com under the “Investor Grievances”.

Depositories

National Securities Depository Limited (NSDL) - In order to help its clients resolve their doubts, queries, complaints, NSDL has provided an opportunity wherein they can raise their queries by logging on to www.nsdl.co.in under the “Investors” section or an email can be marked mentioning the query to relations@nsdl.co.in.

Central Depository Services (India) Limited (CDSL) - Investors who wish to seek general information on depository services may mail their queries to investors@cdslindia.com. With respect to the complaints / grievances of the demat account holders relating to the services of the DP, mails may be addressed to complaints@cdslindia.com

Other Information

Permanent Account Number (PAN)

It has become mandatory to quote PAN before entering into any transaction in the securities market. The Income Tax Department of India has highlighted the importance of PAN on its website: www.incometaxindia.gov.in wherein lot of queries with respect to PAN have been replied to in the FAQ section.

Insider Trading

In order to prohibit insider trading and protect the rights of innocent investors, SEBI has enacted the SEBI (Prohibition of Insider Trading) Regulations, 1992. As per Regulation 13 of the said Regulations initial and continual disclosures are required to be made by investors as under:

Initial Disclosure

As per sub-regulation (1), any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form A, the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of: (a) the receipt of intimation of allotment of shares; or (b) the acquisition of shares or voting rights, as the case may be.

Continual Disclosure

As per sub-regulation (3), any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form C, the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under

this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the company.

E-voting

To widen the participation of shareholders in company decisions, the Securities and Exchange Board of India (SEBI) has directed top 500 listed companies to provide e-voting facility to their shareholders from October, 2012 onwards, in respect of those businesses which are transacted through postal ballot.

SHAREHOLDERS' GENERAL RIGHTS

- To receive not less than 21 days notice of general meetings unless consented for a shorter notice.
- To receive notice and forms for Postal Ballots in terms of the provisions of the Companies Act, 1956 and the concerned Rules issued thereunder.
- To receive copies of Balance Sheet and Statement of Profit and Loss along with all annexures / attachments (Generally known as Annual Report) not less than 21 days before the date of the annual general meeting unless consented for a shorter period.
- To participate and vote at general meetings either personally or through proxy (proxy can vote only in case of a poll).
- To receive dividends and other corporate benefits like bonus, rights etc. once approved.
- To demand poll on any resolution at a general meeting in accordance with the provisions of the Companies Act, 1956.
- To inspect statutory registers and documents as permitted under law.
- To require the Board of Directors to call an extraordinary general meeting in accordance with the provisions of the Companies Act, 1956.

DUTIES / RESPONSIBILITIES OF INVESTORS

- To remain abreast of corporate developments, company specific information and take informed investment decision(s).
- To be aware of relevant statutory provisions and ensure effective compliance therewith.
- To deal with only SEBI registered intermediaries while dealing in the securities.
- Not to indulge in fraudulent and unfair trading in securities nor to act upon any unpublished price sensitive information.
- To participate effectively in the proceedings of shareholders' meetings.
- To contribute to the Greener Environment and

accordingly register email addresses to enable the Company to send all documents / notices including Annual Reports electronically.

- To register nominations, which would help the nominees to get the shares transmitted in their favour without any hassles.
- To respond to communications seeking shareholders' approval through Postal Ballot.
- To respond to communications of SEBI / Depository / DP / Brokers / Sub-brokers / Other Intermediaries / Company, seeking investor feedback / comments.

DEALING IN SECURITIES MARKET

DO'S

- Transact only through Stock Exchanges.
- Deal only through SEBI registered intermediaries.
- Complete all the required formalities of opening an account properly (Client registration, Client agreement forms etc).
- Ask for and sign "Know Your Client Agreement".
- Read and properly understand the risks associated with investing in securities / derivatives before undertaking transactions.
- Assess the risk - return profile of the investment as well as the liquidity and safety aspects before making your investment decision.
- Ask all relevant questions and clear your doubts with your broker before transacting.
- Invest based on sound reasoning after taking into account all publicly available information and on fundamentals.
- Beware of the false promises and to note that there are no guaranteed returns on investments in the Stock Market.
- Give clear and unambiguous instructions to your broker / sub-broker / DP.
- Be vigilant in your transactions.
- Insist on a contract note for your transaction.
- Verify all details in the contract note, immediately on receipt.
- Always settle dues through the normal banking channels with the market intermediaries.
- Crosscheck details of your trade with details as available on the exchange website.
- Scrutinize minutely both the transaction and the holding statements that you receive from your DP.

- Keep copies of all your investment documentation.
- Handle DIS Book issued by DP's carefully.
- Insist that the DIS numbers are pre-printed and your account number (client id) be pre-stamped.
- In case you are not transacting frequently make use of the freezing facilities provided for your demat account.
- Pay the margins required to be paid in the time prescribed.
- Deliver the shares in case of sale or pay the money in case of purchase within the time prescribed.
- Participate and vote in general meetings either personally or through proxy.
- Be aware of your rights and responsibilities.
- In case of complaints, approach the right authorities for redressal in a timely manner.

DON'TS

- Don't undertake off-market transactions in securities.
- Don't deal with unregistered intermediaries.
- Don't fall prey to promises of unrealistic returns.
- Don't invest on the basis of hearsay and rumours; verify before investment.
- Don't forget to take note of risks involved in the investment.
- Don't be misled by rumours circulating in the market.
- Don't blindly follow media reports on corporate developments, as some of these could be misleading.
- Don't follow the herd or play on momentum - it could turn against you.
- Don't be misled by so called hot tips.
- Don't try to time the market.
- Don't hesitate to approach the proper authorities for redressal of your doubts / grievances.
- Don't leave signed blank DISs of your demat account lying around carelessly or with anyone.
- Do not sign blank DIS and keep them with DP or broker to save time. Remember your carelessness can be your peril.
- Do not keep any signed blank transfer deeds.

NOTE

The contents of this Referencer are for the purpose of general information. Readers are advised to refer to the relevant Acts / Rules / Regulations / Guidelines / Clarifications.



**Members
Feedback Form
2012-2013**

Name : e-mail id :

Address :

DP ID. :

Client ID. :

Folio No. :
(in case of physical holding)

No. of equity shares held :

Signature of member

		Excellent	Very Good	Good	Satisfactory	Unsatisfactory
Directors' Report and Management's Discussion and Analysis	Contents					
	Presentation					
Report on Corporate Governance	Contents					
	Presentation					
Shareholders' Referencer	Contents					
	Presentation					
Quality of Financial and non- financial information in the Annual Report	Contents					
	Presentation					
Information on Company's Website	Contents					
	Presentation					
INVESTOR SERVICES						
Turnaround time for response to shareholder query						
Quality of response						
Timely receipt of Annual Report						
Conduct of Annual General Meeting						
Timely receipt of dividend warrants / payment through ECS						
Promptness in confirming demat / remat requests						
Overall rating						

Views/Suggestions for improvement, if any

.....

.....



Members are requested to send this feedback form to the address given overleaf.

BUSINESS REPLY INLAND LETTER

Postage
will be
paid by the
Addressee

Business Reply Permit No.
MBI-S-1363
Nariman Point
Mumbai - 400 021

No postage
stamp
necessary if
posted in
INDIA

To,
Shri S. Sudhakar
Vice President - Corporate Secretarial
Reliance Industries Limited
Registered Office: 3rd Floor, Maker Chambers IV
222, Nariman Point
Mumbai 400 021

Fold



ATTENDANCE SLIP

Registered Office: 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting.

DP Id*	
--------	--

Master Folio No.	
------------------	--

Client Id*	
------------	--

No. of Shares	
---------------	--

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **39TH ANNUAL GENERAL MEETING** of the Company held on Thursday, June 6, 2013 at 11.00 a.m. at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.

Signature of Shareholder / proxy

* Applicable for investors holding shares in electronic form.

PROXY FORM

Registered Office: 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021.

DP Id*	
--------	--

Master Folio No.	
------------------	--

Client Id*	
------------	--

I/We.....ofbeing a member/members of Reliance Industries Limited hereby appoint.....ofor failing him/her.....ofas my/our proxy to vote for me/us and on my/our behalf at the **39th Annual General Meeting** of the Company to be held on Thursday, June 6, 2013 at 11.00 a.m. and at any adjournment thereof.

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Accounts, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		
3. Re-appointment of the following Directors retiring by rotation:		
a) Shri Mahesh P. Modi		
b) Dr. Dharam Vir Kapur		
c) Dr. Raghunath A. Mashelkar		
d) Shri Pawan Kumar Kapil		
4. Appointment of Auditors		
5. Commission to Non-Executive Directors		

Signed this..... day of 2013

Signature

Affix a
15 paise
Revenue
Stamp

* Applicable for investors holding shares in electronic form.
Please see the instructions overleaf

- NOTE: (1) **The proxy, to be valid, should be deposited at the Registered Office of the Company at 3rd Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021 not less than 48 hours before the time fixed for holding the meeting or adjourned meeting.**
- (2) **A Proxy need not be a member of the Company.**
- ** (3) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate. Should you so desire, you may also appoint the Chairman or the Company Secretary of the Company as your Proxy, who shall carry out your mandate as indicated above in the event of a poll being demanded at the meeting.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (5) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

Awards and Recognitions

RIL continues to receive recognition for industry leadership and excellence in its fields of operations. Some of the major awards and recognitions conferred during the year include:

Leadership

- Conferred the International Refiner of the Year 2013 Award at HART Energy's 27th World Refining & Fuel Conference
- Hazira Manufacturing Division won the "Mark of Excellence Award" at the IST Convention on Leadership Excellence organised by IGCL

Corporate Rankings and Ratings

- Received the appreciation plaque from ASSOCHAM for its CSR activities

Quality

- Dahej & Hazira Manufacturing Divisions won the Three Star (highest award) at ICQCC
- Received the IMC Ramkrishna Bajaj National Quality Award under the manufacturing category
- Hazira Manufacturing Division received the ASQ's International Team Excellence Award from American Society for Quality

Project

- Dahej Manufacturing Division received the best viewer's choice award for implementing a Six Sigma Project from the American Society for Quality
- Hazira Manufacturing Division received the Platinum Award for its Six Sigma Project from Concept Business Excellence
- Jamnagar Manufacturing Division won the QualTech Prize for Improvement (Manufacturing Process Excellence) from QIMPRO

Health, Safety and Environment

- Received the Management of Health, Safety & Environment Award from Indian Chemical Council
- Dahej Manufacturing Division was awarded the Golden Peacock Environment Management Award
- Hazira Manufacturing Division won the Golden Peacock Occupational Health & Safety Award
- Vadodara Manufacturing Division received the CII-Environment Best Practices Award
- KG-D6 operations received the International Safety Award with distinction from the British Safety Council
- Jamnagar Manufacturing Division received the Safety Innovation Award from Institution of Engineers, New Delhi for the 3rd consecutive year in a row

Energy & Water Conservation / Efficiency

- Jamnagar Manufacturing Division (DTA) refinery received the Jawaharlal Nehru Centenary Award from the Ministry of Petroleum & Natural Gas for being among the three refineries, which have achieved the lowest specific energy consumption among Indian refineries
- Jamnagar Manufacturing Division received an Innovative Project award from the Bureau of Energy Efficiency, Ministry of Power, Govt. of India
- Reliance Corporate IT Park, Navi Mumbai was adjudged by CII as a National Energy Efficient Unit in India

Technology, Patents, R&D and Innovation

- Hazira Manufacturing Division was awarded the Best Prax Prize for Innovation by QIMPRO

Corporate Social Responsibility

- Hazira Manufacturing Division, Reliance Community Care Centre, received a Trophy for work done under the National AIDS Control Program Phase III from Population Foundation of India
- Nagothane Manufacturing Division received the National Award for Innovative Training Practices for security training practices by Indian Society for Training & Development
- Dahej Manufacturing Division received the Greentech Gold Award for HR Excellence

Sustainability

- Hazira Manufacturing Division received the CII-ITC Sustainability Awards 2012 and the coveted Certificate of Commendation for Significant Achievement in the area of Sustainable Development

**GOLD
Winners**

Reliance Drishti

Art Competition 2012

Topic: My favourite Indian festival



Saarani Goswami
(Age Group: 11-13 years)



Anagha Gopakumar
(Age Group: 11-13 years)



Anthony D'souza
(Age Group: 11-13 years)



Archana Prasad
(Age Group: 11-13 years)



Tanya Bhatia
(Age Group: 11-13 years)



Viveka Billa
(Age Group: 11-13 years)



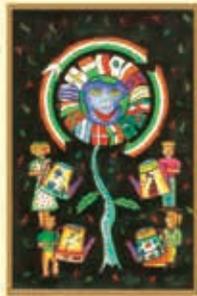
Yug Patel
(Age Group: 8-10 years)



Arpit Damor
(Age Group: 8-10 years)



Sreesh T V
(Age Group: 11-13 years)



Yax Jasani
(Age Group: 11-13 years)



Rajanika Debnath
(Age Group: 11-13 years)



Akshata A. Patil
(Age Group: 11-13 years)



Prajwal Ghatol
(Age Group: 8-10 years)



Himang K. Patel
(Age Group: 11-13 years)



Vaidik R. Patel
(Age Group: 11-13 years)

