

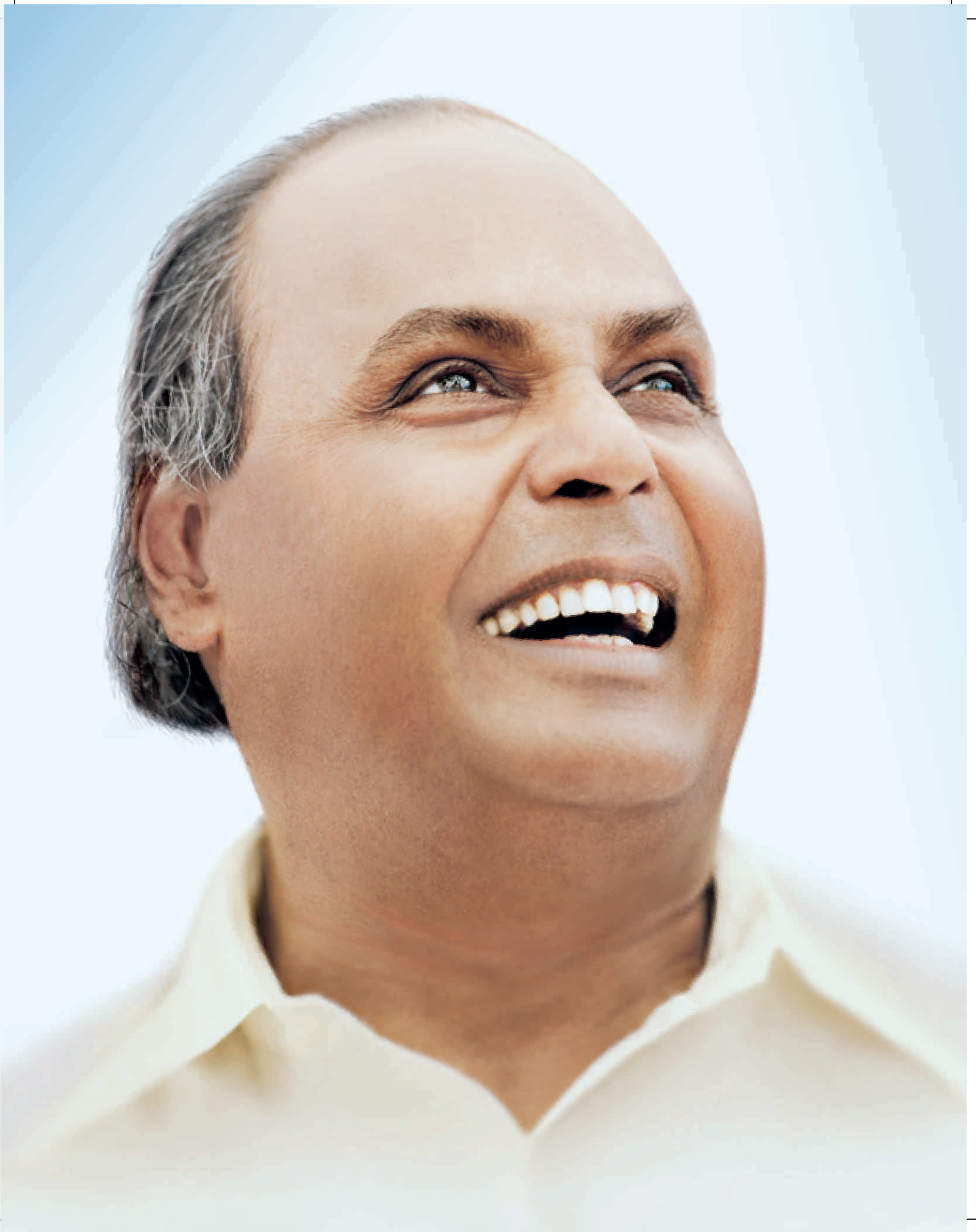
Annual Report 2008-2009


Reliance
Industries Limited
Growth is Life



“Enhancing Lives. Energising India.
The Reliance Way”





The life cycle of a human being
comprises birth, growth and regeneration before the inevitable.
While birth and rest are God's gifts
Regeneration and renewal need human intervention.

To truly nurture life,
we need rapid growth based on bold and innovative thinking
Such growth comes from envisioning a grand future
And, then moving towards it with firm, steady and rapid steps.

Moving in such a direction has always been The Reliance Way –
a code of conduct, which aims at enriching the present
while embracing the challenges of the future.

Our Founder Chairman Shri Dhirubhai Ambani
saw it as his divine dharma and so he first conceived a grand vision for India
in which we were no longer limited in terms of scale or ability.

He then taught us how to work such that we could achieve his ambitious goals.

The results were swift and evident and their rewards were shared
with millions of shareholders who bought into his dreams.

It is a legacy taken forward by our Chairman, Shri Mukesh D. Ambani
His energy and missionary zeal has guided our push to becoming
one of the world's largest energy majors.

Drilling in uncharted waters under hostile weather conditions,
Reliance has opened a new chapter in India's energy security.
The first flow of crude oil and gas from Krishna-Godavari basin
is a major milestone for India in its march towards energy security.

In the process, we are creating unprecedented value for you our
stakeholders, an integral part of our circle of prosperity.

And that is how it will always be as we stay true to our vision:

Enhancing Lives and Energising India.
The Reliance Way.



Letter to Shareholders

Dear Fellow Shareowners,

This has been a truly transformational year at Reliance Industries (RIL). The successful commissioning of the KG-D6 oil and gas production fields and the safe start-up of the world-class, complex refinery in the Special Economic Zone at Jamnagar catapults RIL into the league of integrated energy companies globally. RIL is now among the ten largest non-state owned refining companies and one of the largest deepwater oil and gas operators in the world.

Through these path-breaking initiatives, RIL is set to radically change India's energy landscape. Gas production from KG-D6 will double India's indigenous production while the new refinery will make India a major supplier of 'green-fuels' to the world. The emergence of a reliable, eco-friendly energy source will enable India to take giant strides towards ensuring its energy security and fuelling growth in core sectors like fertilizer, power and transportation. It will also help India conserve precious foreign exchange reserves and reduce the subsidy burden for the Government. This is our contribution towards energising India's growth and its sustainable development in the future.

Over the years, our initiatives have enabled the enrichment of millions of lives in India. RIL's hydrocarbon initiatives have further extended our basic philosophy of 'share and prosper'. The vastly increased availability of natural gas will help our farmers access reliable power and cheaper fertilisers. Assured availability of gas will ensure sustainable livelihood for millions of workers engaged in sectors that depend on natural gas as a feedstock. Through enhanced hydrocarbon availability, we will enable easy availability of cooking gas for households, electricity for the common man and meet growing transportation needs in an eco-friendly manner.

We had committed to reward our shareholders on the successful completion of our two world class projects. The Board of Directors of RIL have proposed the issue of bonus shares in the ratio of one equity share for every one equity share held in the Company. The Board also declared dividend of Rs 13 per share for the financial year 2008-09. Both the bonus shares and dividend will also accrue to the shareholders of erstwhile Reliance Petroleum Limited which has been amalgamated recently with the Company.

The year 2008-09 was undoubtedly one of the most challenging periods in recent history. The credit crisis, heightened volatility

in commodity prices and an economic meltdown led to unprecedented turbulence that impacted individuals and businesses alike the world over. Emerging economies of Asia led by India and China provided the much needed support by cushioning the impact of global slowdown and are seen to be best positioned for early recovery.

Your Company responded to these challenges in a timely manner and delivered record revenues and net profits. We focused on improving efficiency, leveraging on the quality of our assets and remaining nimble. This reflects the strength of our business model, robustness of our systems and processes, farsighted planning, meticulous execution and above all, our indomitable will to succeed.

While staying focused on our long-term strategy, we have remained committed to protecting our employees, ensuring their safety, supporting local communities and safeguarding the environment. As a responsible corporate citizen, RIL has chosen to refrain from reacting to the propaganda in the national media with regards to the KG-D6 gas court case. We would like to assure all our stakeholders that our objective is to act in a manner that is fully in consonance with our respect for the law and is protective of the national interests.

Looking forward, we see exciting opportunities for growth in the energy sector. The global economy is showing signs of revival and the response to stimulus from leading nations has thus far been encouraging. Growth is likely to be led by emerging economies of Asia, like India and China. The world is expected to need about 50% more energy in 2030 than it does today. The ongoing evolution in environment concerns will necessitate thrust on 'green fuels', which

will further enhance the strength of modern energy companies like RIL.

At RIL, we have always invested aggressively into businesses of the future. Our recent investments in the oil and gas and refining businesses have created a strong growth platform. These can now be leveraged to take the giant leap forward. In preparation for the next phase of growth, we are focussed on strengthening internal processes and controls, streamlining operations, developing strong leadership and a performance culture to ensure sustainable, superior growth. RIL is on its way to becoming a competitive, integrated, global energy company. Conservative financial management and strong operating expertise will ensure that we maximize value for all our stakeholders in a consistent manner.

I take this opportunity to warmly welcome RPL shareholders into the RIL family, which now comprises around 3.5 million shareowners and is among the largest family of shareholders anywhere in the world.

I am grateful to the Board of Directors for their unwavering support and guidance. I would also like to express my gratitude to all our stakeholders, who have reposed their trust in us and given us their constant support.

With best wishes,
Sincerely,



Mukesh D. Ambani
Chairman & Managing Director

October 7, 2009

“Through these path-breaking initiatives, RIL is set to radically change India’s energy landscape. Gas production from KG-D6 will double India’s indigenous production while the new refinery will make India a major supplier of ‘green-fuels’ to the world.”





HIGHLIGHTS

Turnover	:	Rs 1,46,328 crore (\$ 28,850 million)
PBDIT	:	Rs 25,743 crore (\$ 5,076 million)
Cash Profit	:	Rs 22,365 crore (\$ 4,410 million)
Net Profit	:	Rs 15,309 crore (\$ 3,018 million)
Net Profit (excl. exceptional item)	:	Rs 15,637 crore (\$ 3,083 million)
Net Profit 5 years CAGR	:	25 %
Total Assets	:	Rs. 2,45,706 crore (\$ 48,444 million)

Significant contribution to India's economic growth

- 10.4 % of India's total exports
- 2.9 % of the Government of India's indirect tax exports
- 6.1 % of the total market capitalisation in India
- Weightage of 13.6 % in the BSE Sensex
- Weightage of 11.1 % in the S&P CNX Nifty Index

Growing importance across the globe

- Largest refining capacity at any single location
- Largest producer of Polyester Fibre and Yarn
- 4th largest producer of Polypropylene (PP) and Paraxylene (PX)
- 6th Largest producer of Purified Terephthalic Acid (PTA)
- 7th largest producer of Mono Ethylene Glycol (MEG)












THE BOARD OF DIRECTORS OF RELIANCE INDUSTRIES LIMITED

Standing from left to right: Shri P.M.S. Prasad, Dr. Raghunath Anant Mashelkar, Prof. Dipak C. Jain, Shri Nikhil R. Meswani, Dr. Dharam Vir Kapur, Shri Rammiklal H. Ambani, Shri Mansingh L. Bhakta, Shri Mukesh D. Ambani, Shri Yogendra P. Trivedi, Shri Mahesh P. Modi, Shri Hital R. Meswani, Shri Hardev Singh Kohli, Prof. Ashok Misra and Shri R. Ravimohan.

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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	
Polymers			
Repol	Polypropylene (PP)		Woven sacks for cement, food-grain, sugar, fertiliser; leno bags for fruits & vegetables, TQ & BOPP films and containers for packaging textiles, processed food, FMCG, office stationery; components for automobile and consumer durables, moulded furniture, luggage, houseware, geo-textiles & fibres for non-woven textiles.
Relene	Polyethylene (HDPE, LLDPE & LDPE)		Woven sacks, raschel bags for fruits & vegetables, containers for packaging edible oil, processed food, FMCG, lubricants, detergents, chemicals, pesticides, industrial crates & containers, carrier bags, houseware, ropes & twines, pipes for water supply, irrigation, process industry & telecom; films for packaging milk, edible oil, salt, processed food, roto-moulded containers for storage of water, chemical storage and general purpose tanks, protective films and pipes for agriculture, cable sheathing, lids & caps, master batches.
	Ethylene Vinyl Acetate Copolymer (EVA)		Footwear & hotmelt adhesives
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.
	Poly-Olefin (HDPE & PP) Pipes		Irrigation, water supply, drainage, industrial effluents, telecom cable ducts & gas distribution.
Cisamer	Poly Butadiene Rubber (PBR)		Tyres, tread rubber, conveyor belts, footwear, sports goods, automotive components, rollers, mechanical goods & dock fenders
Chemicals			
Relab	Linear Alkyl Benzene (LAB)		Detergents















Business/ Brand	Product	Brand	End Uses
Fibre Intermediates	Paraxylene (PX)		Raw material for PTA
	Purified Terephthalic Acid (PTA)		Raw material for polyester
	Mono Ethylene Glycol (MEG)		Raw material for polyester

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)
Recron Certified	Quality Certified Sleep Products	Recron^{certified}	Pillows, cushions & 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 Micelle	Bi-component filament yarns	Recron Micelle	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
Recron Spunlace	Speciality polyester fibres	Recron Spunlace	High quality non-woven products for the healthcare & hygiene industry

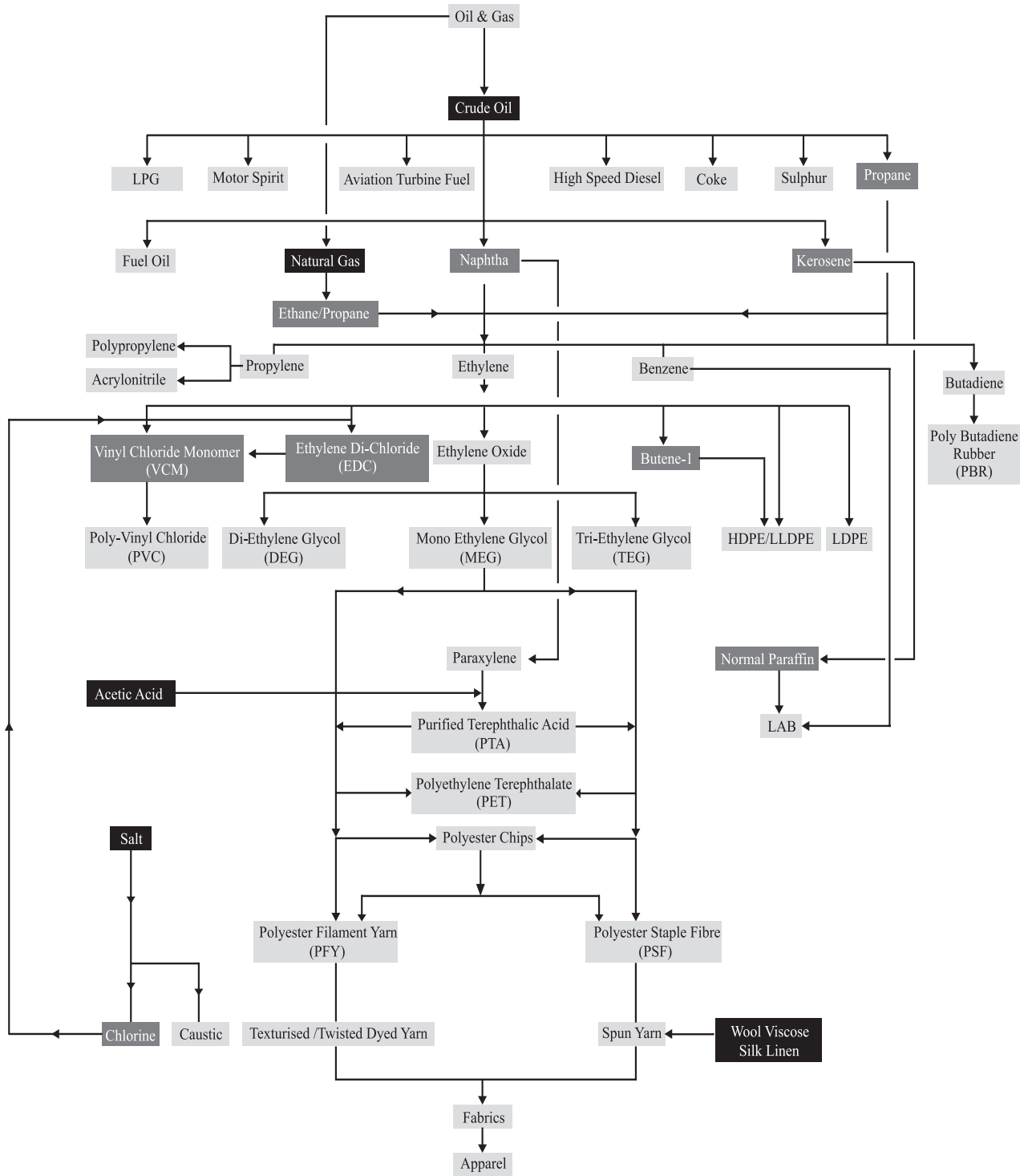
Business/ Brand	Product	Brand	End Uses
Polyester			
Recron Swarang	Pre-coloured yarns based on chromophores-molecular technology	Recron Swarang	Apparel, home textiles & institutional products requiring high washing, sublimation & rubbing colour fastness.
Recron FR	Flame retardant Fibres & Yarns	RecronFR	Institutional textiles for hospitality, entertainment, transport, safety etc. Also used in home textiles, fill & comfort products.
Relpet	Polyethylene Terephthalate (PET)	relpet	Packaged-water, beverages, confectionary, pharmaceutical, agro-chemical and food products

Textiles			
Vimal	Suitings, Shirts, 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
	Electronics Specialty Store		Computers, mobiles, entertainment, gaming merchandise
	Exclusive Apple Store		Range of Apple products like IPod and IMac
	Apparel Specialty		Men, ladies, children clothing and accessories
	Health, Wellness & Pharma Specialty Store		Pharma, opticals, natural remedies, nutrition, fitness, skin and personal care merchandise
	Footwear Specialty Store		Men, ladies, children footwear, sports, handbags and accessories

Business/ Brand	Product	Brand	End Uses
	Jewellery Specialty Store	 Jewellery specialty store	Fine jewellery
	Books, Music, Toys & Gifts Specialty Store	 Books, Music, Toys, Gifts	Books, music, stationery, toys and gifting merchandise
	Kitchen Solutions Specialty Store		Multiple modern kitchen design solutions
	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
	Transportation fuels		
	Fleet Management Services		
	Highway Hospitality Services		
	Vehicle Care Services		
	Convenience Shopping		
	Foods		
	Auto LPG		
GAPCO	Petroleum Retail		
	Lubricants		

Product Flow Chart



Existing products

Purchased raw materials

Partly purchased raw materials

Company Information

Board of Directors

Chairman & Managing Director

Mukesh D. Ambani

Executive Directors

Nikhil R. Meswani
Hital R. Meswani
Hardev Singh Kohli
PMS Prasad¹
R Ravimohan²

Non Executive Directors

Ramniklal H. Ambani
Mansingh L. Bhakta
Yogendra P. Trivedi
Dr. Dharam Vir Kapur
Mahesh P. Modi
S. Venkitaramanan³
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. Raghunath A. Mashelkar

Company Secretary

Vinod M. Ambani

Solicitors & Advocates

Kanga & Co.

Auditors

Chaturvedi & Shah,
Deloitte, Haskins & Sells
Rajendra & Co.

¹w.e.f. August 21, 2009

²w.e.f. September 1, 2009

³up to July 24, 2009

⁴up to August 21, 2009

Board Committees

Audit Committee

Yogendra P. Trivedi
(Chairman)
S. Venkitaramanan³
Mahesh P. Modi
Dr. Raghunath A.
Mashelkar¹
R Ravimohan¹

Corporate Governance and Stakeholders' Interface Committee

Yogendra P. Trivedi
(Chairman)
Mahesh P. Modi
Dr. Dharam Vir Kapur

Employees Stock Compensation Committee

Yogendra P. Trivedi
(Chairman)
Mukesh D. Ambani
Mahesh P. Modi
Prof. Dipak C. Jain

Finance Committee

Mukesh D. Ambani
(Chairman)
Nikhil R. Meswani
Hital R. Meswani

Health, Safety & Environment Committee

Hital R. Meswani
Dr. Dharam Vir Kapur
Hardev Singh Kohli

Remuneration Committee

Mansingh L. Bhakta
(Chairman)
Yogendra P. Trivedi
S. Venkitaramanan³
Dr. Dharam Vir Kapur

Shareholders'/Investors' Grievance Committee

Mansingh L. Bhakta
(Chairman)
Yogendra P. Trivedi
Mukesh D. Ambani⁴
Nikhil R. Meswani
Hital R. Meswani

Bankers

ABN Amro
Allahabad Bank
Andhra Bank
Bank of America
Bank of Baroda
Bank of India
Bank of Maharashtra
Calyon Bank

Canara Bank
Central Bank of India
Citibank N.A
Corporation Bank
Deutsche Bank
The Hong Kong and
Shanghai Banking
Corporation Limited

HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
Indian Bank
Indian Overseas Bank
Oriental Bank of
Commerce
Punjab National Bank

Standard Chartered Bank
State Bank of Hyderabad
State Bank of India
State Bank of Patiala
Syndicate Bank
UCO Bank
Union Bank of India
Vijaya Bank

Major Manufacturing Divisions

Dahej

P. O. Dahej,
Bharuch - 392 130
Gujarat, India

Jamnagar

Village Meghpar / Padana,
Taluka Lalpur
Jamnagar 361 280
Gujarat, India

Hazira

Village Mora, Bhatha
P.O.Surat-Hazira Road
Surat 394 510,
Gujarat, India

Jamnagar SEZ

Village Meghpar / Padana,
Taluka Lalpur
Jamnagar 361 280
Gujarat, India

Nagothane

P. O. Petrochemicals
Township, Nagothane
Raigad - 402 125,
Maharashtra, India

Naroda

103/106, Naroda Industrial
Estate, Naroda,
Ahmedabad 382 320
Gujarat, India

Patalganga

B-4, Industrial Area,
Patalganga, Near Panvel,
Dist. Raigad 410 207
Maharashtra, India

Vadodara

P. O. Petrochemicals
Vadodara - 391 346,
Gujarat, India

Registered Office

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

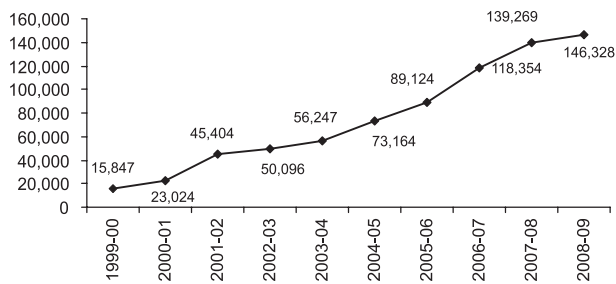
Registrars & Transfer Agents

Karvy Computershare Private Limited, 46, Avenue 4,
Street No.1, Banjara Hills, Hyderabad 500 034, India
Tel: +91 40 2332 0666, 2332 0711, 2332 3031, 2332 3037
Toll Free No. 1800 425 8998 Fax: +91 40 2332 3058
e-mail: rilinvestor@karvy.com Website : www.karvy.com

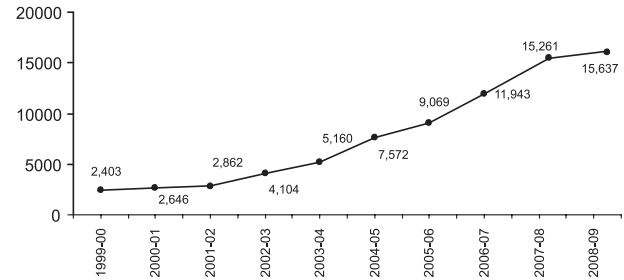
**35th Annual General Meeting on Tuesday, November 17, 2009 at 11.00 a.m.
at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai 400 020.**

10 Years Trend

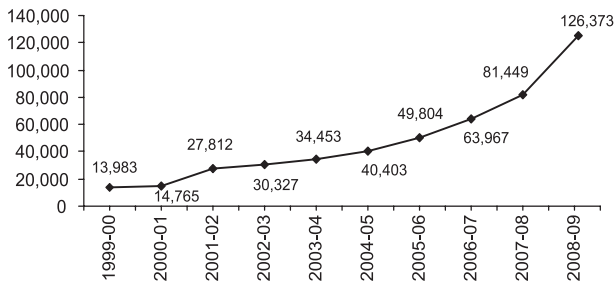
Turnover (Rs. crore)



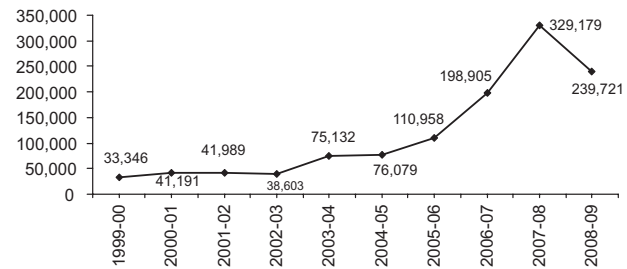
Profit After Tax (Rs. crore)
(Excluding Exceptional Item)



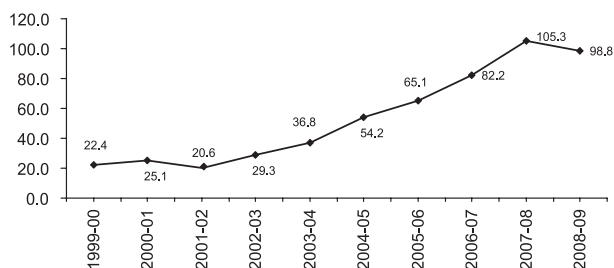
Net Worth (Rs. crore)



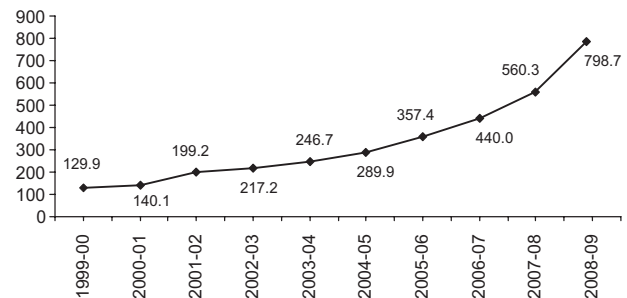
Market Capitalisation (Rs. crore)



Earnings Per Share (Rs.)
(Excluding Exceptional Item)



Book Value Per Share (Rs.)



Financial Highlights

	2008-09		07-08	06-07	05-06	04-05	03-04	02-03	01-02	00-01	99-00
	\$ Mn										
Turnover	28,850	146,328	139,269	118,354	89,124	73,164	56,247	50,096	45,404	23,024	15,847
Total Income	29,256	148,388	144,898	118,832	89,807	74,614	57,385	51,097	46,186	23,407	16,534
Earnings Before Depreciation, Interest and Tax (EBDIT)	5,003	25,374	28,935	20,525	14,982	14,261	10,983	9,366	8,658	5,562	4,746
Depreciation	1,024	5,195	4,847	4,815	3,401	3,724	3,247	2,837	2,816	1,565	1,278
Exceptional Items	(73)	(370)	4,733	-	-	-	-	-	412	-	-
Profit After Tax	3,018	15,309	19,458	11,943	9,069	7,572	5,160	4,104	3,243	2,646	2,403
Equity Dividend %		130	130	110	100	75	52.5	50	47.5	42.5	40
Dividend Payout	374	1,897	1,631	1,440	1,393	1,045	733	698	663	448	385
Equity Share Capital	310	1,574	1,454	1,393	1,393	1,393	1,396	1,396	1,054	1,053	1,053
Equity Share Suspense Account	14	69	-	60	-	-	-	-	342	-	-
Equity Share Warrants	-	-	1,682	-	-	-	-	-	-	-	-
Reserves and Surplus	24,592	124,730	78,313	62,514	48,411	39,010	33,057	28,931	26,416	13,712	12,636
Net Worth	24,916	126,373	81,449	63,967	49,804	40,403	34,453	30,327	27,812	14,765	13,983
Gross Fixed Assets	43,114	218,673	127,235	107,061	91,928	59,955	56,860	52,547	48,261	25,868	24,662
Net Fixed Assets	33,396	169,387	84,889	71,189	62,675	35,082	35,146	34,086	33,184	14,027	15,448
Total Assets	48,444	245,706	149,792	117,353	93,095	80,586	71,157	63,737	56,485	29,875	29,369
Market Capitalisation	47,264	239,721	329,179	198,905	110,958	76,079	75,132	38,603	41,989	41,191	33,346
Number of Employees		24,679	25,487	24,696	12,540	12,113	11,358	12,915	12,864	15,083	15,912
Contribution to National Exchequer	2,282	11,574	13,696	15,344	15,950	13,972	12,903	13,210	10,470	4,277	3,719

Key Indicators

	\$	2008-09	07-08	06-07	05-06	04-05	03-04	02-03	01-02	00-01	99-00
Earnings Per Share - Rs. [Excluding Exceptional item]	1.9	98.8	105.3	82.2	65.1	54.2	36.8	29.3	20.6	25.1	22.4
Turnover Per Share - Rs.	18.2	924.9	958.1	814.2	639.6	525.0	402.8	358.8	325.2	218.5	150.4
Book Value Per Share - Rs.	15.8	798.7	560.3	440.0	357.4	289.9	246.7	217.2	199.2	140.1	129.9
Debt : Equity Ratio	0.63:1	0.63:1	0.45:1	0.44:1	0.44:1	0.46:1	0.56:1	0.60:1	0.64:1	0.72:1	0.82:1
EBDIT / Gross Turnover %	17.3	17.3	20.8	17.3	16.8	19.5	19.5	18.7	19.1	26.8	30.6
Net Profit Margin %	10.5	10.5	14.0	10.1	10.2	10.3	9.2	8.2	7.1	12.8	15.5
RONW % *	21.6	21.6	28.8	23.5	22.7	21.9	17.0	14.8	16.1	20.0	21.8
ROCE % *	20.3	20.3	20.3	20.5	20.5	21.3	14.0	13.2	15.3	20.4	20.0

In this Annual Report \$ denotes US\$

1US\$ = Rs. 50.72 (Exchange rate as on 31.03.2009)

* Adjusted for CWIP and revaluation

Notice

Notice is hereby given that the Thirty-fifth Annual General Meeting of the Members of Reliance Industries Limited will be held on Tuesday, November 17, 2009 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, 2009, the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint Directors in place of those retiring by rotation.
3. 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, M/s. Deloitte Haskins and Sells, Chartered Accountants, and M/s. Rajendra & Co., Chartered Accountants, 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 :

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to applicable provisions of the Companies Act, 1956, Article 197 of the Articles of Association of the Company and in accordance with the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulations") and subject to such other necessary approvals, permissions and sanctions, as may be required and subject to such terms and modifications as may be specified while according such approvals, the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including powers conferred by this resolution), be and is hereby authorized to capitalize a sum not exceeding Rs. 1669,73,75,840/- out of the Company's Capital Redemption Reserve Account / Securities

Premium Account / General Reserve Account or such other accounts as are permissible to be utilized for the purpose, as per the audited accounts of the Company for the financial year ended March 31, 2009 and that the said amount be transferred to the Share Capital Account and be applied for issue and allotment of equity shares not exceeding 166,97,37,584 equity shares of Rs.10 each as bonus shares credited as fully paid up, to the eligible members of the Company holding equity shares of Rs.10 each whose names appear on the Company's Register of Members on such date ("Record Date") as the Board may determine, in the proportion of one new fully paid equity share of Rs.10 for every one equity share of Rs.10 held as on the Record Date and that the new bonus shares so issued and allotted shall be treated for all purposes as an increase of the nominal amount of the equity capital of the Company held by each such member and not as income.

RESOLVED FURTHER THAT pursuant to the Securities and Exchange Board of India (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and consequent to the issue of bonus shares, the Board be and is hereby authorized to make fair and reasonable adjustment in the price and number of shares to be issued against stock options, whether granted or to be granted, under the Employee Stock Option Scheme of the Company.

RESOLVED FURTHER THAT:

- (a) the new equity shares of Rs.10 each to be issued and allotted as bonus shares shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing fully paid up equity shares of the Company;
- (b) the share certificates for bonus shares be delivered to the shareholders who hold the existing equity shares in physical form and the respective beneficiary accounts be credited with the bonus shares, for such shareholders who hold the existing equity shares or opt to receive the bonus shares, in dematerialized form, within the prescribed period.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the bonus shares so allotted on the Stock Exchanges where the securities of the Company are

listed as per the provisions of the Listing Agreements with the Stock Exchanges concerned, the Regulations and other applicable laws and regulations.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of the bonus shares without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution."

5. To re-appoint Shri Hital R. Meswani as a Wholetime Director designated as Executive Director 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 in accordance with the provisions of Sections 198, 269, 309 and 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the re-appointment of Shri Hital R. Meswani as a Wholetime Director designated as Executive Director of the Company, for a period of 5 (five) years with effect from August 4, 2010, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

6. To appoint Shri PMS Prasad as a Director liable to retire by rotation and also a Wholetime Director designated as Executive Director 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 in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Shri PMS Prasad, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 135 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the appointment of Shri PMS Prasad as a Wholetime Director designated as Executive Director of the Company, for a period of 5 (five) years with effect from August 21, 2009 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

7. To appoint Shri R Ravimohan as a Director liable to retire by rotation and also a Wholetime Director designated as Executive Director 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 in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, Shri R Ravimohan, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 135 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Company be and is hereby accorded to the appointment of Shri R Ravimohan as a Wholetime Director designated as Executive Director of the Company, for a period of 5 (five) years with effect from September 1, 2009 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board of Directors

Vinod M. Ambani
 President and Company Secretary
 October 7, 2009
 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 Hardev Singh Kohli, Shri Yogendra P. Trivedi, Prof. Dipak C. Jain and Shri Mansingh L. Bhakta, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors of the Company commends their respective re-appointments.
4. Brief resume of all Directors including those proposed to be 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. The Register of Members and Share Transfer Books of the Company shall remain closed on Wednesday, October 21, 2009 for determining the shareholders entitlement for dividend declared by the Board of Directors.
10. 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, 1996-97, 1997-98, 1998-99, 1999-2000, 2000-01 and 2001-02 to the **Investor Education and Protection Fund** (the IEPF) established by the Central Government.
11. 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.
12. 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.
13. **Members are advised to refer to the Shareholders' Referencer provided in the Annual Report.**
14. **Members are requested to fill in and send the Feedback Form provided in the Annual Report.**

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 in the accompanying Notice:

Item No. 4

Members are aware that the Company has successfully commissioned two of its largest global scale projects in the energy sector viz, the Refinery and the KG-D6 projects. In keeping with the Company's tradition of rewarding shareholders on a sustained basis at the end

of a value creation cycle, the Board of Directors of the Company ("the Board") at its meeting held on October 7, 2009 has recommended issue of bonus shares in the ratio of 1:1 i.e. one new fully paid up equity share of Rs. 10/- each for every one fully paid up equity share of Rs. 10/- each, to the eligible members of the Company as on the Record Date to be fixed by the Board for this purpose.

The bonus shares shall be issued pursuant to the applicable provisions of the Companies Act, 1956, Article 197 of the Articles of Association of the Company, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subject to such other approvals, if any required, after capitalizing a sum not exceeding Rs. 1669,73,75,840/- from the Company's Capital Redemption Reserve Account / Securities Premium Account /General Reserve Account / or such other accounts as are permissible to be utilized for the purpose.

The Company has granted Stock Options to the employees under an Employees Stock Option Scheme ('the Scheme'). Consequent to the issue of bonus shares and in terms of the Securities & Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and in terms of the Scheme, fair and reasonable adjustment in price and number of shares to be issued against Stock Options granted or to be granted by the Company would be required to be made so that the total value of Stock Options remains the same after issue of bonus shares.

The amount to be capitalized under this item includes the amount necessary for issue of bonus shares upon exercise of Stock Options, vested but not exercised and unvested, as on the date of this Notice, in accordance with the Scheme and shall stand reduced to the extent such Options are not exercised.

The bonus shares so allotted shall rank pari passu in all respects and carry the same rights as the existing fully paid up equity shares of the Company.

The Directors of the Company may be deemed to be concerned or interested in the issue of the bonus shares to the extent of their respective shareholdings / Stock Options in the Company.

The Board commends the resolution as set out at Item No. 4 of the Notice for your approval.

Item Nos. 5, 6 and 7

The Board of Directors of the Company (the 'Board'), at its meeting held on August 21, 2009 has, subject to the approval of Members, re-appointed Shri Hital R. Meswani as Wholetime Director designated as Executive Director, for a further period of 5 years from the expiry of his present term which will expire on August 3, 2010, on the remuneration determined by the Remuneration Committee of the Board and approved by the Board.

The Board at its meeting held on August 21, 2009 appointed Shri PMS Prasad and Shri R Ravimohan as additional directors pursuant to the provisions of Section 260 of the Companies Act, 1956 (the 'Act') read with Article 135 of the Articles of Association of the Company.

In terms of the provisions of Section 260 of the Act, Shri PMS Prasad and Shri R Ravimohan would hold office up to the date of the ensuing Annual General Meeting.

The Company has received notices in writing from members alongwith deposit of Rs. 500/- each for proposing the respective candidature of Shri PMS Prasad and Shri R Ravimohan for the office of Director of the Company under the provisions of Section 257 of the Act.

Shri PMS Prasad and Shri R Ravimohan are not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Act. The Company has received the requisite Form 'DD-A' from each of Shri PMS Prasad and Shri R Ravimohan, in terms of the Companies (Disqualification of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules, 2003, confirming their eligibility for such appointment.

Further, the Board appointed, subject to the approval of Members, Shri PMS Prasad and Shri R Ravimohan as Wholetime Directors, designated as Executive Directors of the Company, for a period of five years with effect from August 21, 2009 and September 1, 2009, respectively.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to Shri Hital R. Meswani and appointment of and remuneration payable to Shri PMS Prasad and Shri R Ravimohan, as Wholetime Directors, designated as Executive Directors, in terms of the applicable provisions of the Act.

Broad particulars of the terms of appointment / re-appointment of and remuneration payable to Shri Hital R. Meswani, Shri PMS Prasad and Shri R Ravimohan, are as under:

(a) Salary and Perquisites & Allowances per annum (Rs in Crores):

Name	Salary	Perquisites & Allowances
Shri Hital R. Meswani	1.04	1.45
Shri PMS Prasad	0.86	1.37
Shri R Ravimohan	0.86	1.37

The perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and / or allowances. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment thereof; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost. The Company's contribution to Provident Fund, Superannuation or Annuity Fund, to the extent these singly or together are not taxable under the Income-tax law, and gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income-tax law shall not be included for the purpose of computation of the overall ceiling of remuneration. Remuneration by way of incentive /bonus payable to Shri PMS Prasad and Shri R Ravimohan, as may be determined by the Board and / or the Remuneration Committee of the Board, is not to be included for the purpose of computation of the aforesaid ceiling of remuneration provided that such payment shall be within the overall ceiling of remuneration permissible under the Act. It is clarified that Employee Stock Options granted / to be granted to Shri H R Meswani, Shri PMS Prasad and Shri R Ravimohan from time to time, are not to be included for the purpose of computation of the overall ceiling of remuneration.

(b) Commission:

In addition to the salary, perquisites and allowances as set out above, Shri Hital R. Meswani shall be entitled to receive commission on net profits. The commission payable to him as also to Shri Mukesh D. Ambani, Chairman & Managing Director and Shri Nikhil R. Meswani, another Wholetime Director of the Company

will be determined by the Board and/or the Remuneration Committee of the Board for each financial year. The overall remuneration including commission to all three of them shall not exceed 0.40% of the net profits of the Company as computed in the manner referred to under Section 198(1) of the Act, or any statutory modification(s) or re-enactment thereof. No commission is proposed to be paid to Shri PMS Prasad and Shri R Ravimohan.

(c) Reimbursement of Expenses:

Reimbursement of expenses incurred for travelling, boarding and lodging including for their spouse and attendant(s) during business trips; provision of car for use on the Company's business; telephone expenses at residence and club membership shall be reimbursed and not considered as perquisites.

(d) General:

- (i) The office of Wholetime Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.
- (ii) The employment of Wholetime Director may be terminated by the Company without notice or payment in lieu of notice:
 - if the Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required to render services; or
 - in the event of any serious repeated or continuing breach or non-observance by the Director of any of the stipulations contained in the terms of employment with the Company; or
 - in the event the Board expresses its loss of confidence in the Director.
- (iii) Upon termination by whatever means of the Wholetime Director's employment:
 - The Director shall immediately tender his resignation from the office as Director of the Company and from such other offices held by him in the Company, in any subsidiary and associate company and other entities without claim for compensation for loss of office,
 - The Director shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiary or associate company.

- (iv) The Wholetime Director will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and his functions will be under the overall authority of the Chairman & Managing Director.
- (v) The Wholetime Director shall adhere to the Company's Code of Business Conduct and Ethics for Directors and Management personnel.

Shri Hital R. Meswani, Shri PMS Prasad and Shri R Ravimohan satisfy all the conditions set out in Part-I of Schedule XIII to the Act for being eligible for the appointment / re-appointment.

The above may be treated as an abstract of the terms of appointment / re-appointment of Shri Hital R. Meswani, Shri PMS Prasad and Shri R Ravimohan under Section 302 of the Act.

Shri Hital R. Meswani, Shri PMS Prasad and Shri R Ravimohan are interested in the Resolutions as set out respectively at Item No. 5, 6 and 7 of the Notice which pertain to their respective appointment / re-appointment and remuneration payable to them. Further, Shri Nikhil R. Meswani, a Wholetime Director, may be deemed to be interested in the Resolution pertaining to the re-appointment of, and remuneration payable to Shri Hital R. Meswani as they are related to each other. Save and except the above, none of the other Directors of the Company is, in any way, concerned or interested in the Resolution.

The Board commends the Resolutions as set out at Item Nos. 5, 6 and 7 of the Notice for your approval.

By Order of the Board of Directors

Vinod M. Ambani
 President and Company Secretary
 October 7, 2009
 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

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

Overview

RPL merger with RIL: Value creation through scale and synergies

The merger of Reliance Petroleum Limited (RPL) with Reliance Industries Limited (RIL) has enabled seamless integration of operational scale and financial synergies that existed between the two Companies. Assets and liabilities of RPL have been transferred to RIL with effect from 1st April 2008, as per the approval granted by the Hon. High Courts of Mumbai and Gujarat. Shareholders of RPL received 1 share of RIL in lieu of every 16 shares of RPL held by them, as per the scheme of merger. Accordingly, 6.92 crore new equity shares of RIL have been allotted to the shareholders of RPL.

The merger creates a platform for reinforcing the Company's position as an integrated energy company on a global scale. The merger enhances value for shareholders of both Companies.

Through this merger, RIL consolidates a world-class, complex refinery that complements its' existing refining assets. RIL will additionally gain from reduced operating costs arising out of the combined operations. The merger is expected to reduce the earnings volatility for RPL shareholders as they participate in the integrated energy chain of RIL.

The merger is EPS accretive and results in the Company:

- Operating two of the world's largest and most complex refineries
- Owning 1.24 million barrels per day (MBPD) of crude processing capacity, the largest at any single location in the world
- Owning 25% of the world's most complex refining capacity
- Emerging as the 4th largest producer of polypropylene globally
- Becoming the world's largest producer of ultra-clean fuels at a single location

RIL joins the league of global deepwater oil and gas operators

RIL commenced production of hydrocarbons in its KG-D6 block in the Krishna Godavari basin with the production of sweet crude of 42^o API. The production of oil in KG-D6 was commissioned in just over two years of its discovery, making it the world's fastest green-field deepwater oil development project.

RIL is enhancing India's energy landscape. RIL has commenced gas production from KG-D6. Production from the Dhirubhai 1 and 3 discoveries of the KG-D6 block will result in a quantum leap towards achieving India's energy security as it will account for 40% of the Country's current hydrocarbon production. This will reduce India's energy dependence on external sources and help bring down subsidies in the fertiliser, power and transportation sectors.

The project was completed in six-and-a-half years from the time of discovery. This is significantly faster than the time taken for similar production facilities elsewhere in the world. The hostile weather conditions in the basin allows a fair weather window of only four months every year. RIL also had to overcome supply chain challenges, capital cost escalations and manpower shortages to adhere to its schedule. The Company was successful in ensuring that gas was made available to service India's energy needs in as short a period as possible.

The commencement of gas production from KG-D6 was a complex task. It required engineering ingenuity to develop critical infrastructure and the use of cutting-edge technology hitherto unused in Asia. With the successful completion of this project, RIL joins a select club of six large deepwater operators globally.

Refining Hub of the World

RIL started its refinery in the Special Economic Zone (SEZ) at Jamnagar, which is the most complex, super-sized refinery built anywhere in recent years. The new refinery is the 6th largest refinery in the world with crude oil processing capacity of 580,000 barrels of oil per day (BPD).

The new refinery catapults RIL into the league of the largest refiners globally, both in terms of complex refining capacity and earning potential. RIL Jamnagar has since emerged as the refining hub of the world with an aggregate refining capacity of 1.24 MBPD of oil.

The new refinery has a Nelson Complexity Index of 14.0 enabling processing of heavy crudes and production of superior products, which meet specifications exceeding Euro IV standards. The refinery complex is now operating at full capacity.

For the fifth consecutive year, RIL featured in the Fortune Global 500 list of world's largest corporations. RIL's current rankings are as follows:

- 264 based on Sales
- 117 based on Profits

RIL has been adjudged winner of the 'Golden Peacock Global Award for Excellence in Corporate Governance 2008'.

Reliance Technology Group at Hazira won the 'International Award for creating World Class Research and Technology Centre'.

RIL - Dahej was awarded the 'Greentech Safety Award 2009 - Gold' in Petrochemicals Sector by the Greentech Foundation, India.

Financial Performance

	\$ million	Rs. crore	Change
Turnover	28,850	1,46,328	+ 5 %
PBDIT*	5,076	25,743	+ 6 %
Cash Profit	4,410	22,365	- 11 %
Net Profit	3,018	15,309	- 21 %
Net Profit*	3,083	15,637	+ 3 %

*(excluding exceptional item)

The net profit excluding exceptional item for the year was at Rs.15,637 crore (\$3,083 million) with a Compounded Annual Growth Rate (CAGR) of 25% over the past five years.

RIL announced a dividend (interim) of 130% amounting to Rs. 2,219 crore (\$438 million), including dividend distribution tax. This is one of the highest payout by any private sector company in India this year.

Return on Equity (without exceptional item) was at 21.6% and Return on Capital Employed (without exceptional item) was at 20.3 % for the year. RIL's net gearing was at 27.8 % and the net debt to equity ratio was 0.42 as on March 31, 2009.

Reliance continues to play a pivotal role in the growth of India's economy and endeavours to contribute to the Nation's progress. RIL accounts for:

- 10.4% of India's total exports
- 2.9% of the Government of India's indirect tax revenues
- 6.1% of the total market capitalisation in India
- Weightage of 13.6% in the BSE Sensex
- Weightage of 11.1% in the NSE S & P CNX Nifty

Financial Review

RIL delivered superior financial performance with improvements across key parameters.

Turnover achieved for the year ended 31st March 2009 was Rs. 1,46,328 crore (\$ 28.9 billion), a growth of 5% over the previous year. Increase in revenue was due to 8% rise in prices and a 3% decline in volumes. During the year, exports (including deemed exports) were higher by 7% at Rs. 89,199 crore (\$ 17.6 billion).

Consumption of raw materials increased by 16.1% from Rs. 90,304 crore to Rs. 1,04,805 crore (\$ 20.7 billion). This was mainly on account of higher crude and naphtha prices. Traded goods purchases were Rs. 2,205 crore (\$ 435 million) as compared to previous year of Rs. 6,008 crore.

Employee cost was Rs. 2,398 crore (\$ 473 million) for the year as against Rs. 2,119 crore. The current year figure includes Rs.111 crore towards expenditure incurred on Voluntary Retirement Scheme / Special Separation Scheme announced for the employees of the Patalganga unit. Corresponding previous year figure was Rs. 29 crore for employees of Patalganga, Nagpur & Silvassa unit.

Operating profit before other income increased by 2% from Rs. 23,306 crore to Rs. 23,683 crore (\$ 4.7 billion). Net operating margin for the period was 16.7% as compared to 17.5% in the previous year.

Other income was higher at Rs. 2,060 crore (\$406 million) against Rs. 895 crore (excluding Rs. 4,733 crore of exceptional items) primarily on account of increase in interest income.

EBITDA (excluding exceptional items) increased by 6% from Rs. 24,201 crore to Rs. 25,743 crore (\$5.1 billion).

Interest cost was higher by 62% at Rs. 1,745 crore (\$ 344 million) on account of higher borrowings and the impact of depreciation in the value of the rupee against the US dollar. With nearly 84% of RIL's long term debt in foreign currency, RIL was impacted by the 26% depreciation in the value of the rupee against the US dollar. During the year, Rs. 3,397 crore of interest was capitalized, as against Rs. 885 crore in the previous year. Gross interest cover was 5.0 compared to 12.3 for the previous year.

Depreciation was marginally higher at Rs. 5,195 crore (\$1.0 billion) against Rs. 4,847 crore in the previous year.

Exceptional item of Rs. 370 crore (\$72.9 million) represents provisions related to RIL's investment in Trevira.

Profit after tax, including exceptional item, was Rs. 15,309 crore (\$3.0 billion) as against Rs. 19,458 crore for the previous year, a decrease of 21.3%. Profit after tax, excluding impact of exceptional items was Rs. 15,637 crore (\$3.1 billion), representing an increase of 2.5%.

Earning per share (EPS) for the year was Rs. 96.8 (\$1.9). EPS excluding exceptional items was Rs. 98.8 (\$1.9) against Rs. 105 for the previous year.

Capital expenditure during the year was Rs. 24,713 crore (\$4.9 billion) primarily on account of exploration and production, SEZ refinery and implementation of value maximization projects. Details of the capital expenditure undertaken during the year are as follows:

(In Rs. Crore)

	FY 2008-09	FY 2007-08
Oil & Gas (E&P)	10,270	13,443
Refining & Marketing	10,287	2,661
Petrochemicals	2,514	506
Common	1,642	2,893
TOTAL	24,713	19,503

During the year, a total of Rs. 11,574 crore (\$ 2.3 billion) was paid in the form of taxes and duties.

RIL remained India's largest exporter. Exports, including deemed exports, were at Rs. 89,199 crore (\$ 17.6 billion)

as against Rs. 83,492 crore in the previous year.

RIL exported to 111 countries, including many quality-driven and value-driven markets. Exports represent 61% of the RIL's turnover. Petroleum products constitute 83% and petrochemicals contribute 17% of the total exports.

Resources and Liquidity

During the year, RIL strengthened its balance sheet and significantly improved liquidity. This was done with a view towards insulating the Company from the impact of the global credit crisis while creating a strong platform for enhanced growth. This was achieved through the issuance of equity shares and the raising of longterm resources from domestic and international markets.

RIL received the balance subscription of Rs.15,142 crore against 12 crore warrants issued in April, 2007 on a preferential basis to Promoters/Promoter group as per provisions of SEBI guidelines.

RIL raised \$1.70 billion by way of syndicated loans, \$1.25 billion through ECA-backed financing arrangements and \$100 million equivalent in Japanese Yen through private placement. In addition, the Company raised long term resources locally through the issue of debentures aggregating Rs. 8,000 crore. A substantial portion of these facilities were drawn down during the year.

RIL's debt as on March 31, 2009 was Rs. 73,904 crore (\$ 14.6 billion) with long term foreign currency denominated debt of 84%. The average maturity of Company's long term debt is 4.2 years. The proportion of short term debt to total debt is conservative at 8.4%. RIL's liquidity position and committed working capital facilities mitigate any refinancing risk.

RIL's gross debt to equity ratio including long-term and short-term debt as on March 31, 2009 was at 0.63, while the net debt to equity ratio was at 0.42. As on March 31, 2009, RIL's net gearing was 27.8%.

RIL's cash and cash equivalents as at the year end amounted to Rs. 25,050 crore (\$ 4.9 billion). These are placed in bank fixed deposits, CDs, Government securities and bonds. RIL actively manages its short-term liquidity in order to generate returns by investing its surplus funds while ensuring safety of capital and maintaining liquidity. The strength of RIL's balance sheet, credit profile and earning capability is reflected in the fact that over 100 banks and financial institutions have financial commitments to the Company. RIL meets its working capital requirements through commercial credit lines issued by a consortium of banks. RIL undertakes liability

management to reduce overall cost of debt and diversify its liability mix.

RIL's financial discipline and fiscal prudence is reflected in the strong credit ratings by leading international rating agencies. RIL is rated BBB and Baa2 by S&P and Moody's respectively, 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 agencies. RIL's short-term debt is rated P1+ by CRISIL, the highest credit rating assigned in this category. Following the approval of merger by boards of RIL and RPL, Moodys, S&P, Fitch and CRISIL reaffirmed their respective ratings of RIL's debt instruments.

Note: The figures for the current year include figures of Reliance Petroleum Limited (RPL), which is amalgamated with the Company with effect from 1st April 2008 and to that extent not comparable to those of previous year.

Total Shareholder Return (Per Annum)

5 years	10 Years	Since Listing (1978)
38%	28%	25%

RIL has among the best track record of any industrial company globally for delivering shareholders returns over a thirty year period.

BUSINESS REVIEW

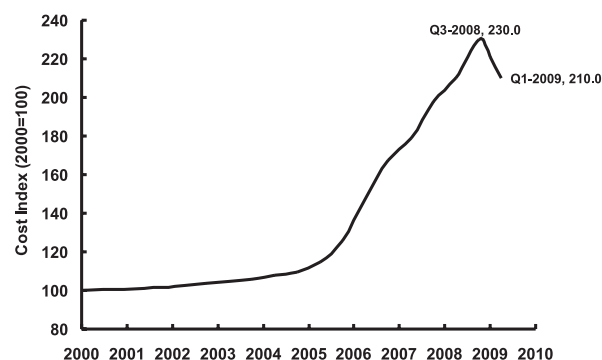
Oil and Gas Exploration & Production

This was clearly one of the toughest and challenging years for the industry globally. Record prices and increased focus on energy security led to reduced availability of resources and made acquisition of additional acreage tougher. Cost escalations, constrained project engineering resources and the global credit crisis restricted investments in the sector. The economic downturn that followed resulted in unprecedented demand destruction. Prices fell sharply impacting not just profitability but also future growth prospects of E&P companies around the world. Perhaps the only regions that witnessed growing investments in the sector were the deepwater regime off the East coast of India and Brazil.

The structural theme for investment in the sector remains valid. The world's hunger for reliable and affordable energy supplies is growing. Overcoming this challenge requires substantial investments, access to resources and newer technologies to unlock resources from challenging

locations. The International Energy Agency (IEA), in its World Energy Outlook 2008, estimates that by the year 2030, global energy demand is expected to increase by 50% from its current level. Oil and natural gas are expected to remain primary energy sources and are expected to meet 52% of the global demand. Natural gas - a low carbon, low polluting green fuel - that will flow from RIL's blocks, will create value and benefit India. Increased concern of climate change augurs well for natural gas as it is an environmentally benign fuel with carbon emissions far lower than other fossil fuels. IEA estimates that the world requires investments to the tune of \$12 trillion in the oil and gas sector over the next 20 years implying an annual investment of over \$ 500 billion. The cost index of CERA remains high indicating an increase in sub-sea equipment costs despite the economic slowdown.

IHS/CERA Upstream Capital Costs Index



Source: CERA

This was a year of contrasts. The first half of the year saw firm prices and demand. However, following the credit crisis and the slowdown in global economies, demand dropped sharply and prices reduced 50% during the second half.

IEA forecasts that the global oil demand is set to shrink by 2.7% to 83.9 MBPD in 2009. The year 2008 also saw a global oil demand slip to 86.3 MBPD, a decrease of 0.3% over 2007.

The E&P industry clocked record performance in the first half of FY 2008-09 following high commodity prices. Average WTI prices remained at \$ 82 /bbl vis-à-vis \$ 86 /bbl for the previous year. Henry Hub natural gas price averaged at \$ 7.9 /MMBTU for FY 2008-09 as against an

average of \$ 7.4 /MMBTU in FY 2007-08. WTI price peaked at \$ 146 per barrel in July 2008.

Global Natural Gas Market Growing

Globally, gas constitutes 24% of the energy basket while in India it accounts for a mere 9%. The low share of gas in India's energy consumption is attributed to limited availability and nascent infrastructure. Gas accounts for 35% of the energy mix in the former Soviet Union and Europe, 26% in USA, 17% in Japan and 15% in Korea.

The share of gas in the energy mix is set to increase mainly due to growing demand from the industrial sector, city gas distribution, power sector and opportunities in the gas-to-liquids business. Gas is preferred because of its cost competitiveness and environmental advantages over other fossil fuels.

Sizeable investments over the last few years in developing the natural gas business and related logistic capabilities have resulted in increased availability of gas in key markets. Global demand and vastly improved transportation infrastructure have resulted in gas becoming a fungible commodity and this is reflected in the prevailing pricing environment. Improved availability and transportation, combined with growing demand from Asia, are resulting in the evolution of long-term gas contracts. Regional variations in prices are driven primarily out of differentiated transportation costs.

Natural Gas : Energy Landscape in India Set for Change

India is a growing economy with its GDP expected to grow five-fold over the next three decades. The Country's energy needs are expected to grow four-fold from 433 million tonnes of oil equivalent (MTOE) to around 1,856 MTOE by 2032, as per the Integrated Energy Policy of the Planning Commission of India. However, India has a huge dependence on imports with over 75% of oil and 25% of gas consumption being imported. In relative terms, India's East coast is underexplored with its exploration density of 0.15, which is amongst the lowest in the world.

The energy landscape is now set for change. The East coast of India covers a vast stretch of sedimentary area of 2.0 million sq KMs. The coast has been divided into three major geological provinces viz. the Mahanadi basin, the Krishna Godavari basin and the Cauvery Palar basin. The super discoveries in the Krishna Godavari basin have put the East coast of India into a global focus. The KG basin is now compared with the Gulf of Mexico and North Sea in their earlier days. RIL has more than 25

blocks in the East coast of India with exploration at different stages of maturity. Several discoveries have taken place in all the three basins and a large number of prospects / leads have been identified for future exploitation. With drilling success ratio of 54%, RIL's drilling campaign is expected to target these basins.

Recent deepwater exploration campaigns have enhanced the geological understanding significantly bringing about new geological plays. The hydrocarbon accumulation has been established in both the biogenic and thermogenic corridors. The stratigraphic succession of older mesozoics and younger tertiaries provides a distinct 'two-tier' petroleum system distribution.

Demand for gas in India is set to increase from 179 million metric standard cubic meters per day (MMSCMD) to 280 MMSCMD over the next decade, as per the Planning Commission, Government of India. Supply, however, is unlikely to keep pace with demand and the share of imports is set to rise.

Increased availability of gas and enhanced investments in transmission and distribution infrastructure will act as the key enablers for its increased contribution to the energy pool. The New Exploration Licensing Policy (NELP) has ushered in an era of heightened investments in exploration, which has resulted in truly large scale discoveries.

RIL's E&P Business

Exploration

The Company made two gas discoveries during the year as follows:

- Well B1 in the KG-V-D3 block
- Well L1 in the KG-D6 block

The appraisal of the southern area of KG-D6 is underway targeting the extension of the channel levee fan complex system within the tertiary sequences i.e. Pleistocene, Pliocene and Miocene. Interpretation of 3D seismic data during the year has led to identification of new prospects in this area.

Acreage was added to the portfolio through domestic and international acquisitions.

- RIL, together with BP, was awarded the deepwater block KG-DWN-2005/2 offered under NELP-VII. RIL has 70% participating interest and BP holds the remaining 30% and is the operator of the block.
- Reliance acquired acreage in Peru by farming in two

on-land blocks, including one block in which Reliance is the operator.

- Reliance acquired one exploration block (Block 155) in Peru in partnership with Plus Petrol, CNPC and Petro Peru.

During the year, Reliance farmed out 25% participating interest in Block K in East Timor. Reliance now has 14 blocks in its international E&P portfolio including 3 in Peru, 3 in Yemen (1 producing and 2 exploratory), 2 each in Oman, Kurdistan and Colombia, 1 each in East Timor and Australia, with total acreage of 99,000 sq KMs.

RIL's domestic E&P portfolio comprises 30% interest in Panna-Mukta and Tapti (PMT) fields; 31 exploration blocks awarded under the NELP and Pre-NELP licensing rounds and 5 coal-bed methane (CBM) blocks. The total domestic acreage is 325,000 sq KMs.

RIL has acquired this portfolio keeping in perspective its prospectivity off the East coast of India and to balance its portfolio in India and overseas. The portfolio comprises both on-shore and off-shore as well as shallow and deepwater blocks. RIL is committed towards playing a significant role in creating energy security for the Nation in its endeavour towards becoming a global integrated energy company.

Development Plans

Production of around 2,000 barrels of oil per day (BOPD) from 2 completed wells commenced in 1Q 2009 from the Panna block. Work on the Panna-K platform & pipeline installation is complete and drilling of 6 wells in the area has commenced.

The SWP jacket and deck installation is expected to be completed in FY 2009-10. The drilling of 3 wells is expected to commence thereafter.

The development plan of the Panna PL was approved by the Director General of Hydrocarbons, India (DGH) and the same is expected to be completed in 2011.

The gas production in Tapti is estimated to ramp up following the planned drilling of three in-fill wells in FY 2009-10.

Development plans for the CBM blocks, NEC-25 and KG-D6 satellite fields have been submitted to the Government and are under consideration.

Production

KG-D6

Oil production of light and sweet crude (with API of 42),

which can be processed by any refinery, commenced from the KG-D6 MA field. In order to expedite production, RIL commissioned India's first Floating, Production, Storage and Offloading vessel (FPSO) in a record time of two years from the discovery.

Gas production commenced from KG-D6 (D1 & D3 discoveries) in a record time of six-and-a-half years from the time of discovery. In one of the fastest ramp-up in any gas field worldwide, the gas production has ramped up to nearly 40 MMSCMD.

RIL had to overcome supply chain challenges and manpower shortages. RIL's early project completion is especially commendable as the Bay of Bengal is known for its extremely hostile weather conditions and sub-sea currents of 4 knots. Inclement climate conditions allow for a fair weather window of just four months every year.

The highlights of the KG-D6 project are:

- Commissioned in 6.5 years, vis-à-vis world average of 9 years
- Set to transform India's energy landscape and double its gas production
- Use of India's first FPSO, commissioned in less than 2 years
- Among the lowest finding and development costs of comparable projects globally
- World's largest deepwater production with sub-sea tie backs measuring 60 KMs
- Execution involving 200 consultants and service providers from 12 countries
- Mega scale construction with highest ever fleet mobilisation (89 vessels at peak)
- Steel equivalent of 110,000 MT installed
- Pipelines and umbilicals measuring over 500 KMs deployed
- Use of smart field technology with state-of-the-art fibre optics for sub-sea controls
- Largest handling terminal at a single location with a capacity of 90 MMSCMD of gas
- Onshore terminal (OT) raised by 4.5 meters above MSL using 5.7 million tonnes of sand
- Involved 30 million man-hours with peak deployment of 12,000 personnel

The facilities comprise wells and sub-sea architecture, which are connected by flow lines and production risers to a Control-cum-Riser Platform (CRP) and are tied back

to the onshore terminal located 60 KMs from the gas fields making it amongst the longest tie-backs in the world.

KG-D6 field operations are controlled and monitored at the OT. For control and monitoring requirements of the sub-sea facilities, a multiplexed electro hydraulic control system comprising power and communication equipment, a Umbilical Distribution Hub (UDH), sub-sea distribution assemblies (SDA), sub-sea distribution units (SDU), sub-sea control modules (SCM), Xmas tree mounted instrumentation and associated hydraulic and electrical flying leads were conceived.

Production from the reservoirs is routed through the Deep Water Pipeline End Manifold (DWPLEM) via infield pipelines and two 24-inch pipelines from the DWPLEM to the CRP. Three 24-inch trunk lines carry the production from the CRP to the OT for processing and downstream distribution.

The competitiveness of KG-D6 should be viewed in the context of a sizeable increase in supply chain cost, which has more than doubled since 2002. The significant increase in the production profile of the block thereby necessitated a change in the development plan; rig costs increased by 300% and all other costs also rose by 50% to 100% during the development period.

Gas from the KG-D6 field is being received at an onshore facility at Gadimoga in the state of Andhra Pradesh and delivered to the East-West pipeline.

RIL has signed gas contracts that are in line with the Gas Utilisation Policy of the Government of India. Accordingly, standard gas contracts have been signed for a 5-year period at \$ 4.2 /MMBTU with companies in the fertiliser, power and the sponge iron sectors. Production has already reached 5 billion cubic meters of gas from this block.

Panna-Mukta

Panna-Mukta fields produced 1,615,221 tonnes of crude oil and 1,668 MMSCM of natural gas for FY 2008-09, a decrease of 15% and 18% respectively as compared to the previous year. The decrease in production at Panna-Mukta field was due to the shutdown in June 2008. Production was restored to pre-shutdown level in August 2008.

Tapti

Tapti block produced higher gas volumes of 4,205 MMSCM and 271,570 tonnes of condensate, registering

a growth of 25% and 17% respectively as compared to the previous year. The effect of the NRPOD project was fully realised in the incremental production in FY 2008-09.

Refining and Marketing

A Year of Two Halves

Refining margins during the year witnessed extreme volatility globally. They remained healthy for the first half of the financial year due to booming middle distillate cracks. However, margins dropped significantly thereafter and lower demand resulting in weaker product cracks. Gasoline crack margins remained weak throughout the year due to low global demand, particularly in the US.

The year also witnessed unprecedented crude price volatility. Crude oil prices peaked during the first half of the year, with WTI touching \$ 145.3 /bbl in July '08. The surge in demand from China, Middle East, Australia and Latin America and geopolitical events played a significant role in driving prices higher. What followed was plunging prices with WTI averaging at \$51 /bbl in the second half of the year. This reflected a fall of 58% compared to the average for the first half of the fiscal.

In times of turmoil, what set RIL apart was the complexity and ability to maintain high operating rates. RIL altered the petroleum refining scenario in India by building the world's largest greenfield refinery. The two Jamnagar refineries that the Company operates are not only among the largest in the world, but also among the most complex, with a combined average complexity of more than 12.0 on the Nelson Complexity Index. Following the merger, RIL is among the Top 10 private sector refining companies globally. It owns 25% of the world's most complex refining capacity. RIL has become the world's largest producer of ultra-clean fuels at a single location reaffirming the Company's ambition of enhancing lives of millions of Indians and tilting the energy balance in India's favour.

Global Industry Overview

The global petroleum market has been significantly affected since the summer of 2008 by the impact of earlier high prices, an economic slowdown and the credit crisis. As per the IEA, global petroleum product demand for 2008 declined by 0.2 MBPD. This was earlier projected to grow by approximately 2.0 MBPD.

The year 2008 witnessed unprecedented crude price volatility with prices peaking in the second quarter of FY

2008-09. The spurt in crude prices was due to a sudden surge in demand from China (pre-Olympics), Middle East (power generation), Australia and Latin America (gas outages) and combination of geopolitical events. In the third quarter of FY 2008-09, crude prices plunged to lower levels with WTI, Brent and Dubai averaging \$ 59.1, \$ 55.5 and \$ 52.8 /bbl respectively, almost half of that of the previous quarter prices of \$ 118.1, \$ 115.1 and \$ 113.6 / bbl respectively. The depressed price outlook for crude continued in Q4 FY 2008-09 with WTI, Brent and Dubai averaging further down to \$ 43.2, \$ 44.5 and \$ 44.3 /bbl respectively.

Average Crude Oil Prices (\$ / bbl)

	FY 2008-09			FY 2007-08		
	High	Low	Average	High	Low	Average
WTI	145.3	31.3	86.8	110.4	61.4	82.0
Brent	144.2	33.7	84.5	109.1	62.5	82.1
Dubai	140.8	36.4	82.8	101.1	62.4	77.1

(Source: Platts)

Demand for Petroleum Products

For the first time since 1983, according to IEA, global demand for petroleum products contracted from 86.5 MBPD in 2007 to 86.3 MBPD in 2008, a decline of 0.3 %. Non-OECD countries, driven primarily by China, India, Middle East and Latin America, showed a demand growth of 1.4 MBPD for the same period. In contrast, demand in OECD countries shrunk by 1.6 MBPD.

Oil demand in 2009 is expected to fall by 2.4 MBPD to 83.9 MBPD, a decline of 2.7% from 2008, as per IEA. This decline is in addition to the reduction of 0.2 MBPD seen in 2008. Majority of the demand-decline is expected to come from OECD countries, while demand in non-OECD countries is expected to remain flat.

IEA forecasts global oil product demand to grow by 1.4% per year and reach 87.9 MBPD by 2013 reflecting an increase of 4.7 MBPD over 2009. Demand growth is expected mainly from non-OECD countries, with a growth of 5.2 MBPD during this period. Asia, Middle East and South America are expected to account more than 80% of growth in global demand during this period. In contrast, demand in OECD countries is expected to decline by 0.5 MBPD. Even with likely economic recovery from 2010, demand fundamentals are expected to remain modest in the medium term, as per the IEA forecast.

Diesel Demand

Diesel margins have been impacted by weak demand as a result of economic slowdown, sluggish industrial activity, capacity additions and growing distillate stocks. US distillate stocks are at their highest level in two decades, while the implied demand for distillates has declined 10% this year, which is much more severe than the 0.8% decline in US vehicle miles travelled. US vehicle miles travelled have been fairly resilient despite US gasoline demand being down 1.8% year-on-year and diesel demand also down. Many industrial companies have stated that recent performance was impacted by destocking among customers, as well as by weak demand. This has effectively exaggerated the drop in end-market demand, which should rebound once industrial destocking stops.

A major factor weighing on global diesel margins this year is the increased production capacity in India and China. Though short term economics weighs less on investment decisions than long term economics, global demand has been weak and margins have been below re-investment levels. Much of the global refining capacity additions coming online in 2009 are located in Asia, with a significant proportion already operational, start-up dates for several refineries' have been pushed back. China and India are the only countries that are set to grow distillation capacity and increase their global market share. In terms of upgrading capacity too, China and India are expected to see the most significant increase in global market share.

Jet Fuel Demand

The sharp decline in international trade had a severe impact on the demand for air transport; jet fuel has been a drag on world oil demand for several months now. The airline industry consumes about 6.0% of the world's oil in the form of jet fuel. Physical exports of goods by major exporting countries around the world (Germany, Japan, Korea and Taiwan) declined at extraordinary rates last year resulting in a near-complete collapse in road, sea and air freight traffic.

Broadly, demand for jet fuel is linked to variables such as industrial production and GDP. Upward revisions to GDP growth for 2010 by international agencies suggests that demand could strengthen in the coming months.

In the medium term, structural drivers of demand could continue to undergo considerable change. Gasoil is expected to remain the growth engine followed by

naphtha and gasoline. Residual fuel oil is expected to see the lowest growth due to continued substitution by natural gas in power generation and heavy industrial applications.

Light products driving the growth

Demand for gasoline, which currently constitutes 25% of the world petroleum market, could see a slowdown from current levels. Growth in demand for gasoline is expected to primarily come from non-OECD countries while OECD countries are likely to show a reduction in demand. The reduction is more likely in the US as the impact of the US Energy Independence and Security Act of 2007 comes into force in 2011. Higher proportion of diesel cars is also likely to impact demand for gasoline in Europe. Japan is also projected to experience a reduction in gasoline demand as vehicle efficiencies improve. Increase in demand from non-OECD countries is expected to be underpinned by rapidly growing vehicle population in China, India, Brazil and other emerging markets.

Changing trends

High oil prices and unprecedented price volatility led to two energy shocks - the first for consumers and the second for producers. Since the last quarter of 2008, OPEC was faced with shrinking oil revenue after a five-year price boom. By January 2009, OPEC reduced its output target by 4.2 MBPD below the September 2008 level in order to stabilise declining crude prices.

In December 2007, US introduced the 'Energy Independence and Security Act' which mandates CAFÉ (Corporate Average Fuel Economy) to increase to 35.0 miles per gallon (MPG) by 2020 from existing 22.0 MPG for light trucks and 27.5 MPG for cars. The US administration recently announced the acceleration of the U.S motor fuel economy standards, increasing the CAFÉ target from approximately 26.0 MPG to 35.5 MPG by 2016. This advances the previous rule by four years.

Meanwhile, product specifications continue to become more stringent in several regions of the world. In most of the major oil consuming countries like EU, Japan and some Asian countries, sulphur will be virtually eliminated from gasoline and diesel by the year 2009 with mandated maximum content of 10 ppm. In USA, this is now 15 ppm for diesel and 30 ppm for gasoline whereas Canada already has a 15 ppm limit for both. Gasoil is also being targeted, with Europe reducing the maximum limit on sulphur from 2000 ppm to 1000 ppm from January 2008

and further to 50 ppm from January 2009. This continuing global trend of tightening of product specifications across regions may present new trade opportunities for global complex refiners like RIL, who have ultra-clean product capabilities.

Demand for Petroleum Products in India

Domestic demand for petroleum products increased during the year from 118.8 million tonnes to 124.1 million tonnes, reflecting a growth of 4.5% in FY 2008-09. The demand for transportation fuels like diesel and gasoline continues to grow with higher automobile sales, improved road network and overall economic activity.

Gross Refining Margins

Refining margins remained strong during the first half of the year on the back of stable volumes and rising middle distillate cracks. Refining margins came under pressure during the second half following a marked slowdown in demand that resulted in weak product cracks.

Gasoline cracks remained weak throughout the year due to low global demand. Crack spreads touched new highs for distillates whereas HSFO cracks touched new lows during first half of the year. In sharp contrast, cracks for distillates narrowed due to lower demand for products like diesel and jet kero in the second half of the year.

For the year under review, RIL's gross refining margin (GRM) was \$ 12.2 /bbl, a premium of \$ 6.4 /bbl over the Singapore complex margin.

The medium term outlook for complex refining margins remains positive, as modest demand could potentially pressurise simple refiners to lower utilisation rates further. Expectations that many of the new projects are likely to be delayed puts strain on petroleum product supply thereby supporting margins. In the coming years, besides the supply-demand dynamics, refining margins could be significantly influenced by the cost efficiency of sourcing crude oil, manufacturing reliability, crude oil and product evacuation infrastructure and the ability to produce high quality transportation fuels. The complex configuration of both refineries, experience in global crude sourcing and product placement, technical capability to process heavy and sour crude and skilled manpower is likely to give RIL a unique advantage positioning it for top quartile margins in the industry.

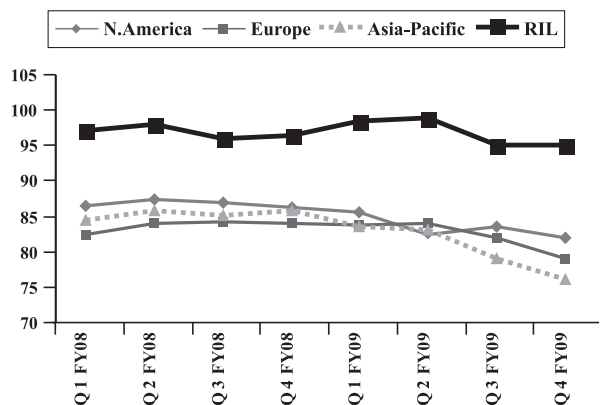
Complex refiners like RIL could gain further from (i) higher premiums for ultra-clean products in the Western markets, arising from stringent product specifications and (ii) changing crude dynamics, resulting in wider Light-Heavy differentials.

Refinery Capacity and Utilization Trends

Growth in crude distillation capacity continued with refiners adding more capacity than the past two years, according to Oil & Gas Journal's world refinery survey. Refinery capacity increased from 85.3 MBPD to 85.6 MBPD. In the year 2008, the only new capacity to start operation was Sinopec's Qingdao refinery with a capacity of 0.2 MBPD. There was some creep capacity addition by players like Valero's Quebec facility, LG Caltex's Yosu and Nippon Oil's Oita.

Refiners all over the world are reducing operating rates following a drop in demand and lower margins. The average capacity utilisation rates in 2008 for refineries in North America, Europe and Asia were at 83.6%, 82.8% and 83.2% respectively as compared to 86.9%, 83.8% and 85.9% respectively for the year 2007.

Regional Operation Rate %



Source: ESAI

Global refining capacity is expected to increase by 1.8 MBPD in 2009, with Asia accounting for 80% of the increase, as per IEA. Forecasts for investments in the industry are to add 6.9 MBPD of crude distillation capacity between 2009 and 2013, which significantly outpaces expected demand growth. However, projects beyond 2009-2010 face the risk of getting cancelled or deferred due to credit crunch and weak economic outlook.

The ensuing supply overhang is likely to result in reduced refinery utilisation rates across the globe leading to capacity shutdowns at simple topping refineries.

Performance Review

The consolidation of RPL's refining assets with RIL's existing refining business gives RIL a capacity of 1.24 MBPD. What sets RIL apart in the context of global

refining is the complexity of its refineries. RIL owns 25% of the world's most complex refining capacity. RIL has also become the world's largest producer of ultra-clean fuels at a single location.

Since inception of its refining business a decade ago, RIL has been able to outperform the benchmark Singapore complex refining margin.

RIL has been able to consistently outperform the Asian benchmark due to the complexity, which allows it to process heavy and sour crudes. RIL also has the proven ability to place products in Europe, Asia and the U.S. which has helped it capture the best net back.

RIL processed 32.0 million tonnes of crude and clocked an average utilisation of 97%, which is significantly higher than the average utilisation rates for refineries globally.

Exports of refined products were at \$14.0 billion. This accounted for 21.0 million tonnes of product as compared to 22.1 million tonnes in the previous year.

Production of petroleum products (in KT)

Product	FY 2008-09	FY 2007-08
Gases & Distillates	28,000	28,500
Fuel oils and solids	4,450	4,600
Total Production	32,450	33,100

RIL is increasing the competitiveness of the DTA refinery in order to improve crude processing flexibility, meet more stringent fuel specifications and improvement in yields and efficiencies. The coker heavy naphtha hydrotreater (CNHT) being set up will help produce downstream products like gasoline, paraxylene and orthoxylene from heavy naphtha. Additionally, the kerosene hydrotreater will help meet the dual requirement of higher ATF production and to produce ATF which can meet the changing stringent quality requirements. This will upgrade the quality of ATF and help realize higher premium apart from increasing the production capability.

Simultaneously, RIL also upgraded some of the existing facilities like the light naphtha unionfining unit (LNUU) and the fluidised catalytic cracking unit (FCCU). LNUU was upgraded to improve availability of captive feed stock for petrochemical units and to update the light naphtha. The FCCU was modernised to reduce the consumption of low sulphur waxy residue (LSWR) and to optimise the production of low-sulphur gasoline. Domestic Petroleum Marketing

Domestic Petroleum Marketing

RIL's EOU refinery was converted to non-EOU status in April 2009 and sales of MS/HSD to PSU oil companies commenced from May 2009. To a limited extent, RIL has also restarted retail operations in southern and western states of the Country.

RIL forayed into petroleum retail in the year 2004 and made significant success achieving a market share of 14.3% in April 2006. However, RIL decided to suspend the operations due to rising crude prices and lack of a level playing field in the domestic market. While there has been no change in the pricing environment, falling crude and product prices have provided windows of profitable operations.

Aviation Turbine Fuel (ATF) demand has seen a dramatic fall with negative growth of 1.9% in FY 2008-09 as against ATF demand growth of 14.4 % in FY 2007-08. During FY 2008-09, passenger traffic reduced by 6.9% in India due to economic slowdown. This reduction in traffic has affected the demand for ATF in the Country. RIL entered this segment a few years ago and may expand its network with a view to addressing this growing segment.

The demand of petcoke in India is presently around 7 million tonnes per annum with Gujarat and Rajasthan accounting for 75% of domestic demand. Petcoke is used largely in the cement industry as a feedstock. Current demand in India exceeds overall production capacity despite the start-up of the coker at the new refinery at Jamnagar. During the year 2008-09, RIL sold a total of 3.18 million tonnes of petcoke. With the commissioning of new capacities in the cement industry as well as the setting up of captive power plants by various industrial units, the demand for petcoke is expected to increase.

Gulf Africa Petroleum Corporation (GAPCO)

RIL took majority control over GAPCO in 2007. GAPCO owns and operates large storage terminal facilities and a retail distribution network in several East African countries. This acquisition has enabled RIL to expand its footprint in the petroleum downstream sector. GAPCO consolidated its position in East Africa during the year. The terminals in Dar Es Salaam (Tanzania), Mombasa (Kenya) and depots in Uganda and Tanzania were fully operationalised, including commissioning of white oil facilities and rail/road loading facilities in Mombasa.

GAPCO emerged as the market leader in the retail segment in Tanzania and was also successful in winning

several contracts for gas oil and jet kero in Kenya. Significant reductions were achieved in supply chain cost and the operations were integrated into the RIL system.

The new SEZ refinery at Jamnagar

RIL's new refinery in the Special Economic Zone at Jamnagar, is the world's sixth largest and has a Nelson Complexity Index of 14.0, making it the largest and most complex refinery globally. The refinery has a capacity of processing 580,000 barrels of crude oil per stream day (BPSD). The facility also has the capacity of producing 0.9 million tonnes of polypropylene per annum. In addition to size and complexity, the SEZ refinery has several advantages:

- Ability to process challenged crude varieties
- Able to produce Euro V grades of gasoline and diesel
- Highly competitive operating cost due to advantages of scale, technology and operational synergies
- Capability to produce alkylates - a premium gasoline blend component. It will have the flexibility to maximize production of alkylate by converting butane to isobutene

All key processing units, including the Fluidised Catalytic Cracking Unit (FCCU), Vacuum Gas Oil (VGO), Hydrogen Manufacturing Unit (HMU), Diesel Hydro De-Sulphurisation (DHDS), Propylene Recovery Unit (PRU), Coker unit and the Polypropylene complex are operating close to their respective design capacities. All the support units and utilities are fully operational and presently the refinery is operating at its design capacity.

The refinery has successfully processed more than 20 types of crude oils, including difficult crude oils within a few months of its start-up, thus reflecting superior quality of assets and capabilities. Exports have commenced to 26 countries, including to the US and Europe.

This is a significant achievement viewed in the context of current market conditions and reflects RIL's ability to produce and place high quality, value-added products in a challenging market environment.

RIL's objective is to maximise the advantages of its high quality complex assets and realise the synergies of the combined operations of both refineries towards overcoming the ongoing challenges in the industry and sustaining superior margins.

The Company's focus will be on sustaining high operating rates, improving efficiency and reducing operating costs. RIL can leverage the benefits of

combined refining operations that can result in unprecedented level of product flexibility and swing capabilities.

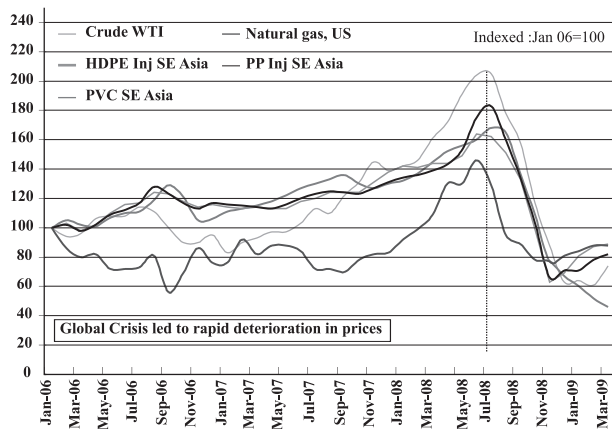
From a marketing perspective, RIL aims to expand its global reach in order to ensure efficient product placement, maximise net backs and achieve premium for ultra-clean fuels. The continuing growth in India also presents an opportunity to enhance volumes.

Petrochemicals:

The year was marked by extreme volatility in demand and prices. After starting on a robust note, the industry stumbled into a phase of steep decline in prices and demand. Some recovery in demand and prices was seen in the last quarter of the financial year.

Commodity Prices Trend Reversal

A combination of sky rocketing oil prices and poor demand eroded margins for petrochemicals. High natural



Source :Platts

gas and naphtha prices resulted in a strong cost push in monomer pricing. Consequently, cracker margins crashed in Q2 2008. In response to the fear of continued weakness in demand, de-stocking was accentuated in view of a wave of new olefin capacity expected on stream in the Middle East region. During the first half of 2008, ethane-based producers benefited from a significant cost advantage as compared to naphtha-based producers. The industry faced a series of unprecedented challenges in the latter part of 2008. With wide fluctuations in feedstock prices, polymer prices witnessed the crest (highest ever) and a trough (5-year low) within the same year. The result was a collapse in demand and operating rates for the industry globally.

Average cracker utilisation rates in Western Europe dropped from 90% in September to below 80% in October. Demand destruction prompted a succession of high-cost US and European olefins producers to idle operations.

Ethylene scenario

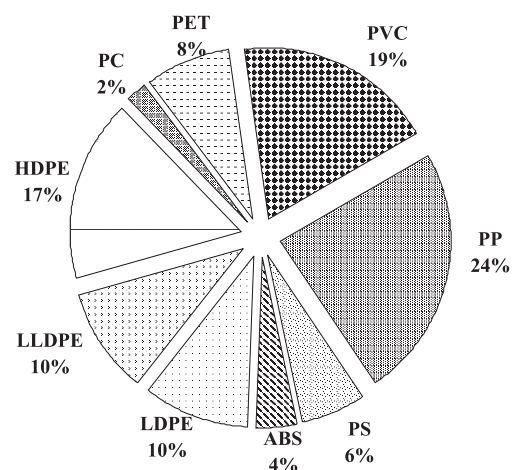
Ethylene is the principal building block and a major feedstock for polymers. Naphtha is the major feed for ethylene production in Europe and Asia.

Ethylene from ethane feedstock is more prevalent in regions associated with natural gas, like North America and the Middle East. Producers in Middle East have the lowest cost ethylene in the world.

Capacity additions of olefins planned in the Middle East during 2008-2011 could substantially change the supply scenario. The region will account for 18% of global ethylene capacity in 2010 rising from 10% in 2005. Five new crackers were commissioned in the Middle East during 2008 (two each in Iran and Saudi Arabia and one in Kuwait) accounting for 4.5 million tonnes of new ethylene capacity (4% of global capacity). On the other hand, global ethylene demand fell by 3.2 million tonnes last year.

Ethylene capacity in India is estimated at 2.8 million tonnes. Approximately 60% of this is naphtha-based and the rest are based on ethane / propane / butane.

World Major Thermoplastics Demand (2008)



Source: CMAI

Global demand for thermoplastics is dominated by polyolefin (PE & PP), representing 61% of commodity plastic consumption. Polyethylene (PE) is the largest group accounting for 37% (LDPE, LLDPE and HDPE) of

the demand while polypropylene (PP) is the single largest category with a share of 24%.

Energy contributes significantly to the cash cost of polyolefin. Crude oil and natural gas derivatives are the primary feedstock used to produce ethylene and propylene, the building blocks for PE and PP. Access to low-cost feedstock is an advantage in the cost of manufacturing PE and PP. Due to access to cheaper feedstock, the Middle East region will command a considerable cost advantage in the production of polymer.

The India Advantage

The Indian economy is on a steady growth trajectory despite the slowdown in global economies seen through the previous year. Recent removal of restrictions in foreign investments and de-licensing in the industrial sector has resulted in a spurt in economic activity. This trend is expected to continue during the coming years and will have a favourable impact on the industry.

Plastic consumption is linked to growth in per capita GDP of the economy. Per capita consumption of plastics in India is 6 kg as against China's 30 kg. In developed economies, per capita consumption is in excess of 80 kg. With growing per capita income and a favourable demographic profile, demand for plastics in India is expected to grow in the coming years.

India's growth is driven by its domestic consumption. Relatively lower dependence on exports has ensured that global economic meltdown had limited impact on overall demand for plastics in the Country.

RIL's production

Among major global players, RIL has the unique distinction of operating plants at over 90% capacity utilisation and realising superior margins. This was achieved despite margin compression in Q2 2008 and lower production due to planned shutdown. RIL maintained its leadership position in the domestic market.

Polymer Production in Kilo Tonnes (KT)

Product	FY 2008-09	FY 2007-08
PP	1466	1712
PE	996	1083
PVC	614	579
Total	3,076	3,374

Feedstock integration and linkages

RIL produces a comprehensive range of petrochemicals comprising plastics (PE, PP and PVC), olefins (ethylene and propylene) and polyester (PFY, PSF and PET), fibre intermediates (PX, PTA and MEG), aromatics (benzene, toluene and butadiene) and other chemicals. RIL's business model of a fully-integrated refining and petrochemicals business provides feedstock synergy and flexibility to optimise product slate to capture the highest market value, thus helping maximise overall profitability.

Other features of refinery / petrochemical integration, including significant savings in transportation and terminals, utilities management, and other expenses have also helped RIL sail through, what is otherwise seen to be one of the toughest years for the industry. A combination of two naphtha crackers and two gas crackers provided RIL with a balanced portfolio of assets thereby optimising the feed for overall petrochemical business.

RIL has participated in the domestic growth opportunity with operating strategies like:

- Strong on-ground capabilities and extensive distribution
- Superior product portfolio, feedstock slate and business integration
- Supply chain optimisation encompassing warehousing and demand centres
- Production rationalisation in line with market demand

Polypropylene (PP)

In 2008, global production capacity for PP was 52 million tonnes and demand was at 44 million tonnes. During the year, global demand declined by 1.3%. Consequently, operating rates went down from 92% in 2007 to 86% in 2008. Prices remained volatile during the year reaching a peak of \$ 2025 /MT (all-time high) and a 6-year low of \$ 645 /MT in the same year. The year witnessed inventory correction (reduced buying) across the supply chain in Q2, 2008. Domestic demand revived substantially during Q3/Q4, 2008 resulting in improved performance.

The new PP line in the SEZ facility at RIL is expected to be fully operational in FY 2009-10. This would result in additional capacity of 0.9 million tonnes of PP operative in the year. Middle East has added 1.2 million tonnes last year and is expected to add another 2.3 million tonnes in 2009. All these new capacities will enhance availability of PP during the year.

With high degree of integration with its refinery, RIL is relatively well placed as compared to standalone PP producers. Domestic demand for PP saw a 2% increase despite weak economic conditions. This relatively lower growth can be attributed to inventory corrections across the chain.

With the new 0.9 million tonnes PP capacity coming on-stream, RIL's aggregate capacity will increase to 2.6 million tonnes making the Company the 4th largest producer of PP in the world.

As part of its growth strategy, RIL has made rapid progress by identifying and developing new applications, import substitution through introduction of new grades and a constant replacement of conventional materials to increase consumption in domestic market.

Polyethylene (PE)

Polyethylene continues to be the largest consumed commodity plastic. Global capacity in 2008 was 78 million tonnes while consumption was 66 million tonnes. There was a decline in consumption by 3.4% as a result of global economic slowdown. Operating rates also declined to 84% in 2008 as against 88% in 2007.

Nearly 23 million tonnes of new PE capacity is expected to be added globally over the next five years. Middle East is adding bulk of the new capacity followed by additions in North East & South East Asia.

Margins in PE were under pressure during the year. While price-spread between HDPE and naphtha during first half of 2008 was relatively healthy, it shrunk during the latter part of the year and was below the 5-year average of \$ 633 /MT.

In India, demand for HDPE/LLDPE grew by 6.2% during the year. Demand for LDPE grew by 13% due to higher imports by the end-users on the basis of reduced deltas with LLDPE.

Poly Vinyl Chloride (PVC)

In 2008, global demand for PVC declined by 6.2% resulting in lower operating rate of 76%. Crash in the US housing market was a key contributor to this decline.

Global capacity was estimated at 43 million tonnes and is expected to reach 50 million tonnes over the next five years. Operating rates may dip further over next two years as new capacities come on stream.

PVC consumption in India was 1.4 million tonnes in 2008-09, and grew at 1% over the previous year. Pipes and

fittings continued to be the major market accounting for 71% of domestic PVC demand. Improved demand for PVC pipe in agricultural sector compensated for decrease in demand from construction sector.

Chemicals

Although chemical products experienced extreme price volatilities during the last fiscal, RIL maintained its market leadership in India and emerged as the supplier of choice for customers.

Benzene

The global capacity of benzene exceeded 50 million tonnes in 2008. Ethyl benzene remains the major end-use of benzene (52%), followed by cumene (19%), cyclohexane (12%) and nitrobenzene (9%), respectively.

RIL is a leading producer of benzene in Asia. In FY 2008-09, RIL exported 413 KT of benzene to different markets in USA, Europe and Middle East. Despite being a large exporter, RIL has retained its leadership status in the domestic market. RIL produced 662 KT during the year, registering a growth of 1.8% on a year-on-year basis. Benzene prices remained extremely volatile during the year. It reached a peak of \$ 1333 /MT and a low of \$ 260 /MT in the same year.

With the fall in demand for benzene derivatives and the associated de-stocking throughout their value chains in the developed countries late last year, RIL diverted additional benzene to Middle East and South East Asia, the best net-back regions, on spot basis.

Polybutadiene Rubber (PBR)

PBR is the second largest synthetic rubber with global consumption of 2.3 million tonnes per annum. Global demand for synthetic rubber is growing at 2.0%. Rapid improvement in automobile industry in China and India is likely to see growth of over 6.2% and 7.5% respectively in coming years in these markets. RIL is the only manufacturer of PBR in India with production of 72 KT for the year 2008-09. India's current consumption of PBR is 100 KT and is likely to reach 148 KT by the year 2013.

During the year, PBR prices touched record high of \$ 4,200/ MT before dropping to a five-year low of \$ 1000 / MT. Global consumption of PBR declined by 9% in 2008 due to economic meltdown and consequent drop in automobile sales. Most synthetic rubber manufacturers across the world were forced to shutdown plants or reduce operating rates due to reduced demand.

Linear Alkyl Benzene (LAB)

RIL continues to be a leading producer of LAB and Normal Paraffins (NP) in the country. LAB production for the year was 151 KT. Consumption of LAB in India has been growing since 2000 at a CAGR of 5.0%. With a capacity of 182 KTA, RIL is the 5th largest producer of LAB in the world and is India's leading manufacturer.

Global demand for LAB has grown steadily at 3% CAGR during 2000-2008, and has reached the present level of 3.0 million tonnes per annum, as against an installed capacity of 3.45 million tonnes.

It was a relatively difficult year for the business. Raw material costs reached their peak in the first half. The second half experienced a significant demand drop as consumers changed their buying habits and de-stocking took place across the supply chain.

New Product Development

Five new grades were introduced by RIL during the year in the homo-polymer and impact co-polymer segments to supplement the existing range. RIL is also playing an important role in formulating the Bureau of Indian Standards for leno bag, developed for vegetable and fruit packaging, and for PPR piping for hot and cold water applications.

RIL joined a select group of manufacturers to have certifications of all coloured compounds. This allows use of RIL material for production of pipes required for city gas.

RIL will be the first Indian Company and among 11 producers of PVC globally to be listed for resin/piping material at the Plastic Pipe Institute (PPI).

Innovation in Materials, Technology and Processes

Some of RIL's product initiatives during the year were:

- Advanced generation PP donors development.
- Alternate catalyst evaluation for cost reduction and alternate supplies.

RIL has also initiated innovative development of product and process through:

- High performance metallocene PE & PP grade development.
- Alternate low-cost feedstock sourcing.
- Process and catalyst development for in-house comonomer production.

Polyester

The global textile industry continues to rely on polyester for its growth and this trend is expected to accelerate.

In 2008, global polyester filament and staple capacity was 41 million tonnes, of which 60% was filament yarn (PFY) and 40% was staple fibre (PSF). This capacity is expected to grow to 43 million tonnes by 2012 a CAGR of 2%. China dominates the world with a share of 60% in production and consumption. India follows with a production and consumption share of 10%.

In 2008, major textile exporting countries turned towards domestic markets. Protectionism against imports became prevalent and several countries imposed anti-dumping duties on textile imports. Despite an unexpected slump in demand from the biggest clothing and textile market, global demand for fibre was 73 million tonnes. Growing demand in Asia, on the back of improved per capita consumption, has helped maintain global consumption levels.

Global demand for all fibre is 73 million tonnes of which man-made fibre segment accounts for 45 million tonnes while cotton accounts for 25 million tonnes. Global demand is expected to increase to 79 million tonnes by 2012; reflecting an annual growth of 4%. Demand is expected to be led by China followed by India.

Along with rebound in GDP growth and improving demographics globally, per capita polyester fibre and yarn consumption is set to increase to 12.4 kg by 2015 from present level of 11 kg.

Growth in global GDP is expected to further improve demand for fibre and yarn by 5% over the next three years. With a growth of 3% over the next three years, capacity addition is expected to lag growth in demand. The depletion of stocks in the entire textile pipeline will also help support demand across the chain.

Average polyester operating rates are also expected to improve close to 80% in the next five years compared to lower rates of 75% in the past five years. Asian polyester operating rates will also follow suit with global trend to improve from an average of 77% in the last five years to 82% in the next couple of years.

Domestic Market

The business conditions were volatile as polyester demand consumption dropped during the first half but recovered thereafter and marked a full year gain of 5%. PET remained buoyant triggering a full year demand

mark-up of 28%. Demand for PFY improved by 6% while demand for PSF registered a drop of 1%.

Yarn spinners in some parts of India were severely hit by irregular power cuts. High cotton prices, slowdown in exports and imposition of anti-dumping duty against spun yarns in key export markets stifled the spun yarn market further.

Current level of fibre consumption in India is low in comparison to global levels. In 2008, global per capita world consumption of all fibre was 11 kg, while for India it was at 4.2 kg. In comparison, China was 15 kg and North America and Europe have per capital consumption of over 25 kg.

Over the next decade, the drivers of domestic demand will be:

- Increasing population and growing per capita income
- Retail revolution
- Increasing non-apparel applications and technical textiles

PET is one of the fastest growing segments in polyester providing a cheap and effective packaging solution. Global PET resin capacity was 17.5 million tonnes in 2008. It is expected to grow to 22.6 million tonnes by 2012. Global PET resin demand was 14.0 million tonnes in 2008 and is expected to grow to 17.7 million tonnes by 2012.

India has a PET resin capacity of 0.8 million tonnes of which domestic demand constituted during the period was 0.3 million tonnes with the rest being exported. Domestic demand is expected to go to 0.5 million tonnes by 2012 as the per capita PET consumption in India is 0.22 kg as compared to the world average of 2.1 kg in 2008.

RIL's Performance

RIL is the world's largest polyester fibres and yarn producer with a capacity of 2.5 million tonnes per annum. With a collective production (polyester, PX, PTA and MEG) of 6.6 million tonnes per annum, RIL is also the world's largest fully integrated polyester producer.

Production volumes of polyester, including subsidiaries decreased by 2% to 1,534 KT. RIL maintained its focus on specialty products, which account for 55% of PSF and 38% of PFY production. RIL maintained its leadership position in the domestic market.

Polyester Production in KT

Product	FY 2008-09	FY 2007-08
PFY	646	683
PSF	559	621
PET	329	268
Total	1,534	1,572

RIL commissioned its polyester industrial yarn plant during the year. The plant has the capability to produce a wide range of products ranging from 200 denier to 1000 denier with specific physical properties to cater to industrial uses.

This was the first full year of operation of Recron Malaysia following its acquisition by RIL. The operations of the Company have substantially improved in the last one year and units are running at full capacity. Quality standards were improved to make it at par with RIL products.

Developed countries had to bear substantial impact of the current economic crisis in comparison to developing countries. Automotive industry in EU and USA had to especially rationalise their operations due to credit crisis. This had a direct impact on operations of Trevira in Germany and led to the filing of an application for the commencement of insolvency proceedings of Trevira. RIL has made adequate provisions for any loss that may arise due to this situation.

Fibre Intermediates

Demand for PX is expected to grow to 32 million tonnes by 2012 predominantly from China. This growth in demand could result in significant PX capacity addition in the coming years. As new refineries come on stream in China and the Middle East, PX capacity is expected to grow to 39 million tonnes in 2012 (CAGR of 6%). Moreover, capacity addition is also likely in Middle East due to cheap raw material proximity.

In 2008, global PX capacity was 31 million tonnes while demand was at 26 million tonnes. Operating rates remained subdued in recent times due to wide fluctuations in crude prices. This has resulted in lower profitability for refineries and led to fluctuating supply of PX.

India's PX production was 2.1 million tonnes in 2008 and is expected to grow to 3.4 million tonnes by 2012. RIL is the world's 4th largest producer of PX with a capacity of nearly 2 million tonnes per annum.

PTA markets remained tight due to shortage of PX. Towards the latter part of the year, most producers had to reduce operating rates due to non-availability of feedstock. Consequently, PTA remained in tight supply and China witnessed an inventory drop of 1,715 KT in the last year. Capacity additions of 5,000 KTA of PX and 3,000 KTA of PTA are expected to help ease this shortage over a period of time.

MEG prices continued on their downtrend throughout 2008-09 as supplies from Middle East recovered. With nearly 3 million tonnes of new MEG capacity coming up in 2009, margins and operating rates are likely to remain under pressure in the near future.

During 2008-09, RIL's production of fibre intermediates decreased by 3% to 4,583 KT due to planned shutdown. RIL was partly insulated from the global crises due to backward integration of polyester value chain. RIL continued operations across the chain with minimum impact.

Fibre Intermediates Production in KT

Product	FY 2008-09	FY 2007-08
PX	1,879	1,878
PTA	1,978	2,035
MEG	726	801
Total	4,583	4,714

Petrochemical industry is likely to witness low operating rates for the next 18-24 months as new capacities are commissioned in Middle East and China. Operating rates could improve thereafter with a recovery in demand and closure of inefficient plants.

RIL is uniquely positioned in this business as it benefits from significant competitive advantages like integration and its strong presence in India, which is one of the fastest growing markets in the world.

RIL remains focused on improving efficiencies, remaining fully integrated, maintaining high operating rates, innovating products and reaping the benefits of domestic growth. RIL's strong domestic presence will provide it with unmatched growth opportunities to enhance lives.

Textiles

RIL is distinctly known for shepherding a new era in fabrics. The flagship brand VIMAL, which was re-launched in the middle of 2007-08, is one of the most trusted brands of premium textiles in the Country. With the commissioning of new investments in design, modern

weaving, state-of-the-art finishing equipments, RIL continues to operate one of the most modern textile complexes in Asia.

Major growth drivers for VIMAL continued to be retail presence across India, constant innovation in products, cost efficiency and improved customer service. The division continued adding clients in auto textiles and is now a significant supplier to major automobile manufacturers in India. The division continued its forays in the defence / police / paramilitary services by supplying specialised fabrics for their applications.

New product initiatives included:

- Fresca anti-microbial and anti-bacterial work-wear apparel fabrics
- Home furnishing and auto-textiles
- Silk-Amino suiting fabrics
- Fire-retardant and water-repellent tent fabrics for defence/ police services
- Insect & mosquito repellent nets, as per WHO standards, which will find usage in several areas of the world affected by mosquitoes / insects

Opportunities:

RIL's ability to grow earnings consistently through business cycles has been its hallmark with earnings growth always exceeding CAGR of 20% over any 10-year period in the past 30 years. Several factors have contributed to this enviable track record. These include best-in-class project execution; world class assets; economies of scale; use of contemporary technology and financial discipline.

Natural gas forms a key component of India's energy basket and meets 9% of its total energy requirement. Traditionally, in India, natural gas has primarily been used as a hydrocarbon feedstock in the fertiliser, petrochemicals and power sectors. However, the scope of natural gas usage in the Country has been increasing over the last decade. Gas is now progressively being used as a fuel in transportation and at homes. With the ever increasing demand for oil and petroleum products, RIL's foray into the exploration and production will contribute significantly towards enhancing availability of hydrocarbons. The production of gas from KG-D6 will catapult RIL to become the largest gas producer in India. The Company expects this business segment to deliver sustainable longterm returns. In addition to the



development of KG-D6, RIL will continue its ongoing efforts of exploration and development of various blocks. The downturn in the global economy has sharply reduced demand for refined products at a time when new refining capacity is coming online around the world. As a result, global product inventories are high and refining margins are depressed. However, once the global economy improves, demand for petroleum product and margins may also improve. RIL, with its high complex refining capacity of 1.24 MBPD at Jamnagar, is poised to benefit from the global economic turnaround. The new SEZ refinery is capable of supplying high-quality products to the advanced economies around the world in line with changing environmental norms for various transportation fuels.

In the petrochemicals business, the Company is likely to benefit from the 'India Advantage', where the demand for the petrochemical products continues to grow at a higher than GDP growth rate. In line with its growth strategy, RIL has recently added new PP facility with annual capacity of 0.9 million tonnes thus maintaining its leadership position in the domestic market

Challenges, Risks and Concerns

Successful execution of the two large projects viz. the development of the KG-D6 block and the implementation of the new refinery at Jamnagar is being completed. The upstream project KG-D6 had a safe and reliable start-up and the gas production ramp-up is progressing well. The new refinery at Jamnagar is now operating at full capacity and producing the desired quality of products. Hence, project-related risks for the Company have reduced considerably.

In the current global uncertain economic environment, certain risks may gain more prominence either on a standalone basis or when taken together. Refining business profitability could be volatile, with both periodic supply tightness and oversupply situation in various regional markets. The prices and margins of petroleum products are likely to remain lower than in the recent times due to reduced demand. The impact of this situation would also depend on the degree to which other producers reduce the operating rates or take a shutdown. These factors may also lead to intensified competition for market share and available margin, with consequential potential adverse impact on volumes.

Petrochemicals sector is also subject to fluctuations in supply and demand within the regional markets, with a consequent effect on prices and profitability. Periods of global recession could impact the demand for petrochemicals products, the prices at which they can be sold and affect the viability of operations.

Additionally, while RIL exports products to several countries, most of RIL's manufacturing facilities are based in India. While this has been done to obtain maximum benefits of size, scale and integration advantages, RIL is entirely dependent on manufacturing in India.

RIL's exports, which constitute 61% of its turnover, are earned in foreign currency, primarily the US dollar. As part of the fund raising efforts, the Company is likely to continue to tap the global financial markets. In addition, earnings in local currency are also based upon import parity prices. Thus, the Company's business is exposed to foreign exchange fluctuations and interest rate risk.

Internal Controls

RIL has a comprehensive system of internal controls to safeguard the Company's assets against loss from unauthorised use and ensure proper authorisation of financial transactions. The Company has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis.

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with applicable laws and regulations as applicable in the various jurisdictions in which the Company operates.

The organisation is well structured and the policy guidelines are well documented with pre-defined authority. The Company has also implemented suitable controls to ensure that all resources are utilised optimally, financial transactions are reported with the accuracy and all applicable laws and regulations are strictly complied.

RIL has established a well laid out policy to maintain the highest standards of Health, Safety and Environmental norms while maintaining operational integrity. This policy is strictly adhered to at all RIL's manufacturing facilities.

The Company has an internal audit function, which is empowered to examine the adequacy and the compliance with policies, plans and statutory requirements. It is also responsible for assessing and improving the effectiveness of risk management, control and

governance process. The management of the Company 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.

Major Subsidiaries

Reliance Retail Limited

Since its inception in 2006, Reliance Retail Limited (RRL) has grown into an organisation that caters to millions of customers, thousands of farmers and vendors. Based on its core growth strategy of backward integration, RRL has made rapid progress towards building an entire value chain starting from the farmers to the end consumers.

Through this year, RRL increased its footprint to more than 900 stores in 80 cities across 14 states in India. Keeping in sync with its multi-format store strategy, RRL added new formats to its spectrum in the last year. RRL now operates not only 'value' formats such as Reliance Fresh (neighbourhood store), Reliance Mart (all under one roof supermarket) & Reliance Super (mini-mart), which offer a range of products for daily household usage; but also specialty formats, such as Reliance Digital (consumer durables & information technology), Reliance Trends (apparel & accessories), Reliance Wellness (health, wellness & beauty), iStore (Apple products), Reliance Footprint (footwear), Reliance Jewels (jewellery), Reliance TimeOut (books, music & entertainment), Reliance AutoZone (automotive products & services) and Reliance Living (homeware, furniture, modular kitchens, furnishings).

Keeping in line with its commitment of providing customers with best quality products, RRL has forged strategic partnerships with world-class companies such as Marks and Spencer (apparel and accessories), Office Depot (office stationery), Pearle Europe (optical products) and Hamleys (toys).

RRL has a direct engagement with over 5 million customers following a loyalty programme 'Reliance One' which was offered from the first day of its operation.

During the year, RRL continued to bolster its agri-business & dairy value chain to support its rapidly expanding store footprint. By sourcing directly at the farmer's doorstep, RRL ensures fair and timely payments to the farmers, reduction in spoilage through its state-of-the-art supply chain and logistics network and high quality produce to its customers.

In the coming year, RRL will focus on continuously innovating to enrich customer's shopping experience through customised offers, private labels and 'value-for-money' merchandise. RRL is also committed to foster relationships with partners that will create new avenues of value enhancement for its customers.

Haryana SEZ

Reliance Ventures Ltd, a subsidiary of RIL, in a joint venture with Haryana State Industrial Investment Development Corporation (HSIIDC) had formed a joint venture company Reliance Haryana SEZ Limited to develop SEZs.

The project will function as an integrated package with all the required facilities ensuring sustainable development of medium and large scale industries and service activities with sufficient provision for future growth and expansion.

The project has been planned to enable inclusive growth thereby enhancing villages. To achieve the above objectives, the Company has started capacity building programmes including health, education and technical training. The Company has adopted three ITIs under the public-private partnership scheme of the Government of India.

The Company plans to engage a strategic business associate to help maximise the potential of the investments made so far and make the SEZ a truly global investment destination.

Jamnagar SEZ

The development of Jamnagar SEZ progressed further with the commissioning of the captive power plant and water desalination plant. The railway sidings for solid products were completed during the year. The first SEZ unit, the crude petroleum refinery and polypropylene plant (RPL) were successfully started.

Research & Development, Technology Development and Innovation

The RIL way is to develop its own technologies in select areas besides being an efficient user and customiser of available technologies. Research & development (R&D) and technology development are integral to RIL's innovation agenda for achieving growth, business profitability, sustainability and rural transformation. The Company has consolidated various research and process technology functions under one umbrella - 'Reliance

Technology Group' (RTG). This consolidation will act as a catalyst to foster innovation and enhance the interfaces in both, conventional and emerging technological arenas.

RTG gets external perspectives from members of the 'Reliance Innovation Council' (RIC) in shaping its innovation agenda and informed insights in specific technology activities. RTG acts as a hub for the RTG satellite centres at various locations. The high-level organisational role for RTG includes research & development (R&D), process engineering, basic engineering, process/product development, laboratory and pilot plant operations at various sites, technology sourcing guidance, technology planning, technical support to manufacturing and businesses, and new business development support.

RTG also acts as an enabler for the de-bottlenecking of manufacturing divisions for enhancing productivity and for improving the profitability, reliability and performance. Profit improvement plans and energy management capabilities are also being enhanced at manufacturing divisions.

RTG aspires to be 'the most innovative and globally connected technology organisation in the businesses and operations that the Company is in; recognised by its business partners and employees by creating unique opportunity and value through technology'. This assures alignment with business and manufacturing partners to create physical and intellectual capability to meet RIL's business goals through technology development and application.

In the refining business, the major technology focus is on improving performance of crude unit, Fluidised Catalytic Cracker (FCC), cokers and also increasing propylene yield in FCC among others. In the petrochemicals business, RTG supports olefin crackers, polymers, fiber intermediates, aromatics, LAB and polyester. The focus areas in petrochemicals at present and in future include asset utilisation, development of specialty materials from facilities designed for commodities; value addition to by-product streams and opportunities at the chemicals / oil interface.

RTG is also working in emerging technologies such as fuel cells, solar, bio-fuels and gasification of various feedstocks to improve the eco-system. To meet current and future needs in a rapidly changing market environment, RIL is in the process of building technical

capability in areas cutting across various businesses of the Company.

Some major ongoing / completed projects include:

- Heavy crude processing
- Alternative applications of FCC spent catalyst
- Maximising propylene (PP) and LPG recovery from FCC products
- APC/RTO implementation in all RIL's major manufacturing facilities
- On-purpose Hexene - 1 & Octene -1 catalyst development
- n-Hexane, n-pentane and other solvents production from existing facilities
- A new polyethylene product (UHMWPE) process development
- Advance generation PP catalyst and donor obial Polyester
- Low cost antimony catalyst for polyester production
- Magic WrapZ using advanced polyester technology for food/vegetable preservation
- Advance Reliance Spinning for increased capacity from RIL's polyester plants
- More effective FDY finish-polyester
- Low pill fibre-polyester

RIL participates in various collaborative projects in India and overseas to enhance basic research and technological developments in many areas. It has signed research alliance agreements with various entities like the IITs (Mumbai, Delhi & Chennai), The National Chemical Laboratory (NCL) and University of Mumbai Institute of Chemical Technology (UICIT). RIL's partnership with Council of Scientific & Industrial Research (CSIR) under the New Millennium India Technology Initiatives is gathering momentum in the area of fuel cells and upgradation of biofuels by-products.

The patent filing activity has increased substantially in recent years with 120 patent applications and 71 patents being granted. RIL is developing and implementing fit-for-purpose management systems, work processes and tools for achieving technical excellence; and creating a high performance environment for people to innovate and contribute towards organisational and individual growth.

Innovation

The contraction of the global economy and the demand destruction in markets saw many global corporates struggling to survive. RIL, once again, demonstrated its ability to innovate by developing initiatives seeking opportunity in adversity. This will ensure that RIL emerges even stronger from these crises by maximising value and embracing extreme efficiency in its operations. At the same time, utmost importance is given to safety, reliability and risk mitigation.

The Reliance Innovation Council (RIC), a unique structure, comprises global thought leaders under the chairmanship of Dr. R. A. Mashelkar, one of India's eminent scientists and a member of the Company's board. The eminence of the Council is enhanced by members such as Mr. Mukesh D. Ambani, CMD, RIL, Prof. C. K. Prahalad, renowned global strategist, Prof. George Whitesides, Harvard University, Prof. Jean-Marie Lehn, Nobel Laureate, Prof. Robert Grubbs, Nobel Laureate and Mr. William Haseltine, Venture Capitalist.

The first RIC meeting was scheduled during the year. The RIC's insights, advice and direction changed paradigms and has bolstered the Reliance Innovation Movement of making innovation as a way of life and ensuring that the next generation of growth is innovation-led.

A series of innovation-led programmes developed by RIL will make its way into the organisation. The global economic events have demanded focus on operational excellence for sustainability. This will lead to RIL building the next generation of young innovation leaders within the organisation; creating a robust system for innovation management; developing and integrating a comprehensive measurement system for innovation and propagating the great achievements of RIL internally and outside the organisation. RIL, through its leadership and talent base is committed to institutionalising innovation in the organisation and will work relentlessly to achieve this ambitious vision.

Clean Development Mechanism

The Company has built in-house capacity to prepare 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 2008-09, United Nations Framework Convention Climate Change (UNFCCC) has issued 11,938

Certified Emission Reductions (CERs) to RIL. Until March 2009, on a cumulative basis 112,968 CERs were issued to the company.

Human Resource Development

RIL's 'human talent' today is 24,679. This includes engineers, management graduates, accountants and other professionals. The average age is 39 years, which for an organisation of RIL's size and age clearly reflects a bias towards the youth. The company increased its talent pool by hiring 1500+ engineering talent in FY 2008-09.

Learning and Development

RIL continues to invest in training. In FY 2008-09, 528,647 man-days were dedicated to training delivered through various different modes both with external and in-house faculty with a diverse range of programmes for different employee target audience. This year was significant for the launch of 'e-learning' in a big way across the company. To facilitate the same, RIL partnered with Harvard and introduced their globally recognised 42 modules e-learning programme '**Harvard Manage Mentor 10**'.

The '**Management Programme for Reliance Engineers**' [MPRE] is a well-entrenched programme, which is conducted in collaboration with IIM, Bangalore, since 1995. In FY2008-09, two batches comprising 55 employees underwent this programme. RIL's relationship with IIM-Bangalore goes beyond the MPRE programmes. RIL has tailor-made '**Management Development Programmes**' (MDP) for the Company's high growth managers - MDP Level I and Level II. 82 employees in three batches underwent training under this programme.

In FY 2008-09, 63 **Six Sigma** projects were completed leading to financial benefits (annualised) amounting to Rs. 67 crore. Presently, 528 Black Belts and Green Belts are associated in Six Sigma projects at different sites. For the success of the projects, 1,817 team members and supervisory personnel are providing active support.

Awards and Recognitions

RIL was recognised by various institutions for its excellence. Some of the major awards and recognition conferred on RIL are:

Leadership

- Shri Mukesh Ambani received the American India Foundation's (AIF), USA, 'The 2008 Annual Spring Gala Award' in 2008.

- Shri Mukesh Ambani was elected as Vice Chairman of the World Business Council for Sustainable Development's (WBCSD) Executive Committee in 2008.
- Shri PMS Prasad has been named as the 'Energy Executive of the year 2008' by the London based magazine, Petroleum Economist in 2009.
- Dr. R. A. Mashelkar received 'Foreign Fellow' from Australian Academy of Technological Sciences and Engineering (ATSE) in 2008.
- Dr. R. A. Mashelkar represented India in the 'I-20 Global Innovation Leadership Summit' held at San Francisco, USA, 2009.
- In recognition of his major contributions / achievements for the year, South Gujarat Chamber of Commerce and Industry conferred 'CEO 2007-08, Golden Jubilee Trust Award' on Shri Hardev Singh Kohli in 2008.

Corporate Ranking & Ratings:

- RIL continues to be featured, for the fifth consecutive year, in the Fortune Global 500 list of 'World's largest corporations'; ranking for 2009 is as follows:
 - Ranked 264th in terms of sales
 - Ranked 117th in terms of profits
- RIL is ranked 75th in 2009, in the FT Global 500 (up from previous year's 80th rank).
- RIL won the Golden Peacock Global Award for Excellence in Corporate Governance for the year 2008.
- RIL is rated as 15th most innovative company in the world, climbing 4 positions, in a survey conducted by Business Week and Boston Consulting Group. This survey of around 3000 global CEOs is done to rate the world's top 50 most innovative companies.
- Jamnagar Manufacturing Division bagged the 'Refinery of the Year Award for 2008', for second successive year from 'Petroleum Federation of India'.

Health Safety & Environment

- Dahej Manufacturing Division received the 'Greentech Safety Award 2009 – Gold' from the Greentech Foundation for excellence in safety practices.
- Hoshiarpur Manufacturing Division received BSC 5-Star Rating in Health & Safety certification by BSC, UK, with a score of 94.2 percent. Further, the

manufacturing division got BSC 5Star Rating in environment certification by BSC, UK with a score of 97.4 percent.

- Hoshiarpur Manufacturing Division bagged Punjab Safety Award for two consecutive 2007-08 & 2008-09.
- Hoshiarpur Manufacturing Division won 'Hong Kong Green Level Certificate' for its PET recycling initiatives; the division recycled PET bottles of 30 tons per day.
- Jamnagar Manufacturing Division received 'Platinum Award' for excellence in environment management in refinery and chemical sector, respectively, from GreenTech Foundation, India.
- Jamnagar Manufacturing Division received 'G-Cube Award for Good Green Governance' from Shrishti.
- Silvassa Manufacturing Division achieved 5-Star Rating in Safety & Health with a rating score of 95.1% by British Safety Council (BSC), UK, and was also awarded the 'Sword of Honour – 2008' by BSC, UK.
- Silvassa Manufacturing Division achieved 5-Star rating in environment with 98.76% by BSC, UK- highest percentage points in the world awarded by BSC so far in 95 countries. Further, Silvassa Manufacturing Division recognised for Golden Globe Award in Environment by BSC, UK.

Training and Development

- Hazira Manufacturing Division's 'Truckers Safety Programme' and 'Workers Safety Programme' received 'Excellence in Practice Award' from American Society for Training & Development (ASTD) in the training management category.
- Patalganga Manufacturing Division was selected to receive an 'Excellence in Practice Award' from ASTD for the case study 'Learning Function - A catalyst to Organisational Change for Global Leadership'.

Quality

- Allahabad Manufacturing Division's two quality circle projects were adjudged 'par excellent' in the annual quality control exhibitions organised by National Centre for Quality Control (NCQC) 2008.
- Dahej Manufacturing Division won the 'Ramkrishna Bajaj National Quality Performance Excellence Trophy 2008'.

- Dahej Manufacturing Division's two quality circles: PVC and HDPE won the 'Excellence Award' at the 22nd National Convention.
- Hazira Manufacturing Division was bestowed 'International Star of Quality Award - 2008' (Platinum Category) at Geneva for institutionalising the TQM QC100 Quality Principles.
- Hazira Manufacturing Division's Quality Control Circle won the International Exposition on Team Excellence (IETEX) Gold Award 2008 at Singapore.
- Hazira Manufacturing Division won the second prize at International Quality & Productivity Centre QPC Asia-Pacific Summit-2008 (Singapore) by 'Cobalt recovery improvement in Catalyst Recovery Unit's Six Sigma project.
- Hazira Manufacturing Division excelled at the regional and national convention on quality circles held at Vadodara with all its 9 participating teams getting various recognitions for their QCC / Gemba Kaizen Activities.
- Hazira Manufacturing Division was conferred, at France, the highest recognition of 5 Star rating for a non-European organisation by the European Foundation for Quality Management (EFQM) (Brussels), the Mecca for Business Excellence in Europe under the aegis of Global Excellence Model (GEM) Council.
- Patalganga Manufacturing Division has won international award in the category 'Best Process Improvement in Service & Transaction Project' through DMAIC of Six Sigma. This summit was organised by International Quality & Productivity Centre, London in 2008.

Energy Conservation / Efficiency

- Dahej Manufacturing Division bagged the 'Excellence in Energy Award 2008' for energy conservation initiatives from Confederation of Indian Industry (CII).
- Dahej Manufacturing Division bagged the 'Most Efficient Unit Award 2008' for efficiency in water management at the site from CII.
- Hazira Manufacturing Division won the 'Golden Peacock Award for Combating Climate Change – 2008' from Indian Chemical Council Award for excellence in energy conservation and management.

- Hazira Manufacturing Division won the 'Indian Chemical Council Award' for water resource management in chemical industry.
- Hazira Manufacturing Division won the 'CII National Award in Energy Management 2008'.
- Jamnagar Manufacturing Division received the National Award for 'Excellence in Energy Management' for the fifth time from CII.

Technology, Patents, R&D and Innovation

- Hazira Manufacturing Division won the 'Indian Chemical Council Acharya PC Ray Award 2008' for development of in-house technology of high performance catalyst for external donor.
- Hazira Manufacturing Division won the 'Indian Chemical Council Merit Award 2008' for Development of Indigenous Technology for Para Di Ethyl Benzene.
- Hazira Manufacturing Division won the 'Golden Peacock Innovation Award -2008' from Institute of Directors at London for catalyst innovation.

Information Technology

- 'Bronze Winner - Excellence in Information Integrity (EII) Award', for profit category, from Information Integrity Coalition (IIC), USA, in 2008.
- 'The NASSCOM - CNBC TV 18 IT User Award', in the manufacturing sector category, in 2008.
- 'Indian Most Admired Knowledge Enterprise (MAKE) Award', KNOW Network, USA, in 2008.
- 'Global CIO 50 - IT Leaders Changing the Business World' by Information Week, USA, in 2009.

Corporate Social Responsibility

- According to the Nielsen India Corporate Image Monitor 2008, a study designed to measure people's perceptions of the image and reputation of India's leading companies, RIL is one of the most admired companies by stakeholders for its CSR initiatives.

Sustainability Report

- Amongst 'India's 10 largest companies by market capitalisation', International Finance Corporation (IFC) has rated RIL's Sustainability Report's reporting quality as "good" - the highest rating given for this report, in 2009.

Report on Corporate Social Responsibility

While enhancing lives, Health, Safety and Environment (HSE) continue to be high priority areas at RIL. In line with the Company's vision of becoming the world's most healthy company, RIL focuses on achieving excellence in occupational and personal health of employees at all manufacturing divisions as well as offices.

Safety of all persons and the pursuit to achieve world class level of operational excellence in safety continues to be the major focus area of the company. The top management devotes considerable time, resources and efforts to reemphasise safety as a core value in all its employees and strengthen the safety management systems.

In its pursuit of excellence towards sustainable development to go beyond compliance and become world class in environmental management arena, RIL has further strengthened its management framework with defined structures, roles and responsibilities, group standards, audits and training.

In Energising India, RIL believes in an inclusive sustainable growth approach. The Company in its Sustainability Report appeals to its stakeholders to serve the cause of environment protection and contribution to reduction in energy consumption to give benefits in a sustained manner not only to the present generation but also to the future generation when energy resources are expected to dwindle.

HSE at Manufacturing Divisions

Health

RIL has set up state-of-the-art Occupational Health Centres (OHC) at all manufacturing locations and major offices. 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.

All RIL employees, irrespective of the nature of their work or location, undergo regular periodic medical examinations. The company's occupational health departments are also in the forefront to prevent lifestyle diseases such as heart problems, hypertension, diabetes and communicable diseases such as malaria, tuberculosis and HIV / AIDS through a series of regular health awareness sessions, daily health tips and personal counselling.

Dhirubhai Ambani Occupational Health & Family Welfare Centre was commissioned at Jamnagar Township in FY 2008-09. This multi-speciality hospital is equipped with 24 beds with ICU, labour room, surgical facilities with modular operation theatre and a special burns unit. Further, RIL has also provided full-fledged modern hospitals at its other major employee townships at Vadodara, Nagothane and Patalganga. These hospitals provide curative health services to employees and their family members.

CASHe

RIL has touched lives with innovative health risk prevention programme for the last six years, at all manufacturing locations titled Change Agents for Safety, Health & workplace Environment (CASHe) Programme. This programme focuses on workplace improvements to promote healthy workplaces and reduce health & safety risks.

Safety

RIL has made significant progress in workplace and personnel safety by continuing to underpin the company's safety programme: **'Safety Observation Process' (ReSOP)**. The programme focuses on the behaviour safety aspect of all personnel. The safety programme was further strengthened by implementing world-class standards stipulating the minimum expectations of safety critical activities.

A key area that RIL is focusing on is **'Process Safety Management' (PSM)**. As part of the strategic partnership with DuPont Safety Resources, RIL has built capabilities within the company and developed in-house experts in various facets of PSM. 'Process Hazard Analysis' at various plants was initiated to address and reduce the process safety risks. Further, RIL has developed and implemented various metrics to monitor the process safety performance of company's manufacturing divisions.

Incident investigation, contractor safety management, management of change and auditing are other key areas in PSM where the company is focusing and strengthening the management processes. In addition to building strong safety management systems, RIL has undertaken special initiatives like **'Project Health Check'**. The objective is to reduce safety risks and prevent injuries in the short-term by identifying and addressing the safety issues requiring immediate attention.

Environment

RIL has further integrated its environment performance in the overall business plan. The management system approach was upgraded with DuPont resources and integration of ISO: 14001 EMS, ISO: 9000 QMS and ISO: 18001 OSHA management systems. In FY 2008-09, RIL undertook an exercise to establish world class corporate environmental standards. RIL environmental standards on discharge of gases to atmosphere, emissions from stationary sources, effluent discharge, waste management, ground water protection, green card performance rating system, environment performance evaluation & reporting, covering all major environmental aspects was released during the year. To ensure effective implementation of the environment standards, an exercise to make independent audit protocol and site-related standard operating procedures was initiated.

RIL gives top priority on maintenance and performance improvements of all pollution abatement facilities; like effluent treatment plants (ETP), air emission abatement units and waste disposal facilities. A state-of-the-art water treatment plant of 18,000 m³/day capacity was installed for the domestic water supply to township and refinery at Jamnagar. A trial for the re-utilisation of Polyethylene Terephthalate (PET) waste into Polyester Fibre Fill (PFF) recycling plant was successfully carried out at Hoshiarpur Manufacturing Division. Vermi-compost of waste is being carried out at manufacturing divisions located at Vadodara, Hazira and Naroda. A significant improvement in re-use of energy content of waste by eco-friendly fuel briquette and biogas resulted in about 19.18 % increase in direct renewable energy generation compared to previous year. To reduce water dependence from natural sources, rainwater harvesting is being practiced at most manufacturing divisions.

RIL views environment audit as an important tool for improvement opportunity. The company has more than 95 'Trained Lead Auditors' for ISO 14001:2004. They perform internal environmental audits at regular interval. The third party environment audits conducted during the year include; statutory audit by State Pollution Control Board (SPCB) recognised auditors in the state of Gujarat; ISO-14001:2004 audits by the accreditation agencies and environment audit by British Safety Council, UK, at manufacturing divisions located at Nagothane, Hoshiarpur and Silvassa.

HSE at E&P Business

The E&P business carried out its offshore exploration, drilling and development operations in a safe and environmentally acceptable manner. Emphasis was on updating E&P HSE Management system by engaging the services of Shell Global Solutions, Singapore. As part of this drive towards benchmarking with international majors, the E&P business has updated its documentation with the release of HSE MS Manual with system procedures, standards and checklists.

The E&P business established a HSE steering committee at the corporate level and a site-specific steering committee at the project level in order to drive the HSE culture down the line. The emphasis remains on enabling faster response for emergencies by validating the response plans and conducting frequent mock drills under the guidance of internationally reputed consultants. Communicating the HSE requirements to the workforce and knowledge sharing was enabled through development of a HSE portal accessible to every worker of E&P business. All incidents are reported through the in-house developed Incident Reporting and Investigation software called Safety Health Environment Incident Management System (SHEIMS).

With the new Oil Industry Safety Directorate's (OISD) Offshore Regulations coming into force from June 2008, RIL became the first operator to get the consent for operations for both Floating Production Storage and Offloading (FPSO) and Control Raiser Platform (CRP) after complying with all the required compliance requirements.

Green belt development activities commenced with plans for plantation of 10,000 tree saplings of different fruit varieties covering an area of 100 acres. A mangrove nursery was developed with over 40,000 saplings raised and planted at Kakinada. With the involvement of MS Swaminathan Research Foundation, a 10-hectare degraded mangrove is being restored near an eco-sensitive zone at Kakinada.

RIL has laid more emphasis on rainwater conservation scheme with construction of storm water retention ponds to collect all the rainwater from the Onshore Terminal premises for re-use in the green belt. Effluent- treated water in the plant is being used for green belt development.



Reporting on triple bottom-line performance

RIL commenced reporting, annually, on its triple-bottom line performance, from FY 2004-05. All its sustainability reports are externally assured and are GRI checked. The maiden report received 'in-accordance' status from GRI and all subsequent reports are 'G3 Checked A+' application level reports. From FY 2006-07, in addition to referring GRI G3 sustainability reporting guidelines, RIL refers The American Petroleum Institute / The International Petroleum Industry Environmental Conservation Association's (API/ IPIECA) guidelines and The United Nations Global Compact (UNGC) principles and has aligned the sustainability development activities with the focus areas of The World Business Council for Sustainable Development (WBCSD).

Social Responsibility and Community Development

Social welfare and community development is at the core of RIL's Corporate Social Responsibility (CSR) philosophy. The Company's strategy is to have close and continuous interaction with the people and communities around RIL's manufacturing divisions to bring qualitative changes and support the underprivileged. RIL contributes in the areas of health, education, infrastructure development (drinking water, improving village infrastructure, construction of schools etc.), relief and assistance in the event of a natural disaster and other social initiatives.

Education

Education is one of the major thrust areas of RIL's CSR interventions. A network of 10 schools caters to over 14,000 students spread across geographies in India. To encourage school children from neighbouring villages in their learning process, RIL's CSR cells of its manufacturing divisions and E&P blocks work zealously, round the year to support educational requirement of the community / schools in the neighbouring region.

While a computer has become an integral part of our lives, it is still away from the reach of students from Indian villages. RIL has taken a lead role in promoting computer literacy programme at village level. The company provides computers in numerous schools and community halls in villages near its manufacturing divisions.

In partnership with a local NGO in Surat, RIL has developed a fully functional Disabled Welfare Centre - a **school for the physically challenged children** - for bringing self-sufficiency to more than 800 physically challenged children

from the slum areas of Surat. Children are supported with travel facilities from their houses in buses. The Programme's objective is to give a sustainable livelihood by becoming contributing members and not dependants. With RIL's support, this school has become the first of its kind in India to get permission to impart formal education for class XI and XII. RIL also provides wheel chairs, a medical centre and has also initiated development of a hostel and hospital in the school premises.

Project Jagruti, the project to address Dyslexia, is now maturing into a voluntary participation-based model wherein teachers, doctors, parents, NGOs, education societies and the state government of Gujarat are creating a Sustainable model for sensitising and fighting learning disabilities amongst children. Linda Mood Bell model was adopted for diagnosis of Dyslexia and fully piloted in J.H. Ambani School with 81 students undergoing treatment. Seeing the success of this programme, the same is being replicated in all schools in Surat.

To encourage the poor and brilliant students to pursue higher studies, a novel scheme - '**Reliance Dhirubhai Ambani Protsaham**' was launched in East Godavari District by the Hon'ble Chief Minister of Andhra Pradesh, in Academic Year (AY) 2008-09. The scheme facilitates the poor meritorious students in Secondary School Certificate (SSC) examination to get admissions in colleges of their choice and also requisite coaching for different competitive examinations on par with other students.

Further, RIL renovated classrooms of government schools in Gadimoga and Bhairavapalem region and distributed notebooks, uniforms and bags to children of schools from this region. The initiative includes supply of notebooks and uniforms to children from the region every year. RIL also participated in several education awareness initiatives, such as, 100 percent literacy programme in the Yanam region.

Community Health Care

RIL has developed Community Medical Centres near most of its manufacturing divisions, which provide comprehensive health services covering preventive, promotive and curative health care services to the community from neighbouring villages. Manufacturing divisions conduct regular health check-ups for school children in schools of their respective neighbouring regions. Doctors advise children and their parents on various health care issues and personal hygiene.

A unique joint initiative of RIL and National Association of Blind, **Project Drishti** has undertaken over 7,000 free corneal graft surgeries for the visually challenged Indians from the underprivileged segment of the society. It is the largest corneal grafting surgery project enabled by a single corporate entity in India.

The initiative to combat TB HIV/AIDS is a unique public-private partnership programme - between the government, NGOs, several agencies and RIL. It extends from creating awareness to providing care, support and treatment including free of cost treatment to those who cannot afford the same. Hazira Manufacturing Division's DOTS HIV/AIDS Centre is one of the largest Anti-Retroviral Treatment Centre (ART Centre) in the country. Manufacturing divisions at Jamnagar and Patalganga too have ART Centre facilities. The initiative was expanded to other manufacturing divisions; activities are largely in the advocacy and awareness area.

Jamnagar Manufacturing Division launched '**Project Balkalyan**' on Children's Day, with an objective to provide nutritional support to children affected with HIV infection. Nutritional kit is distributed to all HIV positive children when they visit the Centre for monthly follow up. Hazira Manufacturing Division, through Reliance Ladies Club (an association of spouses of RIL managerial employees) has a similar ongoing child adoption programme at Hazira to take care of nutritional requirement of HIV positive children.

The Primary Health Centre (PHC) at Dahej, **adopted by RIL** in FY 2006-07, was adjudged as 'Best PHC' for FY 2008-09 amongst all other PHCs in Bharuch district. The PHC caters to the community health needs under National Rural Health Mission Programme and has done a great deal of work in Malaria Surveillance Programme in all the 23 villages. In 2004, RIL established the PHC at Gadimoga. The PHC has six member medical staff with all the amenities such as two-bed nursing room. Medicines are offered free of cost. Further, RIL runs two sub-centres of the PHC at Bhairavapalem and Laxmipathipuram.

Dhirubhai Ambani Hospital at Lodhivali, Maharashtra continues to play a significant role in improving the quality of life in surrounding communities. It extends prompt and specialised services to the Mumbai-Pune highway accident victims. Trauma patients are provided free life-saving treatment. Besides taking care of hospitalization requirements, the hospital provides poor patients and

senior citizens subsidised treatment - both in the outpatient and in-patient departments.

A well-equipped community medical centre with four observation bed facility at Jamnagar continues to be offered free-of-cost, round the clock with comprehensive health services. .

Manufacturing divisions offer free medical services including free medicines to the neighbouring villages. Mobile Van Clinics – '**Health-On-Wheels**', specially designed mobile dispensaries equipped with a doctor accompanied by a nurse, move to neighbouring villages on a scheduled basis all through the week.

The company's employees organise and participate in blood donation camps every year across manufacturing divisions and offices.

Hoshiarpur Manufacturing Division provides round-the clock free ambulance service - '**Highway-Rescue**', on National Highway No. 70, a radius of 20 km from Punjab to Himachal Border with heavy vehicular traffic, for road accident victims. The yeoman service saves over 50 lives annually.

Safety

Manufacturing divisions have initiated structured HSE education programme for the numerous industries located in the neighbouring region. To create awareness on safety among the people in the neighbouring industrial zone, road shows, safety-yatra and competitions were organised during the year.

Rural Infrastructure Development

Reliance Rural Development Trust (RRDT), as a Corporate NGO, continued its activities in a committed way by constructing 14 check-dams; four of them in Jamnagar district. Check-dams are for conserving water and raise water tables of the surrounding areas. Besides these, RRDT also constructed 30 drinking water facilities in the villages of Junagadh (09), Patan (08), Porbandar (04) and Rajkot (09) districts. In all, RRDT completed 489 various facilities at a cost of Rs. 19.74 crore across Gujarat during the year. The facilities include 97 cement concrete roads, 348 anganwadis, 30 drinking water facilities and 14 check dams. On the whole, RRDT has completed 5,725 facilities in 5,528 villages of Gujarat across the length and width of the state since its inception in 2001 in compliance with RIL's commitment to the Government of Gujarat. Hazira



Manufacturing division in partnership with local NGOs and also part of RRDT's initiatives, is working zealously for bettering rural life.

RIL in partnership with Parivartan, a Gujarat-based NGO accredited with United Nations, has initiated several community development programmes at Naroda. RIL supports the Lions School, an NGO run by Lions Club of Naroda Charitable Trust located in GIDC Naroda, imparts quality education to the wards of labourers residing in and around GIDC Naroda.

Jamnagar Manufacturing Division contributed substantially and liberally to several community activities. The manufacturing division contributed to Sardar Vallabhbhai Patel Memorial Society in FY 2008-09 for creating a memorial in the name of the architect of the Indian Union, at Old Raj Bhavan, Shahi Baug, Ahmedabad. Further, it also contributed to Sandipani Rachnatmak Abhigam Trust for projecting culture, business and progress of Gujarat.

Jamnagar Manufacturing Division undertook a programme to give a face-lift to a neighbouring village, Moti Khavdi. The initiative, in support of Gujarat State Government's 'Nirmal Gram' programme, comprised construction of a modern entry gate, sweeping of main village roads and garbage collection, public toilet blocks.

For providing better transportation, sanitation and hygienic conditions, internal cement concrete roads were laid in all the hamlets of Gadimoga and Bhairavapalem Gram Panchayats. Drainage facilities are also provided, on need basis, depending on the geographic conditions of the village.

Further, construction of fish jetty-cum-drying-platform near Darialathippa is in progress for the benefit of 500 fishermen families. RIL renovated the fishermen community hall at Kakinada for enabling them to utilise the same for their social functions and constructed a burial ground for the usage of people of Darialathippa village.

Water Relief

Jamnagar district is a water-scarce area. RIL supplies round the year drinking water to Meghpar and Padana villages adjacent to the refinery through tankers. Drinking water was also supplied to Moti Khavdi, Kanalus and Navania villages through tankers during acute shortage of water in summer months in FY 2008-09.

Considering the problem of scarcity of drinking water being experienced by the people of Gadimoga, drinking water was supplied through private water tankers for the last four years. To offer a permanent solution to the people from Gadimoga and Chinavalasala villages, RIL constructed a summer storage water tank and overhead reservoirs under **Reliance Rural Water Supply (RWS) scheme**.

Dahej Manufacturing Division continues to provide drinking water to its neighbouring villages. It has undertaken a job of renovating reservoir at Luvara village. The division in working with Water and Sanitation Management Organisation (WASMO) of Gujarat Water Supply and Sewerage Department to create drinking water distribution system through pipeline in neighbouring villages of Dahej.

Livelihood Support Training

RIL sponsored self-help groups (SHGs) empower women from the underprivileged segment through various employment oriented training and skill development programmes. These include training for nursing assistants, light motor driving and making bamboo articles. In FY 2008-09, Nagothane Manufacturing Division facilitated formation of 28 SHGs taking the total number of SHGs that the division has facilitated formation, from 2005 till date, to 100.

RIL, through its retail initiative - Reliance Fresh stores helped in the sale 'Hatsadi Tandul'. To help farmers buy correct and high yield variety of paddy seeds, an educational programme was organised at MADER Foundation's office for farmers.

In the Gadimoga region, RIL conducts several livelihood support training programmes, such as making eco-friendly paper plates, agarbattis etc. Further, RIL provided callipers, wheel chairs and other supportive equipments to the physically challenged with the support of Disabled Welfare Department of State Government of Andhra Pradesh.

The Polymer business continues to conduct technical training and workshops for plumbers on advanced technology in plumbing systems with PPR pipes. Modern techniques of welding to prevent leakage & ensuring hygienic and safe water to the users were taught during the training session.

Vadodara Manufacturing Division continues to support and work with **Society for Village Development in**

Petrochemicals Area (SVADES), an NGO that binds the industry and the rural community for socio-economic development. SVADES works in 40 villages near Vadodra, Gujarat covering over 2 lakh people. SVADES focuses on skill development training and education. HIV AIDS awareness, hygiene and sanitation are some of the initiatives that SVADES undertook during the year.

Enhancing agricultural techniques and cost effective packaging solutions for farmers

The Polymer business division conducted several technical programmes and participated in farming-related exhibitions to propagate advanced technologies in the production, handling, storage and distribution agricultural products. These techniques use plastic products to enhance productivity of land, water and plant nutrients. Use of **Leno bags** made out of PP was extensively promoted amongst farmers, which reduced handling losses in potato, onions, fruits and vegetable products.

Similarly, micro-irrigation techniques were widely promoted in partnership with the Ministry of Agriculture in the Centre as well as in States. These initiatives were carried out through National Committee on Plasticulture Applications in Horticulture (NCPAH).

Recycling - energy and wastages

Nearly 400 hectares of land is under plantation at Nagothane Manufacturing Division, resulting in generation of significant biomass. To avoid fire hazard from the dry biomass that is generated here, and at the same time to utilise the same as an alternative energy source, the division commenced a project in 2007 to convert the biomass into coal. The technology of pyrolysing the biomass to coal was taken from a voluntary organisation called Appropriate Rural Technology Institute, Pune (ARTI). The coal produced from biomass is being sold in the market by ARTI. In FY 2008-09, total biomass coal produced and sold stood at 1,550 Kg. For '**propagating Sarai cooker**', 16 programmes were organised during the year.

To help Surat district handle the 1,200 MT waste generated daily, RIL, undertook a unique initiative in partnership with SMC, a local NGO. Rag picking women recycle the waste by converting the garbage collected into land filling. The programme provides, women a sustainable livelihood and it also helps the city to manage its litter in a value added manner. The programme targets to engage

rehabilitate and provide sustainable livelihood to 17,500 rag pickers living in 350 slum areas around Surat.

Polyester is completely recycled, while plastic goes into road and fuel manufacturing. In a simple and scientific method of disposing plastic waste and to add value by improving the quality and life of roads, low-end plastic waste is blended with bitumen. This method replaces about 8-15 percent of bitumen while offering better functional properties in the service life of the roads constructed. It also results in cost reduction. Indian Centre for Plastics in the Environment (ICPE) has taken initiatives to popularise this technology throughout the country. RIL has adopted this method in its manufacturing divisions at Hazira and Vadodara.

Non-woven products

Several events, in association with various chapters of Indian Medical Association (IMA), were organised to increase awareness of the advantages of using PP non-woven medical disposables. With on site-demonstration and hospital visits, RIL demonstrated the cost advantage and effectiveness of non-woven disposables. These substantially reduce the risk of spreading highly contagious disease. They also eliminate washing cycles in which chemicals are used to make fabrics thereby protecting the environment. Not only do PP non-woven disposables offer better hygiene but they are also cost effective and require lower inventories.

Environment Care Advocacy

RIL continues to support ICPE in conducting educational and awareness programmes on plastic waste management in major cities and towns. These programmes help school children understand proper disposal methods of plastic wastes and the importance of recycling.

Patalganga Manufacturing Division addressed the community concerns of its neighbouring region which include driving-training for drivers transporting hazardous chemicals, awareness lectures on environmental systems and technologies to industry and institutions, support to common Effluent Treatment Plant (ETP) for Patalganga Rasayani Industrial Association (PRIA), and awareness campaign for all schools in the region on the importance of common ETP and its importance to Environment.

Naroda Manufacturing Division continues to fog, fumigate and spray disinfectants at stagnated water points



to avoid epidemics in surrounding areas and clusters in and around the manufacturing division.

Mid-day Meal Programme

Kitchen sheds were provided for operating the mid-day meal scheme in a better and healthy environment benefiting children from villages. Additionally, to provide hygienic environment in the schools of Gadimoga and Bhairavapalem, toilets for boys and girls with running water facility were provided.

Relief Activities

A devastating fire destroyed the houses and meager belongings of many poor families in Babdeo village. Nagpur Manufacturing Division's Reliance Employees Ladies Club distributed essentials like food grains and utensils to the affected families.

RIL rehabilitated Katkarwadi, a tribal hamlet near Nagothane Manufacturing Division. RIL funded the rehabilitation expenditure, which is incurred by the Collector Raigad through the fund provided by Nagothane Manufacturing Division. Likewise, Nagothane Manufacturing Division sponsored the water filter plant for Kadsure village resolving the longstanding problem of unfiltered water high on turbidity, which posed a serious health issue to the villagers.

Wildlife, Animal Care

To address the problem of deaths of the Asiatic lions and their cubs from falling in open wells in Gir forest, Jamnagar Manufacturing Division constructed parapet walls on the host of open wells in Gir forest area. Parapet protection walls on as many as 1,200 open wells were constructed in FY 2008-09.

Heritage Care

Jamnagar unabatedly keeps on supporting the development at mythological town of Dwarka. In order to further improve infrastructure and aesthetics at Dwarka, a cement-concrete road and a befitting traffic circle were constructed. RIL gave financial aid to Shardapeeth, Dwarka to support its spiritual and educational activities.

Supporting Indian Culture

RIL took the lead two years ago to form a voluntary body - Gujarat Industries Navratri Festival Society (GINFS)- comprising several corporate houses of Gujarat to support

and celebrate the Navratri festival at Ahmedabad. Besides GINFS, RIL supported about a dozen garba troupes and organisations in Jamnagar, Rajkot and Ahmedabad.

Promoting Sports and Sportspersons

RIL has over the years, nurtured and promoted many star prodigies in Cricket, Billiard and Chess. In fact, RIL's commitment to cricket spans to the last millennium when it sponsored Cricket World Cup in 1987 - 'The Reliance Cup.'

Besides promoting cricket on the global front, RIL actively nurtures young and talented cricketers.

The Indian Premier League (IPL) offered yet another opportunity to support and sponsor cricket. RIL bagged the IPL franchise for the city of Mumbai. Mumbai Indians (MI), the Mumbai team, is among the most followed cricket teams in the IPL. This is yet another step to help make India a world-beater in sports. This effort, which will foster talent scouting and development of cricket, is RIL's contribution in creating a healthy sporting ecosystem.

Real Indian Heroes

Real Heroes is an initiative of CNN-IBN in partnership with RIL, which honours the silent warriors of change, ordinary people who have rendered extraordinary services for the betterment of others. Real Heroes is an annual celebration that felicitates and recognises the triumph of the human spirit. Now in its second year, this initiative honours the real-life heroes of our society who have worked hard to make a difference for others and have served a cause in their own inimitable way thereby setting an example for a billion people. For their contributions, all 24 Real Heroes are honoured and felicitated at a grand event in Mumbai with a trophy and a cash prize of Rs. 5 lakh each.

UAA-Dhirubhai Ambani Lifetime Achievement Award

The first UAA-Dhirubhai Ambani Lifetime Achievement Award jointly promoted by UDCT Alumni Association (UAA) and RIL was awarded to Professor George Whitesides of Harvard University, USA, for his innovative and outstanding contributions to chemical sciences in December 2006. In June 2008, this one-of-its kind award was bestowed upon Professor Robert H. Grubbs, (a Nobel laureate Chemistry, 2005) - a Victor and Elizabeth Atkins professor of chemistry at California Institute of Technology, USA. The award was for his innovative and

outstanding contributions to science and engineering having wide ramifications.

This Annual Award was instituted in memory of India's pioneering industrialist and RIL's founder chairman, Shri Dhirubhai Ambani, to recognise outstanding contributions of scientists in the field of Chemical Sciences. This award, carrying a purse of US \$20,000 and a citation, is the highest Award for Scientific Achievements given by an Indian entity.

Reliance Dhirubhai India Education Fund

RIL-Stanford Graduate School of Business announced the creation of the 'Reliance Dhirubhai India Education Fund' to support promising Indian students with financial need in obtaining an MBA at Stanford in April 2008. Each year, Stanford Business School may award up to five Reliance Dhirubhai Fellowships. Reliance Dhirubhai Fellows will receive full financial support for the two-year Stanford MBA Program.

Dhirubhai Ambani Foundation

Dhirubhai Ambani Foundation (DAF) pursues philanthropic activities to promote national welfare and social well-being. Its main thrust areas are education and public healthcare. Till date, the foundation has awarded scholarships to over 5,900 students including 668 physically challenged and 171 children from the families of Kargil War martyrs.

Smt. Nita Ambani, President, Dhirubhai Ambani Foundation, was conferred the 'Giants International Award' in recognition of her outstanding contribution in the field of education.

Reliance Institute of Life Sciences (RILS), aims to develop competencies to meet the need of bio-technology sector. The long-term goal of RILS is to establish a University focused on Life Sciences and grant post graduate and doctoral degrees. An application has been filed with the University Grants Commission (UGC) for the status of a 'De Novo Deemed to be University'.

Sir Hurkisondas Nurrotumdas Hospital & Research Centre (HNHRC) is a tertiary-care modern hospital equipped with all super speciality departments. The hospital has many firsts to its credit including introduction of departments like Sonology and Immunocytobiology, the latter becoming the life-line of many hospitals for their work in renal transplants, a field in which the hospital is a

pioneer. The hospital's old building is a declared heritage structure and the façade represents colonial architecture. Preserving the heritage charm, the hospital was upgraded to include facilities, which are a must for modern hospitals. Upgrading of infrastructure in both diagnostic and therapeutic areas has received top priority.

RIL, through DAF contributes substantial amounts to strengthen infrastructure and scientific research potential of **Sir Hurkisondas Nurrotumdas Medical Research Society (HNMRS)**. With improved infrastructural facilities, several high-budgeted research projects of considerable relevance to the community are on hand. Most of the studies have the potential of translating into tangible benefits, which will enhance humanity.

Dhirubhai Ambani International School (DAIS)

The school year 2008-09 was yet another sparkling milestone in Dhirubhai Ambani International School's invigorating journey since its commencement in 2003. DAIS' overarching objective is to enable children discover the world in enjoyable ways, while imparting values and attributes that would stand them in good stead and help lead productive and fulfilling lives. This goal of a holistic education can be best achieved by providing education opportunities that synthesise internationally acclaimed pedagogical practices with India's rich educational heritage. These are the inspirations for the school's offerings across classes - lower kindergarten (LKG) to XII - the Indian Certificate of Secondary Education (ICSE), the International General Certificate of Secondary Education (IGCSE) and the IB Diploma (IBD) programmes.

The academic achievements of DAIS students continue to be very satisfying. The average score achieved by the IBD Class of 2008 is 36.26 (out of the maximum possible score of 45), whereas the world average is 29.57 points. In the third batch of IGCSE students who took the examinations in 2008, 45.14% of all grades achieved were A*s (95% or better); and 85.41% were A's (85 to 94%) and above. Some of the students are national toppers in several subjects and some have topped the world. In the examinations held in 2008, the third batch of DAIS' ICSE students has achieved an average score of 91.15%, with two-third of them scoring above 90% and the topper scoring 97.43%.

The IBD Class of 2009, the 5th batch, has earned admission offers from 32 of the world's top 50 universities (as per



World University Ranking 2008 by the 'Times Higher Education Supplement'). Six students were accepted at Oxbridge (3 at Oxford; 3 at Cambridge), 5 at Imperial and 12 at London School of Economics. Amongst the Ivy League and other leading universities, Brown has accepted 4 of the DAIS students, Columbia 2, Cornell 5, U-Penn 7, Princeton 2, Yale 3, Stanford 2, Northwestern 7, Carnegie Mellon 9, Michigan 13, University of California LA 16, UC Berkeley 12, New York University 16 and Johns Hopkins 1. Other eminent universities from which the school's graduates have earned admission offers include Duke, McGill, British Columbia, University of Melbourne and University of Hong Kong. Students who applied to universities in Singapore as well as those who plan to study in India are expected to do equally well when their admissions are finalised.

The distinction of being honoured the 'Best Co-educational School in Sports' in Mumbai by the Mumbai Schools Sports Association is one of the many sporting accomplishments during the year. The Dhirubhai Ambani International School Study & Activity Centre at Matheran, which we launched last year is in full bloom, giving our

children the opportunity to experience exciting outdoor environment, to share moments of reflection and to excel in sports.

As part of their engagement with a variety of social causes, our students work with a number of NGOs which include Advitya, Akanksha, Committed Communities Development Trust (CCDT), Mukhtangan, Pratham and Ishara. Paigaam, which is a student-initiated Peace program of DAIS, exemplifies the enthusiasm and commitment amongst the youth towards building a harmonious relationship with people from across the border. The 'Paigaam' Peace Conference organised in July 2008 was yet another milestone in this exemplary journey. Since earning Regional Membership in March 2008, the 'Round Square' initiative in the school is making praiseworthy progress, in line with this global organisation's ideals of developing every student as a whole person. Initiatives like these have significantly contributed to our students' leadership attributes, appreciation of environment, service to the society and global-mindedness. DAIS is the RIL way of teaching them young and watching them grow.

Report on Corporate Governance

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

1. Corporate Governance Philosophy

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. That 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.

We are committed to meeting 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.

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.

Traditional views of governance as a regulatory and compliance requirement have given way to adoption of governance tailored to the specific needs of the Company. Clause 49 has set the benchmark compliance rules for a listed company and the baseline for governance standards. Reliance not only adheres to the prescribed corporate practices as per Clause 49 but is constantly striving to adopt emerging best practices worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfillment of stated goals and objectives.

Corporate governance has indeed been an integral part of the way we have done business for several decades. This emanates from our strong belief that strong governance is integral to creating value on a

sustainable basis. Since our IPO 31 years back, we have grown revenues and net profit by a Compounded Annual Growth Rate (CAGR) of 28% and 32% respectively. The financial markets have endorsed this sterling performance as is reflected in a 38% CAGR growth in our market capitalization in the past five years. 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 epitomizes the impact of all that we do is the fact that our shareholder base has grown from 52,000 after the IPO to around 3.5 million now.

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 and these include:

- **Independent Statutory Auditors.** The Company's accounts are audited by a panel of 3 leading independent audit firms as follows:
 - M/s Deloitte, Haskins and Sells, Chartered Accountants, member of Deloitte Touche Tohmatsu (DTT) has been the statutory auditors of the Company for the past several years. DTT is one of the world's leading accounting firms.
 - M/s Chaturvedi & Shah (C&S), Chartered Accountants, one of India's leading audit firms and a member of the Nexia's global network of independent accounting and consulting firms, is on the approved list (Category 1) of Comptroller and Auditor General of India and Reserve Bank of India conducting Statutory Audits for Public Sector Undertakings, Insurance Companies, Banks and Financial Institutions.
 - M/s Rajendra & Co., one of India's oldest firms was set up as an audit firm 40 years ago. Rajendra & Co. also renders corporate direct taxation advice to multinational firms and several public listed companies in India.
- **Guidelines for the Board/Committee Meetings.** The Company has defined Guidelines 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.

- **Key Board activities during the year.** The Board provides and critically evaluates strategic direction of the Company, management policies and their effectiveness. Their remit is also to ensure that the long-term interests of the shareholders are being served. 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 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.
- **Corporate Social Responsibility (CSR).** Social welfare and community development is at the core of RIL's CSR philosophy and this continues to be a top priority for the Company. The CSR teams at the Company's manufacturing divisions interact with the neighbouring community on regular basis. RIL's contributions to the community are in areas of health, education, infrastructure development (drinking water, improving village infrastructure, construction of schools etc.), environment (effluent treatment, tree plantation, treatment of hazardous waste etc.), relief and assistance in the event of a natural disaster and contributions to other social development organisations. RIL also supports and partners with several NGOs in community development and health initiatives.
- **Reporting on Triple Bottom-Line Performance.** RIL commenced annual reporting on its *triple-bottom-line* performance from FY 2004-05. All its sustainability reports are externally assured and GRI checked. The maiden report received 'in-accordance' status from GRI and all subsequent reports are 'G3 Checked A+' application level reports. From FY 2006-07, in addition to referring GRI G3 sustainability reporting guidelines, RIL refers to The American Petroleum Institute / The International Petroleum Industry Environmental Conservation Association guidelines and The United Nations Global Compact principles. RIL has also aligned its sustainability activities with the focus areas of The World Business Council for Sustainable Development.
- **Internal Checks and Balances.** At the heart of our processes is the wide use of technology that ensures robustness and integrity of financial reporting. Reliance deploys a robust system of internal controls to allow optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and company policies.
- **Legal Compliance Unit.** A dedicated Legal Compliance Audit Cell within the Management Audit Cell ensures that the Company conducts its business with high standards of legal, statutory and regulatory compliances. The Company has instituted a legal compliance program in conformity with best international standards. Its compliance program is supported by a robust, on-line system that covers all manufacturing units of the Company as well as its subsidiary companies. The gamut of this system includes statutes, labour and industrial laws, HSE regulations and taxation laws.
- **Shareholders communications.** The Board recognizes the importance of two-way communication with shareholders and of 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 may contact the Company directly throughout the year. They also have an opportunity to ask a question in person at the Annual General Meeting. Shareholders can contact RIL via dedicated shareholder contact points as provided with this report or through any of Investor Service Centres of the Company's Registrars and Transfer Agents spread in more than 80 cities across India, details of which are available on the Company's website www.ril.com. RIL ensure that queries, complaints and suggestions are responded to in a timely and consistent manner.
- **Employees Stock Option Scheme.** One of the widest programs of its kind in the Indian corporate

sector, the program was introduced in 2007 and covers more than 14,000 employee-owners. The program facilitates delegation of authority while maintaining integrity and governance. In addition, the program has ensured complete alignment of individual interests with the growth imperatives of the Company.

- **Best Governance Practices.** It is the Company's constant endeavour to adopt the best governance practices as laid down in international codes of Corporate Governance and as practised by well known global companies. Some of the best global governance norms put into practice at Reliance include the following -
 - The Company has 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 established policies and procedures for corporate communication and disclosures.
 - The Company has an independent Board Committee for matters related to Corporate Governance and Stakeholders' Interface and nomination of Board members.
- **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) is one of the premier professional bodies in

India. ICSI 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 Forfeiture of Shares. Although these standards are recommendatory in nature, the Company substantially adheres to the standards voluntarily.

2. Board Composition and Particulars of Directors

Board Composition

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Board consists of 14 directors with effect from August 21, 2009, out of which 7 are Independent Directors. Composition of the Board and category of Directors are as follows:

Category	Name of the Directors
Promoter Director	Mukesh D. Ambani Chairman & Managing Director
Executive Directors	Nikhil R. Meswani Hital R. Meswani Hardev Singh Kohli P.M.S. Prasad ¹ R. Ravimohan ²
Non-Executive Non-Independent Director	Ramniklal H. Ambani
Independent Directors	Mansingh L. Bhakta Yogendra P. Trivedi Dr. Dharam Vir Kapur Mahesh P. Modi S. Venkitaramanan ³ Prof. Ashok Misra Prof. Dipak C. Jain Dr. Raghunath A. Mashelkar

¹w.e.f. August 21, 2009

²w.e.f. September 1, 2009

³upto July 24, 2009

All the Independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent as laid down under Clause

49. All such declarations are placed before the Board.

No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 1956, except Shri Nikhil R. Meswani and Shri Hital R. Meswani, who are related to each other as brothers.

What constitutes independence of Directors

For a Director to be considered Independent, the Board determines that the Director does not have any direct or indirect material pecuniary relationship with the Company. The Board has adopted guidelines which are in line with the applicable legal requirements.

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 & 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

Brief resumes 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:

- a) **Shri Mukesh D. Ambani** Shri Mukesh D. Ambani, Chairman & Managing Director, Reliance Industries Limited, is a Chemical Engineer from University Institute of Chemical Technology (earlier University Department of Chemical Technology), University of Mumbai (earlier University of Bombay). He has pursued MBA from Stanford University, USA.

Shri Mukesh D. Ambani, son of Shri Dhirubhai H. Ambani, Founder Chairman of the Company joined Reliance in 1981. He initiated Reliance's backward integration journey from textiles into polyester fibres and further into petrochemicals, petroleum refining and going up-stream 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 twenty million tonnes per year.

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. An aggregate refining capacity of 1.24 million barrels of oil per day 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. Under his leadership, RIL is set to transform India's energy landscape from the oil & gas flowing from Dhirubhai 1 & 3 Natural gas - a low carbon, low polluting green fuel that will flow from these will create value and be beneficial to a large section of India's society.

Shri Mukesh D. Ambani had set up one of the largest and most complex information and communications technology initiative in the world in the form of Reliance Infocomm Limited (now Reliance Communications Limited).

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

- Conferred the 'Indian Corporate Citizen of the Year' by the India Leadership conclave 2009.
- Bestowed the US-India Business Council (USIBC) 'Global Vision' 2007 Award for Leadership in 2007.
- Conferred 'ET Business Leader of the Year' Award by The Economic Times (India) in the year 2006.
- Conferred the Degree Honoris Causa, Honorary Doctorate by the Maharaja Sayajirao University in 2007.
- Conferred the India Business Leadership Award by CNBC-TV18 in 2007.
- Received the first NDTV-Profit 'Global Indian Leader Award' from Hon'ble Prime Minister of India, Shri Manmohan Singh in New Delhi in the year 2006.
- Had the distinction and honour of being the Co-chair at the World Economic Forum in Davos, Switzerland in 2006.
- Ranked 42nd among the 'World's Most Respected Business Leaders' and second among the four Indian CEOs featured in a survey conducted by Pricewaterhouse Coopers and published in Financial Times, London, in 2004.
- Conferred the World Communication Award for the 'Most Influential Person' in Telecommunications by Total Telecom, in 2004.
- Conferred the 'Asia Society Leadership Award' by the Asia Society, Washington D.C., USA, in 2004.

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.

On invitation to Shri Mukesh D. Ambani, Reliance Industries Limited, became a Council Member of World Business Council for Sustainable Development (WBCSD) in 2007. Shri Ambani has been elected as Vice Chairman of WBCSD Executive Committee in 2008.

Further, he is a member of the Indo-US CEOs Forum, the International Advisory Board of Citigroup, International Advisory Board of the National Board of Kuwait, Advisory Council for the Graduate School of Business, Stanford University, International Advisory Board of Brookings, International Advisory Board of Council on Foreign Relations, Member of The Business Council, and McKinsey Knowledge Advisory Council.

He is the Chairman, Board of Governors of the Indian Institute of Management, Bangalore, Chairman of Pandit Deendayal Petroleum University, Gandhinagar, Co-Chair of India-Russia CEO Council, Co-Chair of Japan-India Business Leader's Forum and a member of the Advisory Council of the Indian Institute of Technology, Mumbai.

Shri Mukesh D. Ambani is the Chairman of Reliance Retail Limited and a Director of Reliance Europe Limited and a Private Limited Company.

At RIL, Shri Mukesh D. Ambani is the Chairman of the Finance Committee and the Employees Stock Compensation Committee.

Shri Mukesh D. Ambani is the Promoter of the Company and holds 18,07,923 shares of the Company in his name as on March 31, 2009.

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

Shri Meswani joined Reliance at an early age in 1986 and since July 01, 1988 he is a Wholetime Director designated as Executive Director on the Board of Reliance.

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.

Shri Meswani 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 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 Alumni of University Institute of Chemical Technology [UICET], Mumbai.

Shri Meswani holds 1,21,174 shares of the Company in his name as on March 31, 2009.

- c) **Shri Hital R. Meswani** graduated with honours in the Management & Technology programme from University of Pennsylvania. He received a B.S. Degree in Chemical Engineering and B.S Degree in Economics from the Wharton Business School, both from University of Pennsylvania, U.S.A.

Shri Meswani joined Reliance Industries Limited in 1990. He is on the Board of the Company as Wholetime Director designated as Executive Director since August 4, 1995, with overall responsibility of the Petroleum Business and all manufacturing and project activities of the group.

Shri Meswani 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, a member of the Audit Committee of Reliance Commercial Dealers Limited. He is the Chairman of the Health, Safety & Environment Committee, a member of the Finance Committee and the shareholders'/ Investors' Grievance Committee of the Company.

Shri Meswani holds 87,930 shares of the Company in his name as on March 31, 2009.

- d) **Shri Hardev Singh Kohli** has a Master Degree in Science. He has wide experience in implementation and operation of fertilizers and petrochemicals plants. Since 1991, he has been working at the Company's Hazira Manufacturing Division. He was appointed as a Wholetime Director of the Company designated as Executive Director with effect from April 1, 2000.

In recognition of his far reaching vision, management skills, innovative ideas, untiring efforts and dynamic leadership, he was conferred the prestigious The Wisitex Foundation Award - 1996 "Man of the Corporate Management".

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

Shri Kohli holds 1,155 shares of the Company in his name as on March 31, 2009.

- e) **Shri PMS Prasad** has been appointed as a Wholetime Director of the Company with effect from August 21, 2009. He holds a bachelor's degree in engineering and has been with the Company for 28 years. He has been recognized as one of the finest professionals in the energy industry. Presently, he heads the upstream and refining business, which comprises exploration and production and refinery supply and trading. Over the years, he has held various positions in the fibres, petrochemicals and petroleum business of the Company. He was also the project head of the Jamnagar refinery and petrochemicals complex. He was recently awarded an honorary doctorate degree by the

University of Petroleum Engineering Studies, Dehra Dun.

Shri PMS Prasad is a director of Reliance Jamnagar Infrastructure Limited, Reliance Petroinvestments Limited, Reliance Commercial Dealers Limited, Reliance Gas Corporation Limited, Reliance Gas Transportation and Infrastructure Limited and several Private Limited Companies. He is member of Audit Committee of Reliance Jamnagar Infrastructure Limited and Reliance Gas Transportation and Infrastructure Limited.

Shri Prasad holds in his name 17,433 shares of the Company.

- f) **Shri R. Ravimohan** is a Director of the Company since August 21, 2009. He is a Chemical Engineer and has completed the Advanced Management Program from Harvard Business School. He has been appointed as a Wholetime Director designated as Executive Director of the Company with effect from September 1, 2009. He is the former Chairman of CRISIL Limited and Managing Director and Region Head of Standard & Poor's for the South & South East Asia. He is credited with building CRISIL into the largest rating, financial and business research and advisory service company in India.

Shri Ravimohan has been closely involved with the modernization of Indian financial system and pioneered the era of electronic stock markets in the country. He has been involved in critical policy assignments including being a member of the Primary Market Advisory Committee of SEBI, Technical Advisory Committee and Financial Stability and Stern Test Assessment of Committee of Reserve Bank of India and Raghuram Rajan Committee on Financial Sector Reforms.

Shri Ravimohan is a member of the Audit Committee of the Company. He is a governing council member of Whistling Woods International foundation.

Shri Ravimohan does not hold any share of the Company.

- g) **Shri Ramniklal H. Ambani** has been one of the senior most Directors of the Company since January 11, 1977.

Shri Ramniklal H. Ambani 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 operations from its factory at Naroda, in Ahmedabad.

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

Shri Ambani is a Director of Gujarat Industrial Investments Corporation Limited, Sintex Industries Limited and several Private Limited Companies. He is the Chairman of the Audit Committee of Gujarat Industrial Investments Corporation Limited. He is the Chief Mentor in Tower Overseas Limited.

Shri Ambani holds 84,397 shares of the Company in his name as on March 31, 2009.

- h) **Shri Mansingh L. Bhakta** is a Director of the Company since September 27, 1977. He is a Senior Partner of Messers Kanga & Company, a leading firm of Advocates and Solicitors in Mumbai. He has been in practice for over 51 years and has vast experience in the legal field and particularly on matters relating to corporate laws, banking and taxation.

Shri Bhakta is the 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.

Shri Bhakta is a Director of Ambuja Cements Limited, Micro Inks Limited, The Indian Merchant's Chamber, Mumbai, JCB Manufacturing Limited, JCB India Limited and Lodha Developers Limited. He is the Lead Independent Director of the Company. He is the Chairman of the Shareholders'/ Investors' Grievance Committee and the Remuneration Committee of the Company. He is the Chairman



of the Audit Committee, the Shareholders' / Investors' Grievance Committee, the Compensation and Remuneration Committee and the Banking Matters Committee of Ambuja Cements Limited and a member of the Audit Committees of Micro Inks Limited and JCB India Limited. He is Recipient of Rotary Centennial Service Award for Professional Excellence from Rotary International. He has been listed as one of the Leading Lawyers of Asia by Asialaw, Hongkong for the fourth consecutive year from 2006.

Shri Bhakta holds 1,57,000 shares of the Company in his name as on March 31, 2009.

- i) **Shri Yogendra P. Trivedi** is a Director of the Company since April 16, 1992. Shri Trivedi is practicing as Senior Advocate, Supreme Court. He is a member of the Rajya Sabha. He is holding important positions in various fields viz., economic, professional, political, commercial, education, medical, sports and social fields. 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 is the past President of Indian Merchants' Chamber and presently is member of the Managing Committee. He was on the Managing Committee of ASSOCHAM and International Chamber of Commerce.

Shri Trivedi is the Chairman of Sai Service Station Limited and Trivedi Consultants Private Limited. He is a Director of Colosseum Sports & Recreation International, The Supreme Industries Limited, Birla Power Solutions Limited, The Zandu Pharmaceutical Works Limited, Zodiac Clothing Company Limited, Seksaria Biswan Sugar Factory Limited, New Consolidated Construction Company Limited, Birla Cotsyn (India) Limited and several Private Limited Companies.

He was the President of the Cricket Club of India and at present he is member in various working committees of CCI. He is the President of the Western India Automobile Association. He is also member of All India Association of Industries; W.I.A.A CLUB, B.C.A. Club, Orient

Club, Yachting Association of India and Yacht Club.

Shri Trivedi is the Chairman of the Audit Committees of The Zandu Pharmaceutical Works Limited and Birla Power Solutions Limited. He is a member of the Audit Committee of Zodiac Clothing Company Limited, Sai Service Station Limited, Seksaraia Biswan Sugar Factory Limited and New Consolidated Construction Company Limited. He is also the Chairman of the Audit Committee, the Corporate Governance and Stakeholders' Interface Committee and the Employees Stock Compensation Committee of the Company. He is also a member of the Shareholders'/Investors' Grievance Committee and the Remuneration Committee of the Company.

Shri Trivedi holds 12,500 shares of the Company in his name as on March 31, 2009.

- j) **Dr. Dharam Vir Kapur** is a Director of the Company since March 28, 2001. He is an honours Graduate in Electrical Engineering with wide experience in Power, Capital Goods, Chemicals and Petrochemicals Industries.

Dr. Kapur 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 his contribution to success and leadership of the fledgling organisation, he was described as a Model Manager by the Board of Executive Directors of World Bank.

Dr. Kapur served as Secretary to the Government of India in the Ministries of Power, Heavy Industry and Chemicals & Petrochemicals during 1980-86. He was also associated with a number of national institutions as Member, Atomic Energy Commission; Member, Advisory Committee of the Cabinet for Science and Technology; Chairman, Board of

Governors, IIT Bombay; Member, Board of Governors, IIM Lucknow and Chairman, 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.

Dr. Kapur is Chairman (Emeritus) of Jacobs H&G (P) Limited and Chairman, GKN Driveline (India) Limited and Drivetech Accessories Limited. He is also a Director on the Boards of Honda Seil Power Products Limited, Zenith Birla (India) Limited and DLF Limited. Earlier he was a Director on the Boards of Tata Chemicals Limited, Larsen & Toubro Limited and Ashok Leyland Limited. He is Chairman of Audit Committees of Honda Seil Power Products Limited and GKN Driveline (India) Limited, Shareholders'/Investors' Relations Committees of Honda Seil Power Products Limited and DLF 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 Remuneration Committee of Honda Seil Power Products Limited.

He is also a member of the Corporate Governance and Stakeholders' Interface Committee, the Remuneration Committee and the Health, Safety and Environment Committee of the Company.

Dr. Kapur holds 6,772 shares of the Company in his name as on March 31, 2009.

- k) **Shri Mahesh P. Modi**, M.Sc. (Econ.) (London), is a Director of the Company since March 28, 2001. He held high positions in Government of India as Chairman of Telecom Commission; Secretary, Ministry of Coal; Special Secretary, Insurance and Joint Secretary, Ministry of Petroleum, Chemicals and Fertilizers. He has considerable management experience, particularly in the fields of energy, insurance, petrochemicals and telecom.

Shri Modi is a member of the Audit Committee, the Employees Stock Compensation Committee and the Corporate Governance and Stakeholders' Interface Committee of the Company.

Shri Modi holds 562 shares of the Company in his name as on March 31, 2009.

- l) **Prof. Ashok Misra** is a Director of the Company since April 27, 2005. He obtained his Ph.D. in Polymer Science & Engineering from University of Massachusetts, M.S. in Chemical Engineering from Tufts University and B.Tech. in Chemical Engineering from IIT Kanpur. He has also completed the 'Executive Development Programme' and 'Strategies for Improving Directors' Effectiveness Programme' at the Kellogg School of Management, Northwestern University.

Prof. Misra was the Director of the Indian Institute of Technology Bombay from 2000 to 2008, was at IIT Delhi from 1977 to 2000, and at Monsanto Chemical Co. from 1974 to 1977. He is currently the Chairman-India and Head of Global Alliances, Intellectual Ventures. He is a Fellow of National Academy of Sciences India (President from 2006 to 2008), Indian National Academy of Engineering, Indian Institute of Chemical Engineers, Indian Plastics Institute and Maharashtra Academy of Sciences. He is on the Board of Rashtriya Chemicals & Fertilizers Limited and was on the Board of National Thermal Power Corporation Limited for 6 years. He is or has been on the Boards or Councils of several national and international institutions. He has received several awards including the Distinguished Alumnus Awards from his alma maters – IIT Kanpur, Tufts University and University of Massachusetts. 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 100 international publications. He is on the Editorial Board of 4 scientific journals.

Prof. Misra holds 220 shares of the Company in his name as on March 31, 2009.



- m) **Prof. Dipak C. Jain** is a Director of the Company since August 4, 2005. He is a Ph.D. in Marketing and M.S. in Management Science from the University of Texas and M.S. in Mathematical Statistics from Gauhati University. Prof. Jain is a distinguished teacher and scholar. He has been Dean of the Kellogg School of Management, Northwestern University, Evanston, Illinois, USA since July, 2001. He has more than 20 years experience in management and education. He has published several articles in international journals on marketing and allied subjects.

Prof. Jain's 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 Gauhati 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, Government of India in 1976.

Prof. Jain is a Member of American Marketing Association and the Institute of Management Services. He is a Director of John Deere & Company, Hartmarx Corporation and Northern Trust Bank (companies incorporated outside India). He is a Director of Reliance Retail Limited. He is also a member of the Employees Stock Compensation Committee of the Company.

Prof. Jain does not hold any share of the Company.

- n) **Dr. Raghunath Anant Mashelkar**, an eminent scientist is a Director of the Company since June 9, 2007. He is a Ph.D. in Chemical Engineering. He is the President of Global Research Alliance, a network of publicly funded R&D institutes 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).

Dr. Mashelkar is only the third Indian Engineer to have been elected as Fellow of Royal Society (FRS), London in the twentieth century. He was elected 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 World Academy of Art & Science, USA (2000).

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

Dr. Mashelkar 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.

Dr. Mashelkar is a Director of Tata Motors Limited, Hindustan Unilever Limited, Thermax Limited, Piramal Life Sciences Limited, KPIT Cummins Infosystems Limited, Sakal Papers Limited, ICICI Knowledge Park and several Private Limited Companies.

Dr. Mashelkar is a member of the Audit committees of Tata Motors Limited, Hindustan Unilever Limited and the Company.

Dr. Mashelkar does not hold any share of the Company.

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 / senior managerial personnel in overseeing the functional matters of the Company.

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

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

B. Scheduling and selection of Agenda Items for Board meetings

- (i) Minimum six 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 Registered 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 / 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 / Committee meetings.

- (iv) The Board is given presentations covering Finance, Sales, Marketing, major business segments and operations of the Company, 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.
- 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.
- Dividend declaration.
- Quarterly summary of all long-term borrowings made, bank guarantees issued, loans and investments made.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Statement of significant 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.

- Internal Audit findings and External Audit Reports (through the Audit Committee).
 - Proposals for investment, 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.
- Brief on clarifications made 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**
- 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 / 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 Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board and Committees thereof. The important decisions taken at the 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 / Committee for noting by the 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

Seven Board meetings were held during the year, as against the minimum requirement of four meetings. The Company has held at least one Board meeting in every three months and the maximum time gap between any two meetings was not more than four months. The details of the Board meetings are as under:

Sl. No.	Date	Board Strength	No. of Directors Present
1	April 21, 2008	13	12
2	July 24, 2008	13	10
3	October 23, 2008	13	12
4	November 24, 2008	13	13
5	January 22, 2009	13	13
6	March 2, 2009	13	12
7	March 27, 2009	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 of meetings during 2008-09		No. of Other Directorship (s) ¹	No. of Membership(s)/ Chairmanship(s) of Board Committees in Other Companies ²
	Board Meetings	Last AGM		
Mukesh D. Ambani	7	Yes	1	Nil
Nikhil R. Meswani	6	Yes	1	1 (as Chairman)
Hital R. Meswani	6	Yes	2	2 (including 1 as Chairman)
Hardev Singh Kohli	7	Yes	Nil	Nil
P.M.S. Prasad ³	N.A.	N.A.	5	3
R. Ravimohan ³	N.A.	N.A.	Nil	Nil
Ramnklal H. Ambani	7	No	2	1 (as Chairman)
Mansingh L. Bhakta	7	Yes	5	4 (including 2 as Chairman)
Yogendra P. Trivedi	7	Yes	9	6 (including 2 as Chairman)
Dr. Dharam Vir Kapur	7	Yes	5	6 (including 4 as Chairman)
Mahesh P. Modi	7	Yes	Nil	Nil
S. Venkitaramanan ⁴	7	No	2	Nil
Prof. Ashok Misra	7	Yes	1	Nil
Prof. Dipak C. Jain	5	Yes	1	Nil
Dr. Raghunath A. Mashelkar	5	Yes	6	2

¹The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships in Foreign Companies, Section 25 Companies and Private Limited Companies.

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

³w.e.f. August 21, 2009

⁴upto July 24, 2009

Video/tele-conferencing facilities are also 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 :

(i) Audit Committee

Composition: During the financial year the Audit Committee of the Board comprised three Independent Non-Executive Directors namely Shri Yogendra P. Trivedi, Chairman, Shri S. Venkitaramanan, Vice Chairman, Shri Mahesh P. Modi. Subsequent to the resignation of Shri S. Venkitaramanan, the Audit Committee has been reconstituted w.e.f. August 21, 2009 to comprise Shri Yogendra P. Trivedi, Chairman, Shri Mahesh P. Modi, Dr. Raghunath A. Mashelkar and Shri R. Ravimohan. 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.

Shri Vinod M. Ambani is the Secretary to the Audit Committee.

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 and performance of the statutory 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 the 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 the 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 and fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
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 judgement 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 performance of Statutory and Internal Auditors, adequacy of internal control systems.
7. 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.
8. Discussion with Internal Auditors any significant findings and follow up thereon.
9. 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.
10. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults, if any, in the payment to the depositors, debentureholders, shareholders (in case of non payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower Mechanism.
13. Carrying out such other function as may be specifically referred to the Committee by the Board of Directors and / or other Committees of Directors of the Company.
14. 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.

15. Reviewing the financial statements and in particular the investments made by the unlisted subsidiaries of Company.
16. Review of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.).

Meetings : Five meetings of the Audit Committee were held during the year ended March 31, 2009, as against the minimum requirement of four meetings.

Attendance of each Member at the Audit Committee meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Yogendra P. Trivedi, Chairman	5	5
S. Venkitaramanan ¹	5	5
Mahesh P. Modi	5	5
Raghunath A. Mashelkar ²	N.A.	N.A.
R. Ravimohan ²	N.A.	N.A.

¹upto July 24, 2009.

²w.e.f. August 21, 2009.

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

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

Composition : The Corporate Governance and Stakeholders' Interface Committee of the Board comprises three Independent Directors, namely, Shri Yogendra P. Trivedi, Chairman, Dr. Dharam Vir Kapur and Shri Mahesh P. Modi.

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.

Meetings : Two meetings of the Corporate Governance and Stakeholders' Interface Committee were held during the year ended March 31, 2009.

Attendance of each Member at the CGSI Committee meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Yogendra P. Trivedi, Chairman	2	2
Dr. Dharam Vir Kapur	2	2
Mahesh P. Modi	2	2

(iii) Employees Stock Compensation Committee

Composition : The Employees Stock Compensation Committee of the Board comprises four Directors, namely, Shri Yogendra P. Trivedi (Chairman), Shri Mahesh P. Modi, Prof. Dipak C. Jain and Shri Mukesh D. Ambani.

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, vest and exercise of option in case of employees who are on long leave; and
8. the procedure for cashless exercise of options, if any.

Meetings : Two meetings of the Employees Stock Compensation Committee was held during the year ended March 31, 2009.

Attendance of each Member at the Employees Stock Compensation Committee meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Yogendra P. Trivedi, Chairman	2	2
Mahesh P. Modi	2	1
Prof. Dipak C. Jain	2	2
Mukesh D. Ambani	2	2

(iv) Finance Committee

Composition : The Finance Committee of the Board comprises three Directors, namely, Shri Mukesh D. Ambani, Chairman, Shri Nikhil R. Meswani and Shri Hital R. Meswani.

Terms of Reference :

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), 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

Meetings : Four meetings of the Finance Committee were held during the year ended March 31, 2009

Attendance of each Member at the Finance Committee meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Mukesh D Ambani	4	4
Nikhil R Meswani	4	4
Hital R Meswani	4	4

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

Composition : The Health, Safety and Environment Committee of the Board comprises three Directors, namely, Shri Hital R. Meswani, Chairman, Shri Hardev Singh Kohli and Dr. Dharam Vir Kapur.

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 Plants of the Company and compliance with the relevant statutory provisions.

Meetings : Four meetings of the Health, Safety and Environment Committee were held during the year ended March 31, 2009.

Attendance of each Member at the HS&E Committee meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Hital R. Meswani, Chairman	4	3
Hardev Singh Kohli	4	4
Dr. Dharam Vir Kapur	4	4

(vi) **Remuneration Committee Meetings :**

Composition : The Remuneration Committee of the Board comprises three Independent Directors, namely, Shri Mansingh L. Bhakta, Chairman, Shri Yogendra P. Trivedi and Dr. Dharam Vir Kapur. Shri S.Venkitaramanan was also a member of the Committee up to July 24, 2009.

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

Meetings: One meeting of the Remuneration committee was held during the year in which all the members were present.

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 & Managing Director and the Wholetime Directors, including Stock Options granted during 2008-09:

Rs. in crore

Name of the Director	Salary	Perquisites and allowances	Retiral benefits	Commission payable	Total	Stock Options granted Nos.
Mukesh D. Ambani	0.60	0.48	0.51	13.41	15.00	Nil
Nikhil R. Meswani	0.15	0.24	0.13	10.41	10.93	Nil
Hital R. Meswani	0.15	0.24	0.13	10.41	10.93	Nil
Hardev Singh Kohli	0.44	0.70	0.21	-	1.35	Nil

The Chairman and Managing Director's compensation has been set at Rs. 15 crore as against Rs. 43.24 crore that he is eligible as per the shareholders' approval, reflecting his desire to set a personal example for moderation in managerial compensation levels.

The tenure of office of the Managing Director and Wholetime 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.

The Non-Executive Directors are paid sitting fee at the rate of Rs. 20,000/- for attending each meeting of the Board and / or Committee thereof. Each of the Non-Executive Directors is also paid commission amounting to Rs. 21,00,000/- on an annual basis and the total commission payable to such Directors shall not exceed 1% of the net profits of the Company.

Sitting fee and commission to the Non-Executive Directors, for 2008-09 are as detailed below :

Rs. in lacs

Name of the Non-Executive Director	Sitting Fee	Commission	Total
Ramniklal H. Ambani	1.40	21.00	22.40
Mansingh L. Bhakta	2.40	21.00	23.40
Yogendra P. Trivedi	4.00	21.00	25.00
Dr. Dharam Vir Kapur	2.80	21.00	23.80
Mahesh P. Modi	2.80	21.00	23.80
S.Venkitaramanan	2.60	21.00	23.60
Prof. Ashok Misra	1.40	21.00	22.40
Prof. Dipak C. Jain	1.20	21.00	22.20
Dr. Raghunath A. Mashelkar	1.00	21.00	22.00
Total	19.60	189.00	208.60

During the year, the Company has paid Rs.1.52 crore as professional fees to M/s. Kanga & Co., a firm in which Shri M.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

Composition : The Shareholders’ / Investors’ Grievance Committee (the Committee) of the Board, comprised five Directors, namely, Shri Mansingh L. Bhakta, (Chairman), Shri Yogendra P. Trivedi, Shri Mukesh D. Ambani, Shri Nikhil R. Meswani and Shri Hital R. Meswani. The Committee has been reconstituted w.e.f. August 21, 2009 comprising four members Shri Mansingh L. Bhakta, (Chairman), Shri Yogendra P. Trivedi, Shri Nikhil R. Meswani and Shri Hital R. Meswani.

Terms of Reference : The 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 Balance Sheet, non- receipt of declared dividend, etc. The Committee oversees performance of the Registrar and Transfer Agents of the Company, and recommends measures for overall improvement in the quality of investor services. The Committee also monitors implementation and compliance of the Company’s Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992. The Board has delegated the power of approving transfer of securities to the Managing Director and / or the Company Secretary.

Meetings : Four meetings of the Shareholders’/ Investors’ Grievance Committee (SIGC) were held during the year ended March 31, 2009.

Attendance of each Member at the SIGC meetings held during the year

Name of the Committee Member	No. of meetings held	No. of meetings attended
Mansingh L. Bhakta, Chairman	4	4
Yogendra P. Trivedi	4	4
Mukesh D. Ambani	4	3
Nikhil R. Meswani	4	4
Hital R. Meswani	4	1

Compliance Officer

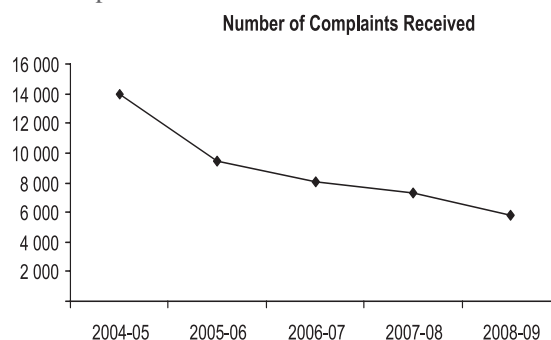
Shri Vinod M. Ambani, Company Secretary, is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreements with the Stock Exchanges in India.

Investor Grievance Redressal

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

Types of Complaints	Number of Complaints
Non-Receipt of Annual Reports	202
Non-Receipt of Dividend Warrants	4115
Non-Receipt of Interest / Redemption Warrants	968
Non-Receipt of Certificates	493
Total	5778

There were no outstanding complaints as on March 31, 2009. 103 requests for transfers and 583 requests for dematerialisation were pending for approval as on March 31, 2009, which were approved and dealt with by April 3, 2009. Given below is a chart showing reduction in investor’s complaints.



B. Functional Committees:

The Board is authorized 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, advisers 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. Code of Business Conduct and Ethics for Directors and Management Personnel

The Code of Business Conduct and Ethics for Directors and 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 members of the Board and management personnel and the compliance of the same is affirmed by them annually.

A declaration signed by the Chairman & 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 and Ethics for Directors and management personnel in respect of the financial year 2008-09.

Mukesh D. Ambani
Chairman & Managing Director

8. Subsidiary 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 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.

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. 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.

9. General Body Meetings

(A) Annual General Meetings:

Annual General Meeting of the Company during the preceding 3 years were held at Birla Matushri Sabhagar, 19, Marine Lines, Mumbai - 400 020.

Date and time of the Annual General Meetings held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

2007-08

Date and Time : June 12, 2008 11.00 a.m.

Special Resolutions passed Nil

2006-07

Date and Time : October 12, 2007 11.00 a.m.

Special Resolution passed

For payment of enhanced commission to the Directors of the Company other than the Managing Director and Wholetime Directors.

**2005-06**

Date and Time : June 27, 2006 11.00 a.m.

Special Resolutions passed

For approving the Employees Stock Option Scheme for granting stock options to the employees of the Company.

For extension of the Employees Stock Option Scheme to the directors and employees of the Company's subsidiaries.

(B) Special Resolution passed through Postal Ballot:

No special resolution was passed through Postal Ballot during 2008-09. None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

10. a. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or 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 disclosures of transactions with the related parties set out in Notes on Accounts - Schedule 'O', forming part of the Annual Report.

A total of 12,00,00,000 warrants were allotted on preferential basis on April 12, 2007, to entities in the Promoter Group, in accordance with the SEBI (Disclosure and Investor Protection) Guidelines, 2000. These warrants were exercisable within a maximum period of 18 months from the date of allotment, into an equal number of fully paid-up equity shares of the Company. As per the entitlement, the warrant holders have applied for acquisition of equity shares and the Company, on October 3, 2008, allotted 12,00,00,000 equity shares to them.

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 specialisation 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. Disclosure of Accounting Treatment

In accordance with the Scheme of Amalgamation of Reliance Petroleum Limited with the Company (the Scheme) excess of the fair value of net assets taken over by the Company over the paid up value of equity shares issued and allotted pursuant to the Scheme has been credited to Securities Premium Account and investments in Reliance Petroleum Limited prior to the Amalgamation and the stamp duty / other expenditure payable on Amalgamation is written off and charged to the profit and loss account and an equivalent amount has been withdrawn from General Reserve and credited to the profit and loss account. Had the Scheme not prescribed this accounting treatment, the said amounts would have been adjusted to the Capital Reserve. Refer note no. 3 of schedule 'O' Notes on Accounts.

c. 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.

11. Means of Communication

- (a) **Quarterly Results :** Quarterly Results are published in 'The Economic Times' / 'Financial Express' and 'Maharashtra Times' / 'Loksatta'

- and are displayed on the Company's website www.ril.com.
- (b) **News Releases, Presentations, etc. :** Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website www.ril.com. Official Media Releases are sent to the Stock Exchanges.
 - (c) **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.
 - (d) **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 Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website www.ril.com.
 - (e) **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.
 - (f) **Reminder to Investors :** Reminders for unpaid dividend / unpaid interest or redemption amount on debentures are sent to the shareholders / debentureholders as per records every year.
 - (g) **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.
 - (h) **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
- (i) **Shareholders' Feedback Survey :** The Company sent feedback form seeking shareholders' views on various matters relating to investor services and the Annual Report 2007-08. The feedback received from the shareholders was placed before the Shareholders' / Investors' Grievance Committee.

12. General Shareholder Information

12.1 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.

12.2 Annual General Meeting

(Day, Date, Time and Venue):
Tuesday, 17th November, 2009 at 11.00 a.m.
Birla Matushri Sabhagar,
19, Marine Lines, Mumbai 400020

12.3 Financial Calendar (tentative)

Financial Year : April 1, 2009 to March 31, 2010

Results for the quarter ending :

June 30, 2009 - Fourth week of July, 2009

September 30, 2009 - Fourth week of October, 2009

December 31, 2009 - Third week of January, 2010

March 31, 2010 - Third week of April, 2010

Annual General Meeting - June, 2010

12.4 Date of Book Closure

Wednesday, October 21, 2009 for payment of dividend.

12.5 Dividend Payment Date

Before October 31, 2009.

12.6 Listing on Stock Exchanges

Equity Shares

Bombay Stock Exchange Limited, (BSE),
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001.
Scrip Code 500325

National Stock Exchange of
India Limited (NSE),
“Exchange Plaza”, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Trading Symbol RELIANCE EQ.

ISIN INE002A01018

GDRs

Luxembourg Stock Exchange, 11,
Avenue de la Porte-Neuve, L-2227,
Luxembourg.

Also traded on IOB System (London Stock
Exchange) and PORTAL System
(NASD, USA)
Trading Symbol RILYP, CUSIP 759470107

Overseas Depository

The Bank of New York Mellon Corporation
101 Barclay Street New York NY 10286 USA.

Domestic Custodian

ICICI Bank Limited, Empire Complex, E7/F7,
1st Floor, 414, Senapati Bapat Marg,
Lower Parel, Mumbai 400013.

Debt Securities

The Wholesale Debt Market (WDM)
Segment of NSE.

Debenture Trustees

Axis Bank Limited
Maker Tower F, 13th Floor, Cuffe Parade,
Colaba, Mumbai 400 005.

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai 400 023.

Payment of Listing Fees : Annual listing fee
for the year 2009-10 (as applicable) has been
paid by the Company to BSE and NSE.
Annual maintenance and listing agency fee
for the calendar year 2009 has been paid by
the Company to the Luxembourg Stock
Exchange.

12.7 Stock Market Price Data

Month	Bombay Stock Exchange (BSE) (In Rs.per share)		National Stock Exchange (NSE) (In Rs.per share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2008	2,690.00	2,245.50	2,718.00	2,243.50
May 2008	2,706.60	2,391.00	3,026.00	2,390.25
June 2008	2,442.30	1,984.05	2,444.00	1,956.25
July 2008	2,329.00	1,922.50	2,338.45	1,920.00
August 2008	2,375.00	2,057.00	2,376.00	2,052.80
September 2008	2,224.90	1,764.00	2,250.00	1,765.00
October 2008	1,986.50	930.00	1,963.00	930.00
November 2008	1,500.00	1,021.00	1,505.20	1,032.10
December 2008	1,408.00	1,033.00	1,407.00	1,025.00
January 2009	1,384.00	1,067.10	1,390.00	1,065.00
February 2009	1,414.20	1,201.10	1,414.10	1,201.35
March 2009	1,582.00	1,118.05	1,583.40	1,115.30

12.8 Share Price Performance in comparison to broad based indices – BSE Sensex and NSE Nifty as on March 31, 2009

	Percentage Change in		
	RIL	BSE Sensex	NSE Nifty
FY 2008-09	-33%	-38%	-36%
2 years	11%	-26%	-21%
3 years	91%	-14%	-11%
5 years	268%	74%	70%

12.9 Registrars and Transfer Agents

Karvy Computershare Private Limited,
46, Avenue 4, Street No.1, Banjara Hills,
Hyderabad 500 034, India
Tel: +91 40 2332 0666, 2332 0711, 2332 3031,
2332 3037 Toll Free No. 1800 425 8998
Fax: +91 40 2332 3058
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 <http://www.ril.com>.

12.10 Share Transfer System

Share transfers are processed and share certificates 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. 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 with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

12.11 Distribution of Shareholding as on March 31, 2009

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 Group ¹			
(1)	Indian	44	77 16 98 164	49.03
(2)	Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	44	77 16 98 164	49.03
(B)	Public Shareholding ²			
(1)	Institutions	2 109	39 69 06 694	25.22
(2)	Non-institutions	21 55 941	35 12 85 920	22.32
	Total Public Shareholding	21 58 050	74 81 92 614	47.54
(C)	Shares held by Custodians and against which Depository Receipts have been issued	1	5 39 07 455	3.43
	TOTAL (A) + (B) + (C)	21 58 095	157 37 98 233	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.

12.12 Shareholding Pattern by Size as on March 31, 2009

Sl. No.	Category (Shares)	Holders	Shares	% of Total Shares
1	1 - 500	21 09 191	11 46 96 426	7.29
2	501 - 1000	30 462	2 13 57 369	1.36
3	1001 - 2000	11 061	1 52 69 540	0.97
4	2001 - 3000	2 786	68 20 837	0.43
5	3001 - 4000	1 170	40 78 783	0.26
6	4001 - 5000	705	31 84 896	0.20
7	Above - 5000	2 863	140 83 90 382	89.49
	TOTAL	21 58 238	157 37 98 233	100.00

12.13 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
18	Bonus Issue- II	September 30, 1983	1 11 39 564

Sl. No.	Particulars	Allotment Date	No. of Shares
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	Right 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)		4 060
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

Sl. No.	Particulars	Allotment Date	No. of Shares
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
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
			1 57 66 67 728
	Less : Shares Bought Back and extinguished on January 24, 2005		- 28 69 495
	Total Equity as on March 31, 2009		1 57 37 98 233

12.14. Corporate Benefits to Investors**a. 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*

*Subject to shareholders' approval

b. Dividend Declared for the last 10 Years

Financial Year	Dividend Declaration	Dividend per Share*
2008-09	October 7, 2009	13.00
2007-08	June 12, 2008	13.00
2006-07	March 10, 2007	11.00
2005-06	June 27, 2006	10.00
2004-05	August 03, 2005	7.50
2003-04	June 24, 2004	5.25
2002-03	June 16, 2003	5.00
2001-02	October 31, 2002	4.75
2000-01	June 15, 2001	4.25
1999-00	June 13, 2000	4.00

* Share of paid-up value of Rs. 10 per share.

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.

12.15 Dematerialisation of Shares

Electronic / Physical	%
NSDL	94.74
CDSL	1.72
Physical	3.54

96.46 % of Company's Paid up Equity Share Capital has been dematerialised upto March 31, 2009 (95.91 % upto March 31, 2008). Trading in Equity Shares of the Company is permitted only in dematerialised form.

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 2008-2009 is given below:

	BSE	NSE	Total
Shares(nos)	1,680,810	4,967,294	6,648,104
Value (in Rs. crore)	270.96	816.62	1,087.58

[Source : This information is compiled from the data available from the websites of BSE and NSE]

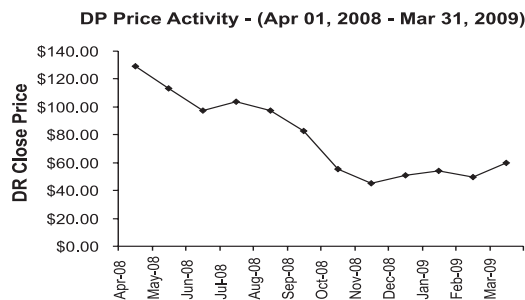
12.16 Outstanding GDRs / Warrants and Convertible Bonds, Conversion Date and likely impact on equity

- (a) **GDRs** : Outstanding GDRs as on March 31, 2009 represent 5,39,07,455 equity shares constituting 3.43% 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 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 :** A total of 50,100 Options have been granted in the financial year 2008-09 (previous years 2,97,63,000). Each Option, upon exercise of the same, would give rise to one equity share of Rs. 10/- each fully paid up. The exercise is made at the market price prevailing as on the dates of the grant plus applicable taxes as may be levied on the Company in this regard. The details of Options granted during the year are as follows:

Date of Grant	February 6, 2009
Total options granted	50,100
Price per share	Rs.1289/- *

* plus applicable taxes as may be levied on the Company in this regard

Options vest over one year to a maximum period of seven years, depending upon specified criteria. The Options can be exercised during a period of five years or such other period as the Employees Stock Compensation Committee may decide from the date of vesting. The Options unexercised during the exercise period would lapse.

12.17 Locations of Manufacturing Divisions

Allahabad

A/10-A/27, UPSIDC Industrial Area
Kailash Nagar, Karchana, P. O. T.S.L.
District Allahabad - 211 010, Uttar Pradesh, India.

Barabanki

Dewa Road, Somaiya Nagar
Barabanki - 225 123
Uttar Pradesh, India.

Dahej

P. O. Dahej, Bharuch - 392 130
Gujarat, India

Hazira

Village Mora, Bhatha, P.O. Surat
Hazira Road, Surat - 394 510,
Gujarat India.

Hoshiarpur

Dharmshala Road, V.P.O. Chohal
District Hoshiarpur
Punjab - 146 014, India.

Jamnagar

Village Meghpar/Padana, Taluka Lalpur
Jamnagar - 361 280
Gujarat, India.

Jamnagar SEZ

Village Meghpar/Padana, Taluka Lalpur
Jamnagar - 361 280
Gujarat, India.

Nagothane

P. O. Petrochemicals Township
Nagothane, Raigad - 402 125,
Maharashtra, India.

Nagpur

Village Dahali, Mouda Ramtek Road
Tehsil Mouda - 441104, District Nagpur,
Maharashtra, India.

Naroda

103/106, Naroda Industrial Estate Naroda,
Ahmedabad - 382 320
Gujarat, India.

Patalganga

B-4, Industrial Area, Patalganga
Near Panvel, Dist. Raigad - 410 207
Maharashtra, India.

Silvassa

342, Kharadpada, Near Silvassa
Union Territory of Dadra &
Nagar Haveli - 396 235, India.

Vadodara

P. O. Petrochemicals
Vadodara - 391 346
Gujarat, India.

12.18 Address for Correspondence**(i) Investor Correspondence****For Shares/Debentures held in Physical form**

Karvy Computershare Private Limited
46, Avenue 4, Street No. 1, Banjara Hills
Hyderabad - 500 034.
E-Mail: rilinvestor@karvy.com

For Shares/Debentures held in Demat form

Investors' concerned Depository Participant(s)
and /or Karvy Computershare Private Limited.

(ii) Any query on Annual Report

Shri Atul Tandon
Asst. Company Secretary
Reliance Industries Limited,
3rd Floor, Maker Chambers IV,
222, Nariman Point, Mumbai 400 021.
Email: investor_relations@ril.com

12.19 Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund

During the year under review, the Company has credited Rs. 4.91 crore 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. Details of the aforesaid transfer are as under:

Type of Transfer	Amount transferred (Rs. in crore)
Dividend	4.78
Interest on Debentures	0.04
Redemption of Debentures	0.09
Total amount transferred during the year	4.91

The cumulative amount transferred to IEPF upto March 31, 2009 is Rs. 77.60 crore.

13. 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.

14. 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 Wholtime Directors based on their performance and defined assessment criteria.

Training of Board Members

New Directors appointed by the Board are given formal induction and orientation with respect to the Company's vision, strategic direction, core values including ethics, corporate governance practices, financial matters and business operations. The new appointee is also facilitated with a tour of the Company's key manufacturing facilities to get familiar with the Company's operations.



The Board members are also 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 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 circulated to the Directors.

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 and flexible 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.

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. Such reports received are reviewed by the Corporate Governance and Stakeholders Interface Committee from time to time. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

15. 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.

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, 2009 according to the provisions of-

- The Companies Act, 1956 and the Rules made under that Act;
 - The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
 - 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, 1997;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made under that Act; and
 - The Equity Listing Agreements with Bombay Stock Exchange Limited and National Stock Exchange of India Limited and GDR Listing Agreement with Luxembourg Stock Exchange and Debt Listing Agreement with National Stock Exchange of India Limited.
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 / Debentureholders;
 - (c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and Central Government;
 - (d) service of documents by the Company on its Members, Debentureholders, Debenture Trustees 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 34th Annual General Meeting held on June 12, 2008;
 - (h) approval of the shareholders, secured creditors (including debentureholders) and unsecured creditors in their respective court convened meetings held on April 4, 2009 in terms of the Hon’ble Bombay High Court Order under Sections 391-394 of the Act read with the Companies (Court) Rules, in relation to amalgamation of Reliance Petroleum Limited with the Company;
 - (i) minutes of proceedings of General Meetings and of Board and other meetings;
 - (j) approvals of the Members, the Board of Directors, the Committees of Directors and government authorities, wherever required;
 - (k) constitution of the Board of Directors / Committee(s) of directors and appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;
 - (l) payment of remuneration to the Directors including the Managing Director and Whole-time Directors;
 - (m) appointment and remuneration of Auditors and Cost Auditors;
 - (n) transfers and transmissions of the Company’s shares and debentures, issue and allotment of shares and debentures and issue and delivery of original and duplicate certificates of shares and debentures;

- (o) payment of interest on debentures and redemption of debentures;
 - (p) declaration and payment of dividends;
 - (q) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund;
 - (r) borrowings and registration, modification and satisfaction of charges;
 - (s) investment of the Company's funds including inter-corporate loans and investments and loans to others;
 - (t) giving guarantees in connection with loans taken by subsidiaries and associate companies;
 - (u) form of balance sheet as prescribed under Part I of Schedule VI to the Act and requirements as to Profit & Loss Account as per Part II of the said Schedule;
 - (v) contracts, common seal, registered office and publication of name of the Company; and
 - (w) generally, all other applicable provisions of the Act and the Rules made under that 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;
 - (d) there was no prosecution initiated against or show cause notice received by the Company and no fines or penalties were imposed on the Company during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against the Company, its Directors and Officers.
3. 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.
4. I further report that:
- (a) the Company has complied with the requirements under the Equity Listing Agreements entered into with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited and GDR Listing Agreement with Luxembourg Stock Exchange and the Debt Listing Agreement with National Stock Exchange of India Limited;
 - (b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 including the provisions with regard to disclosures and maintenance of records required under the 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, grant of Options and other aspects.
 - (e) the Company has complied with the provisions of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 with regard to allotment of equity shares to entities in the Promoter Group who were issued warrants on preferential basis.
 - (f) the Company has complied with the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 with regard to issue and allotment of Debentures.

Dr K R Chandratre

Practising Company Secretary
Certificate of Practice No. 5144

Dated: August 24, 2009

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 35th Annual Report and the audited accounts for the financial year ended March 31, 2009.

Amalgamation of Reliance Petroleum Limited with the Company

Reliance Petroleum Limited ('RPL') has been amalgamated with the Company. The Scheme of Amalgamation was sanctioned by the Hon'ble High Court of Judicature at Bombay vide Order dated June 29, 2009 and by the Hon'ble High Court of Gujarat at Ahmedabad vide Order dated July 29, 2009 received on September 10, 2009. The Scheme became effective on September 11, 2009, the Appointed Date of the Scheme being April 1, 2008.

The amalgamation follows the Company's philosophy of creating enduring value for all its stakeholders. The amalgamation creates a platform for value-enhancing growth and reinforces the Company's position as an integrated global energy Company. Through this amalgamation, the Company consolidates a world-class, complex refinery complementing the Company's product range. With this amalgamation, the Company is now having the most complex and largest refining facility at single location in the world and will have a combined capacity of 1.24 MBPD and also be a supplier of clean fuels to all global markets.

Financial Results

The assets and liabilities of RPL and its operating results have been incorporated in the Company's books with effect from April 1, 2008 (Appointed Date). The financial performance of the Company, for the year ended March 31, 2009 is summarised below:

	2008-2009		2007-2008	
	Rs. crore	\$ Mn*	Rs. crore	\$ Mn*
Profit before Depreciation, Interest & Tax	25,373.75	5,003	28,934.64	7,212
Less: Interest	1,745.23	344	1,077.36	269
Depreciation	7,182.43		6,627.85	
Less: Transfer from Revaluation Reserve	1,987.14		1,780.71	
	5,195.29	1,025	4,847.14	1,208
Profit before Tax	18,433.23	3,634	23,010.14	5,735
Less: Provision for Current Taxation	1,206.50	238	2,604.96	649
Provision for Fringe Benefit Tax	56.87	11	47.00	12
Provision for Deferred Tax	1,860.54	367	899.89	224
Profit after Tax	15,309.32	3,018	19,458.29	4,850
Add: Balance in Profit and Loss Account Excess provision for tax for earlier years	4,363.29	861	2,765.37	689
	-	-	48.10	12
Amount Available for Appropriation	19,672.61	3,879	22,271.76	5,551
Appropriations:				
General Reserve	11,728.92	2,312	16,000.00	3,988
Debenture Redemption Reserve	340.05	67		--
Dividend on Equity Shares	1,897.05	374	1,631.24	406
Tax on dividend	322.40	64	277.23	69
Balance carried to Balance Sheet	5,384.19	1,062	4,363.29	1,088
	19,672.61	3,879	22,271.76	5,551

* 1 \$ = Rs. 50.72 Exchange Rate as on March 31, 2009 (1 \$ = Rs 40.12 as on March 31, 2008)

(Financial results for the year 2008-09 include figures of RPL and therefore to that extent are not comparable with the figures for 2007-08)

Results of Operations

The year under review was a transformational year for the Company. The Company has set new global benchmarks for project execution. This was a landmark year for the Company for its operating performance with earnings growth amidst extraordinary challenges of price volatility and demand reduction.

During the year, the Company has scaled new heights and set several new benchmarks in terms of sales, profits, networth and assets. Turnover for the year was Rs. 1,46,328 crore (\$ 28.9 billion) against Rs. 1,39,269 crore in the previous year. Exports were higher by 7% at Rs. 89,199 crore (\$17.6 billion).

Profit after tax for the year (excluding exceptional items) was Rs. 15,637 crore (\$ 3.1 billion) as against Rs.15,261 crore (\$ 3.8 billion).

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 Rs. 11,574 crore (\$ 2.3 billion) was paid in the form of various taxes and duties.

Dividend and Bonus

Your Directors have declared a dividend (interim) of Rs. 13/- per equity share (last year Rs. 13/- per equity share) for the financial year ended March 31, 2009, amounting to Rs. 2,219 crore (inclusive of tax of Rs. 322 crore) one of the highest ever payout by the Company. The shareholders of the erstwhile RPL shall also be eligible to receive the dividend.

The Board of Directors has considered the interim dividend declared as the final dividend for the financial year ended March 31, 2009.

Your Directors have recommended issue of bonus shares in the ratio of one fully paid equity share for every one fully paid equity share held in the Company. The bonus shares will also accrue to the shareholders of the erstwhile RPL, since amalgamated with the Company.

The proposal for bonus continues Reliance's tradition of rewarding shareholders at the end of a value creation cycle. The dividend pay out and recommended bonus have been formulated keeping in view the Company's need for capital for its growth plans, the intent to finance such plans through internal accruals to the maximum and the ability to serve the enhanced capital.

The issue of bonus shares shall be subject to the shareholders' approval at the ensuing Annual General Meeting. On approval by the shareholders, bonus shares shall be issued to those who are members of the Company as on the record date to be fixed by its Board.

Credit Rating

The Company continues to have the highest domestic credit ratings of AAA from CRISIL and Fitch. Moody's and S&P have reaffirmed investment grade ratings for international debt of the Company, as Baa2 and BBB, respectively. The Company's international rating from 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

Employees Stock Option Scheme was approved and implemented by the Company and Options were granted to employees in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('the SEBI Guidelines'). The Employees Stock Compensation Committee, constituted in accordance with the SEBI Guidelines, administers and monitors the Scheme.

The applicable disclosures as stipulated under the SEBI Guidelines as at March 31, 2009 (cumulative position) are given below:

a. Options Granted	29,813,100
b. Exercise Price	
Options granted	Exercise Price
2,87,28,000	1,284*
27,000	1,684*
10,08,000	2,292*
50,100	1,289*
* Plus applicable taxes, as may be levied on the Company	
c. Options Vested	21,55,070
d. Options Exercised	1,49,632
e. The total number of shares arising as a result of exercise of Options	1,49,632
f. Options Lapsed	29,76,740
g. Variation in terms of Options	Nil

h. Money realised by exercise of Options	Rs. 23,19,29,600
i. Total number of Options in force [(a) - (d) - (f)]	2,66,86,728
j. Employee wise details of Options granted to:	
i. Senior managerial personnel	
1. Shri Nikhil R.Meswani	7,00,000
2. Shri Hital R. Meswani	7,00,000
3. Shri Hardev Singh Kohli	50,000
ii. Any other employee who received a grant in any one year of Options amounting to 5% or more of Options granted during that year	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
k. Diluted Earnings Per Share (EPS) before exceptional items pursuant to issue of shares on exercise of Options calculated in accordance with Accounting Standard (AS) 20 'Earnings Per Share'	Rs. 98.83

As the exercise is made at the market price prevailing as on the date of the grant plus applicable taxes as may be levied on the Company, the issuance of equity shares pursuant to exercise of Options does not affect the profit and loss account of the Company.

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 at the Annual General Meeting held on June 27, 2006. 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.

The Company has entered into various contracts in the areas of oil & gas, refining and petrochemicals businesses. While benefits from such contracts will

accrue in the future years, their progress is periodically monitored.

Some of the major events of the year include the following:

- The Company made two gas discoveries during the year as follows:
Well B1 in the KG-V-D3 Block
Well L1 in the KG-D6 Block
The appraisal of the southern area of KG-D6 is underway targeting the extension of the channel levee fan complex system within the tertiary sequences i.e. Pleistocene, Pliocene and Miocene. Interpretation of 3D seismic data during the year has led to identification of new prospects in this area.
- The consolidation of RPL's refining assets with RIL's existing refining business gives RIL a capacity of 1.24 MBPD. What sets RIL apart in the context of global refining is the complexity of its refineries. The two Jamnagar refineries that RIL will operate are not only among the largest in the world, but also the most complex, with an average complexity of more than 12.0 on the Nelson index. Following the amalgamation, RIL will own 25% of the world's most complex refining capacity. RIL will also become the world's largest producer of ultra-clean fuels at a single location.
- RIL has signed gas contracts that are in line with the Gas Utilisation Policy of the Government of India. Accordingly, standard gas contracts have been signed for a 5-year period at \$ 4.2 /MMBTU with companies in fertiliser, power and the sponge iron sectors. Gas production has already reached 5 billion cubic meters from this block.

Some of the major events after the end of the year till the date of this report include the following -

- RIL has commenced gas production from KG-D6 block (D1 / D3 discoveries) in a record time of six and half years, as against the world average of 9-10 years for similar deep water facilities. KG-D6 is amongst the five largest deep water gas projects globally.
- In a short span of less than 6 months, total gas production from KG-D6 has ramped up to nearly 40 MMSCMD. This is one of the fastest ramp-up in gas production amongst the deep water gas fields world-wide.

- The litigation in respect of gas supply from KG-D6 basin where the Company is a contractor under a production sharing contract (PSC) is now pending before the Hon'ble Supreme Court.
- All key processing units, including the Fluidised Catalytic Cracking Unit (FCCU), Vacuum Gas Oil (VGO), Hydrogen Manufacturing Unit (HMU), Diesel Hydro De-Sulphurisation (DHDS), Propylene Recovery Unit (PRU), Coker unit and the Polypropylene complex are operating close to their respective design capacities. All the support units and utilities are fully operational and presently the refinery is operating at its design capacity.

Subsidiaries

Ministry of Corporate Affairs, Government of India has granted approval that the requirement to attach various documents in respect of subsidiary companies, as set out in sub-section (1) of Section 212 of the Companies Act, 1956, shall not apply to the Company. Accordingly, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. Financial information of the subsidiary companies, as required by the said approval, is disclosed in the Annual Report. 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 financial results of its subsidiary companies.

Details of major subsidiaries of the Company are covered in Management's Discussion and Analysis Report forming part of the Annual Report.

Directors

Shri PMS Prasad and Shri R Ravimohan were appointed as additional directors with effect from August 21, 2009. They were also appointed as wholetime directors designated as Executive Directors for five years. In terms of Section 260 of the Companies Act, 1956 they shall hold the office only upto the date of the ensuing Annual General Meeting. The Company has received requisite notices in writing from members proposing their

candidature for the office of Director liable to retire by rotation.

Shri H S Kohli, Shri Y P Trivedi, Prof. Dipak C Jain, Shri M L Bhakta, Directors, retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

Shri S. Venkitaramanan, an independent director, resigned from the Board w.e.f. July 24, 2009. The Board placed on record its deep sense of appreciation for the guidance and invaluable contribution made by Shri S. Venkitaramanan during his tenure as a director of the Company.

Group

Pursuant to intimation from the Promoters, the names of the Promoters and entities comprising 'group' are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

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 :

- in the preparation of the annual accounts for the year ended March 31, 2009, 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;
- the Directors have selected such accounting policies and applied them consistently and made judgements 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, 2009 and of the profit of the Company for the year ended on that date;
- 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
- the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Consolidated Financial Statements

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard 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.

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 reappointment.

The Company has received letters from all of them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Cost Auditors

The Central Government had directed an audit of the cost accounts maintained by the Company in respect of textiles, polyester and chemicals businesses. For conducting the cost audit for these businesses for the financial year ended March 31, 2009, the Central Government has approved the appointment of the following cost auditors –

- (i) For the textiles business - Shri S. N. Bavadekar, Cost Accountant;
- (ii) For the chemicals business – Shri S. N. Bavadekar, Cost Accountant, M/s. V. J. Talati & Co., Cost Accountants, M/s. Diwanji & Associates, Cost Accountants, M/s. K. G. Goyal & Associates, Cost Accountants, Shri Suresh D. Shenoy, Cost Accountant, M/s. Kiran J. Mehta & Co., Cost Accountants; and
- (iii) For the polyester business – Shri S. N. Bavadekar, Cost Accountant, M/s. V. J. Talati & Co., Cost Accountants, M/s. K. G. Goyal & Associates, Cost Accountants, Shri R. C. Srivastava, Cost Accountant, M/s. V. Kumar & Associates, Cost Accountants.

Secretarial Audit Report

As a measure of good corporate governance practice, the Board of Directors of the Company appointed Dr. K.R. Chandratre, Practising Company Secretary, to conduct Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2009, 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, Depositories Act, 1996, Listing Agreements with the Stock Exchanges, Securities Contracts (Regulation) Act, 1956 and 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, 1997 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

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.

However, 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 the Annexure-I to this Report.

Transfer of amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividends, interest on debentures and matured debentures which remained unpaid or



unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund.

Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance. The Directors adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India and have implemented all the stipulations prescribed. 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, 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 the aforesaid Clause 49, is attached to this Report.

Acknowledgement

Your Directors would like to express their appreciation for 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 & Managing Director
October 7, 2009

Annexure - I

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

A. CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

Some major energy conservation measures carried out during the year 2008-09 are listed below:

Barabanki Manufacturing Division

- Use of Atmospheric Fluidised Bed Combustion (AFBC) boiler consuming local fuel (rice husk) for steam generation, where otherwise fuel oil-fired boilers were used.
- Replacement of low efficiency motors by high efficiency motors for fans, blowers and pumps in entire complex.
- Stopping hot standby fuel-oil-fired-boiler by improved running boiler reliability.

Dahej Manufacturing Division

- Coating of cooling water pumps, providing Variable Frequency Drive (VFD) on fire water jockey pump and replacement of Glass Reinforced Plastic (GRP) fans with Fiber Reinforced Plastic (FRP) fans in cooling tower at Utilities.
- Re-routed oxygen supply to Vinyl Chloride Monomer (VCM) plant through Mono Ethylene Glycol (MEG) plant oxygen compressors K-302A/B (running), which otherwise was receiving oxygen from dedicated oxygen compressors K-202A/B (stopped) at VCM plant.

Hazira Manufacturing Division

- Stopping 17 pack preheaters in DuPont Spinning and 16 pack preheaters in Barmag Spinning by improving pack life & optimizing pack inventory, stopping one Dow heater in Continuous Polymerization Plant CP-12 by improving reliability of heaters, increasing Hot Condensate Tank (HCT) pressure in CP-1 & 2 to 2.25 bar from 2.05 bar by re-routing of CP-3 finisher Dow condensate line to Cold Condensate Tank (CCT) from HCT.
- Stopping one high pressure compressor at utility plant by using floating header and optimising

demand side consumptions, by reducing quench blower speed in DuPont & Barmag spinning by optimising duct pressures, removing blind plates, choked chilled water coils and adjusting positional quench air dampers.

Jamnagar Manufacturing Division

- Increased hydrocarbon recovery by routing propylene treater regeneration gases to Low Low Pressure (LLP) flare gas recovery compressor.
- Main Flare reduction from 20 Tons per Day (TPD) to 8 TPD and Low Low Pressure (LLP) Flare reduction from 20 TPD to 5 TPD has been achieved by the Acoustic survey and N2 tracer technique, done as a part of Flare Control Valves Audit.
- Conducting Steam Leak survey across the complex twice in the year.
- Installed 61 solar water heaters in the year. The Project was started in 2006-07 and 857 solar water heaters have been installed till date.

Nagpur Manufacturing Division

- Optimising threshold level control of Centrifugal Air compressors.

Nagothane Manufacturing Division

- Performing catalyst replacement with new high selective catalyst at Utilities/Air Separation Plant (ASP).

Naroda Manufacturing Division

- Augmenting steam header and replacement of traps and vents in entire complex and condensate recovery in Menswear Process House.

Patalganga Manufacturing Division

- Installation of heat exchanger for furnace heat recovery at Fiber Utilities.

Silvassa Manufacturing Division

- Unification of yarn suction blower in Barmag Machine.

Vadodara Manufacturing Division

- Upgradation of Methyl Acetylene and Propadiene (MAPD) motor at Naphtha Cracker; stopping of one boiler feed water pump, one blower, six aerators at Inter Offsite Plant (IOP) unit and halting cooling

tower operation at Pyrolysis Gasoline Hydrogenation – Benzene (PGH – BZ) unit.

- Recovering heat from Medium Pressure (MP) steam condensate by installation of Direct Steam Generation (DSG) preheater and rerouting the recycled surface condensate from cracker to boiler deaerator, which otherwise was going to cooling water at Naphtha cracker.
- Recovering heat from Low Low Pressure (LLP) steam from Low Density Poly Ethylene (LDPE) plant for deaeration at Gas Turbine Power plant (GTTPP), which otherwise was vented to atmosphere, steam reduction in deaerator by optimising deaerator inlet temperature and Low Pressure (LP) steam condensate recovery of both the Drying Towers.

(b) Additional investments / proposals being implemented for reduction of consumption of energy

Hazira Manufacturing Division

- Replacement of Boiler Feed-water Pump Turbine (BFPT) with motor in Cracker plant.

Jamnagar Manufacturing Division

- Improved Heat recovery from new Rich / Lean Amine Plate & Frame type Heat Exchanger in Amine Treatment Unit (ATU) - 4 by replacing Shell & Tube Heat Exchanger.
- Routing of Reformate Splitter Feed Preheater high pressure steam condensate to medium pressure steam condensate flash drum at Aromatics unit.
- Routing of Line-D degassing column vent line to fuel gas header at Polypropylene plant.
- Providing flare flow meters at high pressure, low pressure & Parex unit flare headers in Aromatics unit.

Nagothane Manufacturing Division

- Coating of cooling water pumps at Utilities.
- Installation of Solar water heater in Township Utilities.
- After coolers modification of 3 - stage Cracked Gas Compressor (CGC) at Cracker Utilities.
- Replacement of H - 14 furnace Induced Draft (ID) fans at Gas Cracker Utilities.

Nagpur Manufacturing Division

- Replacement of 16 nos. centrifugal pumps with high efficiency pumps.

Naroda Manufacturing Division

- Replacement of inefficient induction motors of humidification and water plant.
- Conversion of process house stenters for direct gas firing from existing thermic fluid heater.

Silvassa Manufacturing Division

- Replacement of old small size oil type compressors with large size oil free compressors.

Vadodara Manufacturing Division

- Changing of combined Feed Effluent Exchanger in Pacol section from typical Shell and Tube type to Helical Baffle type heat exchanger.

(c) Impact of measures at (a) & (b) given above, for reduction of energy consumption and consequent impact on the cost of production of goods

Barabanki Manufacturing Division

- Saving fuel worth Rs. 185 lakh per year has been achieved by use of Atmospheric Fluidised Combustion Bed (AFCB) boiler consuming local fuel (rice husk) for steam generation, where otherwise fuel oil fired boilers were used.
- Replacement of low efficiency motors by high efficiency motors for fans, blowers & pumps in entire complex have been completed, thus saving 766 MW/yr worth Rs. 17 lakh per year towards power consumption.
- Fuel savings of 29.2 MT per year worth Rs. 7 lakh has been achieved by improved boiler reliability.

Dahej Manufacturing Division

- Saving on power worth Rs. 14 lakh per year has been achieved by providing VFD and replacing GRP fans with FRP fans in cooling tower at Utilities.
- Energy saving of 60,922 Million kilocalories per year worth Rs. 33 lakh has been achieved by re-routing oxygen supply to VCM plant.

Hazira Manufacturing Division

- Estimated energy saving worth Rs. 169 lakh per year has been achieved by stopping pack preheaters thereby improving pack life and improving reliability of heaters.
- Energy saving worth Rs. 94 lakh per year has been achieved by stopping one High Pressure (HP) compressor in Utility plant.
- Estimated Fuel saving worth Rs. 1,090 lakh per year can be achieved by replacement of Boiler Feed-water Pump Turbine (BFPT) with Boiler Feed water pump & motor in Cracker plant.

Jamnagar Manufacturing Division

- Achieved fuel gas saving of 756 Metric Tons (MT) per year worth Rs. 105 lakh per annum by increasing hydrocarbon recovery.
- Achieved steam leak reduction of 26 Tons per Day (TPD) by internal steam leak survey.
- An estimated saving of Rs. 571 lakh per year can be achieved by heat recovery from new Rich / Lean Amine Plate & Frame type Heat Exchanger in Amine Treatment Unit (ATU) - 4 by replacing Shell & Tube Heat Exchanger.
- Saving potential of Rs. 125 lakh per year in terms of low pressure steam recovered after flashing at Aromatics unit.
- Saving of 0.72 Tons per day or equivalent estimated saving of Rs. 50 lakh per year achieved by routing of Line-D degassing column at Polypropylene plant.
- An estimated energy saving quantity of 483 MT per year worth Rs. 95 lakh per annum has been achieved by reduction in flare loss by providing flare flow meters at High Pressure, Low Pressure & Parex Flare headers in Aromatics unit.

Nagpur Manufacturing Division

- Achieved energy saving worth Rs. 14 lakh per annum by reduction in power consumption of centrifugal air compressors.
- Energy saving worth Rs. 17 lakh per year can be achieved by replacement of 16 nos centrifugal pumps with high efficiency pumps.

Nagothane Manufacturing Division

- Reduction in power consumption of 5,340 Million kilocalories per year worth Rs. 168 lakh has been achieved by reducing Mono Ethylene Glycol (MEG) Plant oxygen requirement at Utilities/Air Separation Plant (ASP).
- Energy saving worth Rs. 430 lakh per year can be achieved considering the energy conservation measures, that are proposed / under implementation.

Naroda Manufacturing Division

- Steam saving of 41 ton / day by augmenting steam header and steam saving of 7 ton / day by condensate recovery worth Rs. 59 lakh per year has been achieved in Menswear Process House.
- Power saving of 1,878.4 Mega Watt-hour per year (MW/yr) worth Rs. 6 lakh is estimated by replacement of inefficient induction motors.
- Estimated power saving of 853.2 MW/yr and fuel saving of 371,790 Standard cubic Meter per year, in terms of gas consumption by conversion of process house stenters.

Patalganga Manufacturing Division

- Energy saving of 775 million kilocalories per year worth Rs. 16 lakh achieved at Fiber Utilities.

Silvassa Manufacturing Division

- Energy saving of 7.3 Kilocalories per Kg of product worth Rs. 50 Lakh per annum has been achieved by unification of yarn suction blower.
- Potential saving of 99.2 Kilocalories per Kg of product worth Rs. 676 lakh per annum can be achieved by replacement of old small size oil type compressors with large size oil free compressors.

Vadodara Manufacturing Division

- Energy saving worth Rs. 160 lakh per year has been achieved by optimisation of plant operation.
- Achieved reduction of MP steam to DSG reboiler at 1.7 TPH with additional benefit of 0.5 Million kilocalories per year in Poly Butadiene Rubber (PBR) -1 heat recovery scheme worth Rs. 92 lakh per year by installation of Direct Steam Generation (DSG) preheater and rerouting the recycled surface condensate from cracker to boiler deaerator.

- Energy saving worth Rs. 174 lakh per year has been achieved by recovering heat from Low Low Pressure (LLP) steam at Gas Turbine Power plant (GTPP), and Steam Reduction in Deaerator of both the Drying Towers.
- Saving fuel worth Rs. 183 lakh per annum in Pacol feed pre-heater by switching from typical Shell and Tube type to Helical Baffle type heat exchanger.

(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**

- Improved propylene recovery at the refinery.
- Propylene odor control.
- Development and use of refinery models.
- Development of improved paraffin dehydrogenation catalysts.
- Unsaturates reduction in Pentane streams.
- Catalyst Technology Development for Polypropylene.
- Eco-friendly recovery of ammonium sulfate from wastes.
- Development of a green process for butadiene polymerization.
- Production of ethanol from biomass.
- Process for comonomers from ethylene.
- Composite adsorbents for Solution Polyethylene.
- Improved bimodal High Density Polyethylene.
- New PTA (Purified Terephthalic Acid) technology development.
- Catalyst recovery from PTA plants.
- Single stage separation of PTA.
- Safe handling of PTA residues.
- Improved furnace technology in Cracker plants.
- Substitution of Di-methyl Di-Sulphide (DMDS) in Cracker Plants.
- Development of Cationic Polyester in Continuous Reactor.

- Development of Full Dull Luster Polyester in Continuous Reactor.
- Development of polybutylene terephthalate (PBT) yarns.
- Spin finish development for flat yarns and partially oriented yarn (POY).
- Magic WrapZ development for enhancing shelf life of fruits and vegetables.
- New Catalyst systems development for PET.
- Technology development of Antimicrobial Polyester.
- Development of Carbon fiber.
- Development of unique solar PV Products.
- Development of high yielding varieties of Biofuel crops like Jatropa, Pongamia, Calophyllum, Madhuka and Simarouba.

2. Benefits derived as a result of the above R&D

- Potential benefits of Rs. 50 crores/annum from improved propylene recovery at refinery.
- Improved predictive capabilities for refinery optimization with an estimated benefit of Rs. 40 crores/annum.
- Potential benefits of Rs. 9 crores/annum from pentane recovery.
- Potential benefits of Rs. 60 crores/annum from Polypropylene odor control.
- Potential value generation of Rs. 40 crores/annum from Polymer Catalyst Technology.
- Potential benefit of Rs. 5 crores/annum from ethylene based comonomers.
- Potential for Rs. 5 crores/annum benefit from composite absorbents for solution Polyethylene.
- Potential benefit of Rs. 8 crores/annum from improved bimodal High Density Polyethylene.
- Usage of improved furnace technology with a potential benefit of Rs. 10 crores /annum.
- Potential benefit of Rs. 2 crores/annum from in-house manufacturing of n-Hexane.
- Benefits of Rs. 22 crores/annum from new products and additives in Polyester Technology.
- Potential new business opportunity over Rs. 60 crore/annum.
- Better per hectare productivity of Biofuel crops.

3. Future plan of action

- Cost reduction and propylene yield improvements.
- Processing of heavier crudes.
- Improved vacuum gas oil recovery.
- Improved process of coke yield reduction.
- Development of new process for upgrading of light olefins to diesel.
- Regenerable adsorbents for removal of unsaturates from hydrocarbons.
- Development of new generation high yield paraffins dehydrogenation catalysts.
- Methodologies for enhancement of shelf life of fruits and vegetables.
- Long chain branching of Polypropylene for cellular products.
- Development of novel nano- materials for polymers and catalysts.
- Development of living polymerization catalysts for Ultra high molecular weight PE.
- Technology development for PVC wastewater treatment.
- Development of high performance random Polypropylene grades.
- Recovery of precious metals from spent catalysts.
- Isolation of value added chemicals from PTA residue.
- New chain transfer agent for butadiene polymerization.
- Pilot plant trials to validate the concept of new PTA technology.
- Modeling and Simulation of PX (Paraxylene) oxidation reactor.
- Implementation of single stage separation facility for PTA.
- Full Continuous Polymerization run of differentiated products in Polyester.
- Continue with Magic WrapZ development and commercialization activities.
- Process development for Micro denier Partially Oriented yarn (POY).
- Pilot plant trials for carbon fiber.
- Development of Market specific unique PV Products.
- Continue with crop improvement and cultivation practice in Biofuel crop.

4. Expenditure on R & D

	Rs Crore
a) Capital	187.48
b) Revenue	149.26
c) Total	336.74
d) Total R &D expenditure as a percentage of total turnover is 0.23 %	

Technology absorption, adoption and innovation**1. Efforts, in brief, made towards technology absorption, adoption and innovation:**

- Higher throughputs from FCC optimization.
- Upgrading of coker products.
- Enhanced diesel yields in FCC.
- Improved catalyst quality control.
- Improved power recovery turbine reliability.
- Trial completed for in-house developed and manufactured dehydrogenation catalyst.
- Optimization of defluoridation process.
- Indigenous clay for unsaturated reduction.
- Slurry Polymerization in different solvents for Ultra high molecular weight PE.
- Refinery streams mapping for value addition & operational ease.
- Optimization of Methyl Acetate hydrolysis plants.
- Cracker Online Optimizer model developed and implemented.
- In-house technology development for productivity enhancement in Polyester.
- PVC segregation during PET bottles recycling.

2. Benefits derived as a result of the above efforts

- Higher throughputs from FCC optimization resulting in Rs. 50 crores /annum.
- Upgrading of coker products resulting in Rs. 60 crores /annum of benefit.
- Improved catalyst quality control resulting in Rs. 4 crores /annum of benefit.
- Improved power recovery turbine reliability resulting in Rs. 2.5 crores /annum of benefit.
- Projected benefit of over Rs. 11 crores/annum from use of in-house developed dehydrogenation catalyst.
- Savings from increased cycle length with better quality of treated water after defluoridation.

- For the first time an Indian clay is being used for olefin reduction in a refinery.
- Reduction in specific consumption of acetic acid based on optimization of Methyl Acetate hydrolysis.
- Productivity increase of 20% through in-house technology developments in Polyester.

3. Information regarding Imported Technology

Product	Technology Import From	Year of Import	Status implementation / absorption
High selectivity catalyst for MEG Production at Dahej Manufacturing Division	Scientific Design	2008-09	Successfully absorbed and under implementation
Catalyst for VCM Polymerization at PVC plant, at Vadodara Manufacturing Division	Ineos	2008-09	Successfully absorbed and implemented

C. FOREIGN EXCHANGE EARNINGS AND OUTGO**(f) 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 on and avail of export opportunities based on economic considerations. During the year the Company has exports (FOB) value worth 89,199 crore (\$ 17,587 million).

(g) Total Foreign exchange earned and used

	Rs. Crore
a. Total Foreign Exchange Earned	86,916.78
b. Total savings in foreign exchange through products manufactured by the Company and deemed exports (USD 13,847.69 Million)	70,235.50
sub total (a+b)	1,57,152.28
c. Total foreign Exchange used	1,27,464.00

Form 'A'
Form for disclosure of particulars with respect to conservation of energy
Part 'A'

Power & Fuel Consumption	Current Year	Previous Year
1. Electricity		
a) Purchased Units (Lacs)	4,745.13	4,732.39
Total Cost (Rs. In Crores) #	203.32	167.38
Rate/Unit (Rs.) #	4.28	3.54
b) Generation through captive power facilities		
1) Through Steam Turbine/Generator		
Units (Lacs)	26,273.13	23,738.67
KWH per unit of fuel	4.57	4.63
Total Cost (Rs. In Crores)	1,670.90	1,181.36
Cost/Unit (Rs.)	6.36	4.98
c) Own Generation		
1) Through Diesel Generator		
Units (Lacs)	751.69	1,298.81
KWH per unit of fuel	4.28	3.99
Fuel Cost/Unit (Rs.)	5.71	5.39
2) Through Steam Turbine/Generator		
Units (Lacs)	52,947.57	55,396.09
KWH per unit of fuel	4.28	4.29
Fuel Cost/Unit (Rs.)	3.35	2.37
3) Through Wind Mill Turbine		
Units (Lacs)	32.16	24.37
Purchased Fuels consumed		
2. Furnace Oil		
Quantity (K.Ltrs)	316,665.11	257,000.51
Total Cost (Rs. In crores)	706.25	504.08
Average rate per Ltr.(Rs)	22.30	19.61
3. Diesel Oil		
Quantity (K.Ltrs)	117,783.37	25,496.61
Total Cost (Rs. In crores)	228.98	60.11
Average rate per Ltr.(Rs)	19.44	23.58
4. Others		
(a) Gas		
Quantity (1000 M3)	1,364,879.10	1,358,268.20
Total Cost (Rs. In crores)	1,263.44	792.96
Average rate per 1000M3 (Rs)	9,256.78	5,838.06
(b) Coal / Husk		
Quantity	19,808.80	20,429.00
Total Cost (Rs. In crores)	4.12	3.28
Average rate per MT (Rs.)	2,081.01	1,607.15
Internal Fuels consumed		
5. Gas		
Quantity (1000 M3)	1,952,133.20	2,473,129.32
6. GT fuels		
Quantity (K.Ltrs)	1,839,821.77	1,213,235.02
# 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 Previous	Previous Previous	Current Year	Previous Year
Fabrics (Per 1000 mtrs)	4,670	4,085	2	-	-	-	488	453
PFY (per MT)	769	861	39	25	11	16	27	39
PSF (per MT)	365	381	36	33	1	2	37	56
PTA (per MT)	310	309	6	6	-	-	-	-
LAB (per MT)	615	575	84	52	20	220	114	119
MEG (per MT)	512	527	-	-	28	2	39	36
PVC (per MT)	438	454	-	-	7	1	26	36
HDPE (per MT)	560	541	-	-	3	2	14	25
PP (per MT)	333	323	-	-	2	-	17	25
FF (per MT)	668	594	42	45	-	-	79	53
PET (per MT)	291	336	-	-	-	-	46	72
PX (per MT)	198	198	10	10	-	-	187	228
Petro-products (per MT)	73	66	5	-	-	-	39	41
PBR (per MT)	669	707	-	-	217	11	244	479
Caustic Soda (per MT)	2,706	2,562	-	-	15	3	76	88
Acrylonitrile (per MT)	690	593	-	-	16	4	(15)	(59)

For and on behalf of the Board of Directors

Mukesh D. Ambani

Chairman & Managing Director

October 7, 2009

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 2009, 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 For **Deloitte Haskins & Sells** Chartered Accountants For **Rajendra & Co.** Chartered Accountants

D. Chaturvedi
Partner
Membership No.5611

A. Siddharth
Partner
Membership No.31467

A. R. Shah
Partner
Membership No.47166

Place : Mumbai
Dated : October 7, 2009

Persons constituting group coming within the definition of “group” for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, include the following:

Sr No	Name of the Entity
1.	Aavaran Textiles Private Limited
2.	Amur Trading Private Limited
3.	Anumati Mercantile Private Limited
4.	Bahar Trading Private Limited
5.	Bhumika Trading Private Limited
6.	Deccan Finvest Private Limited
7.	Ekansha Enterprise Private Limited
8.	Eklavya Mercantile Private Limited
9.	Farm Enterprises Limited
10.	Hercules Investments Private Limited
11.	Jagadanand Investments And Trading Company Private Limited
12.	Jagdishvar Investments And Trading Company Private Limited
13.	Jogiya Traders Private Limited
14.	Kankhal Investments And Trading Company Private Limited
15.	Kardam Commercials Private Limited
16.	Kedareswar Investments And Trading Company Private Limited
17.	Krish Commercials Private Limited
18.	Kshitij Commercials Private Limited
19.	Madhuban Merchandise Private Limited
20.	Nikhil Investments Company Private Limited
21.	Nityapriya Commercials Private Limited
22.	Ornate Traders Private Limited
23.	Pams Investments And Trading Company Private Limited
24.	Petroleum Trust
25.	Priyash Commercials Private Limited
26.	Real Fibres Private Limited
27.	Reliance Aromatics and Petrochemicals Private Limited
28.	Reliance Chemicals Limited
29.	Reliance Consolidated Enterprises Private Limited
30.	Reliance Consultancy Services Private Limited
31.	Reliance Energy and Project Development Private Limited
32.	Reliance Global Commercial Limited
33.	Reliance Industrial Infrastructure Limited
34.	Reliance Petroinvestments Limited
35.	Reliance Polyolefins Limited
36.	Reliance Universal Commercial Limited
37.	Reliance Universal Enterprises Limited
38.	Reliance Welfare Association
39.	Sanatan Textrade Private Limited
40.	Silvassa Hydrocarbons And Investments Private Limited
41.	Synergy Synthetics Private Limited
42.	Terene Industries Private Limited
43.	Tresta Trading Private Limited
44.	Vita Investments & Trading Company Private Limited

Financial Statements & Notes

Auditors Report

To the Members of Reliance Industries Limited

1. We have audited the attached Balance Sheet of **RELIANCE INDUSTRIES LIMITED** as at March 31, 2009, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 purposes 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the Directors as on March 31, 2009 and taken on record by the Board of Directors, we report that none

of the Directors is disqualified as on March 31, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;

- f. in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Chaturvedi & Shah Chartered Accountants	For Deloitte Haskins & Sells Chartered Accountants	For Rajendra & Co. Chartered Accountants
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D. Chaturvedi Partner Membership No.: 5611	A. Siddharth Partner Membership No.: 31467	A. R. Shah Partner Membership No.: 47166
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Mumbai
October 7, 2009

Annexure to Auditors' Report

Referred to in Paragraph 3 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 with 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 a wholly owned subsidiary of the Company. In respect of the said loans, the maximum amount outstanding at any time during the year is Rs. 6,648.59 crore and the year-end balance is Rs. 4,104.04 crore.
 - b. In our opinion and according to the information and explanations given to us, the rate of interest, where applicable and other terms and conditions, are not prima facie prejudicial to the interest of the Company.
 - c. The principal amounts are repayable on demand and there is no repayment schedule. The interest, where applicable, is payable on demand.
 - d. In respect of the said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise. In respect of interest, where applicable, 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 purchase of inventory and fixed assets and also 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 Rs. 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 deposits 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. The Central Government has prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of certain manufacturing activities of the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the same.
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 Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and any 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, 2009 for a

Annexure to Auditors' Report

Referred to in Paragraph 3 of our report of even date

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, 2009 to be credited to Investor Education and Protection Fund of Rs. 7.21 crore, which are held in abeyance due to pending legal cases, have not been considered.

- b. The disputed statutory dues aggregating to Rs. 814.80 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 (Rs. in crore)	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act, 1961	Income-Tax/ Penalties	54.82	Various years from 2001-02 to 2007-08	Commissioner of Income-Tax (Appeals)
			427.43	1994-95 and 2006-07	Income-Tax Appellate Tribunal
2.	Central Excise Act, 1944	Excise Duty and Service Tax	16.83	Various years from 1991-1992 to 2007-2008	Commissioner of Central Excise (Appeals)
			89.44	Various years from 1986-87 to 2007-08	Central Excise and Service Tax Appellate Tribunal
3.	Central Sales Tax Act, 1956 and Sales Tax Act of various states	Sales Tax/ VAT and Entry Tax	22.29	Various years from 1991-1992 to 2006-07	Joint/ Deputy Commissioner/ Commissioner (Appeals)
			55.57	Various years from 1992-93 to 2006-07	Sales Tax Appellate Tribunal
			96.60	Various years from 1996-97 to 2003-04	High Court
			0.89	2007-08	Supreme Court
4.	Customs Act, 1962	Custom Duty	30.67	Various years from 2002-03 to 2007-08	Commissioner of Customs (Appeals)
			20.26	2004-05 and 2005-06	Central Excise and Service Tax Appellate Tribunal
TOTAL			814.80		

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 interests 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. During the year, the Company has allotted equity shares on preferential basis to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 consequent upon conversion of warrants. The price at which these equity shares have been issued has been determined as per the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, which in our opinion, is not prejudicial to the interest of the Company.
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 For **Deloitte Haskins & Sells** Chartered Accountants For **Rajendra & Co.** Chartered Accountants

D. Chaturvedi
Partner
Membership No.: 5611

A. Siddharth
Partner
Membership No.: 31467

A. R. Shah
Partner
Membership No.: 47166

Mumbai
October 7, 2009

Reliance Industries Limited

Balance Sheet as at 31st March, 2009

	Schedule	As at 31st March, 2009	As at 31st March, 2008	(Rs. in crore)
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	'A'	1,573.53	1,453.39	
Equity Share Suspense [Refer Note 3, Schedule 'O']		69.25	-	
Equity Share Warrants		-	1,682.40	
Reserves and Surplus	'B'	1,24,730.19	78,312.81	
		<u>1,26,372.97</u>	<u>78,312.81</u>	81,448.60
Loan Funds				
Secured Loans	'C'	10,697.92	6,600.17	
Unsecured Loans	'D'	63,206.56	29,879.51	
		<u>73,904.48</u>	<u>36,479.68</u>	36,479.68
Deferred Tax Liability		<u>9,726.30</u>	<u>7,872.54</u>	7,872.54
TOTAL		<u>2,10,003.75</u>	<u>1,25,800.82</u>	1,25,800.82
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	'E'	1,49,628.70	1,04,229.10	
Less: Depreciation		49,285.64	42,345.47	
Net Block		1,00,343.06	61,883.63	
Capital Work-in-Progress		69,043.83	23,005.84	
		<u>1,69,386.89</u>	<u>84,889.47</u>	84,889.47
Investments	'F'	21,606.49	22,063.60	22,063.60
Current Assets, Loans and Advances				
Current Assets				
Inventories	'G'	14,836.72	14,247.54	
Sundry Debtors		4,571.38	6,227.58	
Cash and Bank Balances		22,176.53	4,280.05	
Other Current Assets		47.86	72.54	
		<u>41,632.49</u>	<u>24,827.71</u>	
Loans and Advances	'H'	13,079.78	18,058.13	
		<u>54,712.27</u>	<u>42,885.84</u>	
Less: Current Liabilities and Provisions	'I'			
Current Liabilities		32,691.00	21,045.47	
Provisions		3,010.90	2,992.62	
		<u>35,701.90</u>	<u>24,038.09</u>	
Net Current Assets		<u>19,010.37</u>	<u>18,847.75</u>	18,847.75
TOTAL		<u>2,10,003.75</u>	<u>1,25,800.82</u>	1,25,800.82
Significant Accounting Policies	'N'			
Notes on Accounts	'O'			

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
October 7, 2009**V.M. Ambani**
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director**N.R. Meswani**
H.R. Meswani
H.S. Kohli } Executive Directors**P.M.S. Prasad**
R. Ravimohan
R.H. Ambani
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi } Directors**Dr. R. A. Mashelkar**



Reliance Industries Limited

Profit and Loss Account for the year ended 31st March, 2009

	Schedule	2008-09	(Rs. in crore) 2007-08
INCOME			
Turnover		1,46,328.07	1,39,269.46
Less: Excise Duty / Service Tax Recovered		4,480.60	5,826.46
Net Turnover		1,41,847.47	1,33,443.00
Other Income	'J'	2,059.88	5,628.79
Variation in Stocks	'K'	427.56	(1,867.16)
		<u>1,44,334.91</u>	<u>1,37,204.63</u>
EXPENDITURE			
Purchases		2,205.27	6,007.71
Manufacturing and Other Expenses	'L'	1,16,755.89	1,02,262.28
Interest and Finance Charges	'M'	1,745.23	1,077.36
Depreciation		7,182.43	6,627.85
Less: Transferred from Revaluation Reserve [Refer Note 6, Schedule 'O']		1,987.14	1,780.71
Adjustment Pursuant to the Scheme of Amalgamation including write off of Investments in Reliance Petroleum Limited		5,195.29	4,847.14
Less: Transferred from General Reserve [Refer Note 3, Schedule 'O']		7,728.92	-
		<u>7,728.92</u>	-
		-	-
		<u>1,25,901.68</u>	<u>1,14,194.49</u>
Profit before Tax		18,433.23	23,010.14
Provision for Current Tax		1,206.50	2,604.96
Provision for Fringe Benefit Tax		56.87	47.00
Provision for Deferred Tax		1,860.54	899.89
Profit after Tax		15,309.32	19,458.29
Add: Balance brought forward from Previous year		4,363.29	2,765.37
Excess Provision for Tax for earlier years		-	48.10
Amount Available for Appropriations		19,672.61	22,271.76
APPROPRIATIONS			
General Reserve		11,728.92	16,000.00
Debenture Redemption Reserve		340.05	-
Interim Dividend on Equity Shares		1,897.05	-
Proposed Dividend on Equity Shares		-	1,631.24
Tax on Dividend		322.40	277.23
		<u>14,288.42</u>	<u>17,908.47</u>
Balance Carried to Balance Sheet		5,384.19	4,363.29
Basic and Diluted Earnings per Share of face value of Rs. 10 each (in Rupees)		96.76	134.19
Basic and Diluted Earnings per Share of face value of Rs. 10 each (in Rupees) (Before exceptional items)		98.83	105.32
[Refer Note 15, Schedule 'O']			
Significant Accounting Policies	'N'		
Notes on Accounts	'O'		
As per our Report of even date			
For Chaturvedi & Shah Chartered Accountants	For Deloitte Haskins & Sells Chartered Accountants	For Rajendra & Co. Chartered Accountants	For and on behalf of the Board M.D. Ambani - Chairman & Managing Director
			N.R. Meswani H.R. Meswani H.S. Kohli P.M.S. Prasad R. Ravimohan R.H. Ambani M.L. Bhakta Y.P. Trivedi Dr. D.V. Kapur M.P. Modi Dr. R. A. Mashelkar
D. Chaturvedi Partner	A. Siddharth Partner	A.R. Shah Partner	Executive Directors
			Directors
Mumbai October 7, 2009		V.M. Ambani Company Secretary	

Reliance Industries Limited

Cash Flow Statement for the year 2008-09

	(Rs. in crore)	
	2008-09	2007-08
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Profit and Loss Account	18,433.23	23,010.14
Adjusted for:		
Net Prior Year Adjustments	2.14	2.02
Diminution in the value of investment	3.44	13.92
(Profit) / Loss on Sale / Discarding of Fixed Assets (net)	7.08	1.79
Depreciation	7,182.43	6,627.85
Transferred from Revaluation Reserve	(1,987.14)	(1,780.71)
Effect of Exchange Rate Change	575.57	(398.62)
Profit on Sale of Investments (net)	(425.40)	(118.87)
Exceptional Item	-	(4,733.50)
Dividend Income	(29.81)	(18.37)
Interest / Other Income	(1,564.97)	(662.40)
Interest and Finance Charges	1,745.23	1,077.36
	<u>5,508.57</u>	10.47
Operating Profit before Working Capital Changes	23,941.80	23,020.61
Adjusted for:		
Trade and Other Receivables	(109.91)	(3,930.18)
Inventories	159.01	(2,111.03)
Trade Payables	(3,847.36)	2,934.09
	<u>(3,798.26)</u>	(3,107.12)
Cash Generated from Operations	20,143.54	19,913.49
Net Prior Year Adjustments	(2.14)	(2.02)
Taxes Paid	(1,895.54)	(2,484.73)
Net Cash from Operating Activities	18,245.86	17,426.74
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(24,712.78)	(19,111.22)
Sale of Fixed Assets	48.35	14.61
Purchase of Investments	(1,08,573.91)	(70,090.07)
Sale of Investments	1,10,986.78	69,116.24
Movement in Loans and Advances	(3,452.11)	(4,496.00)
Interest Income	1,589.66	592.99
Dividend Income	29.81	18.37
Net Cash Used in Investing Activities	(24,084.20)	(23,955.08)

**Cash Flow Statement for the year 2008-09 (Contd.)**

	(Rs. in crore)	
	2008-09	2007-08
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital / Warrants	15,164.79	1,682.44
Proceeds from Long Term Borrowings	20,690.86	10,769.61
Repayment of Long Term Borrowings	(3,382.93)	(2,100.86)
Short Term Loans	(2,238.39)	528.25
Dividends Paid (including dividend distribution tax)	(1,908.47)	-
Interest Paid	(4,593.28)	(1,906.40)
Net Cash From Financing Activities	<u>23,732.58</u>	<u>8,973.04</u>
Net Increase / (Decrease) in Cash and Cash Equivalents	17,894.24	2,444.70
Opening Balance of Cash and Cash Equivalents	4,280.05	1,835.35
Add: On Amalgamation	<u>2.24</u>	-
	4,282.29	1,835.35
Closing Balance of Cash and Cash Equivalents	<u>22,176.53</u>	<u>4,280.05</u>

Note :

Loans / Deposit given to Subsidiaries / Associate aggregating to Rs. 5,380.04 crore (Previous Year Rs. NIL) have been converted into investments in 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
October 7, 2009

V.M. Ambani
Company Secretary

For and on behalf of the Board

M.D. Ambani	-	Chairman & Managing Director
N.R. Meswani	}	Executive Directors
H.R. Meswani		
H.S. Kohli		
P.M.S. Prasad		
R. Ravimohan		
R.H. Ambani	}	Directors
M.L. Bhakta		
Y.P. Trivedi		
Dr. D.V. Kapur		
M.P. Modi		
Dr. R. A. Mashelkar		

Schedules forming part of the Balance Sheet

SCHEDULE 'A'

SHARE CAPITAL

	As at 31st March, 2009	As at 31st March, 2008
(Rs. in crore)		
Authorised:		
250,00,00,000 Equity Shares of Rs. 10 each (250,00,00,000)	2,500.00	2,500.00
50,00,00,000 Preference Shares of Rs. 10 each (50,00,00,000)	500.00	500.00
	<u>3,000.00</u>	<u>3,000.00</u>
Issued, Subscribed and Paid up:		
157,37,98,233 Equity Shares of Rs. 10 each fully paid up (145,36,48,601)	1,573.79	1,453.65
Less: Calls in arrears - by others	<u>0.26</u>	<u>0.26</u>
	<u>1,573.53</u>	<u>1,453.39</u>
TOTAL	<u>1,573.53</u>	<u>1,453.39</u>

1. Of the above Equity Shares:

- (a) 48,17,70,552
(48,17,70,552) Shares out of the issued and subscribed share capital before the buyback of shares were allotted as Bonus Shares by capitalisation of Securities Premium and Reserves.
- (b) 52,31,98,799
(52,31,98,799) Shares out of the issued and subscribed share capital before the buyback of shares were allotted pursuant to the various Schemes of Amalgamation without payments being received in cash and includes 10,46,60,154 shares allotted to Petroleum Trust.
- (c) 33,04,27,345
(33,04,27,345) Shares out of the issued and subscribed share capital before the buyback of shares were allotted on conversion / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares.
- (d) 6,01,40,560
(6,01,40,560) Shares were issued pursuant to a scheme of amalgamation of erstwhile Indian Petrochemicals Corporation Limited with the Company without payments being received in cash.

2. In the year 2004-05 the Company bought back and extinguished 28,69,495 equity shares.

3. The Company has reserved issuance of 6,95,25,770 (Previous year 6,96,75,402) Equity Shares of Rs. 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 granted 50,100 Options to the eligible employees at a price of Rs. 1,289/- [Previous year 27,000 options at a price of Rs. 1,684/- and 10,08,000 options at a price of Rs. 2,292/-] 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 from the date of grant based on specified criteria.

During the year, the Company has issued and allotted 1,49,632 (Previous Year NIL) equity shares to the eligible employees of the Company under ESOS.

4. In terms of the approval of the shareholders of the Company and as per the applicable statutory provisions including Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000, the Company, on April 12, 2007, had issued and allotted 12,00,00,000 warrants on preferential basis to entities in the Promoter Group entitling them to acquire equivalent number of fully paid up equity shares of Rs. 10/- each of the Company, at a price of Rs. 1,402/- per equity share. As per the entitlement, the warrant holders applied for and were allotted 12,00,00,000 equity shares of the Company, during the year.

Schedules forming part of the Balance Sheet

SCHEDULE 'B'

RESERVES AND SURPLUS

	As at 31st March, 2009	(Rs. in crore) As at 31st March, 2008
Revaluation Reserve		
As per last Balance Sheet	871.26	2,651.97
Add: On Revaluation	<u>12,900.63</u>	-
	13,771.89	2,651.97
Less: Transferred to Profit and Loss Account	<u>1,987.14</u>	<u>1,780.71</u>
[Refer Note 6, Schedule 'O']	11,784.75	871.26
Capital Reserve		
As per last Balance Sheet	291.28	291.28
Capital Redemption Reserve		
As per last Balance Sheet	887.94	887.94
Securities Premium Account		
As per last Balance Sheet	21,313.80	21,331.99
Add : Premium on issue of shares	16,727.04	-
Add: On Amalgamation	<u>13,429.09</u>	-
[Refer Note 3, Schedule 'O']	51,469.93	21,331.99
Less: Premium on redemption / buy back of debentures / bonds	13.17	18.19
	<u>51,456.76</u>	<u>21,313.80</u>
Less: Calls in arrears - by others	<u>1.80</u>	1.78
	51,454.96	21,312.02
Debentures Redemption Reserve		
As per last Balance Sheet	587.02	587.02
Add: Transferred from Profit and Loss Account	<u>340.05</u>	-
	927.07	587.02
General Reserve*		
As per last Balance Sheet	50,000.00	34,000.00
Add: Transferred from Profit and Loss Account	<u>11,728.92</u>	<u>16,000.00</u>
	61,728.92	50,000.00
Less: Transferred to Profit and Loss Account	<u>7,728.92</u>	-
[Refer Note 3, Schedule 'O']	54,000.00	50,000.00
Profit and Loss Account	5,384.19	4,363.29
TOTAL	<u><u>1,24,730.19</u></u>	<u><u>78,312.81</u></u>

* Cumulative amount withdrawn on account of Depreciation on Revaluation is Rs. 2,563.43 crore.

Schedules forming part of the Balance Sheet

SCHEDULE 'C'

SECURED LOANS

	As at 31st March, 2009	As at 31st March, 2008
(Rs. in crore)		
A. DEBENTURES		
Non Convertible Debentures	8,642.12	4,118.12
B. TERM LOANS		
From Banks		
Rupee Loans	2,020.00	-
C. WORKING CAPITAL LOANS		
From Banks		
Foreign Currency Loans	-	1,075.22
Rupee Loans	<u>35.80</u>	<u>1,406.83</u>
	35.80	2,482.05
TOTAL	<u>10,697.92</u>	<u>6,600.17</u>

1. Debentures referred to in A above to the extent of:

- a) Rs. 5,500.00 crore are secured by way of first mortgage / charge on the immovable properties situated at Hazira Complex and at Jamnagar Complex (other than SEZ unit) of the Company.
- b) Rs. 2,115.00 crore are secured by way of first mortgage / charge on all the properties situated at Hazira Complex and at Patalganga Complex of the Company.
- c) Rs. 772.30 crore are secured by way of first mortgage / charge on all the properties, both present and future, of the Refinery Division (other than SEZ unit) of the Company and excluding book debts, office premises and certain other properties thereof.
- d) Rs. 110.34 crore are secured by way of first mortgage / charge on certain properties situated at village Munja Dhanot, District Kalol in the State of Gujarat and on fixed assets situated at Hoshiarpur Complex of the Company.
- e) Rs. 49.43 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.
- f) Rs. 44.05 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.
- g) Rs. 51.00 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.

Schedules forming part of the Balance Sheet

2. Debentures referred to in A above are redeemable at par, in one or more installments, on various dates with the earliest redemption being on 30th May, 2009 and the last being on 8th December, 2018. The debentures are redeemable as follows: Rs. 742.30 crore in financial year 2009-10, Rs. 175.00 crore in financial year 2010-11, Rs. 750.00 crore in financial year 2011-12, Rs. 1,793.70 crore in financial year 2012-13, Rs. 3,708.26 crore in financial year 2013-14, Rs. 408.82 crore in financial year 2014-15, Rs. 164.04 crore in financial year 2015-16, Rs. 133.33 crore in financial year 2016-17, Rs. 133.33 crore in financial year 2017-18 and Rs. 633.34 crore in financial year 2018-19.
3. Rupee term loans from banks are secured by a first ranking pari passu mortgage over leasehold interests of the Company's SEZ unit at Jamnagar under the Land Lease Agreement and the fixed assets (including plant and machinery) affixed thereon; a first ranking pari passu charge over movable assets (other than current assets and investments) of the Company's SEZ unit; a floating second ranking charge over such of the current assets of Company's SEZ unit that are charged on a first ranking basis to the working capital lenders and an assignment of SEZ unit's right, title and interest under the key Project Agreements including Agreements in respect of utilities.
4. Working capital loans are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, outstanding monies, receivable claims, bills, materials in transit, etc. save and except receivables of Oil and Gas Division.

SCHEDULE 'D'

UNSECURED LOANS

	As at 31st March, 2009	As at 31st March, 2008
(Rs. in crore)		
A. Long Term		
i) From Banks	52,480.53	20,011.14
ii) From Others	<u>4,512.46</u>	<u>3,800.30</u>
	56,992.99	23,811.44
B. Short Term		
i) From Banks	6,188.49	6,035.50
ii) From Others	<u>2.68</u>	<u>4.95</u>
	6,191.17	6,040.45
C. Deferred Sales Tax Liability	22.40	27.62
TOTAL	<u><u>63,206.56</u></u>	<u><u>29,879.51</u></u>

Note :

Long term loans from banks include Rs. 16,610.80 crore loan taken by erstwhile Reliance Petroleum Limited as secured loans secured on pari passu basis with Rupee term loans as described in schedule C. These loans have become unsecured loans as provided in the Scheme of Amalgamation.

Schedules forming part of the Balance Sheet

SCHEDULE 'E'

FIXED ASSETS

(Rs. in crore)

Description	Gross Block				Depreciation		Net Block	
	As at 01-04.2008	Additions	Deductions/ Adjustments	As at 31-03-2009	For the Year	Upto 31-03-2009	As at 31-03-2009	As at 31-03-2008
OWN ASSETS :								
Leasehold Land	481.17	1,074.51	-	1,555.68	34.30	70.71	1,484.97	444.76
Freehold Land	976.51	177.32	9.72	1,144.11	-	-	1,144.11	976.51
Buildings	5,581.34	1,305.29	1.85	6,884.78	285.25	1,714.48	5,170.30	4,152.04
Plant & Machinery	87,928.75	33,143.39	172.17	1,20,899.97	6,232.75	42,850.19	78,049.78	51,155.23
Electrical Installations	2,188.20	543.80	0.05	2,731.95	141.10	1,041.27	1,690.68	1,287.99
Equipments	1,556.10	1,884.52	2.47	3,438.15	111.59	717.39	2,720.76	949.78
Furniture & Fixtures	434.00	34.71	3.21	465.50	41.36	241.58	223.92	231.98
Vehicles	188.45	97.69	10.24	275.90	38.01	126.33	149.57	94.18
Ships	274.94	121.52	-	396.46	10.70	220.63	175.83	65.01
Aircrafts & Helicopters	185.82	-	106.93	78.89	18.14	20.80	58.09	105.35
Sub-Total	99,795.28	38,382.75	306.64	1,37,871.39	6,913.20	47,003.38	90,868.01	59,462.83
LEASED ASSETS :								
Plant & Machinery	123.19	-	-	123.19	17.03	68.77	54.42	71.45
Ships	9.98	-	-	9.98	-	9.98	-	-
Sub-Total	133.17	-	-	133.17	17.03	78.75	54.42	71.45
INTANGIBLE ASSETS :								
Technical Knowhow fees**	2,097.59	438.03	-	2,535.62	107.18	1,281.12	1,254.50	923.65
Software**	388.94	58.12	-	447.06	45.52	326.18	120.88	108.28
Others	1,814.12	6,827.34	-	8,641.46	99.50	596.21	8,045.25	1,317.42
Sub-Total	4,300.65	7,323.49	-	11,624.14	252.20	2,203.51	9,420.63	2,349.35
Total	1,04,229.10	45,706.24	306.64	1,49,628.70	7,182.43*	49,285.64	1,00,343.06	61,883.63
Previous Year	99,532.77	4,867.44	171.11	1,04,229.10	6,627.85	42,345.47	61,883.63	
Capital Work-in-Progress							69,043.83	23,005.84

NOTES :

- a) Leasehold Land includes Rs. 203.19 crore (Previous Year Rs. 203.19 crore) in respect of which lease-deeds are pending execution.
- b) Buildings include :
 - i) Cost of shares in Co-operative Housing Societies Rs. 1.00 crore (Previous Year Rs. 0.06 crore).
 - ii) Rs. 4.88 crore (Previous Year Rs. 4.88 crore) in respect of which conveyance is pending.
 - iii) Rs. 93.20 crore (Previous Year Rs. 93.20 crore) in shares of Companies / Societies with right to hold and use certain area of Buildings.
- c) Intangible assets - Others include :
 - i) Jetties amounting to Rs. 646.97 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) Rs. 7,994.49 crore (Previous Year Rs. 1,167.15 crore) in preference shares of subsidiaries and lease premium paid with right to hold and use Land and Buildings.
- d) Capital Work-in-Progress includes :
 - i) Rs. 17,095.19 crore on account of Project development expenditure (Previous Year Rs. 1,419.04 crore).
 - ii) Rs. 2,610.23 crore on account of cost of construction materials at site (Previous Year Rs. 1,779.03 crore).
 - iii) Rs. 5,509.61 crore on account of advance against capital expenditure (Previous Year Rs. 3,329.85 crore).
- e) Additions include Rs. 12,900.63 crore on revaluation of Building, Plant & Machinery and Equipments as at 01.01.2009, based on report issued by international valuers.
- f) Additions include Rs. 183.97 crore and Capital Work-in-Progress include Rs. 21,081.87 crore acquired on amalgamation of Reliance Petroleum Limited with the Company on the appointed date.
- g) Gross Block also includes Rs. 22,497.34 crore being the amount added on revaluation of Building, Plant & Machinery, Electrical Installations and Equipments as at 01.08.2005, based on report issued by international valuers.
- h) Additions and Capital Work-in-Progress include Rs. 1,174.14 crore [Previous Year Rs. 129.42 crore (net gain)] on account of exchange difference during the year.

* Refer to Note 6, Schedule 'O'

** Other than internally generated

Schedules forming part of the Balance Sheet

SCHEDULE 'F'

INVESTMENTS

		As at	(Rs. in crore)
		31st March, 2009	As at 31st March, 2008
A. LONG TERM INVESTMENTS			
Government and other Securities - Unquoted			
	6 Years National Savings Certificate (Deposited with Sales Tax Department and other Govt. Authorities)	0.02	0.02
Trade Investments			
In Equity Shares - Unquoted, fully paid up			
1,00,00,000	Petronet India Limited of Rs. 10 each	10.00	10.00
(1,00,00,000)			
11,08,500	Reliance Europe Limited of Sterling	3.93	3.93
(11,08,500)	Pound 1 each		
62,63,125	Indian Vaccines Corporation Limited	0.61	0.61
(62,63,125)	of Rs. 10 each		
12,04,20,000	Gujarat Chemicals Port Terminal	30.42	30.42
(12,04,20,000)	Company Limited of Rs. 10 each		
20,50,000	Reliance Utilities Private Limited of Re. 1 each	0.21	-
(-)			
19,90,000	Reliance Utilities and Power Private Limited	0.20	-
(-)	of Re. 1 each		
2,00,000	Reliance Global Business B.V. of	0.01	-
(-)	Euro 0.01 each		
	45.38	44.96	
In Preference Shares - Unquoted, fully paid up			
50,00,00,000	9% Non Cumulative Redeemable Preference	2,000.00	-
(-)	Shares of Reliance Gas Transportation Infrastructure Limited of Rs. 10 each		
	2,000.00	-	
		2,045.38	44.96
Other Investments			
In Equity Shares - Quoted, fully paid up			
68,60,064	Reliance Industrial Infrastructure Limited	16.30	16.30
(68,60,064)	of Rs. 10 each		
8,572	Portland General Electric Company	0.82	0.78
(8,043)	Common Stock Equity		
	17.12	17.08	
In Equity Shares - Unquoted, fully paid up			
22,500	Reliance LNG Limited of Rs. 10 each	0.02	0.02
(22,500)			
	0.02	0.02	
		17.14	17.10
In Equity Shares of Subsidiary Company - Quoted, fully paid up			
-	Reliance Petroleum Limited of Rs.10 each	-	6,333.92
(316,69,58,030)			
	-	6,333.92	
In Equity Shares of Subsidiary Companies - Unquoted, fully paid up			
14,75,04,400	Reliance Industrial Investments and	147.50	147.50
(14,75,04,400)	Holdings Limited of Rs. 10 each		

Schedules forming part of the Balance Sheet

SCHEDULE 'F' (Contd.)

		As at 31st March, 2009	(Rs. in crore) As at 31st March, 2008
26,91,150 (26,91,150)	Reliance Ventures Limited of Rs. 10 each	2,351.05	2,351.05
20,20,200 (20,20,200)	Reliance Strategic Investments Limited of Rs. 10 each	2.02	2.02
-	Reliance Netherland B. V. of Euro 1 Each	-	0.06
(10,000)			
50,00,001 (50,00,001)	RIL (Australia) Pty Limited of Aus \$ 1 each	17.46	17.46
42,450 (42,450)	Reliance Industries (Middle East) DMCC of AED 1000 each	46.19	46.19
10,00,00,000 (10,00,00,000)	Reliance Jamnagar Infrastructure Limited of Rs. 10 each	100.00	100.00
339,00,00,000 (339,00,00,000)	Reliance Retail Limited of Rs. 10 each	3,390.00	3,390.00
1,76,200 (1,76,200)	Reliance Exploration & Production DMCC of AED 1000 each	210.84	210.84
250,000 (250,000)	Reliance Global Management Services Limited of Rs. 10 each	0.25	0.25
		<u>6,265.31</u>	<u>6,265.37</u>
In Equity Shares of Subsidiary Company - Unquoted Partly paid up			
610,00,00,000 (610,00,00,000)	Reliance Retail Limited of Rs. 10 each (Re 1 paid up)	610.00	610.00
		<u>610.00</u>	<u>610.00</u>
In Preference Shares of Subsidiary Companies - Unquoted, fully paid up			
10,00,000 (10,00,000)	5% Cumulative Redeemable Non Convertible Preference Shares of Reliance Ventures Limited of Re. 1 each	10.00	10.00
1,50,60,415 (1,50,60,415)	9% Compulsorily Convertible Preference Shares of Reliance Strategic Investments Limited of Re. 1 each	4,216.92	4,216.92
-	5% Redeemable Cumulative Convertible Preference Shares of Reliance Exploration & Production DMCC of AED 1000 each	-	552.65
(4,99,089)			
2,57,600 (-)	5% Non Cumulative Compulsorily Convertible Preference Shares of Reliance Industries (Middle East) DMCC of AED 1000 each	355.04	-
11,55,316 (-)	5% Non Cumulative Compulsorily Convertible Preference Shares of Reliance Exploration & Production DMCC of AED 1000 each	1,464.76	-
25,50,000 (-)	10% Non-Cumulative Optionally Convertible Preference Shares of Reliance Jamnagar Infrastructure Limited of Rs. 10 each	1,275.00	-
35,00,000 (-)	10% Non-Cumulative Optionally Convertible Preference Shares of Reliance Industrial Investments and Holdings Limited of Rs. 10 each	1,750.00	-
		<u>9,071.72</u>	<u>4,779.57</u>
In Debentures of Subsidiary Companies - Unquoted, fully paid up			
2,79,90,000 (2,79,90,000)	0% Unsecured Convertible Debentures of Reliance Industrial Investments and Holdings Limited of Rs. 100 each	279.90	279.90



Schedules forming part of the Balance Sheet

SCHEDULE 'F' (Contd.)

		(Rs. in crore)	
		As at 31st March, 2009	As at 31st March, 2008
8,83,143	0% Unsecured Convertible Debentures of Reliance Industrial Investments and Holdings Limited of Rs. 5000 each	441.58	441.58
(8,83,143)		<u>721.48</u>	<u>721.48</u>
		16,668.51	18,710.34
In Others			
88	Pass Through Certificates (PTC) issued by	1.87	5.33
(88)	Indian Residential MBS Trust		
	Total (A)	<u>18,732.92</u>	<u>18,777.75</u>

B. CURRENT INVESTMENTS

Other Investments

In Government Securities-Quoted			
	7.99% GOI 2017	-	150.45
	8.20% GOI 2022	-	80.00
	6.05% GOI 2019	372.96	-
		<u>372.96</u>	<u>230.45</u>
In Treasury Bills-Quoted			
	364 Days Treasury Bills	6.66	0.93
		<u>6.66</u>	<u>0.93</u>
Collateral Borrowing & Lending Obligation			
		<u>23.29</u>	-
		23.29	-
In Certificate of Deposit with Scheduled Banks -Quoted			
		1,338.31	1,547.49
		<u>1,338.31</u>	<u>1,547.49</u>
In Public Sector Undertaking / Public Financial Institution & Corporate Bonds -Quoted			
-	Bank of India	-	45.06
(450)			
600	Citi Financial Consumer Finance India Limited	60.00	60.00
(600)			
1,500	EXIM Bank of India	150.00	148.94
(1,500)			
3,600	Housing Development Finance Corporation Limited	359.06	200.09
(2,000)			
-	Indian Railway Finance Corporation Limited	-	50.10
(500)			
2,350	Infrastructure Development Finance Company	234.52	-
(-)	Limited		
-	LIC Housing Finance Limited	-	50.00
(500)			
1,350	National Bank For Agricultural And	135.21	185.20
(1,850)	Rural Development		

Schedules forming part of the Balance Sheet

SCHEDULE 'F' (Contd.)

	(Rs. in crore)	
	As at 31st March, 2009	As at 31st March, 2008
- Power Finance Corporation Limited (3,200)	-	316.12
- Punjab National Bank (100)	-	10.01
50 State Bank of Mysore (250)	5.00	24.75
- State Bank of Bikaner & Jaipur (250)	-	25.00
- State Bank of India (700)	-	71.71
	<u>943.79</u>	<u>1,186.98</u>
In Commercial Paper - Unquoted		
Housing Development Finance Corporation Limited	95.97	-
Infrastructure Development Finance Company Limited	92.59	-
	<u>188.56</u>	<u>-</u>
	<u>2,873.57</u>	<u>2,965.85</u>
In Units-Unquoted		
- Birla Cash Plus - Institutional Premium - (10,76,38,459) Growth of Rs. 10 each	-	139.00
- ICICI Prudential Fixed Maturity Plan (1,00,00,000) of Rs. 10 each - Growth	-	10.00
- Mirae Asset Liquid Fund Super Institutional (4,96,686) Growth Option of Rs. 1000 each	-	50.00
- SBI Premier Liquid Fund Super Institutional (3,58,56,822) Growth of Rs. 10 each	-	46.00
- Templeton India Treasury Management (6,25,354) Account Super Institutional Plan Growth of Rs. 1000 each	-	75.00
	<u>-</u>	<u>320.00</u>
Total (B)	2,873.57	3,285.85
Total (A+B)	<u>21,606.49</u>	<u>22,063.60</u>

Note :

Provision for diminution in the value of Investments is Rs. 3.44 crore (Previous Year Rs. 13.92 crore).

	(Rs. in crore)			
	As at 31st March, 2009		As at 31st March, 2008	
AGGREGATE VALUE OF	Book Value	Market Value	Book Value	Market Value
Quoted Investments	2,678.84	2,930.63	9,316.85	53,126.09
Unquoted Investments	18,927.65	-	12,746.75	-

Schedules forming part of the Balance Sheet

SCHEDULE 'F' (Contd.)

Investments purchased and sold during the year

	Face Value (Rs.)	Nos. (in lakhs)	Cost (Rs. in crore)
Mutual Fund Units			
ABN AMRO Flexible Short Term Plan	10.00	5.23	0.52
AIG India Liquid Systematic Investment Plan - Growth	1,000.00	70.12	750.00
AIG India Treasury Plus Fund Super Institutional - Growth	10.00	1,391.07	150.04
Bharti AXA Liquid Fund- Super Institutional- Growth Plan	1,000.00	4.99	50.00
Birla Cash Plus Institutional Plan	10.00	98,033.08	12,974.00
Birla Sunlife Cash Plus - Institutional Premium - Daily Dividend	10.00	5,034.38	504.42
Birla Sunlife Interval Fund - Institutional - Quarterly Dividend	10.00	3.67	0.37
Birla Sunlife Interval Income Fund - Institutional - Quarterly Dividend	10.00	3.50	0.35
Canara Robeco Liquid Institutional Plan - Growth	10.00	3,195.42	475.00
Canara Robeco Liquid Super Institutional Plan - Growth	10.00	11,759.90	1,200.00
DBS Chola Liquid Super Institutional Plan - Cumulative	10.00	428.82	50.00
DSP Black Rock Cash Manager fund Institutional Plan - Daily Dividend	1,000.00	10.28	102.83
DSP Black Rock Money Manager Fund Institutional Plan - Daily Dividend	1,000.00	0.16	1.61
DSP Merrill Lynch Cashplus Fund Plan - Growth	1,000.00	64.65	700.00
DWS Insta Cash Plus Fund - Super Institutional - Growth Plan	10.00	7,405.96	800.00
DWS Liquid Ultra Short term Fund - Institutional - Daily Dividend	10.00	383.05	38.36
Fortis Money Plus Institutional Plan - Daily Dividend	10.00	1.04	0.10
Franklin Templeton Treasury Management Systematic Investment Plan	1,000.00	825.54	10,250.00
HDFC Cash Management Fund - Saving Plan - Daily Dividend Reinvestment	10.00	13,645.77	1,451.42
HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Daily Dividend	10.00	252.37	25.32
HDFC Cash Management Fund- Call Plan - Growth	10.00	1,385.48	200.00
HDFC Liquid Fund Premium Plus Plan - Growth	10.00	39,145.81	6,522.00
HSBC Cash Fund - Institutional Plan - Growth	10.00	6,915.42	900.00
HSBC Floating Rate Long Term Institutional Plan - Daily Dividend	10.00	437.72	43.84
HSBC Interval Fund - Plan - Institutional Dividend	10.00	3.42	0.34
ICICI Pru Sweep Plan - Growth	10.00	3,310.03	400.00
ICICI Prudential - Flexible Income Plan - Daily Dividend	10.00	2,460.53	260.16
ICICI Prudential Floating Rate Plan - Daily Dividend	10.00	655.25	65.54
ICICI Prudential Institutional Plan - Super Institutional - Daily Dividend	10.00	27,963.69	2,796.51
ICICI Prudential Quarterly Interval Plan - Retail Dividend	10.00	3.42	0.34
ICICI Prudential Liquid Systematic Investment Plan - Growth	10.00	160,269.57	19,685.00
IDFC Cash Fund -Super Institutional Plan - Daily Dividend	10.00	481.55	48.16
IDFC Money Manager Fund Investment Plan - Institutional Plan - Daily Dividend	10.00	928.33	92.88
ING Treasury Advantage Fund - Institutional - Daily Dividend	10.00	822.78	82.31
ING Vysya super Institutional Plan - Growth	10.00	23,289.75	2,900.00
LIC MF Floating Rate Fund -Short term plan - Growth	10.00	2,236.73	300.00
LICMF Liquid Fund - Dividend Plan	10.00	876.03	96.19
LICMF Liquid Fund - Growth Plan	10.00	7,919.84	1,205.00
Lotus India Liquid Fund Super Institutional - Growth	10.00	14,741.81	1,680.00
Mirae Asset liquid Plus Fund - Super Institutional Dividend Plan - Daily	1,000.00	5.76	57.63
Mirae Asset Liquid Systematic Investment Plan - Growth	1,000.00	72.03	750.00
Mirae Asset Ultra Short Term Bond Fund Super Institutional - Daily Dividend	1,000.00	0.09	0.89
Principal PNB Cash Management - Growth	10.00	757.66	100.00
Religare Liquid Fund Super Institutional - Daily Dividend	10.00	51.10	5.11
Religare Fixed Maturity Plan - Dividend	10.00	4.93	0.49
Religare Quarterly Interval Fund - Plan - Dividend	10.00	1.06	0.11
Religare Ultra Short Fund Institutional - Daily Dividend	10.00	3.81	0.38
SBI Debt Fund Series - Dividend	10.00	5.09	0.51
SBI Magnum Insta Cash Fund - Daily Dividend	10.00	390.64	65.43
SBI Magnum Insta Cash Fund - Growth	10.00	3,314.62	623.64
SBI Premier Liquid Fund - Growth	10.00	12,129.90	1,577.40
SBI Premier Liquid Fund Super Institutional - Daily Dividend	10.00	50.47	5.06
SBI -SHF Liquid plus - Institutional Plan - Growth	10.00	4,361.06	471.00
SBI SHF Ultra Short Term Fund Institutional Plan - Daily Dividend	10.00	1,073.02	107.36

Schedules forming part of the Balance Sheet

SCHEDULE 'F' (Contd.)

Investments purchased and sold during the year

	Face Value (Rs.)	Nos. (in lakhs)	Cost (Rs. in crore)
Standard Chartered Fixed Maturity Plan - Quarterly Dividend	10.00	4.93	0.49
Sundaram BNP Paribas Money Fund Super Institutional - Growth	10.00	851.79	127.36
Tata Dynamic Bond Fund - Dividend	10.00	1.57	0.17
Tata Floating Rate Short Term Institutional Plan - Growth	10.00	4,962.34	647.00
Tata Floater Fund - Daily Dividend	10.00	502.47	50.43
Tata Liquid SHIF - Growth	1,000.00	551.91	8,504.00
Templeton India Treasury Management Account Regular Plan - Daily Dividend	1,000.00	0.01	0.13
Templeton India Treasury Management Account Super Institutional Plan Daily Dividend Reinvestment	1,000.00	80.11	801.61
UTI Fixed Maturity Plan Institutional Dividend Plan	10.00	2.92	0.29
UTI Liquid Cash plan Institutional - Growth	1,000.00	29.55	400.00
UTI Money Market - Growth	10.00	3,850.35	900.00
Government Securities :			
7.99% GOI 2017	100.00	75.00	74.95
7.38% GOI 2015	100.00	100.00	96.02
8.24% GOI 2018	100.00	3,710.00	4,038.71
7.59% GOI 2016	100.00	100.00	97.94
6.05% GOI 2019	100.00	180.00	172.34
Corporate Bonds			
5.85% HDFC 2009 Bond of Face Value of Rs. 10,00,000 (200 units)			19.44
10.90% REC 2013 Bond of Face Value of Rs. 10,00,000 (500 units)			50.00

SCHEDULE 'G'

	As at 31st March, 2009	As at 31st March, 2008
(Rs. in crore)		
CURRENT ASSETS		
INVENTORIES		
Stores, Chemicals and Packing Materials	3,514.85	1,072.38
Raw Materials	6,112.85	8,393.70
Stock-in-Process	2,193.89	1,523.96
Finished Goods / Traded Goods	3,015.13	3,257.50
	14,836.72	14,247.54
SUNDRY DEBTORS (Unsecured and Considered Good)		
Over six months	13.55	13.06
Others #	4,557.83	6,214.52
	4,571.38	6,227.58
CASH AND BANK BALANCES		
Cash on hand	11.72	11.51
Balance with Banks		
In Current Accounts :		
With Scheduled Banks	487.03	204.62
With Others*	1.38	1.66
In Fixed Deposit Accounts :		
With Scheduled Banks	21,676.40	4,062.26
	22,176.53	4,280.05

Schedules forming part of the Balance Sheet

SCHEDULE 'G' (Contd.)

CURRENT ASSETS	(Rs. in crore)	
	As at 31st March, 2009	As at 31st March, 2008
OTHER CURRENT ASSETS		
Interest Accrued on Investments	47.59	72.32
Premium Accrued on Investments in Preference Shares \$	<u>0.27</u>	<u>0.22</u>
	47.86	72.54
TOTAL	<u>41,632.49</u>	<u>24,827.71</u>

Includes Rs. 359.29 crore (Previous Year Rs. 917.14 crore) receivable from Subsidiaries.

* Includes balances with non-scheduled banks as follows:

	(Rs. in crore)			
	As at 31st March, 2009	As at 31st March, 2008	Maximum Balance at any time during the year	
			2008-09	2007-08
Bank of China	0.02	0.02	0.10	0.14
Citi, China, Guangzhou	0.04	0.05	0.15	0.15
ABN Amro Bank, Shanghai	0.13	0.16	0.30	1.03
ABN Amro Bank, Jakarta	0.15	0.05	0.40	0.12
ABN Amro Bank, Jebel Ali	0.09	0.08	0.67	0.55
Hongkong and Shanghai Banking Corporation, Turkey	0.05	0.10	0.30	0.31
Hongkong and Shanghai Banking Corporation, Vietnam	0.03	0.03	0.18	0.14
Hongkong and Shanghai Banking Corporation, New York	0.85	1.05	5.91	4.31
Stadtsparkasse Koln, Frankfurt	0.02	0.12	0.54	0.77

\$ Premium accrued on Investments in Preference Shares represents Rs. 0.27 crore (Previous Year Rs. 0.22 crore) receivable on investments in Non Convertible Preference Shares of Reliance Ventures Limited, a wholly owned subsidiary of the Company.

SCHEDULE 'H'

LOANS AND ADVANCES	(Rs. in crore)	
	As at 31st March, 2009	As at 31st March, 2008
UNSECURED - (Considered Good Unless Otherwise Stated)		
Loans to subsidiary companies	4,534.74	6,038.45
Advance Income Tax (net of Provision)	1,167.10	375.28
Advances recoverable in cash or in kind or for value to be received *	4,041.80	6,456.35
Less: Considered Doubtful	<u>69.88</u>	<u>69.88</u>
	3,971.92	6,386.47
Deposits *	2,263.22	3,981.63
Balance with Customs, Central Excise Authorities, etc.	1,142.80	1,276.30
TOTAL	<u>13,079.78</u>	<u>18,058.13</u>

* Advances recoverable includes Rs. 1,583.72 crore (Previous Year Rs. 272.56 crore) and deposits include Rs. 341.27 crore (Previous Year Rs. NIL) recoverable from Subsidiaries.

Schedules forming part of the Balance Sheet

SCHEDULE 'I'

	As at 31st March, 2009	(Rs. in crore) As at 31st March, 2008
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors - Micro, Small and Medium Enterprises @	7.32	8.86
- Others *	31,571.77	20,581.59
Liability for Leased Assets	1.87	5.33
Unpaid Dividend #	88.98	70.32
Unpaid Matured debentures #	2.19	2.19
Interest accrued on above #	0.19	0.19
Unpaid Share Application Money #	1.42	-
Interest accrued but not due on Loans	<u>1,017.26</u>	<u>376.99</u>
	32,691.00	21,045.47
PROVISIONS		
Provision for Wealth Tax	37.68	24.25
Provision for Leave encashment / Superannuation / Gratuity	477.78	620.81
Other Provisions \$	275.99	439.09
Proposed / Interim Dividend	1,897.05	1,631.24
Tax on Dividend	<u>322.40</u>	<u>277.23</u>
	3,010.90	2,992.62
TOTAL	<u>35,701.90</u>	<u>24,038.09</u>

@ The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Sr. No.	Particulars	As at 31st March, 2009	(Rs. in crore) As at 31st March, 2008
1	Principal amount due and remaining unpaid	-	-
2	Interest due on (1) above and the unpaid interest	-	-
3	Interest paid on all delayed payments under the MSMED Act	-	-
4	Payment made beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay other than (3) above	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding years	-	-

* Includes Rs. 86.31 crore (Previous Year Rs. 30.35 crore) payable to Subsidiaries and Rs. 16,796.74 crore (Previous year Rs. 2,254.48 crore) for capital expenditure.

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund except Rs. 7.21 crore (Previous Year Rs. 6.11 crore) which is held in abeyance due to legal cases pending.

\$ 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, 2008 of Rs. 176.47 crore as per the estimated pattern of despatches. During the year Rs. 162.48 crore was utilised for clearance of goods and unused balance of Rs. 13.99 crore was reversed. Provision recognised under this class for the year is Rs. 56.26 crore which is outstanding as on 31st March, 2009. Actual outflow is expected in the next financial year. The Company had recognised customs duty liability on goods imported of Rs. 258.73 crore as on 31st March, 2008. During the year further provision of Rs. 180.38 crore was made and sum of Rs. 221.06 crore was reversed on fulfillment of export obligation. Closing balance on this account as at 31st March, 2009 is Rs. 218.05 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 prejudice seriously the position of the Company.

Schedules forming part of the Profit and Loss Account

SCHEDULE 'J'

	(Rs. in crore)	
	2008-09	2007-08
OTHER INCOME		
Dividend:		
From Current Investments	27.40	18.36
From Long Term Investments	<u>2.41</u>	<u>0.01</u>
	29.81	18.37
Interest:		
From Current Investments	226.86	70.47
From Others	<u>1,338.06</u>	<u>591.88</u>
[Tax Deducted at Source Rs. 260.97 crore (Previous Year Rs. 150.09 crore.)]	1,564.92	662.35
Premium on Investments in Preference Shares	0.05	0.05
Profit on Sale of Current Investments (net)	425.40	118.87
Profit on Sale of Fixed Assets	9.57	4.25
Miscellaneous Income	118.65	91.40
Exceptional Items *	<u>-</u>	<u>4,733.50</u>
	2,148.40	5,628.79
Less : Transferred to Project Development Expenditure		
- Interest Income	23.80	-
- Others	<u>64.72</u>	-
	88.52	-
TOTAL	<u>2,059.88</u>	<u>5,628.79</u>

* Represents gains primarily arising out of transactions concerning Reliance Petroleum Limited shares (Long Term Investments).

SCHEDULE 'K'

	(Rs. in crore)	
	2008-09	2007-08
VARIATION IN STOCKS		
STOCK-IN-TRADE (at close)		
Finished Goods / Traded Goods	3,015.13	3,257.50
Stock-in-Process	<u>2,193.89</u>	<u>1,523.96</u>
	5,209.02	4,781.46
STOCK-IN-TRADE (at commencement)		
Finished Goods / Traded Goods	3,257.50	4,759.88
Stock-in-Process	<u>1,523.96</u>	<u>1,888.74</u>
	4,781.46	6,648.62
TOTAL	<u>427.56</u>	<u>(1,867.16)</u>

Schedules forming part of the Profit and Loss Account

SCHEDULE 'L'

	2008-09	(Rs. in crore) 2007-08
MANUFACTURING AND OTHER EXPENSES		
RAW MATERIAL CONSUMED	1,04,805.05	90,303.85
MANUFACTURING EXPENSES		
Stores, Chemicals and Packing Materials	2,274.02	2,520.58
Electric Power, Fuel and Water	3,355.98	2,052.84
Machinery Repairs	322.70	479.32
Building Repairs	37.59	50.12
Labour Processing, Production Royalty and Machinery Hire Charges	840.28	685.26
Excise Duty #	(111.53)	(362.78)
Lease Rent	29.24	85.54
Exchange Differences (Net)	494.68	(986.83)
	7,242.96	4,524.05
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES (including Managerial Remuneration)		
Salaries, Wages and Bonus	1,913.48	1,652.49
Contribution to Provident Fund, Gratuity Fund, Superannuation Fund, Employee's State Insurance Scheme, Pension Scheme, Labour Welfare Fund etc. Employee Welfare and other amenities	268.11	273.50
	215.91	193.34
	2,397.50	2,119.33
SALES AND DISTRIBUTION EXPENSES		
Samples, Sales Promotion and Advertisement Expenses	71.08	72.34
Brokerage, Discount and Commission	388.16	409.37
Warehousing and Distribution Expenses	2,424.62	2,229.22
Sales Tax / VAT / Service Tax	211.41	518.66
	3,095.27	3,229.59
ESTABLISHMENT EXPENSES		
Insurance	325.11	291.45
Rent	121.21	216.41
Rates & Taxes	54.61	53.57
Other Repairs	229.41	216.12
Travelling Expenses	125.89	169.46
Payment to Auditors	10.74	9.38
Professional Fees	654.18	644.26
Loss on Sale / Discarding of Fixed Assets	16.65	6.04
General Expenses *	935.46	531.32
Wealth Tax	13.43	8.00
Charity and Donations	82.59	114.91
	2,569.28	2,260.92
	1,20,110.06	1,02,437.74
Less : Transferred to Project Development Expenditure (Net)	3,354.17	175.46
TOTAL	1,16,755.89	1,02,262.28

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 diminution in value of investments Rs. 3.44 crore (Previous Year Rs. 13.92 crore) and Rs. 369.60 crore (Previous Year Rs. NIL) towards liabilities on account of corporate guarantees given on behalf of a subsidiary, being an exceptional item.

Schedules forming part of the Profit and Loss Account

SCHEDULE 'M'	(Rs. in crore)	
INTEREST AND FINANCE CHARGES	2008-09	2007-08
Debtures	545.61	319.10
Fixed Loans	424.07	374.24
Finance Charges on Leased Assets	0.24	0.63
Others	775.31	383.39
TOTAL	1,745.23	1,077.36

Significant Accounting Policies

SCHEDULE 'N'

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 cenvat / value added tax 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 less accumulated amortisation.

F. Depreciation

Depreciation on fixed assets is provided 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, 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; on development rights and producing properties, depreciation is provided in proportion of oil and gas production achieved vis-a-vis the proved reserves (net of reserves to be retained to cover abandonment costs

SCCHEDULE 'N' (Contd.)

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; 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; 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 assets 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 or 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 or net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs 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. Cost of work-in-progress and finished stock is determined on absorption costing method.

K Turnover

Turnover 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.

SCHEDULE 'N' (Contd.)**L. Excise Duty and Sales Tax / Value Added Tax**

Excise duty is accounted on the basis of both, payments made in respect of goods cleared 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.
- (iii) In respect of employees stock options, the excess of fair price on the date of grant over the exercise price is recognised as deferred compensation cost amortised over the vesting period.

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 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 provision for losses for cash flow hedges 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. The 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.

**SCHEDULE 'N' (Contd.)****T Provision, 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 recognised nor disclosed in the financial statements.

Notes on Accounts**SCHEDULE 'O'**

1. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.
2. The figures for the current year include figures of Reliance Petroleum Limited (RPL) which is amalgamated with the Company with effect from 1st April, 2008 and are therefore to that extent not comparable with those of previous year.
3. Reliance Petroleum Limited (RPL), (the amalgamating company) engaged in setting up of integrated crude oil refinery facilities along with ancillary units in a Special Economic Zone, has been amalgamated with the Company. The Scheme of Amalgamation (the Scheme) was sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated 29th June, 2009 and by the Hon'ble High Court of Gujarat at Ahmedabad vide its Order dated 29th July, 2009. The Scheme became effective on 11th September, 2009, the appointed date of the Scheme being 1st April, 2008. In accordance with the said Scheme and as per the approval of the Hon'ble High Courts :
 - a) The assets, liabilities, rights and obligations of erstwhile RPL have been transferred to and vested with the Company with effect from 1st April, 2008 and have been recorded at their respective fair values, under the purchase method of accounting for amalgamation.
 - b) 6,92,52,623 Equity shares of Rs 10/- each fully paid up are to be issued to the equity share holders of the amalgamating Company whose names are registered in the register of members on record date, without payment being received in cash. Pending allotment, the face value of such shares has been shown as "Equity Share Suspense". The Company has since allotted the shares on 30th September, 2009.
 - c) 339,19,58,030 Equity shares of erstwhile RPL held by the Company (including 22,50,00,000 equity shares held by Chevron India Holding Pte Limited, Singapore subsequently purchased by the Company) have been cancelled.
 - d) Excess of the fair value of net assets taken over by the Company over the paid up value of Equity Shares to be issued and allotted (as referred to under (b) above) of Rs. 13,429.09 crore has been credited to Securities Premium Account.

Rs. 7,683.92 crore representing investments in erstwhile RPL prior to the Amalgamation and Rs. 45.00 crore being the stamp duty and other expenditure payable on Amalgamation is written off and charged to the profit and loss account and an equivalent amount has been withdrawn from General Reserve and credited to the profit and loss account.

Had the Scheme not prescribed this accounting treatment, the aggregate amount of Rs. 5,700.17 crore would have been credited to the Capital Reserve.
 - e) From the effective date the authorised share capital will stand increased to Rs. 6,000.00 crore consisting of 500,00,00,000 Equity Shares of Rs. 10 each and 100,00,00,000 Preference Shares of Rs. 10 each.

SCHEDULE 'O' (Contd.)

4. As per Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans (Rs. in crore)

Contribution to Defined Contribution Plans, recognised as expense for the year are as under :

	2008-09	2007-08
Employer's Contribution to Provident Fund	52.19	44.61
Employer's Contribution to Super annuation Fund	11.72	10.00
Employer's Contribution to Pension Scheme	15.53	14.60

The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemptions 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 erstwhile RPL) 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.

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity		Leave Encashment	
	(Funded)		(Unfunded)	
	2008-09	2007-08	2008-09	2007-08
Defined Benefit obligation at beginning of year	291.46	261.27	518.47	441.99
On Amalgamation	0.78	-	3.75	-
Current Service Cost	16.86	20.78	5.52	22.80
Interest Cost	22.30	18.34	31.00	33.47
Actuarial (gain) / loss	(57.41)	55.12	187.50	67.40
Benefits paid	(27.01)	(64.05)	(269.47)	(47.19)
Defined Benefit obligation at year end	246.98	291.46	476.77	518.47

II) Reconciliation of opening and closing balances of fair value of Plan Assets

	Gratuity (Funded)	
	2008-09	2007-08
Fair value of plan assets at beginning of year	190.04	210.40
On Amalgamation	0.08	-
Expected return on plan assets	17.05	15.37
Actuarial gain / (loss)	3.98	0.87
Employer contribution	72.00	27.45
Benefits paid	(27.01)	(64.05)
Fair value of plan assets at year end	256.14	190.04
Actual return on plan assets	21.03	16.24

SCHEDULE 'O' (Contd.)

III) Reconciliation of fair value of assets and obligations

	(Rs. In crore)			
	Gratuity (Funded)		Leave Encashment (Unfunded)	
	As at 31st March		As at 31st March	
	2009	2008	2009	2008
Fair value of Plan assets	256.14	190.04	-	-
Present value of obligation	246.98	291.46	476.77	518.47
Amount recognized in Balance Sheet	(9.16)	101.42	476.77	518.47

IV) Expenses recognised during the year (Under the head "Payments to and Provisions for Employees"- Refer Schedule 'L')

	(Rs. In crore)			
	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2008-09	2007-08	2008-09	2007-08
Current Service Cost	16.86	20.78	5.52	22.80
Interest Cost	22.30	18.34	31.00	33.47
Expected return on plan assets	(17.05)	(15.37)	-	-
Actuarial (gain) / loss	(61.39)	54.25	187.50	67.40
Net Cost	(39.28)	78.00	224.02	123.67

V) Investment Details :

	% Invested	
	As at 31st March, 2009	As at 31st March, 2008
GOI Securities	13.34	19.02
Public Securities	14.24	19.72
State Govt. Securities	7.66	11.14
Private Sector Securities [(includes equity shares of Reliance Industries Limited, of Rs. 0.15 crore (Previous year Rs. 0.15 crore)]	0.16	1.12
Insurance Policies	64.45	48.76
Others (including bank balances)	0.15	0.24
	100.00	100.00

VI) Actuarial assumptions

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2008-09 1994-96 (Ultimate)	2007-08 1994-96 (Ultimate)	2008-09 1994-96 (Ultimate)	2007-08 1994-96 (Ultimate)
Mortality Table (LIC)				
Discount rate (per annum)	8 %	8%	8 %	8%
Expected rate of return on plan assets (per annum)	8 %	8%	-	-
Rate of escalation in salary (per annum)	4 %	6.5%	4 %	6.5%

SCHEDULE 'O' (Contd.)

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.

5. Turnover includes Income from Services of Rs. 59.96 crore (Previous Year Rs. 67.58 crore) and sales during trial period of Rs. 2,604.53 crore (Previous Year Rs. NIL).

6. The Company based on the report issued by international valuers has revalued plant & machinery, equipment and buildings situated at Gandhar and Nagothane as at 1st January, 2009 by an amount of Rs. 12,900.63 crore and an equivalent amount has been credited to Revaluation Reserve Account.

The Gross Block of Fixed Assets also includes Rs. 25,221.35 crore (Previous Year Rs. 25,221.35 crore) on account of revaluation of Fixed Assets carried out in the past.

Consequent to the said revaluations there is an additional charge of depreciation of Rs. 1,987.14 crore (Previous Year Rs. 1,780.71 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.

7. The Company announced a Voluntary Separation Scheme (VSS) for the employees of Patalganga unit during the year. About 430 employees accepted the VSS offered by the Company. A sum of Rs. 110.79 crore (Previous Year Rs. 29.11 crore) has been paid during the year and debited to Profit and Loss Account under the head "Payment to and Provisions for Employees".

8. (a) Payment to Auditors:

	2008-09	2007-08
		(Rs. in crore)
(i) Audit Fees	5.10	5.10
(ii) Tax Audit Fees	0.50	0.50
(iii) For Certification and Consultation in finance and tax matters	4.89	3.55
(iv) Expenses Reimbursed	0.04	0.03
	<u>10.53</u>	<u>9.18</u>
(b) Cost Audit Fees	<u>0.21</u>	<u>0.20</u>

9. Managerial Remuneration:

(Included under the head "Payments to and Provisions for Employees")

- (a) Remuneration to Managing Director / Executive Directors

	2008-09	2007-08
		(Rs. in crore)
(i) Salaries	1.34	1.32
(ii) Perquisites and allowances	1.66	1.63
(iii) Commission	34.23	64.13
(iv) Leave salary / Encashment	0.55	0.04
(v) Contribution to Provident fund and Superannuation fund	0.36	0.33
(vi) Provision for Gratuity	0.07	0.08
	<u>38.21</u>	<u>67.53</u>
(b) Commission to Non-Executive Directors	<u>1.89</u>	<u>1.85</u>

**SCHEDULE 'O' (Contd.)**

Computation of net profit in accordance with Section 349 of the Companies Act, 1956:

	(Rs. in crore)	
	2008-09	2007-08
Profit before Taxation	18,433.23	23,010.14
Add: Depreciation as per accounts	5,195.29	4,847.14
Loss on sale / discarding of Fixed Assets	16.65	6.04
Investment Provided for	3.44	13.92
Managerial Remuneration	36.26	66.16
	<u>23,684.87</u>	<u>27,943.40</u>
Less: Depreciation as per Section 350 of Companies Act, 1956	7,182.43	6,627.85
Premium on Investment in Preference Shares	0.05	0.05
Profit on buyback of Bonds/ Redemption of Debentures	-	1.84
Profit on sale of Fixed Assets	9.57	4.25
Profit on Sale of Investments	425.40	4,852.37
Net Profit for the year	<u>16,067.42</u>	<u>16,457.04</u>
Salaries, Perquisites and Commission to Managing Director / Executive Directors calculated @ 0.402% of the Net profit. (Previous Year @ 0.402%)	64.59	66.16
Less: Salaries & Perquisites of the Managing Director / Executive Directors eligible for commission	2.03	2.03
Commission payable	<u>62.56</u>	<u>64.13</u>
Commission Restricted to	<u>34.23</u>	<u>64.13</u>

(c) General Expenses include Rs. 0.20 crore (Previous year Rs. 0.23 crore) towards sitting fees paid to non-executive directors.

- 10.** A sum of Rs. 2.14 crore (net debit) [Previous Year Rs. 2.02 crore (net debit)] is included under Establishment expenses representing Net Prior Period Items.
- 11.** Expenditure on account of Premium on forward exchange contracts to be recognised in the profit and loss account of subsequent accounting period aggregates to Rs. 9.28 crore (Previous Year Rs. 0.47 crore)
- 12. (a)** Fixed assets taken on finance lease prior to 1st April, 2001, amount to Rs. 512.36 crore (Previous year Rs. 527.52 crore). Future obligations towards lease rentals under the lease agreements as on 31st March, 2009 amount to Rs. 5.45 crore (Previous year Rs. 6.04 crore).

	(Rs. in crore)	
	2008-09	2007-08
Within one year	0.58	0.58
Later than one year and not later than five years	2.34	2.34
Later than five years	2.53	3.12
Total	<u>5.45</u>	<u>6.04</u>

SCHEDULE 'O' (Contd.)

- (b) In respect of Fixed Assets acquired on finance lease on or after 1st April, 2001, the minimum lease rentals outstanding as on 31st March, 2009 are as follows:

	(Rs. in crore)					
	Total Minimum Lease Payments outstanding As at 31st March		Future interest on Outstanding Lease Payments		Present value of Minimum Lease Payments As at 31st March	
	2009	2008	2008-09	2007-08	2009	2008
Within one year	1.51	3.39	0.08	0.28	1.43	3.11
Later than one year and not later than five years	0.39	2.24	0.06	0.14	0.33	2.10
Later than five years	0.20	0.18	0.09	0.06	0.11	0.12
Total	2.10	5.81	0.23	0.48	1.87	5.33

- (c) General Description of Lease terms:

- (i) Lease rentals are charged on the basis of agreed terms.
- (ii) Assets are taken on lease over a period of 3 to 15 years.
- (d) The Company had taken aircrafts on non-cancellable operating lease and lease rent amounting to Rs. 27.24 crore (Previous Year Rs. 27.17 crore) has been charged to Profit and Loss Account. The future minimum lease payments as at 31st March, 2009 are Rs. NIL (Previous Year Rs. 143.05 crore).

During the year, the aircraft lease has been transferred to Reliance Commercial Dealers Limited, one of the associates under an agreement.

13. (a) (i) Assets given on finance lease on or after 1st April, 2001

Particulars	(Rs. in crore)							
	Total		Not later than one year		Later than one year and not later than five years		Later than five years	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Gross Investment	109.74	106.04	30.71	23.76	79.03	82.28	-	-
Less: Unearned Finance Income	18.29	20.56	8.13	7.57	10.16	12.99	-	-
Present Value of Minimum Lease Rental	91.45	85.48	22.58	16.19	68.87	69.29	-	-

- (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.

- (b) Miscellaneous income includes income from finance lease of Rs. 9.01 crore (Previous Year Rs. 4.63 crore)

SCHEDULE 'O' (Contd.)
14. The deferred tax liability comprise of the following:

	As at 31st March, 2009	(Rs. in crore) As at 31st March, 2008
a. Deferred Tax Liability		
Related to fixed assets	9,973.81	8,183.07
b. Deferred Tax Asset		
Disallowances under the Income Tax Act 1961	247.51	310.53
	<u>9,726.30</u>	<u>7,872.54</u>

15. EARNINGS PER SHARE (EPS)

	2008-09	2007-08
i) Net Profit after tax as per Profit and Loss Account (Rs. in crore)	15,309.32	19,458.29
ii) Excess provision for tax of earlier years (Rs. in crore)	-	48.10
iii) Net profit attributable to Equity Shareholders (Rs. in crore)	15,309.32	19,506.39
iv) Net Profit before Exceptional item (Rs. in crore)	15,637.04	15,309.20
v) Weighted Average number of equity shares used as denominator for calculating EPS	158,21,67,869*	145,36,48,601
vi) Basic and Diluted Earnings per share (Rs.)	96.76	134.19
vii) Basic and Diluted Earnings (before exceptional items) per share (Rs.)	98.83	105.32
viii) Face Value per equity share (Rs.)	10.00	10.00

* Including 6,92,52,623 equity shares issued to erstwhile RPL shareholders.

16. PROJECT DEVELOPMENT EXPENDITURE

(in respect of Projects up to 31st March, 2009, included under Capital work-in-progress)

	2008-09	(Rs. in crore) 2007-08
Opening Balance	1,419.04	410.41
Add: On Amalgamation	<u>1,141.41</u>	-
	2,560.45	410.41
Add: Transferred from profit & loss account :		
Schedule - L	3,354.17	175.46
Schedule - J	(88.52)	-
Interest Capitalised	3,396.91	884.96
Exchange Difference	<u>10,939.75</u>	45.30
	<u>17,602.31</u>	1,105.72
	20,162.76	1,516.13
Less: Project Development Expenses Capitalised during the year	3,067.57	97.09
Closing Balance	<u><u>17,095.19</u></u>	<u><u>1,419.04</u></u>

SCHEDULE 'O' (Contd.)**17. RELATED PARTY DISCLOSURES :**

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard 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 Jamnagar Infrastructure Limited	
6.	Reliance Retail Limited	
7.	Reliance Netherland B.V.	
8.	Reliance Haryana SEZ Limited	
9.	Reliance Fresh Limited	
10.	Retail Concepts and Services (India) Limited	
11.	Reliance Retail Insurance Broking Limited	
12.	Reliance Dairy Foods Limited	
13.	Reliance Exploration & Production DMCC	
14.	Reliance Retail Finance Limited	
15.	RESQ Limited	
16.	Reliance Global Management Services Limited (Formerly Reliance Global Management Services Private Limited)	
17.	Reliance Commercial Associates Limited	
18.	Reliance Digital Retail Limited	
19.	Reliance Financial Distribution and Advisory Services Limited	
20.	RIL (Australia) Pty Limited	
21.	Reliance Hypermart Limited	
22.	Gapco Kenya Limited	
23.	Gapco Rwanda SARL	
24.	Gapco Tanzania Limited	
25.	Gapco Uganda Limited	
26.	Gapoil (Zanzibar) Limited	
27.	Gapoil Tanzania Limited	
28.	Gulf Africa Petroleum Corporation	
29.	Transenergy Kenya Limited	
30.	Recron (Malaysia) Sdn Bhd	
31.	Reliance Retail Travel & Forex Services Limited	
32.	Reliance Brands Limited	
33.	Reliance Footprint Limited	
34.	Reliance Trends Limited	

**SCHEDULE 'O' (Contd.)**

Sr. No.	Name of the Related Party	Relationship
35.	Reliance Wellness Limited	Subsidiary Companies
36.	Reliance Lifestyle Holdings Limited	
37.	Reliance Universal Ventures Limited	
38.	Delight Proteins Limited	
39.	Reliance Autozone Limited	
40.	Reliance F&B Services Limited	
41.	Reliance Gems and Jewels Limited	
42.	Reliance Integrated Agri Solutions Limited	
43.	Strategic Manpower Solutions Limited	
44.	Reliance Agri Products Distribution Limited	
45.	Reliance Digital Media Limited	
46.	Reliance Food Processing Solutions Limited	
47.	Reliance Home Store Limited	
48.	Reliance Leisures Limited	
49.	Reliance Loyalty & Analytics Limited	
50.	Reliance Retail Securities and Broking Company Limited	
51.	Reliance Supply Chain Solutions Limited	
52.	Reliance Trade Services Centre Limited	
53.	Reliance Vantage Retail Limited (Formerly Advantage Retail Private Limited)	
54.	Reliance International Exploration and Production, Inc.	
55.	Wave Land Developers Limited (Formerly Peninsula Land Kenya Limited)	
56.	Reliance Vision Express Private Limited (Upto 25.07.2008) (Formerly Abcus Retail Private Limited)	
57.	Reliance-Grand Optical Private Limited (Formerly Bigdeal Retail Private Limited)	
58.	Reliance Universal Commercial Limited (Formerly Reliance Neutraceuticals Private Limited)	
59.	Reliance Petroinvestments Limited	
60.	Reliance Global Commercial Limited (Formerly Reliance Pharmaceuticals (India) Private Limited)	
61.	Reliance Cyprus Limited (Formerly Wavely Investments Limited)	
62.	Reliance People Serve Limited (From 01.04.2008)	
63.	Reliance Infrastructure Management Services Limited (From 01.04.2008)	
64.	Reliance Global Business, B.V. (From 04.04.2008)	
65.	Reliance Gas Corporation Limited (From 03.06.2008)	
66.	Reliance Global Energy Services Limited (From 20.06.2008)	
67.	Reliance One Enterprises Limited (From 01.08.2008)	
68.	Reliance Global Energy Services (Singapore) Pte. Ltd. (From 18.08.2008)	
69.	Reliance Personal Electronics Limited (From 01.08.2008)	
70.	Reliance Polymers (India) Limited (From 26.09.2008)	
71.	Reliance Polyolefins Limited (From 27.09.2008)	
72.	Reliance Aromatics and Petrochemicals Private Limited (From 27.09.2008)	

SCHEDULE 'O' (Contd.)

Sr. No.	Name of the Related Party	Relationship
73.	Reliance Energy and Project Development Private Limited (From 27.09.2008)	Subsidiary Companies
74.	Reliance Chemicals Private Limited (From 27.09.2008)	
75.	Reliance Universal Enterprises Private Limited (From 27.09.2008)	
76.	International Oil Trading Limited (From 24.11.2008)	
77.	Reliance Review Cinema Private Limited (From 01.02.2009)	
78.	Reliance Replay Gaming Private Limited (From 01.02.2009)	
79.	Reliance Nutritional Food Processors Private Limited (From 01.01.2009)	
80.	RIL USA Inc. (From 26.02.2009)	
81.	Reliance Commercial Land & Infrastructure Private Limited (From 30.03.2009)	
82.	Reliance Corporate IT Park Limited (From 30.03.2009)	
83.	Reliance Eminent Trading & Commercial Private Limited (From 31.03.2009)	
84.	Reliance Progressive Traders Private Limited (From 31.03.2009)	
85.	Reliance Prolific Traders Private Limited (From 31.03.2009)	
86.	Reliance Universal Traders Private Limited (From 31.03.2009)	
87.	Reliance Prolific Commercial Private Limited (From 31.03.2009)	
88.	Reliance Comtrade Private Limited (From 31.03.2009)	
89.	Reliance Ambit Trade Private Limited (From 31.03.2009)	
90.	Reliance Petro Marketing Private Limited (From 31.03.2009)	
91.	LPG Infrastructure (India) Private Limited (From 31.03.2009)	
92.	Reliance Infosolutions Private Limited (From 31.03.2009)	
93.	Reliance Industrial Infrastructure Limited	Associates
94.	Reliance Europe Limited	
95.	Reliance LNG Limited	
96.	Indian Vaccines Corporation Limited	
97.	Gujarat Chemicals Port Terminal Company Limited	
98.	Reliance Utilities and Power Private Limited (formerly Reliance Utilities and Power Limited)	
99.	Reliance Utilities Private Limited (formerly Reliance Utilities Limited)	
100.	Reliance Ports and Terminals Limited	
101.	Reliance Gas Transportation Infrastructure Limited	
102.	Shri Mukesh D. Ambani	Key Managerial Personnel
103.	Shri Nikhil R. Meswani	
104.	Shri Hital R. Meswani	
105.	Shri H.S. Kohli	
106.	Dhirubhai Ambani Foundation	Enterprises over which Key Managerial Personnel are able to exercise significant influence
107.	Jamnaben Hirachand Ambani Foundation	
108.	Hirachand Govardhandas Ambani Public Charitable Trust	
109.	HNH Trust and HNH Research Society	



SCHEDULE 'O' (Contd.)

(ii) Transactions during the year with related parties :

(Rs. in crore)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Subsidiaries	Associates	Key Managerial Personnel	Others	Total
1.	Purchase of Fixed Assets	908.00 146.87	0.35 71.58	- -	- -	908.35 218.45
2.	Sale of Fixed Assets	- 0.42	- -	- -	- -	- 0.42
3.	Purchase / Subscription of Investments	4,292.16 5,575.90	2,000.41 -	- -	- -	6,292.57 5,575.90
4.	Sale / redemption of Investments	0.06 450.00	102.23 -	- -	- -	102.29 450.00
5.	Premium Accrued on Investment in Preference Shares	0.27 0.22	- -	- -	- -	0.27 0.22
6.	Loans and advances given/ (returned)	(193.54) (2.33)	(4.89) 23.10	- -	- -	(198.43) 20.77
7.	Turnover	3,304.04 1,212.44	29.53 30.10	- -	- -	3,333.57 1,242.54
8.	Other Income	205.50 287.20	5.35 12.59	- -	- -	210.85 299.79
9.	Purchases	598.93 501.92	- -	- -	- -	598.93 501.92
10.	Electric Power, Fuel and Water	- -	685.74 318.81	- -	- -	685.74 318.81
11.	Hire Charges	- -	76.34 92.36	- -	- -	76.34 92.36
12.	Manpower Deputation Charges	40.12 -	4.47 -	- -	- -	44.59 -
13.	Payment to Key Managerial Personnel	- -	- -	38.21 67.53	- -	38.21 67.53
14.	Sales and Distribution Expenses	73.61 -	1,263.23 1,051.88	- -	- -	1,336.84 1,051.88
15.	Rent	4.50 -	2.25 84.00	- -	- -	6.75 84.00
16.	Professional Fees	39.01 -	16.60 14.92	- -	- -	55.61 14.92

SCHEDULE 'O' (Contd.)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Subsidiaries	Associates	Key Managerial Personnel	Others	Total
17.	General expenses	66.04	9.05	-	-	75.09
		<i>1.00</i>	<i>10.11</i>	-	-	<i>11.11</i>
18.	Donations	-	-	-	37.23	37.23
		-	-	-	<i>82.21</i>	<i>82.21</i>
19.	Interest Expenses	3.64	-	-	-	3.64
		-	-	-	-	-
Balance as at 31st March, 2009						
20.	Investments	16,668.52	2,051.69	-	-	18,720.21
		<i>18,710.34</i>	<i>51.28</i>	-	-	<i>18,761.62</i>
21.	Sundry Debtors	359.29	119.91	-	-	479.20
		<i>917.14</i>	<i>15.26</i>	-	-	<i>932.40</i>
22.	Loans & Advances	6,459.73	1,449.64	-	-	7,909.37
		<i>6,311.01</i>	<i>3,160.01</i>	-	-	<i>9,471.02</i>
23.	Sundry Creditors	86.31	257.17	-	-	343.48
		<i>30.35</i>	<i>149.80</i>	-	-	<i>180.15</i>
24.	Financial Guarantees	1,598.31	431.12	-	-	2,029.43
		<i>7,448.56</i>	<i>360.02</i>	-	-	<i>7,808.58</i>
25.	Performance Guarantees	1.50	11.07	-	-	12.57
		<i>137.74</i>	<i>137.68</i>	-	-	<i>275.42</i>

Note :

1. Figures in italic represent previous year's amount including transactions with Erstwhile Reliance Petroleum Limited.
2. The Company has recognised Rs. 369.60 crore towards liabilities on account of corporate guarantees issued on behalf of Reliance Netherland B.V.

**SCHEDULE 'O' (Contd.)****Disclosure in Respect of Material Related Party Transactions during the year :**

1. Purchase of Fixed Assets include Reliance Jamnagar Infrastructure Limited Rs. 730.64 crore (Previous Year Rs. 138.28 crore), Reliance Retail Limited Rs. 171.34 crore (Previous Year Rs. 8.57 crore), Reliance Home Store Limited Rs. 5.48 crore (Previous Year Rs. NIL), Reliance Europe Limited Rs. 0.35 crore (Previous Year Rs. 1.39 crore), Reliance Ports and Terminals Limited Rs. NIL (Previous Year Rs. 70.19 crore).
2. Purchase / Subscription of Investments include Reliance Industrial Investments and Holdings Limited Rs. 1,750.00 crore (Previous Year Rs. NIL), Reliance Ventures Limited Rs. NIL (Previous Year Rs. 749.00 crore), Reliance Strategic Investments Limited Rs. NIL (Previous Year Rs. 4,216.92 crore), Reliance Industries (Middle East) DMCC Rs. 355.04 crore (Previous Year Rs. 39.64 crore), Reliance Jamnagar Infrastructure Limited Rs. 1,275.00 crore (Previous Year Rs. NIL), Reliance Exploration & Production DMCC Rs. 912.11 crore (Previous Year Rs. 552.65 crore), RIL (Australia) Pty Limited Rs. NIL (Previous Year Rs. 17.46 crore), Reliance Gas Transportation Infrastructure Limited Rs. 2,000.00 crore (Previous Year Rs. NIL).
3. Sale / redemption of Investments include Reliance Strategic Investments Limited Rs. NIL (Previous Year Rs. 450.00 crore), Reliance Gas Transportation Infrastructure Limited Rs. 102.23 crore (Previous Year Rs. NIL).
4. Loans given during the year include Reliance Industrial Investments and Holdings Limited Rs. 1,211.15 crore (Previous year Rs. 2,519.46 crore), Reliance Retail Limited Rs. 1,156.32 crore (Previous year Rs. 23.20 crore), Reliance Exploration & Production DMCC Rs. 19.97 crore (Previous year Rs. NIL), Gapco Kenya Limited Rs. 22.94 crore (Previous year Rs. NIL), Gapco Tanzania Limited Rs. 166.06 crore (Previous year Rs. NIL), Gapoil Tanzania Limited Rs. 179.35 crore (Previous year Rs. NIL), Reliance Global Business B.V. Rs. 200.57 crore (Previous year Rs. NIL), Reliance Gas Corporation Limited Rs. 5.96 crore (Previous year Rs. NIL), Reliance Infosolutions Private Limited Rs. 107.59 crore (Previous year Rs. NIL), Gujarat Chemicals Port Terminal Company Limited Rs. 0.14 crore (Previous year Rs. 22.25 crore). Loans returned during the year from Reliance Ventures Limited Rs. 1,001.49 crore (Previous year Rs. 2,489.90 crore), Reliance Strategic Investments Limited Rs. 14.05 crore (Previous year Rs. 1,636.81 crore), Reliance Industries (Middle East) DMCC Rs. 447.63 crore (Previous year Rs. 546.19 crore), Reliance Jamnagar Infrastructure Limited Rs. 1,619.00 crore (Previous year Rs. 964.00 crore), Reliance Netherland B.V. Rs. 145.99 crore (Previous year Rs. 148.39 crore), Reliance Exploration & Production DMCC Rs. NIL (Previous year Rs. 115.69 crore), Recron (Malaysia) Sdn Bhd Rs. 35.30 crore (Previous year Rs. 42.11 crore), Reliance Industrial Infrastructure Limited Rs. 10.00 crore (Previous year Rs. NIL).
5. Turnover include to Reliance Industries (Middle East) DMCC Rs. 234.07 crore (Previous Year Rs. 358.69 crore), Reliance Jamnagar Infrastructure Limited Rs. 14.25 crore (Previous Year Rs. 12.65 crore), Reliance Retail Limited Rs. 1.25 crore (Previous Year Rs. 149.26 crore), Reliance Netherland B.V. Rs. NIL (Previous Year Rs. 84.81 crore), Reliance Dairy Foods Limited Rs. NIL (Previous Year Rs. 12.14 crore), Gapco Kenya Limited Rs. 2,341.53 crore (Previous Year Rs. 154.56 crore), Gapco Tanzania Limited Rs. 139.56 crore (Previous Year Rs. NIL), Gapoil Tanzania Limited Rs. 272.07 crore (Previous Year Rs. NIL), Recron (Malaysia) Sdn Bhd Rs. 143.24 crore (Previous Year Rs. NIL), Reliance Supply Chain Solutions Limited Rs. 1.29 crore (Previous Year Rs. NIL), International Oil Trading Limited Rs. 155.11 crore (Previous Year Rs. NIL), Reliance Utilities Private Limited Rs. 25.02 crore (Previous Year Rs. 17.10 crore), Reliance Ports and Terminals Limited Rs. 0.03 crore (Previous Year Rs. 2.37 crore), Reliance Gas Transportation Infrastructure Limited Rs. 4.48 crore (Previous Year Rs. 10.63 crore).
6. Other Income from Reliance Industrial Investments and Holdings Limited Rs. 14.14 crore (Previous Year Rs. 24.75 crore), Reliance Ventures Limited Rs. 112.91 crore (Previous Year Rs. 213.02 crore), Reliance Strategic Investments Limited Rs. 17.96 crore (Previous Year Rs. 11.29 crore), Reliance Industries (Middle East) DMCC Rs. 5.49 crore (Previous Year Rs. 14.80 crore), Reliance Jamnagar Infrastructure Limited Rs. 1.04 crore (Previous Year Rs. 1.59

SCHEDULE 'O' (Contd.)

- crore), Reliance Netherland B.V. Rs. NIL (Previous Year Rs. 2.66 crore), Reliance Exploration & Production DMCC Rs. 19.97 crore (Previous Year Rs. 16.40 crore), Gapco Kenya Limited Rs. 3.16 crore (Previous Year Rs. NIL), Gapco Tanzania Limited Rs. 11.45 crore (Previous Year Rs. NIL), Gapoil Tanzania Limited Rs. 10.35 crore (Previous Year Rs. NIL), Recron (Malaysia) Sdn Bhd Rs. 5.24 crore (Previous Year Rs. 1.57 crore), Reliance Global Business B.V. Rs. 3.71 crore (Previous Year Rs. NIL), Reliance Industrial Infrastructure Limited Rs. 2.14 crore (Previous Year Rs. 2.45 crore), Gujarat Chemicals Port Terminal Company Limited Rs. 1.92 crore (Previous Year Rs. NIL), Reliance Ports and Terminals Limited Rs. NIL (Previous Year Rs. 8.56 crore), Reliance Europe Limited Rs. 1.29 crore (Previous Year Rs. 1.22 crore)
7. Purchases from Reliance Industrial Investments and Holdings Limited Rs. 32.06 crore (Previous Year Rs. 184.68 crore), Reliance Industries (Middle East) DMCC Rs. 566.87 crore (Previous Year Rs. NIL), Reliance Jamnagar Infrastructure Limited Rs. NIL (Previous Year Rs. 1.71 crore).
 8. Electric Power, Fuel and Water charges paid to Reliance Utilities and Power Private Limited Rs. 289.88 crore (Previous Year Rs. 318.81 crore), Reliance Utilities Private Limited Rs. 395.86 crore (Previous Year Rs. NIL).
 9. Hire Charges paid to Reliance Europe Limited Rs. 4.63 crore (Previous Year Rs. 8.88 crore), Reliance Industrial Infrastructure Limited Rs. 22.53 crore (Previous Year Rs. 21.35 crore), Gujarat Chemicals Port Terminal Company Limited Rs. 42.05 crore (Previous Year Rs. 62.13 crore), Reliance Gas Transportation Infrastructure Limited Rs. 7.14 crore (Previous Year Rs. NIL).
 10. Manpower Deputation Charges to Reliance Retail Limited Rs. 20.81 crore (Previous Year Rs. NIL), Reliance Trends Limited Rs. 12.00 crore (Previous Year Rs. NIL), Reliance Petroinvestments Limited Rs. 2.75 crore (Previous Year Rs. NIL), Reliance People Serve Limited Rs. 4.20 crore (Previous Year Rs. NIL), Reliance Industrial Infrastructure Limited Rs. 4.47 crore (Previous Year Rs. NIL).
 11. Payment to Key Management Personnel include to Shri Mukesh D. Ambani Rs. 15.00 crore (Previous Year Rs. 44.02 crore), Shri Nikhil R. Meswani Rs. 10.93 crore (Previous Year Rs. 11.13 crore), Shri Hital R. Meswani Rs. 10.93 crore (Previous Year Rs. 11.12 crore), Shri H.S. Kohli Rs. 1.35 crore (Previous Year Rs. 1.26 crore).
 12. Sales and Distribution Expenses include to Reliance Retail Limited Rs. 72.84 crore (Previous Year Rs. NIL), Reliance Ports and Terminals Limited Rs. 1,255.26 crore (Previous Year Rs. 1,050.82 crore) Gujarat Chemicals Port Terminal Company Limited Rs. 7.97 crore (Previous Year Rs. NIL).
 13. Rent paid to Reliance Supply Chain Solutions Limited Rs. 4.50 crore (Previous Year Rs. NIL), Reliance Industrial Infrastructure Limited Rs. 2.25 crore (Previous Year Rs. NIL), Reliance Ports and Terminals Limited Rs. NIL (Previous Year Rs. 84.00 crore).
 14. Professional Fees paid to Reliance Financial Distribution and Advisory Services Limited Rs. 14.00 crore (Previous Year Rs. NIL), Reliance Universal Ventures Limited Rs. 3.50 crore (Previous Year Rs. NIL), Reliance Supply Chain Solutions Limited Rs. 21.00 crore (Previous Year Rs. NIL), Reliance Europe Limited Rs. 16.60 crore (Previous Year Rs. 14.92 crore).
 15. General expenses include to Reliance Jamnagar Infrastructure Limited Rs. 60.01 crore (Previous Year Rs. NIL), Reliance Hypermart Limited Rs. 1.95 crore (Previous Year Rs. NIL), Reliance Retail Travel & Forex Services Limited Rs. 1.63 crore (Previous Year Rs. NIL), Reliance Industrial Infrastructure Limited Rs. 9.00 crore (Previous Year Rs. 10.11 crore).
 16. Donations to Dhirubhai Ambani Foundation Rs. 35.47 crore (Previous Year Rs. 14.55 crore), Jamnaben Hirachand Ambani Foundation Rs. 0.04 crore (Previous Year Rs. 66.06 crore).
 17. Interest Expenses include to LPG Infrastructure (India) Private Limited Rs. 3.64 crore (Previous Year Rs. NIL).

SCHEDULE 'O' (Contd.)
18. Loans and Advances in the nature of Loans given to Subsidiaries and Associates:
A) Loans and Advances in the nature of Loans

Sr No.	Name of the Company		(Rs. in crore)		
			As at 31st March, 2009	As at 31st March, 2008	Maximum Balance during the year
1.	Reliance Industrial Investments and Holdings Limited *	Subsidiary	4,104.04	2,887.87	6,648.59
2.	Reliance Ventures Limited	Subsidiary	-	836.74	1,810.23
3.	Reliance Strategic Investments Limited	Subsidiary	-	8.37	511.12
4.	Reliance Industries (Middle East) DMCC	Subsidiary	87.31	540.44	688.99
5.	Gapco Kenya Limited	Subsidiary	19.78	-	19.78
6.	Gapoil Tanzania Limited	Subsidiary	169.00	-	169.00
7.	Gapco Tanzania Limited	Subsidiary	154.61	-	154.61
8.	Reliance Exploration & Production DMCC	Subsidiary	-	-	590.24
9.	Reliance Jamnagar Infrastructure Limited	Subsidiary	-	1,619.00	2,018.00
10.	Reliance Netherland B.V.	Subsidiary	-	146.03	146.03
11.	Gujarat Chemicals Port Terminal Company Limited	Associate	22.38	19.00	22.38

* Excluding Debentures of Rs. 721.48 crore (Previous Year Rs.721.48 crore)

Notes:

- Loans and Advances shown above, to Subsidiaries fall under the category of 'Loans & Advances' in nature of Loans where there is no repayment schedule and are re-payable on demand.
- All the above loans and advances are interest bearing except for an amount of Rs. 3,861.23 crore to Reliance Industrial Investments and Holdings Limited and Rs. 87.31 crore to Reliance Industries (Middle East) DMCC.
- 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) with the Company under the Scheme approved by the Hon'ble High Court of Bombay and Gujarat and subsequent inter se transfer of shares amongst them.

Sr No.	Name of the Company		(Rs. in crore)	
			No. of Shares	Amount
1.	*Reliance Chemicals Private Limited		3,11,19,999	544.14
2.	*Reliance Aromatics and Petrochemicals Private Limited		29,71,000	528.19
3.	*Reliance Energy and Project Development Private Limited		10,29,000	649.48
4.	*Reliance Polyolefins Limited		3,05,97,462	346.10

SCHEDULE 'O' (Contd.)**(ii) Investments by Reliance Industrial Investments and Holdings Limited in subsidiaries****(a) In Equity Shares :**

Sr No.	Name of the Company	No. of Shares
1.	Reliance Commercial Land & Infrastructure Private Limited	4,30,10,000
2.	Reliance Global Business B.V.	18,00,000
3.	Reliance Gas Corporation Limited	50,000
4.	Reliance Polymers (India) Limited	10,000

(b) In Preference Shares :

Sr No.	Name of the Company	No. of Shares
1.	Reliance Chemicals Private Limited	13,44,700
2.	Reliance Aromatics and Petrochemicals Private Limited	2,28,080
3.	Reliance Polyolefins Limited	1,92,320
4.	Reliance Petromarketing Private Limited	40,56,000

(iii) Investments by Reliance Industries (Middle East) DMCC in subsidiaries**(a) In Equity Shares :**

Sr No.	Name of the Company	No. of Shares
1.	Gulf Africa Petroleum Corporation	16,720
2.	Reliance Global Energy Services Limited	1
3.	Reliance Global Energy Services (Singapore) Pte. Limited	15,00,000

19. (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.	CB - ON/1	40% (40%)
2.	Tapti	30% (30%)	9.	AS - ONN - 2000/1	90% (90%)
3.	NEC - OSN - 97/2	90% (90%)	10.	KG - DWN - 2001/1	90% (90%)
4.	KG - DWN - 98/3	90% (90%)	11.	KG - DWN - 2003/1	90% (90%)
5.	GS - OSN - 2000/1	90% (90%)	12.	MN - DWN - 2003/1	85% (85%)
6.	GK - OSJ - 3	60% (60%)	13.	KG-DWN-2005/2	70% (NIL)
7.	GK - OS - 5	40% (40%)			

Figures in bracket represents Previous Year's percentage (%) interest.

(b) 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)	
	2008-09	2007-08	2008-09	2007-08
Oil:				
Beginning of the year	11.64	12.47	3.58	4.21
Additions	0.12	-	2.13	0.04
Deletion	-	0.16	-	-
Production	0.74	0.67	0.74	0.67
Closing balance	<u>11.02</u>	<u>11.64</u>	<u>4.97</u>	<u>3.58</u>

SCHEDULE 'O' (Contd.)

	Proved Reserves (Million M ³ *)		Proved Developed Reserves (Million M ³ *)	
	2008-09	2007-08	2008-09	2007-08
Gas:				
Beginning of the year	2,22,188	2,22,145	16,842	16,776
Additions	168	1,705	1,18,940	1,728
Deletion	-	-	-	-
Production	1,888	1,662	1,888	1,662
Closing balance	<u>2,20,468</u>	<u>2,22,188</u>	<u>1,33,894</u>	<u>16,842</u>

* 1 cubic meter (M3) = 35.315 cubic feet and 1 cubic feet = 1000BTU

20. As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.

21. ADDITIONAL INFORMATION

	(Rs. in crore)	
	As at 31st March, 2009	As at 31st March, 2008
(A) Estimated amount of contracts remaining to be executed on Capital accounts and not provided for:		
(i) In respect of joint Ventures	2,992.66	9,889.25
(ii) In respect of others	22,901.77	12,682.82
(B) Uncalled liability on partly paid Shares (Net of calls in advance)	4,310.00	5,490.00
(C) Contingent Liabilities		
(i) Outstanding guarantees furnished to Banks and Financial Institutions including in respect of Letters of credit		
(a) In respect of joint Ventures	-	79.26
(b) In respect of others	4,316.25	2,456.91
(ii) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties		
(a) In respect of joint Ventures	-	-
(b) In respect of others	2,032.94	7,817.26
(iii) Liability in respect of bills discounted with Banks (Including third party bills discounting)		
(a) In respect of joint Ventures	-	-
(b) In respect of others	1,347.88	501.63
(iv) Claims against the Company / disputed liabilities not acknowledged as debts		
(a) In respect of joint Ventures	-	43.22
(b) In respect of others	1,268.99	781.63

SCHEDULE 'O' (Contd.)

(v) Performance Guarantees		
(a) In respect of joint Ventures	-	-
(b) In respect of others	112.80	275.44
(vi) Sales tax deferral liability assigned	5,406.89	5,441.80

(D) The Income-Tax assessments of the Company have been completed up to Assessment Year 2006-07. The disputed demand outstanding up to the said Assessment Year is Rs. 482.25 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.

22. LICENSED AND INSTALLED CAPACITY

(As certified by the Management)

	UNIT	Licensed Capacity		Installed Capacity	
		As at 31st March, 2009	2008	As at 31st March, 2009	2008
A Refining of Crude Oil	Mill. MT	N.A.	N.A.	33	33
B i Ethylene	MT	N.A.	N.A.	1,883,400	1,883,400
ii Propylene	MT	N.A.	N.A.	759,800	759,740
iii Benzene	MT	N.A.	N.A.	730,000	730,000
iv Toluene	MT	N.A.	N.A.	197,000	197,000
v Xylene	MT	N.A.	N.A.	165,000	165,000
vi Hydro Cynic Acid	MT	3,600	3,600	3,600	3,600
vii Ethane Propane Mix	MT	N.A.	N.A.	450,000	450,000
viii Caustic Soda Lye/Flakes	MT	N.A.	N.A.	168,000	165,825
ix Chlorine	MT	N.A.	N.A.	141,200	105,000
x Acrylonitrile	MT	N.A.	N.A.	41,000	41,000
xi Linear Alkyl Benzene	MT	N.A.	N.A.	182,400	182,338
xii Butadiene & Other C4s	MT	N.A.	N.A.	419,000	419,000
xiii Cyclohexane	MT	N.A.	N.A.	40,000	-
C i Paraxylene	MT	N.A.	N.A.	1,904,600	1,904,600
ii Orthoxylene	MT	N.A.	N.A.	467,900	467,900
iii Toluole	MT	N.A.	N.A.	180,000	180,000
D Poly Vinyl Chloride	MT	N.A.	N.A.	625,000	625,000
E High/Linear Low Density Poly Ethylene	MT	N.A.	N.A.	1,115,000	1,055,000
F High Density Polyethylene Pipes	MT	N.A.	N.A.	80,000	80,000
G Poly Butadiene Rubber	MT	N.A.	N.A.	74,000	73,920
H Polypropylene	MT	N.A.	N.A.	1,735,200	1,735,190
I i Mono Ethylene Glycol	MT	N.A.	N.A.	733,400	733,400
ii Higher Ethylene Glycol	MT	N.A.	N.A.	52,080	52,080
iii Ethylene Oxide	MT	N.A.	N.A.	116,000	91,000
J Purified Terephthalic Acid	MT	N.A.	N.A.	2,050,000	2,050,000

SCHEDULE 'O' (Contd.)

K	Polyester Filament Yarn/Polyester Chips	MT	N.A.	N.A.	822,725+	815,725+
L	Polyester Staple Fibre/ Acrylic Fibre / Chips	MT	N.A.	N.A.	741,612	741,612
M	Poly Ethylene Terephthalate	MT	N.A.	N.A.	290,000	290,000
N	Polyester Staple Fibre Fill	MT	N.A.	N.A.	42,000	42,000
O	Man-made Fibre Spun Yarn on worsted system	Nos	N.A.	N.A.	24,094	24,094
P	Man-made fibre on cotton system (Spindles)	Nos	N.A.	N.A.	23,040	23,040
Q	i Man-made Fabrics (Looms)	Nos	N.A.	N.A.	364	309
	ii Knitting M/C	Nos	22	22	20	20
R	Solar Photovoltaic Modules	M.W.	N.A.	N.A.	30	N.A.

NA - Delicensed vide notification No 477(E) dated 27th July 1991 and press note No. 1 (1998 series) dated 8th June 1998

+ Includes 32,300 MT based on average denier of 40

23. (a) The Ministry of Corporate Affairs, Government of India vide its Order No. 46/66/2009-CL-III dated 10th July, 2009 and modified on 25th August, 2009 issued under Section 211(4) of the Companies Act, 1956 has exempted the Company from disclosure of quantitative details in the profit and loss account under paras 3(i)(a), 3(ii)(a) (1) & (2), 3(ii)(b) of Part II, Schedule VI to the Companies Act, 1956.
- (b) The Ministry of Corporate Affairs, Government of India vide its Order No. 47/242/2009-CL-III dated 12th May, 2009, 4th August, 2009, 13th August, 2009 has granted approval that the requirement to attach various documents in respect of subsidiaries companies, as set out in sub-section (1) of section 212 of the Companies Act, 1956, shall not apply to the Company. As per the order, financial information of each subsidiary is attached.

24. PRODUCTION MEANT FOR SALE :

Products	Unit	2008-09	2007-08
Crude Oil	MT	683,023	642,596
Gas	BBTU	63,393	40,884
Petroleum Products	'000 MT	29,733	29,532
Ethylene	MT	9,917	52,546
Propylene	MT	134	11,687
Benzene	MT	593,796	594,291
Toluene	MT	104,580	109,499
Caustic Soda lye / Flakes	MT	133,779	137,968
Acrylonitrile	MT	30,445	39,005
Linear Alkyl Benzene	MT	154,586	198,287
Butadiene	MT	88,307	108,409
Cyclohexane	MT	18,057	-
Paraxylene	MT	572,254	744,481
Orthoxylene	MT	223,976	268,789

SCHEDULE 'O' (Contd.)

Poly Vinyl Chloride	MT	613,783	579,817
Polyethylene	MT	990,189	1,085,224
High Density Polyethylene Pipes	Mtrs. In lacs	95	56
Poly Butadiene Rubber	MT	71,974	74,404
Polypropylene	MT	1,513,644	1,712,124
Ethylene Glycol	MT	352,182	476,568
Purified Terephthalic Acid	MT	648,219	804,649
Polyester Filament Yarn	MT	694,592	753,340
Polyester Staple Fibre	MT	578,462	637,857
Poly Ethylene Terephthalate	MT	297,870	244,835
Polyester Staple Fibre Fill	MT	39,729	43,490
Fabrics	Mtrs. in Lacs	174	215

25. Financial and Derivative Instruments**a) Derivative contracts entered into by the Company and outstanding as on 31st March, 2009****(i) For hedging Currency and Interest Rate Related Risks:**

Nominal amounts of derivative contracts entered into by the Company and outstanding as at 31st March, 2009 amount to Rs. 60,373.04 crore (Previous Year Rs. 30,129.40 crore). Category wise break up is given below :

Sr. No.	Particulars	(Rs in crore)	
		As at 31st March, 2009	As at 31st March, 2008
1	Interest Rate Swaps (Net)	23,215.50	10,201.64
2	Currency Swaps	4,435.15	643.48
3	Options (Net)	2,492.71	975.20
4	Forward Contracts (Net)	30,229.68	18,309.08

(ii) For hedging commodity related risks :

Category wise break up is given below :

Sr. No.	Particulars	(in Kbbl)			
		As at 31st March, 2009		As at 31st March, 2008	
		Petroleum product sales	Crude Oil Purchases	Petroleum product sales	Crude oil purchases
1	Net forward swaps	2,985	6,157	236	3,457
2	Futures	256	2,689	-	1,470
3	Spreads	1,908	13,424	475	6,345
4	Margin hedging	30,650	-	15,820	-
5	Net Options	9,387	10,800	18,725	1,575

**SCHEDULE 'O' (Contd.)**

- b) In accordance with principles of prudence and other applicable guidelines as per Accounting Standards notified by the Companies (Accounting Standards) Rules 2006 the Company has charged an amount of Rs. 35.32 crore (Previous Year Rs. 43.78 crore) to the Profit and Loss Account in respect of derivative contracts other than those contracts which are effective hedges.
- c) Foreign currency exposures that are not hedged by derivative instruments as on 31st March, 2009 amount to Rs. 51,432.57 crore (Previous Year Rs. 23,561.76 crore).

26. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

	(Rs. in crore)	
	2008-09	2007-08
Raw Materials and Traded Goods	1,02,072.93	90,619.95
Stores, Chemicals and Packing Materials	1,407.80	963.87
Capital goods	6,592.69	3,404.98

27. EXPENDITURE IN FOREIGN CURRENCY :

	(Rs. in crore)	
	2008-09	2007-08
Capital Contracts (Includes Rs. 63.64 crore for SEZ unit)	122.81	68.00
Oil and Gas Activity	12,084.66	8,000.22
Technical and Engineering Fees (Includes Rs. 231.91 crore for SEZ unit)	231.91	7.36
Production Royalty	3.32	12.72
Machinery Repairs	28.68	44.54
Building Repairs	0.11	0.06
Lease Rent	28.44	27.17
Payments to and Provisions for Employees	23.62	19.93
Sales Promotion Expenses	39.28	16.01
Brokerage and Commission	176.17	147.53
Ocean Freight (Includes Rs. 12.91 crore for SEZ unit)	727.06	515.22
Warehousing and Distribution Expenses (Includes Rs. 94.81 crore for SEZ unit)	130.54	1.35
Insurance	5.18	2.21
Rent	2.87	1.70
Rates & Taxes	0.64	3.78
Other Repairs (Includes Rs. 0.18 crore for SEZ unit)	58.14	35.49
Travelling Expenses (Includes Rs. 0.32 crore for SEZ unit)	12.18	7.27

SCHEDULE 'O' (Contd.)

Professional Fees (Includes Rs. 115.96 crore for SEZ unit)	257.50	155.01
Charity & Donations	2.83	8.99
Hire Charges	3.96	3.26
Bank Charges	32.30	22.40
Establishment Expenses (Includes Rs. 0.20 crore for SEZ unit)	36.48	31.55
Provision for claims against guarantee relating to subsidiary	369.60	-
Interest Charges (Includes Rs. 642.20 crore for SEZ unit)	2,135.07	1,192.06
Other Finance Charges (Includes Rs. 244.45 crore for SEZ unit)	507.63	113.21
Premium on Redemption of Bonds	19.96	-

28. VALUE OF RAW MATERIALS CONSUMED :

	2008-09		2007-08	
	Rs. in crore	% of Consumption	Rs. in crore	% of Consumption
Imported	1,00,350.46	95.75	84,851.75	93.96
Indigenous	4,454.59	4.25	5,452.10	6.04
	<u>1,04,805.05</u>	<u>100.00</u>	<u>90,303.85</u>	<u>100.00</u>

29. VALUE OF STORES, CHEMICALS AND PACKING MATERIALS CONSUMED

	2008-09		2007-08	
	Rs. in crore	% of Consumption	Rs. in crore	% of Consumption
Imported	1,164.25	51.20	1,284.28	50.95
Indigenous	1,109.77	48.80	1,236.30	49.05
	<u>2,274.02</u>	<u>100.00</u>	<u>2,520.58</u>	<u>100.00</u>

30. EARNINGS IN FOREIGN EXCHANGE

	(Rs. in crore)	
	2008-09	2007-08
FOB value of exports [Excluding captive transfers to Special Economic Zone of Rs. 299.78 crore (Previous Year Rs. NIL)]	86,827.52	75,974.22
Interest	70.01	33.92
Others	19.25	2.62

SCHEDULE 'O' (Contd.)

31. 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:

Final Dividend (2007-08)

	2008-09	2007-08
a) Number of Non Resident Shareholders	27,123	-
b) Number of Equity Shares held by them	26,89,52,851	-
c) (i) Amount of Dividend Paid (Gross) (Rs. in Crore)	349.64	-
(ii) Tax Deducted at Source	-	-
(iii) Year to which dividend relates	2007-08	-

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
October 7, 2009

V.M. Ambani
Company Secretary

For and on behalf of the Board

M.D. Ambani	-	Chairman & Managing Director
N.R. Meswani	}	Executive Directors
H.R. Meswani		
H.S. Kohli		
P.M.S. Prasad		
R. Ravimohan		
R.H. Ambani	}	Directors
M.L. Bhakta		
Y.P. Trivedi		
Dr. D.V. Kapur		
M.P. Modi		
Dr. R. A. Mashelkar		

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details:

Registration No:

L	1	7	1	1	0	M	H	1	9	7	3	P	L	C	0	1	9	7	8	6
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 Balance Sheet Date:

3	1	.	0	3	.	2	0	0	9
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 State Code:

										1	1
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II. Capital raised during the year (Amount in Rs. Crore):

Public Issue:

						N	I	L
--	--	--	--	--	--	---	---	---

 Rights Issue:

						N	I	L
--	--	--	--	--	--	---	---	---

 Bonus Issue:

						N	I	L
--	--	--	--	--	--	---	---	---

 Private Placement:

			1	2	0	.	1	4
--	--	--	---	---	---	---	---	---

 Conversion of Bonds:

						N	I	L
--	--	--	--	--	--	---	---	---

 Equity Share Warrants:

						N	I	L
--	--	--	--	--	--	---	---	---

 Equity Share Suspend:

			6	9	.	2	5
--	--	--	---	---	---	---	---

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Crore):

Total Liabilities:

2	4	5	7	0	5	.	6	5
---	---	---	---	---	---	---	---	---

 Total Assets:

2	4	5	7	0	5	.	6	5
---	---	---	---	---	---	---	---	---

 Sources of Funds:
 Paid up Capital:

		1	5	7	3	.	5	3
--	--	---	---	---	---	---	---	---

 Reserves & Surplus:

1	2	4	7	3	0	.	1	9
---	---	---	---	---	---	---	---	---

 Equity Share Suspend:

			6	9	.	2	5
--	--	--	---	---	---	---	---

 Unsecured Loan:

	6	3	2	0	6	.	5	6
--	---	---	---	---	---	---	---	---

 Secured Loans:

	1	0	6	9	7	.	9	2
--	---	---	---	---	---	---	---	---

 Current Liabilities:

	3	5	7	0	1	.	9	0
--	---	---	---	---	---	---	---	---

 Deferred Tax Liabilities:

	9	7	2	6	.	3	0
--	---	---	---	---	---	---	---

 Application of Funds:
 Net Fixed Assets:

1	6	9	3	8	6	.	8	9
---	---	---	---	---	---	---	---	---

 Investments:

	2	1	6	0	6	.	4	9
--	---	---	---	---	---	---	---	---

 Current Assets:

	5	4	7	1	2	.	2	7
--	---	---	---	---	---	---	---	---

IV. Performance of the Company (Amount in Rs. Crore):

Turnover:

1	4	6	3	2	8	.	0	7
---	---	---	---	---	---	---	---	---

 Total Expenditure:

1	2	5	9	0	1	.	6	8
---	---	---	---	---	---	---	---	---

 Net Turnover:

1	4	1	8	4	7	.	4	7
---	---	---	---	---	---	---	---	---

 Profit After tax:

	1	5	3	0	9	.	3	2
--	---	---	---	---	---	---	---	---

 Profit Before Tax:

	1	8	4	3	3	.	2	3
--	---	---	---	---	---	---	---	---

 Dividend: Rs. per share

			1	3	.	0	0
--	--	--	---	---	---	---	---

 Earning per share in Rs.

			9	6	.	7	6
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V. Generic Names of principal services of the company:

Item Code No. (ITC Code):

2	7	.	1	0
---	---	---	---	---

 Product Description:

B	U	L	K		P	E	T	R	O	L	E	U	M		P	R	O	D	U	C	T	S
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 Item Code No. (ITC Code):

3	9	0	2	1	0	.	0	0
---	---	---	---	---	---	---	---	---

 Product Description:

P	O	L	Y	P	R	O	P	Y	L	E	N	E		(P	P)
---	---	---	---	---	---	---	---	---	---	---	---	---	--	---	---	---	---

 Item Code No. (ITC Code):

3	9	0	1	2	0	.	0	0
---	---	---	---	---	---	---	---	---

 Product Description:

P	O	L	Y	E	T	H	Y	L	E	N	E
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Financial Information of Subsidiary Companies

											Rs. 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	152.49	2,441.93	7,448.63	7,448.63	2,843.58	32.06	0.50	0.06	0.44	-	India
2	Reliance Ventures Limited	INR	2.79	2,363.19	2,392.62	2,392.62	526.72	113.54	0.66	0.15	0.51	-	India
3	Reliance Strategic Investments Limited	INR	3.53	4,363.18	4,385.74	4,385.74	1,549.00	19.96	1.97	-	1.97	-	India
4	Reliance Industries (Middle East) DMCC	INR	56.30	19.89	942.62	942.62	429.27	1,808.70	6.88	-	6.88	-	Dubai
		AED MN	42.45	15.00	710.74	710.74	323.67	1,363.77	5.19	0.00	5.19	-	
5	Reliance Jamnagar Infrastructure Limited *	INR	102.55	1,776.02	2,394.13	2,394.13	0.01	908.11	503.66	0.09	503.57	-	India
6	Reliance Retail Limited	INR	4,051.00	(31.98)	5,339.51	5,339.51	118.28	622.31	(24.26)	(4.02)	(20.24)	-	India
7	Reliance Netherland B. V.	INR	0.69	2.19	6.44	6.44	0.75	0.69	(8.91)	-	(8.91)	-	Netherlands
		EURO MN	0.10	0.32	0.94	0.94	0.11	0.10	(1.30)	-	(1.30)	-	
8	Reliance Haryana SEZ Limited	INR	0.05	(0.15)	2,914.31	2,914.31	0.00	1.09	(0.18)	0.03	(0.21)	-	India
9	Reliance Fresh Limited	INR	0.05	(276.77)	1,650.01	1,650.01	0.49	1,778.06	(354.04)	(104.74)	(249.30)	-	India
10	Retail Concepts & Services (India) Limited	INR	0.05	(38.37)	52.97	52.97	0.00	85.23	(14.46)	(3.14)	(11.32)	-	India
11	Reliance Retail Insurance Broking Limited	INR	2.00	(4.90)	2.01	2.01	-	4.39	(0.36)	1.55	(1.91)	-	India
12	Reliance Dairy Foods Limited	INR	0.05	(7.63)	82.23	82.23	-	178.05	(6.17)	(1.67)	(4.50)	-	India
13	Reliance Exploration and Production DMCC	INR	895.24	54.46	2,405.40	2,405.40	470.30	102.14	38.82	-	38.82	-	U A E
		USD MN	183.79	11.18	493.82	493.82	96.55	20.97	7.97	-	7.97	-	
14	Reliance Retail Finance Limited	INR	2.02	101.97	107.99	107.99	106.00	4.04	1.18	(0.76)	1.94	-	India
15	RESQ Limited	INR	0.05	(0.17)	3.11	3.11	0.00	4.19	(0.14)	0.01	(0.15)	-	India
16	Reliance Global Management Services Limited	INR	0.25	0.25	55.15	55.15	0.01	269.91	0.52	0.37	0.15	-	India
17	Reliance Commercial Associates Limited	INR	0.05	(0.01)	0.04	0.04	-	-	0.00	-	0.00	-	India
18	Reliance Digital Retail Limited	INR	0.05	(15.49)	170.89	170.89	0.06	316.28	(17.73)	(5.06)	(12.67)	-	India
19	Reliance Financial Distribution and Advisory Services Limited	INR	0.05	(18.59)	17.88	17.88	-	24.93	(20.08)	(5.83)	(14.25)	-	India
20	RIL (Australia) Pty Limited	INR	17.52	(0.25)	15.38	15.38	-	0.07	(1.75)	-	(1.75)	-	Australia
		AUS \$ MN	5.00	(0.07)	4.39	4.39	-	0.02	(0.50)	-	(0.50)	-	
21	Reliance Hypermart Limited	INR	0.05	(54.32)	1,452.00	1,452.00	49.40	372.32	(73.90)	(22.06)	(51.84)	-	India
22	Gapco Kenya Limited	INR	91.38	89.20	544.81	544.81	-	2,960.00	(50.33)	(10.23)	(40.10)	-	Kenya
		KSH MN	1,459.54	1,424.64	8,701.60	8,701.60	-	4,7276.77	(803.81)	(163.34)	(640.47)	-	
23	Gapco Rwanda Limited	INR	3.97	(6.37)	14.27	14.27	-	124.85	(0.52)	-	(0.52)	-	Rwanda
		FRW MN	448.50	(719.46)	1612.40	1612.40	-	14106.78	(58.93)	-	(58.93)	-	
24	Gapco Tanzania Limited	INR	58.90	(52.56)	427.38	427.38	-	547.63	(44.76)	(15.00)	(29.76)	-	Tanzania
		TZS MN	15,500.00	(13,832.00)	1,12,468.00	1,12,468.00	-	144113.00	(11,779.00)	(3,948.00)	(7,831.00)	-	
25	Gapco Uganda Limited	INR	22.23	44.09	94.74	94.74	-	349.26	(1.19)	(1.47)	0.28	-	Uganda
		USH MN	8,750.10	17,359.58	37,297.74	37,297.74	-	1,37,504.63	(467.67)	(579.99)	112.32	-	
26	Gapoil (Zanzibar) Limited	INR	1.90	(1.19)	8.05	8.05	-	-	0.01	-	0.01	-	Zanzibar
		TZS MN	500.00	(313.43)	2,118.10	2,118.10	-	-	3.24	-	3.24	-	
27	Gapoil Tanzania Limited	INR	54.76	30.01	367.32	367.32	0.63	687.66	(0.20)	(0.37)	0.17	-	Tanzania
		TZS MN	14,410.00	7,898.00	96,663.00	96,663.00	165.00	1,80,963.00	(52.00)	(98.00)	46.00	-	
28	Gulf Africa Petroleum Corporation	INR	107.16	(9.06)	320.80	320.80	266.39	-	(0.44)	-	(0.44)	-	Mauritius
		USD MN	22.00	(1.86)	65.86	65.86	54.69	-	(0.09)	-	(0.09)	-	
29	Transenergy Kenya Limited	INR	7.51	(6.46)	1.33	1.33	-	3.13	3.15	0.54	2.61	-	Kenya
		KSH MN	120.00	(103.11)	21.20	21.20	-	49.93	50.23	8.56	41.67	-	

As on 31.12.2008: 1 Euro = Rs. 68.54, 1 US \$ = Rs. 48.71, 1 AED = Rs. 13.2625, 1 RM = Rs. 14.1075, 1 KSH = 0.6261, 1 FRW = 0.0885, 1 TZS = 0.0380, 1 USH = 0.0254; Exchange Rate as on 31.3.2009, 1 Euro = Rs. 67.44, 1 US \$ = Rs. 50.72, 1 Aus \$ = Rs. 35.03, 1 KSH = Rs. 0.6306, 1 SGD = Rs 33.35, 1 GBP = 72.49.

Financial Information of Subsidiary Companies (Contd.)

												Rs. 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
30	Recron (Malaysia) Sdn Bhd	INR RM MN	3.53 2.50	1,284.73 910.67	3,159.83 2,239.82	3159.83 2,239.82	- -	4,136.35 2,932.02	64.47 45.70	- -	64.47 45.70	-	Malaysia
31	Reliance Retail Travel & Forex Services Limited	INR	1.00	(1.25)	0.17	0.17	-	0.14	(0.82)	0.16	(0.98)	-	India
32	Reliance Brands Limited	INR	0.05	-	20.85	20.85	0.05	-	-	-	-	-	India
33	Reliance Footprint Limited	INR	0.05	(10.47)	60.94	60.94	-	34.50	(14.86)	(4.45)	(10.41)	-	India
34	Reliance Trends Limited	INR	0.05	(3.10)	168.47	168.47	0.01	172.39	(3.71)	(0.80)	(2.91)	-	India
35	Reliance Wellness Limited	INR	0.05	(6.76)	143.96	143.96	-	246.26	(9.47)	(2.80)	(6.67)	-	India
36	Reliance Lifestyle Holdings Limited	INR	0.05	(15.49)	107.59	107.59	60.55	1.74	(15.77)	(4.47)	(11.30)	-	India
37	Reliance Universal Ventures Limited	INR	0.05	(5.69)	32.24	32.24	1.15	3.92	(4.89)	(1.35)	(3.54)	-	India
38	Delight Proteins Limited	INR	0.05	(3.64)	13.76	13.76	-	19.63	(3.55)	0.06	(3.61)	-	India
39	Reliance Autozone Limited	INR	0.05	(0.49)	20.10	20.10	-	10.30	(0.61)	(0.15)	(0.46)	-	India
40	Reliance F&B Services Limited	INR	0.05	(1.89)	1.46	1.46	0.00	0.11	(1.83)	0.03	(1.86)	-	India
41	Reliance Gems and Jewels Limited	INR	0.05	(5.73)	16.12	16.12	-	2.24	(5.55)	0.10	(5.65)	-	India
42	Reliance Integrated Agri Solutions Limited	INR	0.05	(0.94)	26.06	26.06	-	2.77	(0.62)	0.12	(0.74)	-	India
43	Strategic Manpower Solutions Limited	INR	0.05	(10.24)	24.04	24.04	-	138.03	(10.90)	(3.02)	(7.88)	-	India
44	Reliance Agri Products Distribution Limited	INR	0.05	(7.83)	21.65	21.65	-	46.51	(11.12)	(3.33)	(7.79)	-	India
45	Reliance Digital Media Limited	INR	0.05	(1.01)	3.98	3.98	-	2.10	(0.97)	(0.28)	(0.69)	-	India
46	Reliance Food Processing Solutions Limited	INR	0.05	(37.34)	270.48	270.48	-	168.83	(54.29)	(16.63)	(37.66)	-	India
47	Reliance Home Store Limited	INR	0.05	(4.54)	68.19	68.19	-	113.26	(6.28)	(1.83)	(4.45)	-	India
48	Reliance Leisures Limited	INR	0.05	(4.53)	47.58	47.58	-	49.79	(6.43)	(1.96)	(4.47)	-	India
49	Reliance Loyalty & Analytics Limited	INR	0.05	(6.44)	0.57	0.57	-	1.20	(6.40)	0.04	(6.44)	-	India
50	Reliance Retail Securities and Broking Company Limited	INR	0.05	(0.95)	0.07	0.07	-	0.59	(0.94)	0.01	(0.95)	-	India
51	Reliance Supply Chain Solutions Limited	INR	1.01	(12.90)	294.17	294.17	-	141.78	(17.74)	(4.96)	(12.78)	-	India
52	Reliance Trade Services Centre Limited	INR	0.05	(9.30)	0.24	0.24	-	0.01	(9.24)	0.05	(9.29)	-	India
53	Reliance Vantage Retail Limited	INR	0.56	(21.23)	105.69	105.69	-	0.01	(11.50)	(1.98)	(9.52)	-	India
54	Reliance International Exploration and Production INC	INR USD MN	9.25 1.90	(5.60) (1.15)	3.80 0.78	3.80 0.78	- -	- -	(5.60) (1.15)	- -	(5.60) (1.15)	-	USA
55	Wave Land Developers Limited	INR KSH MN	147.06 2,332.11	(1.53) (24.31)	145.66 2,309.86	145.66 2,309.86	75.08 1,190.54	0.00 0.05	(0.07) (1.18)	- -	(0.07) (1.18)	-	Kenya
56	Reliance-GrandOptical Private Limited	INR	0.05	(0.01)	0.05	0.05	-	-	(0.00)	0.00	(0.00)	-	India
57	Reliance Universal Commercial Limited	INR	0.05	0.01	286.97	286.97	4.46	0.01	(0.00)	-	(0.00)	-	India
58	Reliance Petroinvestments Limited	INR	8.88	175.19	184.60	184.60	183.17	10.46	7.65	0.25	7.40	-	India
59	Reliance Global Commercial Limited	INR	0.05	0.01	286.97	286.97	4.47	0.01	(0.00)	-	(0.00)	-	India
60	Reliance Cyprus Limited	INR USD MN	0.00 0.00	(0.10) (0.02)	0.05 0.01	0.05 0.01	- -	- -	(0.10) (0.02)	- -	(0.10) (0.02)	-	Cyprus
61	Reliance People Serve Limited	INR	0.05	(0.92)	3.59	3.59	-	6.05	(0.78)	(0.20)	(0.58)	-	India
62	Reliance Infrastructure Management Services Limited	INR	0.05	(0.01)	0.21	0.21	-	0.18	(0.01)	0.00	(0.01)	-	India

As on 31.12.2008: 1 Euro = Rs. 68.54, 1 US \$ = Rs. 48.71, 1 AED = Rs. 13.2625, 1 RM = Rs. 14.1075, 1 KSH = 0.6261, 1 FRW = 0.0885, 1 TZS = 0.0380, 1 USH = 0.0254; Exchange Rate as on 31.3.2009, 1 Euro = Rs. 67.44, 1 US \$ = Rs. 50.72, 1 Aus \$ = Rs. 35.03, 1 KSH = Rs. 0.6306, 1 SGD = Rs 33. 35, 1 GBP = 72.49.

Financial Information of Subsidiary Companies (Contd.)

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	Rs. in crore	
												Proposed Dividend	Country
63	Reliance Global Business B.V.	INR EURO MN	0.13 0.02	(6.68) (0.99)	284.19 42.14	284.19 42.14	284.19 42.14	0.00 0.00	(6.68) (0.99)	- -	(6.68) (0.99)	-	Netherlands
64	Reliance Gas Corporation Limited	INR	0.05	(0.00)	6.07	6.07	-	-	(0.00)	-	(0.00)	-	India
65	Reliance Global Energy Services Singapore Pte Limited	INR SGD MN	5.00 1.50	0.33 0.10	12.11 3.63	12.11 3.63	-	8.20 2.46	0.37 0.11	0.03 0.01	0.34 0.10	-	Singapore
66	Reliance One Enterprises Limited	INR	0.05	(0.04)	4.02	4.02	-	3.72	(0.04)	-	(0.04)	-	India
67	Reliance Global Energy Services Limited	INR GBP MN	3.62 0.50	0.72 0.10	11.74 1.62	11.74 1.62	-	9.79 1.35	(0.51) (0.07)	0.21 0.03	0.72 (0.10)	-	U K
68	Reliance Personal Electronics Limited	INR	0.05	(0.58)	0.86	0.86	-	1.00	(0.57)	0.01	(0.58)	-	India
69	Reliance Polymers (India) Limited	INR	0.05	3.99	4.05	4.05	4.05	-	(0.00)	-	(0.00)	-	India
70	Reliance Polyolefins Limited	INR	13.93	2,909.55	3,414.93	3,414.93	3,412.31	5.76	0.15	0.05	0.10	-	India
71	Reliance Aromatics and Petrochemicals Private Limited	INR	1.87	1,386.35	2,054.88	2,054.88	2,054.88	0.00	(0.01)	-	(0.01)	0.00	India
72	Reliance Energy and Project Development Private Limited	INR	1.63	1,258.83	2,057.83	2,057.83	2,055.99	2.87	(0.85)	-	(0.85)	0.00	India
73	Reliance Chemicals Private Limited	INR	8.44	2,769.37	3,464.73	3,464.73	3,459.42	0.01	(0.02)	-	(0.02)	-	India
74	Reliance Universal Enterprises Limited	INR	6.84	3,409.86	3,416.70	3,416.70	3,416.55	0.01	(0.07)	-	(0.07)	-	India
75	Reliance Review Cinema Private Limited	INR	0.01	(0.05)	0.35	0.35	-	0.30	(0.05)	(0.00)	(0.05)	-	India
76	Reliance Replay Gaming Private Limited	INR	0.01	(0.02)	0.14	0.14	-	0.13	(0.02)	0.00	(0.02)	-	India
77	Reliance Nutritional Food Processors Private Limited	INR	0.01	(0.01)	1.27	1.27	-	-	(0.01)	(0.00)	(0.01)	-	India
78	Reliance Commercial Land & Infrastructure Limited	INR	43.01	(0.33)	1,246.53	1,246.53	1,244.72	-	(0.33)	-	(0.33)	-	India
79	Reliance Corporate IT Park Limited	INR	1,191.33	(127.23)	2,065.69	2,065.69	-	92.78	(5.83)	0.19	(6.02)	-	India
80	Reliance Eminent Trading & Commercial Private Limited	INR	14.67	2,074.51	2,091.28	2,091.28	-	-	(3.93)	(1.32)	(2.61)	-	India
81	Reliance Progressive Traders Private Limited	INR	13.96	1,583.04	1,605.94	1,605.94	-	0.01	(14.38)	(4.88)	(9.50)	-	India
82	Reliance Prolific Traders Private Limited	INR	12.83	1,263.60	1,279.90	1,279.90	-	0.01	(1.25)	(0.44)	(0.81)	-	India
83	Reliance Universal Traders Private Limited	INR	10.12	32.90	43.34	43.34	-	-	(0.06)	(0.01)	(0.05)	-	India
84	Reliance Prolific Commercial Private Limited	INR	1.66	331.32	333.65	333.65	-	0.01	(0.01)	(0.00)	(0.01)	-	India
85	Reliance Comtrade Private Limited	INR	1.48	241.51	243.07	243.07	-	0.00	(0.01)	(0.00)	(0.01)	-	India
86	Reliance Ambit Trade Private Limited	INR	1.93	465.55	468.61	468.61	-	0.01	(0.01)	(0.00)	(0.01)	-	India
87	Reliance Petro Marketing Private Limited	INR	0.05	106.15	142.85	142.85	0.09	277.47	(0.32)	1.13	(1.45)	-	India
88	LPG Infrastructure (India) Private Limited	INR	0.05	(5.48)	92.66	92.66	0.01	218.68	0.53	0.01	0.52	-	India
89	Reliance Infosolutions Private Limited	INR	0.01	1.12	269.91	269.91	-	242.05	0.46	(0.39)	0.85	-	India

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* Income includes one time premium of Rs. 730.64 crore.

Consolidated Financial Statements & Notes



Auditors' Report on Consolidated Financial Statements

To The Board of Directors Reliance Industries Limited

We have audited the attached Consolidated Balance Sheet of Reliance Industries Limited (the Company) and its subsidiaries (collectively referred to as "the Group") as at 31st March, 2009, and the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. Financial statements / consolidated financial statements of certain subsidiaries and joint ventures, which reflect total assets of Rs. 42,026.65 crore as at 31st March, 2009, total revenue of Rs. 8,183.08 crore and cash flows amounting to Rs. 251.62 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 certain associates in which the share of profit of the Group is Rs. 10.21 crore have been audited by one of us.
2. We did not audit the financial statements of certain subsidiaries, whose financial statements / consolidated financial statements reflect total assets of Rs. 4,544.08 crore as at 31st March, 2009 or 31st December, 2008 as the case may be, total revenue of Rs. 5,718.28 crore and cash flows amounting to Rs. 122.08 crore for the year then ended and the financial statement of certain associates in which the share of loss of the Group is Rs. 137.35 crore. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21,

Consolidated Financial Statements, AS 23, Accounting for Investments in Associates in Consolidated Financial Statements and AS 27, Financial Reporting of Interests in Joint Ventures, as notified by the Companies (Accounting Standard) Rules, 2006.

4. Based on our audit as aforesaid, and on consideration of reports of other auditors on the separate financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at 31st March, 2009;
 - (ii) in the case of the Consolidated Profit and Loss Account, of the Profit of the Group for the year ended on that date; and
 - (iii) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For **Chaturvedi & Shah**
Chartered Accountants

For **Deloitte Haskins & Sells**
Chartered Accountants

For **Rajendra & Co.**
Chartered Accountants

D. Chaturvedi
Partner
Membership No.: 5611

A. Siddharth
Partner
Membership No.: 31467

A. R. Shah
Partner
Membership No.: 47166

Mumbai

October 7, 2009

Reliance Industries Limited

Consolidated Balance Sheet as at 31st March, 2009

	Schedule	As at 31st March, 2009	As at 31st March, 2008	(Rs. in crore)
SOURCES OF FUNDS				
Shareholders' Funds				
Share Capital	'A'	1,374.68	1,453.39	
Equity Share Suspense [Refer Note 2, Schedule 'N']		69.25	-	
Equity Share Warrants		-	1,682.40	
Reserves and Surplus	'B'	1,19,812.61	82,374.69	
		1,21,256.54		85,510.48
Minority Interest		138.90		4,088.58
Loan Funds				
Secured Loans	'C'	10,747.73	19,576.52	
Unsecured Loans	'D'	65,508.87	31,119.57	
		76,256.60		50,696.09
Deferred Tax Liability		9,551.33		7,798.34
TOTAL		2,07,203.37		1,48,093.49
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	'E'	1,57,182.43	1,09,180.19	
Less: Depreciation		50,138.23	45,119.08	
Net Block		1,07,044.20	64,061.11	
Capital Work-in-Progress		73,845.97	49,884.10	
		1,80,890.17		1,13,945.21
Investments				
In Associates		2,596.43	246.32	
In Others		3,839.11	9,276.53	
		6,435.54		9,522.85
Current Assets, Loans and Advances				
Current Assets				
Inventories	'F'	20,109.61	19,126.14	
Sundry Debtors		4,844.97	6,068.30	
Cash and Bank Balances		22,742.10	4,474.16	
Other Current Assets		47.59	72.62	
		47,744.27	29,741.22	
Loans and Advances				
	'G'	11,001.80	21,747.65	
		58,746.07	51,488.87	
Less: Current Liabilities and Provisions				
Current Liabilities				
Current Liabilities	'H'	35,756.98	23,417.51	
Provisions		3,115.03	3,449.18	
		38,872.01	26,866.69	
Net Current Assets		19,874.06		24,622.18
Miscellaneous Expenditure [to the extent not written off or adjusted]		3.60		3.25
TOTAL		2,07,203.37		1,48,093.49
Significant Accounting Policies				
Notes on Accounts				

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
October 7, 2009**V.M. Ambani**
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director**N.R. Meswani****H.R. Meswani****H.S. Kohli****P.M.S. Prasad****R. Ravimohan****R.H. Ambani****M.L. Bhakta****Y.P. Trivedi****Dr. D.V. Kapur****M.P. Modi****Dr. R. A. Mashelkar**

Executive Directors

Directors

Reliance Industries Limited

Consolidated Profit and Loss Account for the year ended 31st March, 2009

	Schedule	2008-09	2007-08
(Rs. in crore)			
INCOME			
Turnover		155,788.51	143,004.98
Less: Excise Duty / Service Tax Recovered		4,564.50	5,858.32
Net Turnover		<u>151,224.01</u>	<u>137,146.66</u>
Other Income (including share in associates)	‘I’	1,914.24	5,956.95
Variation in Stocks	‘J’	2,269.54	1,533.93
		<u>155,407.79</u>	<u>144,637.54</u>
EXPENDITURE			
Purchases		7,201.77	9,850.71
Manufacturing and Other Expenses	‘K’	122,869.63	105,685.28
Interest and Finance Charges	‘L’	1,816.27	1,086.52
Depreciation		7,712.58	6,784.91
Less: Transferred from Revaluation Reserve [Refer Note 7, Schedule ‘N’]		1,987.14	1,780.71
Less: Transferred from Capital Reserve		74.46	-
Adjustment Pursuant to the Scheme of Amalgamation including write off of Investments in Reliance Petroleum Limited		7,728.92	5,004.20
Less: Transferred from General Reserve [Refer Note 2, Schedule ‘N’]		7,728.92	-
		<u>-</u>	<u>-</u>
		<u>137,538.65</u>	<u>121,626.71</u>
Profit before Tax		17,869.14	23,010.83
Provision for Current Tax		1,208.18	2,572.08
Provision for Fringe Benefit Tax		65.23	49.58
Provision for Deferred Tax		1,645.42	865.93
Profit after Tax (before adjustment for Minority Interest)		<u>14,950.31</u>	<u>19,523.24</u>
Add: Share of (Profit)/ Loss transferred to Minority Interest		18.41	(1.86)
Profit after Tax (after adjustment for Minority Interest)		<u>14,968.72</u>	<u>19,521.38</u>
Add: Balance brought forward from Previous year		4,710.11	3,044.17
Dividend adjustment on consolidation		-	12.32
Excess Provision for Tax for earlier years		3.41	46.45
Excess Provision for Tax for earlier years - Minority Interest		(0.83)	-
Amount Available for Appropriations		<u>19,681.41</u>	<u>22,624.32</u>
APPROPRIATIONS			
Statutory Reserve		1.04	5.74
General Reserve		11,728.92	16,000.00
Debenture Redemption Reserve		340.05	-
Interim Dividend on Equity Shares		1,897.05	-
Proposed Dividend on Equity Shares		-	1,631.24
Tax on Dividend on Equity Shares		322.40	277.23
Proposed Dividend on Preference Shares (Minority- Interest Rs. 19,880.00, Previous Year Rs. NIL)		-	-
Tax on Dividend Preference Shares (Minority - Interest Rs. 3,379.00, Previous Year Rs. NIL)		-	-
		<u>14,289.46</u>	<u>17,914.21</u>
Balance Carried to Balance Sheet		<u>5,391.95</u>	<u>4,710.11</u>
Basic and Diluted Earnings per Share of face value of Rs. 10 each (in Rupees)		<u>108.23</u>	<u>134.61</u>
Basic and Diluted Earnings per Share of face value of Rs. 10 each (in Rupees) (Before exceptional items)		<u>110.60</u>	<u>105.74</u>
[Refer Note 12, Schedule ‘N’]			
Significant Accounting Policies	‘M’		
Notes on Accounts	‘N’		

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
October 7, 2009**V.M. Ambani**
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director**N.R. Meswani**
H.R. Meswani
H.S. Kohli
P.M.S. Prasad
R. Ravimohan } Executive Directors**R.H. Ambani**
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Dr. R. A. Mashelkar } Directors

Reliance Industries Limited

Consolidated Cash Flow Statement for the year 2008-09

	(Rs. in crore)	
	2008-09	2007-08
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Profit and Loss Account	17,869.14	23,010.83
Adjusted for:		
Miscellaneous Expenditure written off	1.02	1.31
Share in Income of Associates	127.14	(14.96)
Net Prior Year Adjustments	2.64	2.02
Diminution in value / write off of Investments	3.44	13.92
Investment Grant (non cash income)	-	(0.47)
(Profit) / Loss on Sale / Discarding of Assets (net)	31.40	(6.13)
Depreciation	7,712.58	6,784.91
Transferred from Revaluation Reserve	(1,987.14)	(1,780.71)
Transferred from Capital Reserve	(74.46)	-
Effect of Exchange Rate Change	474.49	(357.04)
Effect of De-subsidiarisation	(43.09)	-
Profit on Sale of Investments (net)	(425.08)	(250.39)
Exceptional Item	-	(4,733.50)
Dividend Income	(44.41)	(33.86)
Interest / Other Income	(1,456.07)	(446.18)
Interest and Finance Charges	1,816.27	1,086.52
	<u>6,138.73</u>	265.44
Operating Profit before Working Capital Changes	24,007.87	23,276.27
Adjusted for:		
Trade and Other Receivables	2,876.25	(3,809.04)
Inventories	(1,503.19)	(4,026.83)
Trade Payables	(7,145.57)	3,269.57
	<u>(5,772.51)</u>	(4,566.30)
Cash Generated from Operations	18,235.36	18,709.97
Net Prior Year Adjustments	(2.64)	(2.02)
Taxes Paid	(1,926.05)	(2,474.85)
Net Prior Year Adjustments on Account of Subsidiaries	(19.22)	-
Net Cash from Operating Activities	16,287.45	16,233.10
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(27,856.77)	(26,745.36)
Sale of Fixed Assets	124.75	105.05
Purchase of Investments	(1,09,280.00)	(98,475.15)
Sale of Investments	1,12,646.26	102,810.20
Movement in Loans and Advances	(101.52)	(8,622.82)
Interest Income	1,319.39	462.64
Dividend Income	44.53	39.89
Net Cash Used in Investing Activities	(23,103.36)	(30,425.55)

**Consolidated Cash Flow Statement for the year 2008-09 (Contd.)**

	(Rs. in crore)	
	2008-09	2007-08
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital (Including Warrants)	15,164.79	1,682.44
Proceeds from Long Term Borrowings	21,963.21	19,382.05
Repayment of Long Term Borrowings	(3,566.38)	(2,228.94)
Short Term Loans	(1,882.37)	498.71
Dividends Paid (including dividend distribution tax)	(1,908.47)	-
Interest Paid	(4,732.92)	(2,616.93)
Miscellaneous Expenditure / Issue expenses	(1.29)	(0.52)
Net Cash from Financing Activities	<u>25,036.57</u>	<u>16,716.81</u>
Net Increase in Cash and Cash Equivalents	18,220.66	2,524.36
Opening Balance of Cash and Cash Equivalents	4,474.16	1,937.04
Add: Upon addition of New Subsidiaries	<u>47.28</u>	<u>12.76</u>
	4,521.44	1,949.80
Closing Balance of Cash and Cash Equivalents	<u>22,742.10</u>	<u>4,474.16</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
October 7, 2009**V.M. Ambani**
Company Secretary

For and on behalf of the Board

M.D. Ambani	-	Chairman & Managing Director
N.R. Meswani	}	Executive Directors
H.R. Meswani		
H.S. Kohli		
P.M.S. Prasad		
R. Ravimohan		
R.H. Ambani	}	Directors
M.L. Bhakta		
Y.P. Trivedi		
Dr. D.V. Kapur		
M.P. Modi		
Dr. R. A. Mashelkar		

Schedules forming part of the Consolidated Balance Sheet

SCHEDULE 'A'

SHARE CAPITAL

	As at 31st March, 2009	As at 31st March, 2008
(Rs. in crore)		
Authorised:		
250,00,00,000 Equity Shares of Rs. 10 each (250,00,00,000)	2,500.00	2,500.00
50,00,00,000 Preference Shares of Rs. 10 each (50,00,00,000)	500.00	500.00
	<u>3,000.00</u>	<u>3,000.00</u>
Issued, Subscribed and Paid up:		
137,49,46,369 Equity Shares of Rs. 10 each fully paid up (145,36,48,601)	1,374.94	1,453.65
Less: Calls in arrears - by others	<u>0.26</u>	<u>0.26</u>
	1,374.68	1,453.39
TOTAL	<u>1,374.68</u>	<u>1,453.39</u>

1. Of the above Equity Shares:
 - (a) 48,17,70,552 (48,17,70,552) Shares out of the issued and subscribed share capital before the buyback of shares were allotted as Bonus Shares by capitalisation of Securities Premium and Reserves.
 - (b) 35,28,21,184 (52,31,98,799) Shares out of the issued and subscribed share capital before the buyback of shares were allotted pursuant to the various Schemes of Amalgamation without payments being received in cash.
 - (c) 33,04,27,345 (33,04,27,345) Shares out of the issued and subscribed share capital before the buyback of shares were allotted on conversion / surrender of Debentures and Bonds, conversion of Term Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares.
 - (d) 3,16,66,311 (6,01,40,560) Shares were issued pursuant to a scheme of amalgamation of erstwhile Indian Petrochemicals Corporation Limited with the Company without payments being received in cash.
2. In the year 2004-05, the Company bought back and extinguished 28,69,495 equity shares.
3. The Company has reserved issuance of 6,95,25,770 (Previous year 6,96,75,402) Equity Shares of Rs. 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 granted 50,100 Options to the eligible employees at a price of Rs. 1,289/- [Previous year 27,000 options at a price of Rs. 1,684/- and 10,08,000 options at a price of Rs. 2,292/-] 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 from the date of grant based on specified criteria. During the year, the Company has issued and allotted 1,49,632 (Previous Year NIL) equity shares to the eligible employees of the Company under ESOS.
4. In terms of the approval of the shareholders of the Company and as per the applicable statutory provisions including Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000, the Company, on April 12, 2007, had issued and allotted 12,00,00,000 warrants on preferential basis to entities in the Promoter Group entitling them to acquire equivalent number of fully paid up equity shares of Rs. 10/- each of the Company, at a price of Rs. 1,402/- per equity share. As per the entitlement, the warrant holders applied for and were allotted 12,00,00,000 equity shares of the Company, during the year.
5. Issued, Subscribed and paid up capital excludes 19,88,51,864 equity shares directly held by subsidiaries/trust, before their becoming subsidiaries of the Company which have been eliminated.



Schedules forming part of the Consolidated Balance Sheet

SCHEDULE 'B'

RESERVES AND SURPLUS

(Rs. in crore)

	As at 31st March, 2009	As at 31st March, 2008	
Revaluation Reserve			
As per last Balance Sheet	1,198.63	2,979.34	
Add: On Revaluation	<u>13,055.45</u>	-	
	14,254.08	2,979.34	
Less: Transferred to Profit and Loss Account [Refer Note 7, Schedule 'N']	1,987.14	1,780.71	
Less: Transferred to Minority Interest	<u>37.16</u>	-	
	12,229.78	-	1,198.63
Capital Reserve			
As per last Balance Sheet	3,604.78	3,877.72	
Add : On Consolidation of Subsidiaries (Net)	<u>481.50</u>	(272.94)	
	4,086.28	3,604.78	
Less : On Amalgamation	3,131.46	-	
Less : Transferred to Profit and Loss Account	<u>74.46</u>	-	
	880.36	-	3,604.78
Exchange Fluctuation Reserve	29.40		(26.72)
Capital Redemption Reserve			
As per last Balance Sheet	887.94		887.94
Securities Premium Account			
As per last Balance Sheet	21,313.80	21,331.99	
Add: Premium on issue of shares	16,727.04	-	
Add: On Amalgamation	13,429.09	-	
[Refer Note 2, Schedule 'N']	<u>51,469.93</u>	21,331.99	
Less: Premium on redemption / buy back of debentures / Bonds	13.17	18.19	
Less: Elimination on Consolidation	<u>6,090.54</u>	-	
	45,366.22	21,313.80	
Less: Calls in arrears - by others	<u>1.80</u>	1.78	
	45,364.42	-	21,312.02
Debentures Redemption Reserve			
As per last Balance Sheet	587.02	587.02	
Add: Transferred from Profit and Loss Account	<u>340.05</u>	-	
	927.07	-	587.02
Statutory Reserve			
As per last Balance Sheet	87.25	47.66	
Add: Opening Balance of New Subsidiaries	-	33.85	
Add: Transferred from Profit and Loss Account	1.04	5.74	
Less: Transferred to Minority Interest	<u>0.26</u>	-	
	88.03	-	87.25
General Reserve*			
As per last Balance Sheet	50,003.95	34,003.95	
Add: Transferred from Profit and Loss Account	<u>11,728.92</u>	16,000.00	
	61,732.87	50,003.95	
Less: Transferred to Profit and Loss Account [Refer Note 2, Schedule 'N']	<u>7,728.92</u>	-	
	54,003.95	-	50,003.95
Shares in Reserves of Associates			
Revaluation Reserve			
As per Last Balance Sheet	9.71		9.71
Profit and Loss Account	5,391.95		4,710.11
TOTAL	<u>1,19,812.61</u>	<u>82,374.69</u>	

* Cumulative amount withdrawn on account of Depreciation on Revaluation is Rs. 2,563.43 crore

Schedules forming part of the Consolidated Balance Sheet

SCHEDULE 'C'

SECURED LOANS

	As at 31st March, 2009	As at 31st March, 2008
(Rs. in crore)		
A. DEBENTURES		
Non Convertible Debentures	8,642.12	4,118.12
B. TERM LOANS		
From Banks		
Foreign Currency Loans	-	10,843.22
Rupee Loans	<u>2,033.50</u>	<u>2,070.20</u>
	2,033.50	12,913.42
C. WORKING CAPITAL LOANS		
From Banks		
Foreign Currency Loans	-	1,075.22
Rupee Loans	<u>72.11</u>	<u>1,469.76</u>
	72.11	2,544.98
TOTAL	<u><u>10,747.73</u></u>	<u><u>19,576.52</u></u>

1. Debentures referred to in A above to the extent of:
 - a) Rs. 5,500.00 crore are secured by way of first mortgage / charge on the immovable properties situated at Hazira Complex and at Jamnagar Complex (other than SEZ unit) of the Company.
 - b) Rs. 2,115.00 crore are secured by way of first mortgage / charge on all the properties situated at Hazira Complex and at Patalganga Complex of the Company.
 - c) Rs. 772.30 crore are secured by way of first mortgage / charge on all the properties, both present and future, of the Refinery Division (other than SEZ unit) of the Company and excluding book debts, office premises and certain other properties thereof.
 - d) Rs. 110.34 crore are secured by way of first mortgage / charge on certain properties situated at village Munja Dhanot, District Kalol in the State of Gujarat and on fixed assets situated at Hoshiarpur Complex of the Company.
 - e) Rs. 49.43 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.
 - f) Rs. 44.05 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.
 - g) Rs. 51.00 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.
2. Debentures referred to in A above are redeemable at par, in one or more installments, on various dates with the earliest redemption being on 30th May, 2009 and the last being on 8th December, 2018. The debentures are redeemable as follows: Rs. 742.30 crore in financial year 2009-10, Rs. 175.00 crore in financial year 2010-11, Rs. 750.00 crore in financial year 2011-12, Rs. 1,793.70 crore in financial year 2012-13, Rs. 3,708.26 crore in financial year 2013-14, Rs. 408.82 crore in financial year 2014-15, Rs. 164.04 crore in financial year 2015-16, Rs. 133.33 crore in financial year 2016-17, Rs. 133.33 crore in financial year 2017-18 and Rs. 633.34 crore in financial year 2018-19.

Schedules forming part of the Consolidated Balance Sheet

3. Rupee term loans from banks to the extent of Rs. 2,020.00 crore are secured by a first ranking pari passu mortgage over leasehold interests of the Company's SEZ unit at Jamnagar under the Land Lease Agreement and the fixed assets (including plant and machinery) affixed thereon; a first ranking pari passu charge over movable assets (other than current assets and investments) of the Company's SEZ unit; a floating second ranking charge over such of the current assets of Company's SEZ unit that are charged on a first ranking basis to the working capital lenders and an assignment of SEZ unit's right, title and interest under the key Project Agreements including Agreements in respect of utilities.
4. Rupee term loans referred to in B above to the extent of Rs. 13.50 crore are secured by hypothecation of vehicles.
5. Working Capital Loans referred to in C above to the extent of :
 - a) Rs. 35.80 are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, outstanding monies, receivable claims, bills, materials in transit, etc. save and except receivables of Oil and Gas Division.
 - b) Rs. 36.31 crore are secured by way of lien against term deposits with banks.

SCHEDULE 'D'

UNSECURED LOANS

	As at 31st March, 2009	As at 31st March, 2008
(Rs. in crore)		
A. Long Term		
i) From Banks	52,606.25	20,759.95
ii) From Others	<u>4,512.46</u>	<u>3,800.30</u>
	57,118.71	24,560.25
B. Short Term		
i) From Banks	7,413.47	6,508.22
ii) From Others	<u>953.99</u>	<u>23.48</u>
	8,367.46	6,531.70
C. Debentures		
Zero Coupon Unsecured Optionally Fully Convertible Debentures of Rs. 100 each	0.30	-
D. Deferred Sales Tax Liability	<u>22.40</u>	<u>27.62</u>
TOTAL	<u>65,508.87</u>	<u>31,119.57</u>

Note :

Long term loans from banks include Rs. 16,610.80 crore loans taken by erstwhile Reliance Petroleum Limited as secured loans secured on pari passu basis with Rupee term loans as described in schedule C. These loans have become unsecured loans as provided in the Scheme of Amalgamation.

Schedules forming part of the Consolidated Balance Sheet

SCHEDULE 'E'

FIXED ASSETS

(Rs. in crore)

Description	Gross Block			Depreciation		Net Block		
	As at 01-04-2008	Additions/ Adjustments	Deductions/ Adjustments	As at 31-03-2009	For the Year @	Upto 31-03-2009	As at 31-03-2009	As at 31-03-2008
OWN ASSETS :								
Leasehold Land	651.50	1,449.02	131.88	1,968.64	61.82	107.34	1,861.30	606.27
Freehold Land	994.79	4,175.99	28.00	5,142.78	-	-	5,142.78	994.79
Buildings	6,373.80	3,957.60	594.81	9,736.59	568.64	2,050.71	7,685.88	4,562.89
Plant & Machinery	90,732.03	36,558.75	2,690.83	1,24,599.95	6,426.44	43,153.33	81,446.62	51,919.98
Electrical Installations	2,343.15	675.25	8.71	3,009.69	152.86	1,053.70	1,955.99	1,442.03
Equipments	2,196.50	2,393.65	316.13	4,274.02	154.21	778.15	3,495.87	1,354.44
Furniture & Fixtures	472.26	192.89	23.03	642.12	52.04	265.15	376.97	252.47
Vehicles	285.26	90.40	31.73	343.93	46.24	144.89	199.04	167.98
Ships	274.94	121.52	-	396.46	10.70	220.62	175.84	65.01
Aircrafts & Helicopters	185.82	-	106.93	78.89	18.14	20.79	58.10	105.35
Sub-Total	1,04,510.05	49,615.07	3,932.05	1,50,193.07	7,491.09	47,794.68	1,02,398.39	61,471.21
LEASED ASSETS :								
Plant & Machinery	123.19	230.98	-	354.17	50.63	121.02	233.15	71.45
Ships	9.98	-	-	9.98	-	9.98	-	-
Sub-Total	133.17	230.98	-	364.15	50.63	131.00	233.15	71.45
INTANGIBLE ASSETS :								
Technical Knowhow fees**	2,192.92	434.13	31.65	2,595.40	107.18	1,281.12	1,314.28	972.63
Software**	392.27	68.60	-	460.87	47.02	339.27	121.60	108.99
Others	1,951.78	1,754.82	137.66	3,568.94	95.45	592.16	2,976.78	1,436.83
Sub-Total	4,536.97	2,257.55	169.31	6,625.21	249.65	2,212.55	4,412.66	2,518.45
Total	1,09,180.19	52,103.60#	4,101.36	1,57,182.43	7,791.37*	50,138.23##	1,07,044.20	64,061.11
Previous Year	1,03,302.76	6,699.15	821.72	109,180.19	6,810.87	45,119.08	64,061.11	
Capital Work-in-Progress							73,845.97	49,884.10

NOTES :

- Leasehold Land includes Rs. 203.19 crore (Previous Year Rs. 203.19 crore) in respect of which lease-deeds are pending execution.
- Buildings include :
 - Cost of shares in Co-operative Housing Societies Rs. 1.00 crore (Previous Year Rs. 0.06 crore).
 - Rs. 4.88 crore (Previous Year Rs. 4.88 crore) in respect of which conveyance is pending.
 - Rs. 93.20 crore (Previous Year Rs. 93.20 crore) in shares of Companies / Societies with right to hold and use certain area of Buildings.
- Intangible assets - Others include :
 - Jetties amounting to Rs. 646.97 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.
 - Rs. 2,919.10 crore (Previous Year Rs. 1,167.15 crore) in shares of Companies and lease premium paid with right to hold and use Land and Buildings.
- Capital Work-in-Progress includes :
 - Rs. 17,526.17 crore on account of Project development expenditure (Previous Year Rs. 2,791.02 crore).
 - Rs. 3,052.73 crore on account of cost of construction materials at site (Previous Year Rs. 12,066.14 crore).
 - Rs. 6,664.39 crore on account of advance against capital expenditure (Previous Year Rs. 4,818.67 crore).
- Additions include :
 - Rs. 12,900.63 crore on revaluation of Buildings, Plant & Machinery and Equipments as at 01.01.2009, based on report issued by international valuers.
 - Rs. 154.82 crore of assets on revaluation of Buildings, Plant & Machinery and Storage Tanks as at 22.12.2008, based on report issued by international valuers.
- Gross Block also includes Rs. 22,497.34 crore being the amount added on revaluation of Buildings, Plant & Machinery, Electrical Installations and Equipments as at 01.08.2005, based on report issued by international valuers.
- Additions and Capital Work-in-Progress include Rs. 1,183.26 crore [Previous Year Rs. 1,221.68 crore (net gain)] on account of exchange difference during the year.

* Refer to Note 7, Schedule 'N'

** Other than internally generated

@ Includes depreciation of Rs. 78.79 crore (Previous Year Rs. NIL) for pre-acquisition period of subsidiaries acquired during the year and depreciation of Rs. NIL (Previous Year Rs. 25.96 crore) accounted as project development expenditure.

Includes Fixed Assets of New Subsidiaries

Includes Accumulated Depreciation of New Subsidiaries



Schedules forming part of the Consolidated Balance Sheet

SCHEDULE 'F'

	As at 31st March, 2009	(Rs. in crore) As at 31st March, 2008
CURRENT ASSETS		
INVENTORIES		
Stores, Chemicals and Packing Materials	3,592.71	1,829.24
Raw Materials	6,171.78	8,552.36
Stock-in-Process	5,612.12	4,508.37
Finished Goods / Traded Goods	<u>4,733.00</u>	<u>4,236.17</u>
	20,109.61	19,126.14
SUNDRY DEBTORS (Unsecured and Considered Good)		
Over six months	20.26	13.12
Others	<u>4,824.71</u>	<u>6,055.18</u>
	4,844.97	6,068.30
CASH AND BANK BALANCES		
Cash on hand	58.18	22.00
Balance with Banks		
In Current Accounts :		
with Scheduled Banks	650.25	251.11
with Others	96.88	115.77
In Fixed Deposit Accounts :		
with Scheduled Banks	<u>21,936.79</u>	<u>4,085.28</u>
	22,742.10	4,474.16
OTHER CURRENT ASSETS		
Interest Accrued on Investments	47.59	72.55
Premium Accrued on Investments in Preference Shares	<u>-</u>	<u>0.07</u>
	47.59	72.62
TOTAL	<u><u>47,744.27</u></u>	<u><u>29,741.22</u></u>

SCHEDULE 'G'

	As at 31st March, 2009	(Rs. in crore) As at 31st March, 2008
LOANS AND ADVANCES		
UNSECURED - (Considered Good Unless Otherwise Stated)		
Advance Income Tax (Net of Provision)	1,277.23	416.53
Advances recoverable in cash or in kind or for value to be received	5,907.18	14,373.16
Less: Considered Doubtful	<u>71.78</u>	<u>71.78</u>
	5,835.40	14,301.38
Deposits	2,539.17	5,579.89
Balance with Customs, Central Excise Authorities, etc.	1,350.00	1,449.85
TOTAL	<u><u>11,001.80</u></u>	<u><u>21,747.65</u></u>

Schedules forming part of the Consolidated Balance Sheet

SCHEDULE 'H'

CURRENT LIABILITIES AND PROVISIONS

CURRENT LIABILITIES

	As at 31st March, 2009	(Rs. in crore) As at 31st March, 2008
Sundry Creditors - Micro, Small and Medium Enterprises	7.53	9.14
- Others *	34,493.58	22,789.54
Liability for Leased Assets	88.66	5.33
Unpaid Dividend #	88.98	70.32
Unpaid Matured debentures #	2.19	2.19
Interest accrued on above #	0.19	0.19
Unpaid Share Application Money #	1.42	1.79
Interest accrued but not due on Loans	1,074.43	539.01
	<u>35,756.98</u>	<u>23,417.51</u>
PROVISIONS		
Provision for Income Tax	21.74	45.11
Provision for Fringe Benefit Tax	3.21	3.21
Provision for Wealth Tax	37.68	24.29
Provision for Leave encashment/ Superannuation / Gratuity	553.28	898.61
Other Provisions	279.67	569.49
Proposed / Interim Dividend	1,897.05	1,631.24
Tax on Dividend	322.40	277.23
	<u>3,115.03</u>	<u>3,449.18</u>
TOTAL	<u>38,872.01</u>	<u>26,866.69</u>

* Includes for capital expenditure Rs. 17,812.54 crore (Previous year Rs. 3,744.61 crore).

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund except Rs. 7.21 crore (Previous Year Rs. 6.11 crore) which are held in abeyance due to legal cases pending.

Schedules forming part of the Consolidated Profit and Loss Account

SCHEDULE 'I'

OTHER INCOME

	2008-09	(Rs. in crore) 2007-08
Dividend:		
From Current Investments	41.99	33.85
From Long Term Investments	2.42	0.01
	<u>44.41</u>	<u>33.86</u>
Interest:		
From Current Investments	237.75	70.85
From Long Term Investments	9.54	-
From Others	1,208.78	375.33
[Tax deducted at Source Rs. 232.44 crore (Previous Year Rs. 105.34 crore)]	<u>1,456.07</u>	<u>446.18</u>
Profit on Sale of Current Investments (net)	425.08	250.39
Profit on Sale of Fixed Assets	15.12	28.19
Miscellaneous Income	146.13	449.87
Profit on de-subsidiarisation of Subsidiary	43.09	-
Share in Associates	(127.14)	14.96
Exceptional Items*	-	4,733.50
	<u>2,002.76</u>	<u>5,956.95</u>
Less : Transferred to Project Development Expenditure		
- Interest Income	23.80	-
- Others	64.72	-
	<u>88.52</u>	<u>-</u>
TOTAL	<u>1,914.24</u>	<u>5,956.95</u>

*Represents gains primarily arising out of transactions concerning Reliance Petroleum Limited Shares (Long Term Investments).

Schedules forming part of the Consolidated Profit and Loss Account

SCHEDULE 'J'

VARIATION IN STOCKS

		(Rs. in crore)	
		2008-09	2007-08
STOCK-IN-TRADE (at close)			
Finished Goods / Traded Goods	4,733.00		4,236.17
Stock-in-Process	5,612.12		4,508.37
		10,345.12	8,744.54
STOCK-IN-TRADE (at commencement)			
Finished Goods / Traded Goods	4,236.17		4,984.67
Stock-in-Process	4,508.37		1,888.74
	8,744.54		6,873.41
Capitalised During the year	(138.06)		-
	8,606.48		6,873.41
Opening Stock of Subsidiaries (De-subsidiarised) / Acquired During the year	(530.90)		337.20
		8,075.58	7,210.61
TOTAL		2,269.54	1,533.93

SCHEDULE 'K'

MANUFACTURING AND OTHER EXPENSES

		(Rs. in crore)	
		2008-09	2007-08
RAW MATERIAL CONSUMED		1,07,493.84	91,446.34
MANUFACTURING EXPENSES			
Stores, Chemicals and Packing Materials	2,598.39		2,267.02
Electric Power, Fuel and Water	3,848.91		2,108.38
Machinery Repairs	402.94		541.55
Building Repairs	92.37		57.51
Labour, Processing, Production Royalty and Machinery Hire Charges	894.79		705.83
Excise Duty #	(111.53)		(362.78)
Lease Rent	317.67		170.80
Exchange Differences (Net)	661.10		(1,025.81)
		8,704.64	4,462.50
LAND DEVELOPEMENT AND CONSTRUCTION EXPENDITURE		559.39	1,230.02
PAYMENTS TO AND PROVISIONS FOR EMPLOYEES (including Managerial Remuneration)			
Salaries, Wages and Bonus	2,416.56		2,133.96
Contribution to Provident Fund, Gratuity Fund, Superannuation Fund, Employee's State Insurance Scheme, Pension Scheme, Labour Welfare Fund etc.	324.82		304.12
Employee Welfare and other amenities	276.19		300.08
		3,017.57	2,738.16
SALES AND DISTRIBUTION EXPENSES			
Samples, Sales Promotion and Advertisement Expenses	111.50		97.00
Brokerage, Discount and Commission	404.34		429.67
Warehousing and Distribution Expenses	2,621.87		2,441.81
Sales Tax / Vat / Service Tax	234.74		519.38
		3,372.45	3,487.86

Schedules forming part of the Consolidated Profit and Loss Account

SCHEDULE 'K' (Contd.)

	(Rs. in crore)	
	2008-09	2007-08
ESTABLISHMENT EXPENSES		
Insurance	335.68	306.22
Rent	147.04	223.65
Rates & Taxes	84.95	66.42
Other Repairs	261.94	279.72
Travelling Expenses	173.01	191.51
Payment to Auditors	14.29	10.56
Professional Fees	689.66	675.84
Loss on Sale / Discarding of Fixed Assets	46.52	22.06
General Expenses *	1,248.53	629.71
Wealth Tax	13.43	8.00
Charity and Donations	87.14	115.51
	<u>3,102.19</u>	<u>2,529.20</u>
	<u>1,26,250.08</u>	<u>1,05,894.08</u>
Less : Transferred to Project Development Expenditure (Net)	<u>3,380.45</u>	<u>208.80</u>
TOTAL	<u><u>1,22,869.63</u></u>	<u><u>1,05,685.28</u></u>

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 diminution in value of investments Rs. 3.44 crore (Previous Year Rs. 13.92 crore) and Rs. 369.60 crore (Previous Year Rs. NIL) towards liabilities on account of corporate guarantees given on behalf of a subsidiary, being an exceptional item.

SCHEDULE 'L'

INTEREST AND FINANCE CHARGES

	(Rs. in crore)	
	2008-09	2007-08
Debentures	545.61	319.10
Fixed Loans	435.95	375.83
Finance charges on Leased Assets	0.24	0.63
Others	834.47	390.96
TOTAL	<u><u>1,816.27</u></u>	<u><u>1,086.52</u></u>



Significant Accounting Policies to the Consolidated Accounts

SCHEDULE 'M'

SIGNIFICANT ACCOUNTING POLICIES

1. Principles of consolidation

The consolidated financial statements relate to Reliance Industries Limited ('the Company') and its subsidiary companies. 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" issued by Companies (Accounting Standard) Rules, 2006.
 - 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 a 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 account 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 AS 23 - "Accounting for Investments in Associates in Consolidated Financial Statements" issued by Companies (Accounting Standard) Rules, 2006.
 - i) The Company accounts for its share in the 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 profit and loss account to the extent such change is attributable to the associates' profit and loss account and 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.
2. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".
 3. Other significant accounting policies
These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

SCHEDULE 'N'**NOTES ON ACCOUNTS:**

1. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year consolidated financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.
2. Reliance Petroleum Limited (RPL), (the amalgamating company being a subsidiary of the Company) engaged in setting up of integrated crude oil refinery facilities along with ancillary units in a Special Economic Zone, has been amalgamated with the Company. The Scheme of Amalgamation (the Scheme) was sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated 29th June, 2009 and by the Hon'ble High Court of Gujarat at Ahmedabad vide its Order dated 29th July, 2009. The Scheme became effective on 11th September, 2009, the appointed date of the Scheme being 1st April, 2008. In accordance with the said Scheme and as per the approval of the Hon'ble High Courts :
 - a) The assets, liabilities, rights and obligations of erstwhile RPL have been transferred to and vested with the Company with effect from 1st April, 2008 and have been recorded at their respective fair values, under the purchase method of accounting for amalgamation.
 - b) 6,92,52,623 Equity shares of Rs 10/- each fully paid up are to be issued to the equity share holders of the amalgamating company whose names are registered in the register of members on record date, without payment being received in cash. Pending allotment, the face value of such shares has been shown as "Equity Share Suspense". The Company has since allotted the shares on 30th September, 2009.
 - c) 339,19,58,030 Equity shares of erstwhile RPL held by the Company (including 22,50,00,000 equity shares held by Chevron India Holding Pte Limited, Singapore subsequently purchased by the Company) have been cancelled.
 - d) Excess of the fair value of net assets taken over by the Company over the paid up value of Equity Shares to be issued and allotted (as referred to under (b) above) of Rs. 13,429.09 crore has been credited to Securities Premium Account.
Rs. 7,683.92 crore representing investments in erstwhile RPL prior to the Amalgamation and Rs. 45.00 crore being the stamp duty and other expenditure payable on Amalgamation is written off and charged to the profit and loss account and an equivalent amount has been withdrawn from General Reserve and credited to the profit and loss account.
Had the Scheme not prescribed this accounting treatment, the aggregate amount of Rs. 5,700.17 crore would have been credited to the Capital Reserve.
 - e) From the effective date, the authorised share capital will stand increased to Rs. 6,000.00 crore consisting of 500,00,00,000 Equity Shares of Rs. 10 each and 100,00,00,000 Preference Shares of Rs. 10 each.
 - f) The Scheme has been given effect to in the Consolidated Financial Statement in the same manner as in the standalone Financial Statements of the holding Company. Had the effect been given based on the consolidated Financial Statements as at the appointed date, General Reserve would have been higher by Rs. 6,333.92 crore with reduction in the balance of Securities Premium Account by the like amount.
3. 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	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 Jamnagar Infrastructure Limited	India	100.00%

**SCHEDULE 'N' (Contd.)**

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance Retail Limited	India	98.74%
Reliance Netherland B.V.	Netherland	100.00%
Reliance Haryana SEZ Limited	India	92.50%
Reliance Fresh Limited	India	98.74%
Retail Concepts and Services (India) Limited	India	98.74%
Reliance Retail Insurance Broking Limited	India	98.74%
Reliance Dairy Foods Limited	India	98.74%
Reliance Exploration & Production DMCC	U.A.E.	100.00%
Reliance Retail Finance Limited	India	98.74%
RESQ Limited	India	98.74%
Reliance Global Management Services Limited (formerly Reliance Global Management Services Private Limited)	India	100.00%
Reliance Commercial Associates Limited	India	100.00%
Reliance Digital Retail Limited	India	98.74%
Reliance Financial Distribution and Advisory Services Limited	India	98.74%
RIL (Australia) Pty Limited	Australia	100.00%
Reliance Hypermart Limited	India	98.74%
Gapco Kenya Limited	Kenya	76.00%
Gapco Rwanda SARL	Rwanda	76.00%
Gapco Tanzania Limited	Tanzania	76.00%
Gapco Uganda Limited	Uganda	76.00%
Gapoil (Zanzibar) Limited	Zanzibar	76.00%
Gapoil Tanzania Limited	Tanzania	76.00%
Gulf Africa Petroleum Corporation	Mauritius	76.00%
Transenergy Kenya Limited	Kenya	76.00%
Recron (Malaysia) Sdn Bhd	Malaysia	100.00%
Reliance Retail Travel & Forex Services Limited	India	98.74%
Reliance Brands Limited	India	98.74%
Reliance Footprint Limited	India	98.74%
Reliance Trends Limited	India	98.74%
Reliance Wellness Limited	India	98.74%
Reliance Lifestyle Holdings Limited	India	98.74%
Reliance Universal Ventures Limited	India	98.74%
Delight Proteins Limited	India	98.74%

SCHEDULE 'N' (Contd.)

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance Autozone Limited	India	98.74%
Reliance F&B Services Limited	India	98.74%
Reliance Gems and Jewels Limited	India	98.74%
Reliance Integrated Agri Solutions Limited	India	98.74%
Strategic Manpower Solutions Limited	India	98.74%
Reliance Agri Products Distribution Limited	India	98.74%
Reliance Digital Media Limited	India	98.74%
Reliance Food Processing Solutions Limited	India	98.74%
Reliance Home Store Limited	India	98.74%
Reliance Leisures Limited	India	98.74%
Reliance Loyalty & Analytics Limited	India	98.74%
Reliance Retail Securities and Broking Company Limited	India	98.74%
Reliance Supply Chain Solutions Limited	India	98.74%
Reliance Trade Services Centre Limited	India	98.74%
Reliance Vantage Retail Limited (Formerly Advantage Retail Private Limited)	India	98.74%
Reliance International Exploration and Production Inc.	U.S.A	100.00%
Wave Land Developers Limited (Formerly Peninsula Land Kenya Limited)	Kenya	100.00%
Reliance Vision Express Private Limited (upto 25.07.2008) (formerly Abcus Retail Private Limited)	India	98.74%
Reliance-Grand Optical Private Limited (Formerly Bigdeal Retail Private Limited)	India	98.74%
Reliance Universal Commercial Limited (Formerly Reliance Neutraceuticals Private Limited)	India	100.00%
Reliance Petroinvestments Limited	India	100.00%
Reliance Global Commercial Limited (Formerly Reliance Pharmaceuticals (India) Private Limited)	India	100.00%
Reliance Cyprus Limited (Formerly Wavely Investments Limited)	Cyprus	100.00%
Reliance People Serve Limited (From 01.04.2008)	India	98.74%
Reliance Infrastructure Management Services Limited (From 01.04.2008)	India	98.74%
Reliance Global Business, B.V. (From 04.04.2008)	Netherlands	100.00%
Reliance Gas Corporation Limited (From 03.06.2008)	India	100.00%
Reliance Global Energy Services Limited (From 20.06.2008)	U.K.	100.00%
Reliance One Enterprises Limited (From 01.08.2008)	India	98.74%
Reliance Global Energy Services (Singapore) Pte. Limited (From 18.08.2008)	Singapore	100.00%
Reliance Personal Electronics Limited (From 01.08.2008)	India	98.74%

SCHEDULE 'N' (Contd.)

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance Polymers (India) Limited (From 26.09.2008)	India	100.00%
Reliance Polyolefins Limited (From 27.09.2008)	India	100.00%
Reliance Aromatics and Petrochemicals Private Limited (From 27.09.2008)	India	100.00%
Reliance Energy and Project Development Private Limited (From 27.09.2008)	India	100.00%
Reliance Chemicals Private Limited (From 27.09.2008)	India	100.00%
Reliance Universal Enterprises Private Limited (From 27.09.2008)	India	100.00%
International Oil Trading Limited (From 24.11.2008)	British Virgin Island	100.00%
Reliance Review Cinema Private Limited (From 01.02.2009)	India	98.74%
Reliance Replay Gaming Private Limited (From 01.02.2009)	India	98.74%
Reliance Nutritional Food Processors Private Limited (From 01.01.2009)	India	98.74%
RIL USA Inc. (From 26.02.2009)	U.S.A	100.00%
Reliance Commercial Land & Infrastructure Private Limited (From 30.03.2009)	India	100.00%
Reliance Corporate IT Park Limited (From 30.03.2009)	India	95.59%
Reliance Eminent Trading & Commercial Private Limited (From 31.03.2009)	India	100.00%
Reliance Progressive Traders Private Limited (From 31.03.2009)	India	100.00%
Reliance Prolific Traders Private Limited (From 31.03.2009)	India	100.00%
Reliance Universal Traders Private Limited (From 31.03.2009)	India	100.00%
Reliance Prolific Commercial Private Limited (From 31.03.2009)	India	100.00%
Reliance Comtrade Private Limited (From 31.03.2009)	India	100.00%
Reliance Ambit Trade Private Limited (From 31.03.2009)	India	100.00%
Reliance Petro Marketing Private Limited (From 31.03.2009)	India	98.74%
LPG Infrastructure (India) Private Limited (From 31.03.2009)	India	98.74%
Reliance Infosolutions Private Limited (From 31.03.2009)	India	100.00%
4. 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 Chemicals Port Terminal Company Limited	India	41.80%
Reliance Commercial Dealers Limited	India	50.00%
Delta Hydrocarbons S A Luxembourg	Luxembourg	23.15%
Indiawin Sports Private Limited	India	50.00%
eOfficePlanet India Private Limited (From 14.04.2008)	India	48.38%

SCHEDULE 'N' (Contd.)

Name of the Associates / Joint Ventures	Country of Incorporation	Proportion of ownership interest
Reliance-Vision Express Private Limited (From 25.07.2008)*	India	49.37%
Reliance Grand Vision India Supply Private Limited (From 25.07.2008)	India	49.37%
Reliance Vornado Management Private Limited (From 12.08.2008)	India	49.37%
Reliance Vornado Development Private Limited (From 12.08.2008)	India	49.37%
Mark and Spencer Reliance India Private Limited (From 21.10.2008)	India	48.38%
Reliance Innovative Building Solution Private Limited (From 06.11.2008)	India	50.00%
Diesel Fashion India Reliance Private Limited (From 26.02.2009)	India	48.38%

* Earlier subsidiary company, became a Joint Venture during the year.

5. In respect of jointly controlled entities, the Company's share of assets, liabilities, income and expenditure of the joint venture companies are as follows:

Particulars	(Rs. in crore)	
	As on 31st March, 2009	As on 31st March, 2008
(i) Assets		
Long Term Assets	17.07	-
Current Assets	101.62	-
(ii) Liabilities		
Loans (Secured & Unsecured)	0.78	-
Current Liabilities and Provisions	42.80	-
Deferred Tax	(0.76)	-
(iii) Income	27.93	-
(iv) Expenses	46.94	-

6. The audited financial statements of Reliance Industries (Middle East) DMCC and Reliance Exploration and Production DMCC up to 31st December, 2008 have been prepared in accordance with International Financial Reporting Standards. The differences in accounting policies of the company and its subsidiaries are not material and there are no material transactions from 1st January, 2009 to 31st March, 2009 in respect of subsidiaries having financial year ended 31st December, 2008. There is no change in Company's interest in its subsidiaries from 1st January, 2009 to 31st March, 2009.

7. The Company based on the report issued by international valuers has revalued plant & machinery, equipment and buildings situated at Gandhar and Nagothane as at 1st January, 2009 by an amount of Rs. 12,900.63 crore and an equivalent amount has been credited to Revaluation Reserve Account.

The Gross Block of Fixed Assets also includes Rs. 25,221.35 crore (Previous Year Rs. 25,221.35 crore) on account of revaluation of Fixed Assets carried out in the past.

Consequent to the said revaluations there is an additional charge of depreciation of Rs. 1,987.14 crore (Previous Year Rs. 1,780.71 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.

8. Turnover includes Income from Services of Rs. 907.50 crore (Previous Year Rs. 67.58 crore) and sales during trial period of Rs. 2,604.53 crore (Previous Year Rs. NIL).

SCHEDULE 'N' (Contd.)
9. Managerial Remuneration:

(Included under the head "Payments to and Provisions for Employees")

(a) Remuneration to Managing Director / Executive Directors	(Rs. in crore)	
	2008-09	2007-08
(i) Salaries	1.34	1.32
(ii) Perquisites and allowances	1.66	1.63
(iii) Commission	34.23	64.13
(iv) Leave salary / Encashment	0.55	0.04
(v) Contribution to Provident fund and Superannuation fund	0.36	0.33
(vi) Provision for Gratuity	0.07	0.08
	<u>38.21</u>	<u>67.53</u>
(b) Commission to Non-Executive Directors	<u>1.89</u>	<u>1.85</u>

10. A sum of Rs. 2.64 crore (net debit) [Previous Year Rs. 2.02 crore (net debit)] is included under Establishment expenses representing Net Prior Period Items.

11. The deferred tax liability comprises of the following:

	(Rs. in crore)	
	As at 31st March, 2009	As at 31st March, 2008
a Deferred Tax Liabilities :		
Related to fixed assets	10,248.88	8,605.43
Related to preoperative expenses	399.02	-
	<u>10,647.90</u>	8,605.43
b Deferred Tax Assets :		
Related to fixed assets	71.21	0.35
Disallowances under the Income Tax Act, 1961	256.93	326.37
Carried forward loss of subsidiaries	768.43	480.37
	<u>1,096.57</u>	<u>807.09</u>
	<u>9,551.33</u>	<u>7,798.34</u>

12. EARNINGS PER SHARE (EPS)

	2008-09	2007-08
i) Net Profit after tax (after adjusting Minority Interest) as per Profit and Loss Account (Rs. in crore)	14,968.72	19,521.38
ii) Excess provision for tax for earlier years (Rs. in crore)	2.58	46.45
iii) Net profit attributable to equity shareholders (Rs. in crore)	14,971.30	19,567.83
iv) Net Profit before Exceptional item (Rs. in crore)	15,299.03	15,370.64
v) Weighted Average number of equity shares used as denominator for calculating EPS	1,38,33,16,005#	1,45,36,48,601*
vi) Basic and Diluted Earnings per share (Rs.)	108.23	134.61
vii) Basic and Diluted Earnings (before exceptional items) per share (Rs.)	110.60	105.74
viii) Face Value per equity share (Rs.)	10.00	10.00

Including 6,92,52,623 equity shares issued to erstwhile RPL shareholders.

* Includes Company's shares held by Subsidiaries / Trust

SCHEDULE 'N' (Contd.)**13. FINANCIAL AND DERIVATIVE INSTRUMENTS****a) Derivative contracts entered into by the company and outstanding as on 31st March, 2009.****(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, 2009 amount to Rs. 60,519.46 crore (Previous Year Rs. 37,960.90 crore).

Category wise break up is given below :

Sr. No.	Particulars	(Rs. in crore)	
		As at 31st March, 2009	As at 31st March, 2008
1	Interest Rate Swaps (Net)	23,215.50	14,614.84
2	Currency Swaps	4,435.15	2,090.55
3	Options (Net)	2,492.71	2,180.51
4	Forward Contracts (Net)	30,376.10	19,075.00

(ii) For hedging commodity related risks :

Category wise break up is given below :

Sr. No	Particulars	As at 31st March, 2009			As at 31st March, 2008		
		Petroleum products sales	Crude Oil Purchases	Other products	Petroleum products sales	Crude oil purchases	Other products
		(in Kbbbl)	(in Kbbbl)	(in Kg)	(in Kbbbl)	(in Kbbbl)	(in Kg)
1	Net forward swaps	2,985	6,157	77	236	3,457	-
2	Futures	256	2,689	-	-	1,470	-
3	Spreads	1,908	13,424	-	475	6,345	-
4	Margin hedging	30,650	-	-	15,820	-	-
5	Net Options	9,387	10,800	-	18,725	1,575	-

b) In accordance with principles of prudence and other applicable guidelines as per Accounting Standards notified by the Companies (Accounting Standards) Rules 2006 the Company has charged an amount of Rs. 35.32 crore (Previous Year Rs. 43.78 crore) to the Profit and Loss Account in respect of derivative contracts other than those contracts which are effective hedges.

c) Foreign currency exposures that are not hedged by derivative instruments as on 31st March 2009 amount to Rs. 51,440.50 crore (Previous Year Rs. 34,378.56 crore).

14. 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.

- 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".
- 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".

SCHEDULE 'N' (Contd.)
(i) Primary Segment Information :

	Particulars	Petrochemicals		Refining		Oil and Gas		Others		Unallocable		Total	
		2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
1	Segment Revenue												
	External Turnover	56,449.69	54,447.10	91,456.17	83,911.80	3,488.73	2,394.14	4,393.92	2,251.94	-	-	1,55,788.51	1,43,004.98
	Inter Segment Turnover	-	-	18,430.30	17,570.40	92.11	308.08	43.00	75.55	-	-	-	-
	Gross Turnover	56,449.69	54,447.10	1,09,886.47	1,01,482.20	3,580.84	2,702.22	4,436.92	2,327.49	-	-	1,55,788.51*	1,43,004.98
	Less: Excise duty / Service Tax recovered	4,082.40	4,786.89	397.56	1,069.91	-	-	84.54	1.52	-	-	4,564.50	5,858.32
	Net Turnover	52,367.29	49,660.21	1,09,488.91	1,00,412.29	3,580.84	2,702.22	4,352.38	2,325.97	-	-	1,51,224.01	1,37,146.66
2	Segment Result before Interest and Taxes	6,946.79	7,163.08	9,769.57	10,372.76	2,130.76	1,519.81	(304.09)	124.80	79.71	(262.78)	18,622.74	18,917.67
	Less: Interest Expense	-	-	-	-	-	-	-	-	1,816.27	1,086.52	1,816.27	1,086.52
	Add: Interest Income	-	-	-	-	-	-	-	-	1,432.27	446.18	1,432.27	446.18
	Add: Exceptional Item	-	-	-	-	-	-	-	-	(369.60)	4,733.50	(369.60)	4,733.50
	Profit Before Tax	6,946.79	7,163.08	9,769.57	10,372.76	2,130.76	1,519.81	(304.09)	124.80	(673.89)	3,830.38	17,869.14	23,010.83
	Current Tax	-	-	-	-	-	-	-	-	1,208.18	2,572.08	1,208.18	2,572.08
	Fringe Benefit Tax	-	-	-	-	-	-	-	-	65.23	49.58	65.23	49.58
	Deferred Tax	-	-	-	-	-	-	-	-	1,645.42	865.93	1,645.42	865.93
	Profit after Tax (before adjustment for Minority Interest)	6,946.79	7,163.08	9,769.57	10,372.76	2,130.76	1,519.81	(304.09)	124.80	(3,592.72)	342.79	14,950.31	19,523.24
	Add: Share of (Profit) / Loss transferred to Minority	-	(0.67)	11.66	(2.00)	-	-	6.75	0.81	-	-	18.41	(1.86)
	Profit after Tax (after adjustment for Minority Interest)	6,946.79	7,162.41	9781.23	10,370.76	2,130.76	1,519.81	(297.34)	125.61	(3,592.72)	342.79	14,968.72	19,521.38
3	Other Information												
	Segment Assets	49,728.63	40,463.42	88,012.92	74,989.83	57,598.75	28,817.81	18,690.46	9,755.46	32,041.02	20,930.41	2,46,071.78	1,74,956.93
	Segment Liabilities	4,093.91	8,539.17	16,083.74	12,680.80	12,969.59	2,536.79	1,097.35	470.54	4,627.42	2,639.39	38,872.01	26,866.69
	Capital Expenditure	15,658.36	228.84	18,256.21	7,991.02	29,080.25	14,413.09	8,565.46	1,430.70	403.83	2,374.17	71,964.11	26,437.82
	Depreciation	2,384.89	2,411.40	2,091.20	1,928.40	705.64	548.68	400.43	71.44	68.82	44.28	5,650.98	5,004.20
	Non Cash Expenses other than depreciation	-	-	-	-	-	-	-	-	3.44	13.92	3.44	13.92

*Total Gross Turnover is after elimination of inter segment turnover of Rs. 18,565.41 (Previous Year Rs. 17,954.03).

(ii) As per Accounting Standard on Segment Reporting (AS-17), "Segment Reporting", 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

SCHEDULE 'N' (Contd.)**(iv) Secondary Segment Information:**

	(Rs. in crore)	
	2008-2009	2007-2008
1. Segment Revenue – External Turnover		
- Within India	62,582.30	58,568.99
- Outside India	93,206.21	84,435.99
Total Revenue	1,55,788.51	1,43,004.98
2. Segment Assets		
- Within India	2,38,637.79	1,70,736.56
- Outside India	7,433.99	4,220.37
Total Assets	2,46,071.78	1,74,956.93
3. Segment Liability		
- Within India	36,865.91	25,581.76
- Outside India	2,006.10	1,284.93
Total Liability	38,872.01	26,866.69
4. Capital Expenditure		
- Within India	70,652.51	25,808.10
- Outside India	1,311.60	629.72
Total Expenditure	71,964.11	26,437.82

15. PROJECT DEVELOPMENT EXPENDITURE

(in respect of Projects upto 31st March, 2009, included under Capital work in progress)

	(Rs. in crore)	
	2008-09	2007-08
Opening Balance	2,791.02	1,071.05
Add: Transferred from profit and loss Account		
Schedule - K	3,380.45	208.80
Schedule - I	(88.52)	-
Expenses on Project under Construction	359.76	295.01
Interest Capitalised	3,396.91	1,659.17
Exchange Difference	10,939.75	45.30
	17,988.35	2,208.28
Less: Project Development Expenses Capitalised during the year	3,232.56	437.13
Transfer to Inventory	-	51.18
De-subsidiarised / Transferred during the year	20.64	-
	3,253.20	488.31
Closing Balance	17,526.17	2,791.02

SCHEDULE 'N' (Contd.)
16. ADDITIONAL INFORMATION

	(Rs. in crore)
	As at
	As at
	31st March, 2009
	31st March, 2008
(A) Estimated amount of contracts remaining to be executed on Capital accounts and not provided for:	
(i) In respect of joint Ventures	2,992.66
(ii) In respect of others	22,772.61
(B) Uncalled liability on venture fund units	102.80
(C) Contingent Liabilities	
(i) Outstanding guarantees furnished to Banks and Financial Institutions including in respect of Letters of credit	
(a) In respect of joint Ventures	-
(b) In respect of others	6,542.71
(ii) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties	
(a) In respect of joint Ventures	-
(b) In respect of others	34.91
(iii) Liability in respect of bills discounted with Banks (Including third party bills discounting)	
(a) In respect of joint Ventures	-
(b) In respect of others	1,347.88
(iv) Claims against the Company / disputed liabilities not acknowledged as debts	
(a) In respect of joint Ventures	-
(b) In respect of others	1,286.17
(v) Performance Guarantees	
(a) In respect of joint Ventures	-
(b) In respect of others	125.26
(vi) Sales tax deferral liability assigned	5,407.31
(D) The Income-Tax assessments of the Company have been completed up to Assessment Year 2006-07. The disputed demand outstanding up to the said Assessment Year is Rs. 482.25 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.	

SCHEDULE 'N' (Contd.)**17. Related Party Disclosures :****(i) List of related parties with whom transactions have taken place 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 Chemicals Port Terminal Company Limited	
6.	Reliance Utilities and Power Private Limited (formerly Reliance Utilities and Power Limited)	
7.	Reliance Utilities Private Limited (formerly Reliance Utilities Limited)	
8.	Reliance Ports and Terminals Limited	
9.	Reliance Gas Transportation Infrastructure Limited	
10.	Reliance Commercial Dealers Limited (formerly Reliance Commercial Dealers Private Limited)	
11.	Reliance Commercial Trading Private Limited	
12.	Delta Hydrocarbons S A Luxembourg	
13.	Indiawin Sports Private Limited	
14.	Delta Corp East Africa Limited (formerly Delta Resources Limited)	
15.	Reliance Infrastructure Management Services Limited (Upto 01.04.2008) (formerly Growcity Trading Private Limited)	
16.	Priyash Commercial Private Limited (Upto 26.09.2008)	
17.	Reliance Universal Enterprises Private Limited (Upto 26.09.2008) (formerly Pusti Commercial Private Limited)	
18.	Sixty Reliance Fashion India Private Limited (Upto 30.03.2009)	
19.	Diesel Fashion India Reliance Private Limited (From 26.02.2009)	
20.	Atri Exports Private Limited (From 31.03.2009)	
21.	Shree Salasar Bricks Private Limited (From 31.03.2009)	
22.	N.C. Trading Company Private Limited (From 31.03.2009)	
23.	KCIPI Trading Company Private Limited (From 31.03.2009)	
24.	Prakhar Commercials Private Limited (From 31.03.2009)	
25.	Pepino Farms Private Limited (From 31.03.2009)	
26.	Marugandha Land Developers Private Limited (From 31.03.2009)	
27.	Jaipur Enclave Private Limited (From 31.03.2009)	
28.	Einsten Commercials Private Limited (From 31.03.2009)	
29.	Ashwani Commercials Private Limited (From 31.03.2009)	
30.	Vishnumaya Commercials Private Limited (From 31.03.2009)	

SCHEDULE 'N' (Contd.)

Sr No.	Name of the Related Party	Relationship
31.	Carin Commercials Private Limited (From 31.03.2009)	Associate Companies / Joint Ventures
32.	Netravati Commercials Private Limited (From 31.03.2009)	
33.	Rakshita Commercials Private Limited (From 31.03.2009)	
34.	Kaniska Commercials Private Limited (From 31.03.2009)	
35.	Rocky Farms Private Limited (From 31.03.2009)	
36.	Centura Agro Private Limited (From 31.03.2009)	
37.	Fame Agro Private Limited (From 31.03.2009)	
38.	Noveltech Agro Private Limited (From 31.03.2009)	
39.	Honeywell Properties Private Limited (From 31.03.2009)	
40.	Parinita Commercial Private Limited (From 31.03.2009)	
41.	Chander Commercial Private Limited (From 31.03.2009)	
42.	Creative Agrotech Private Limited (From 31.03.2009)	
43.	Reliance-Vision Express Private Limited (From 25.07.2008)*	
44.	Mark and Spencer Reliance India Private Limited (From 21.10.2008)	
45.	Reliance Vornado Development Private Limited (From 12.08.2008)	
46.	Reliance Vornado Management Private Limited (From 12.08.2008)	
47.	Reliance Grand Vision India Supply Private Limited (From 25.07.2008)	
48.	eOfficePlanet India Private Limited (From 14.04.2008)	
49.	Supreme Tradelink Private Limited (From 21.10.2008)	
50.	Reliance Paul And Shark Fashions Private Limited (From 19.03.2009)	
51.	Gaurav Overseas Private Limited (From 31.03.2009)	
52.	Reliance Innovative Building Solutions Private Limited (From 06.11.2008)	
53.	Shri Mukesh D. Ambani	Key Managerial Personnel
54.	Shri Nikhil R. Meswani	
55.	Shri Hital R. Meswani	
56.	Shri H. S. Kohli	
57.	Dhirubhai Ambani Foundation	Enterprises over which Key Managerial Personnel are able to exercise significant influence
58.	Jamnaben Hirachand Ambani Foundation	
59.	Hirachand Govardhandas Ambani Public Charitable Trust	
60.	HNH Trust and HNH Research Society	

* Earlier Subsidiary Company, became Joint Venture during the year.

SCHEDULE 'N' (Contd.)**(ii) Transactions during the year with related parties :**

		(Rs. in crore)			
Sr. No.	Nature of Transactions (Excluding reimbursements)	Associates	Key Managerial Personnel	Others	Total
1.	Purchase of Fixed Assets	1.24 <i>106.28</i>	-	-	1.24 <i>106.28</i>
2.	Sale of Fixed Assets	29.11 <i>37.36</i>	-	-	29.11 <i>37.36</i>
3.	Purchase / Subscription of Investments	2,491.69 <i>100.06</i>	-	-	2,491.69 <i>100.06</i>
4.	Sale / redemption of Investments	102.27 -	-	-	102.27 -
5.	Loans and advances given/ (returned)	51.28 <i>(3,034.53)</i>	-	-	51.28 <i>(3,034.53)</i>
6.	Turnover	31.21 <i>43.44</i>	-	-	31.21 <i>43.44</i>
7.	Other Income	5.58 <i>12.58</i>	-	-	5.58 <i>12.58</i>
8.	Electric Power, Fuel and Water	685.74 <i>318.81</i>	-	-	685.74 <i>318.81</i>
9.	Hire Charges	151.63 <i>92.36</i>	-	-	151.63 <i>92.36</i>
10.	Manpower Deputation Charges	4.47 -	-	-	4.47 -
11.	Payment to Key Managerial Personnel	-	38.21 <i>67.53</i>	-	38.21 <i>67.53</i>
12.	Sales and Distribution Expenses	1,263.23 <i>1,151.35</i>	-	-	1,263.23 <i>1,151.35</i>
13.	Rent	2.25 <i>84.00</i>	-	-	2.25 <i>84.00</i>
14.	Professional Fees	16.60 <i>14.92</i>	-	-	16.60 <i>14.92</i>
15.	General expenses	9.05 <i>10.11</i>	-	-	9.05 <i>10.11</i>

SCHEDULE 'N' (Contd.)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Associates	Key Managerial Personnel	Others	Total
16.	Donations	-	-	37.23	37.23
		-	-	<i>82.21</i>	<i>82.21</i>
Balance as at 31st March, 2009					
17.	Investments	2,642.98	-	-	2,642.98
		<i>151.34</i>	-	-	<i>151.34</i>
18.	Sundry Debtors	123.21	-	-	123.21
		<i>40.73</i>	-	-	<i>40.73</i>
19.	Loans & Advances	1,741.52	-	-	1,741.52
		<i>3,599.98</i>	-	-	<i>3,599.98</i>
20.	Sundry Creditors	226.28	-	-	226.28
		<i>159.04</i>	-	-	<i>159.04</i>
21.	Financial Guarantees	431.12	-	-	431.12
		<i>360.02</i>	-	-	<i>360.02</i>
22.	Performance Guarantees	11.07	-	-	11.07
		<i>137.68</i>	-	-	<i>137.68</i>

Note : Figures in Italics represents previous year's amount.

SCHEDULE 'N' (Contd.)**Disclosure in respect of Material Related Party Transactions during the year :**

1. Purchase of Fixed Assets include Reliance Ports and Terminals Limited Rs. 0.64 crore (Previous Year Rs. 81.15 crore), Reliance Europe Limited Rs. 0.35 crore (Previous Year Rs. 1.39 crore), Reliance Utilities Private Limited Rs. NIL (Previous Year Rs. 23.74 crore), Gaurav Overseas Private Limited Rs. 0.25 crore (Previous Year Rs. NIL).
2. Sale of Fixed Assets include to Reliance Ports and Terminals Limited Rs. NIL (Previous Year Rs. 11.12 crore), Reliance Utilities Private Limited Rs. NIL (Previous Year Rs. 26.24 crore), Reliance Commercial Dealers Limited Rs. 29.11 crore (Previous Year Rs. NIL).
3. Purchase / Subscription of Investments include Reliance Gas Transportation Infrastructure Limited Rs. 2,000.00 crore (Previous Year Rs. NIL), Delta Corp East Africa Limited Rs. 5.63 crore (Previous Year Rs. 69.45 crore), Delta Hydrocarbons S.A., Luxembourg Rs. 435.57 crore (Previous Year Rs. 25.49 crore), Reliance Commercial Dealers Limited Rs. NIL (Previous Year Rs. 5.00 crore), Reliance Commercial Trading Private Limited Rs. 50.00 crore (Previous Year Rs. NIL).
4. Sale / redemption of investments include Reliance Gas Transportation Infrastructure Limited Rs. 102.23 crore (Previous Year Rs. NIL).
5. Loans given during the year include Reliance Commercial Dealers Limited Rs. NIL (Previous Year Rs. 53.25 crore), Indiawin Sports Private Limited Rs. 57.73 crore (Previous Year Rs. 20.70 crore), Gujarat Chemicals Ports Terminal Company Limited Rs. 0.14 crore (Previous Year Rs. 22.25 crore), Reliance Europe Limited Rs. NIL (Previous Year Rs. 1.49 crore), Delta Corp East Africa Limited Rs. 5.28 crore (Previous Year Rs. 65.29 crore); Loans returned during the year include Reliance Industrial Infrastructure Limited Rs. 10.00 crore (Previous Year Rs. NIL), Reliance Europe Limited Rs. 0.20 crore (Previous Year Rs. NIL), Reliance Commercial Dealers Limited Rs. 1.12 crore (Previous Year Rs. NIL crore), Reliance Petroinvestments Limited Rs. NIL (Previous Year Rs. 3,197.17 crore).
6. Reliance Ports and Terminal Limited Rs. 0.09 crore (Previous Year Rs. 15.71 crore), Reliance Gas Transportation and Infrastructure Limited Rs. 4.48 crore (Previous Year Rs. 10.63 crore), Reliance Utilities Private Limited Rs. 25.02 crore (Previous Year Rs. 17.10 crore).
7. Other Income includes Interest from Gujarat Chemicals Port Terminal Company Limited Rs. 1.92 crore (Previous Year Rs. NIL), Reliance Industrial Infrastructure Limited Rs. 2.14 crore (Previous Year Rs. 2.45 crore), Guarantee Commission from Reliance Europe Limited Rs. 1.29 crore (Previous Year Rs. 1.22 crore); Miscellaneous income from Reliance Ports and Terminals Limited Rs. NIL (Previous Year Rs. 8.56 crore).
8. Electric Power, Fuel and Water charges include Reliance Utilities and Power Private Limited Rs. 289.88 crore (Previous Year Rs. 318.81 crore), Reliance Utilities Private Limited Rs. 395.86 crore (Previous Year Rs. NIL);
9. Hire Charges include Reliance Europe Limited Rs. 4.63 crore (Previous Year Rs. 8.88 crore), Reliance Industrial Infrastructure Limited Rs. 22.53 crore (Previous Year Rs. 21.35 crore), Gujarat Chemicals Port Terminal Company Limited Rs. 42.05 crore (Previous Year Rs. 62.13 crore), Reliance Commercial Dealers Limited Rs. 75.29 crore (Previous Year Rs. NIL), Reliance Gas Transportation Infrastructure Limited Rs. 7.14 crore (Previous Year Rs. NIL).
10. Payment to Key Management Personnel include Shri. Mukesh D. Ambani Rs. 15.00 crore (Previous Year Rs. 44.02 crore), Shri. Nikhil R. Meswani Rs. 10.93 crore (Previous Year Rs. 11.13 crore), Shri. Hital R. Meswani Rs. 10.93 crore (Previous Year Rs. 11.12 crore), Shri H.S. Kohli Rs. 1.35 crore (Previous Year Rs. 1.26 crore).
11. Sales and Distribution Expenses include Reliance Ports and Terminals Limited Rs. 1,255.26 crore (Previous Year Rs. 1,150.29 crore), Gujarat Chemicals Port Terminal Company Limited Rs. 7.97 crore (Previous Year Rs. NIL).

SCHEDULE 'N' (Contd.)

12. Rent includes Reliance Industrial Infrastructure Limited Rs. 2.25 crore (Previous Year Rs. NIL), Reliance Ports and Terminals Limited Rs. NIL (Previous Year Rs. 84.00 crore).
13. Professional Fees include Reliance Europe Limited Rs. 16.60 crore (Previous Year Rs. 14.92 crore).
14. Manpower Deputation Charges include Reliance Industrial Infrastructure Limited Rs. 4.47 crore (Previous Year Rs. NIL).
15. General expenses include Reliance Industrial Infrastructure Limited Rs. 9.00 crore (Previous Year Rs. 10.11 crore).
16. Donations include Dhirubhai Ambani Foundation Rs. 35.47 crore (Previous Year Rs. 14.55 crore), Jamnaben Hirachand Ambani Foundation Rs. 0.04 crore (Previous Year Rs. 66.06 crore).

SCHEDULE 'N' (Contd.)

(Rs. In Crore)

	As at 31st March, 2009	As at 31st March, 2008
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18. DETAILS OF INVESTMENTS:**A. INVESTMENTS IN ASSOCIATES****LONG TERM INVESTMENTS****Other Investments****In Equity Shares - Quoted, fully paid up**

68,60,064 Reliance Industrial Infrastructure Limited	96.44	86.23
(68,60,064) of Rs. 10 each		
	96.44	86.23

In Equity Shares - Unquoted, fully paid up

11,08,500 Reliance Europe Limited of Sterling Pound 1 each	27.92	25.97
(11,08,500)		
22,500 Reliance LNG Limited of Rs. 10 each	0.02	0.02
(22,500)		
- Priyash Commercial Private Limited	-	0.01
(5,000) of Rs. 10 Each		
- Reliance Universal Enterprises Private Limited of Rs. 10	-	0.01
(5,000) each (formerly Pusti Commercial Private Limited)		
1,800 Shinano Retail Private Limited of Rs.10 each	-	0.01
(5,000) (Rs. 18,000, Previous Year Rs. 50,000)		
1,800 Teesta Retail Private Limited of Rs.10 each	-	0.01
(5,000) (Rs. 18,000, Previous Year Rs. 50,000)		
5,000 Reliance Commercial Trading Private Limited	0.01	0.01
(5,000) of Rs. 10 each		
49,99,990 Reliance Commercial Dealers Limited of Rs. 10 each	6.47	4.89
(50,00,000) (formerly Reliance Commercial Dealers Private Limited)		
10,40,000 Delta Hydrocarbons S.A. Luxembourg	314.53	25.49
(10,40,000)		
75,000 Indiawin Sports Private Limited	-	0.06
(60,000) of Rs. 10 each		
7,12,47,314 Delta Corp East Africa Limited of KES 10 each	75.08	69.45
(7,12,47,314) (Formerly Delta Resources Limited)		
62,63,125 Indian Vaccines Corporation Limited of Rs. 10 each	0.90	0.90
(62,63,125)		
12,04,20,000 Gujarat Chemicals Port Terminal Company Limited	24.25	33.22
(12,04,20,000) of Rs. 10 each		
- Reliance Infrastructure Management Services Limited	-	0.03
(25,000) of Rs. 10 each (Formerly Growcity Trading Private Limited)		
- Sixty Reliance Fashion India Private Limited	-	0.01
(5,000) of Rs. 10 each		



SCHEDULE 'N' (Contd.)

		(Rs. In Crore)	
		As at 31st March, 2009	As at 31st March, 2008
5,000	Reliance Innovative Building Solutions (-) Private Limited of Rs. 10 each	0.34	-
24,30,000	Reliance Utilities Private Limited of Re. 1 each (-)	0.24	-
20,90,000	Reliance Utilities and Power Private Limited (-) of Re. 1 each	0.21	-
5,000	Reliance Paul and Shark Fashions Private Limited (-) of Rs.10 each	0.01	-
5,000	Gaurav Overseas Private Limited (-) of Rs.10 each	0.01	-
		449.99	160.09
In Preference Shares - Unquoted, Fully paid up			
50,00,00,000	9% Non Cumulative Redeemable Preference Shares of (-) Reliance Gas Transportation Infrastructure Limited of Rs 10 each	2,000.00	-
		2,000.00	-
In Debentures - Unquoted, Fully Paid Up			
5,00,000	Zero coupon Unsecured Optionally Fully (-) Convertible Debentures of Reliance Commercial Trading Private Limited of Rs. 10 each.	50.00	-
		50.00	-
Total Investment in Associates (A)		2,596.43	246.32
B. INVESTMENTS IN OTHERS			
LONG TERM INVESTMENTS			
Government and other Securities - Unquoted			
	6 Years National Savings Certificate (Includes deposited with Sales Tax Department and other Govt. Authorities)	0.09	0.02
		0.09	0.02
		0.09	0.02
Trade Investments			
In Equity Shares Unquoted, fully paid up			
1,00,00,000 (1,00,00,000)	Petronet India Limited of Rs. 10 each	10.00	10.00
25 (25)	The Colaba Central Co-operative Consumer's Wholesale and Retail Stores Limited. (Sahakari Bhandar) of Rs. 200 each (Rs. 5,000 : Previous Year Rs. 5,000)	-	-
		10.00	10.00

SCHEDULE 'N' (Contd.)

	As at 31st March, 2009	(Rs. In Crore) As at 31st March, 2008
In Preference Shares Unquoted, fully paid up		
- 10% Non- Cumulative optionally convertible (13,44,700) Preference Shares of Reliance Chemicals Private Limited of Rs. 10 each	-	672.35
	<u>-</u>	<u>672.35</u>
	10.00	682.35
Other Investments		
In Equity Shares-Quoted, fully paid up		
8,572 Portland General Electric Company - (8,043) Common Stock Equity	0.82	0.78
25,00,000 Industrial Development Finance Corporation (25,00,000) Limited of Rs.10 each	39.28	39.28
8,75,673 State Bank of India of Rs.10 each (7,17,765)	191.19	166.08
	<u>231.29</u>	<u>206.14</u>
In Equity Shares-Unquoted, fully paid up		
85,000 National Stock Exchange of India Limited (-) of Rs. 10 each	28.48	-
1,000 Air Control System Limited (-) of Re. 1 each (Rs. 1,000 : Previous Year Rs. 1,000)	-	-
- Reliance Aromatics and Petrochemicals Private Limited (150) of Rs. 10 each (Previous Year Rs. 1500)	-	-
- Reliance Energy and Project Development Private Limited (185) of Rs. 10 each (Previous Year Rs. 1,850)	-	-
- Reliance KG Basin E & P Private Limited (6) of Rs. 10 each (Previous Year Rs. 60)	-	-
- Reliance KG Exploration & Production (6) Private Limited of Rs. 10 each (Previous Year Rs. 60)	-	-
- Reliance Krishna Godavari Exploration & (6) Production Private Limited of Rs. 10 each (Previous Year Rs. 60)	-	-
1,500 Reliance Research and Development Services (1,500) Private Limited of Rs.10 each (Rs. 15,000: Previous Year 15,000)	-	-
1,800 Sharnya Trading Private Limited of Rs. 10 each (1,800) (Rs. 18,000; Previous Year Rs. 18,000)	-	-
Trevira Holding GmbH (Rs. 67.00; Previous Year Rs. NIL)	-	-
Trevira Italia S.r.l.	-	2.25



SCHEDULE 'N' (Contd.)

		(Rs. In Crore)	
		As at 31st March, 2009	As at 31st March, 2008
	Trevira Iberica S.L.	-	0.08
	Trevira Polska Sp. z o.o.	-	0.14
	Industriepark Werk Bobingen GmbH & Co. KG	-	11.73
	Industriepark Werk Bobingen Verwaltungs GmbH	-	0.07
	Treuhandgemeinschaft Deutsche Chemiefaser GmbH	-	0.01
		<u>28.48</u>	<u>14.28</u>
In Debentures Quoted, fully paid up			
2,000 (2,000)	Citi Corporation Finance (India) Limited - Non Convertible Redeemable Debentures of Rs. 10,00,000 each	200.00	200.00
7,500 (7,500)	DSP Merrill Lynch Capital Limited - Secured Guaranteed, Non Convertible Debentures of Rs. 1,00,000 each	75.00	75.00
5,000 (5,000)	DSP Merrill Lynch Capital Limited - Secured Guaranteed, Redeemable Non Convertible Debentures of Rs. 1,00,000 each	50.00	50.00
		<u>325.00</u>	<u>325.00</u>
		584.77	545.42
In Others			
400 (400)	Peninsula Realty Fund of Rs. 1,00,000 each.	3.19	4.00
9,93,177 (9,93,177)	HDFC India Real Estate of Rs. 1,000 per unit	106.42	106.42
50,000 (50,000)	JM Financial Property Fund of Rs. 10,000 per unit (Rs.8,000 paid up)	40.00	30.00
20,000 (20,000)	Urban Infrastructure Opportunities Fund of Rs.1,00,000 per unit	200.00	200.00
8,000 (-)	Urban Infrastructure Opportunities Fund of Rs.1,00,000 per unit (Rs.20,000 paidup)	19.20	-
88 (88)	Pass Through Certificates (PTC) issued by Indian Residential MBS Trust	1.87	5.33
	Interest in a Beneficiary Trust	-	1,654.96
Total Long Term Investments		<u>965.54</u>	<u>3,228.50</u>

SCHEDULE 'N' (Contd.)

(Rs. In Crore)

	As at 31st March, 2009	As at 31st March, 2008
CURRENT INVESTMENTS		
Other Investments		
In Government Securities-Quoted		
6.05 % GOI 2019	372.96	-
7.99 % GOI 2017	-	150.45
8.2 % GOI 2022	-	80.00
	<u>372.96</u>	<u>230.45</u>
In Treasury Bills-Quoted		
182 Days Treasury Bills	-	23.45
364 Days Treasury Bills	6.66	0.93
	<u>6.66</u>	<u>24.38</u>
In Certificate of Deposits with Schedule Banks - Quoted		
	<u>1,338.31</u>	<u>1,547.49</u>
	<u>1,338.31</u>	<u>1,547.49</u>
In Public Sector Undertaking / Public Financial Institution & Corporate Bonds - Quoted		
- Bank of India	-	45.06
(450)		
600 Citi Financial Consumer Finance India Limited	60.00	60.00
(600)		
1,500 EXIM Bank of India	150.00	148.94
(1,500)		
3,600 Housing Development Finance	359.06	200.09
(2,000) Corporation Limited		
- Indian Railway Finance Corporation Limited	-	50.10
(500)		
2,350 Infrastructure Development Finance	234.52	-
(-) Company Limited		
- LIC Housing Finance Limited	-	50.00
(500)		
1,350 National Bank For Agricultural And	135.21	185.20
(1,850) Rural Development		
- Power Finance Corporation Limited	-	316.12
(3,200)		
- Punjab National Bank	-	10.01
(100)		
50 Sate Bank of Mysore	5.00	24.75
(250)		
- State Bank of Bikaner & Jaipur	-	25.00
(250)		
- State Bank of India	-	71.71
(700)		
	<u>943.79</u>	<u>1,186.98</u>



SCHEDULE 'N' (Contd.)

	As at 31st March, 2009	(Rs. In Crore) As at 31st March, 2008
In Commercial Paper - Unquoted		
Housing Development Finance Corporation Limited	95.97	-
Infrastructure Development Finance Company Limited	92.59	-
	<u>188.56</u>	<u>-</u>
Collateral Borrowing & Lending Obligation	<u>23.29</u>	<u>-</u>
	<u>23.29</u>	<u>-</u>
In Units-Unquoted		
(3,00,00,000) - ABN AMRO Fixed Term Plan of Rs.10 Per Unit - Growth	-	30.00
(2,54,57,322) - ABN AMRO Flexible Short Term Plan of Rs.10 Per Unit- Dividend	-	25.46
(5,12,41,031) - ABN AMRO Money Plus Institutional Plan of Rs. 10 per unit- Dividend	-	51.24
(10,76,38,459) - Birla Cash Institutional Premium Plus of Rs. 10 Per unit - Growth	-	139.00
(3,04,65,268) - Birla Cash Plus Plan of Rs. 10 per unit-Dividend	-	30.52
(5,00,00,000) - Birla Fixed Term Plan of Rs. 10 per unit-Growth	-	50.00
(5,12,18,812) - BSL Interval Fund of Rs.10 Per unit - Dividend	-	51.22
(10,03,128) - DSP Merrill Lynch Cash Plus of Rs.1,000 per unit - Dividend	-	100.32
(1,50,000) - DSP Merrill Lynch Fixed Term Institutional Plan of Rs. 1,000 per unit - Growth	-	15.00
(10,01,262) - DSP Merrill Lynch Liquid Plus of Rs. 1,000 per unit - Dividend	-	100.18
(4,00,00,000) - DWS Fixed Term Institutional Plan of Rs. 10 per unit - Growth	-	40.00
(2,50,00,000) - HDFC Fixed Maturity Plan of Rs.10 per unit - Dividend	-	25.00
(21,85,14,981) - HDFC Cash Management Saving Plan of Rs. 10 per unit - Dividend	-	232.42
(10,00,00,000) - HSBC Fixed Term Institutional Plan of Rs. 10 per unit - Growth	-	100.00
(2,56,30,375) - HSBC Interval Fund of Rs.10 per unit - Dividend	-	25.63
(2,40,00,000) - ICICI Prudential Fixed Maturity Plan. of Rs. 10 per unit - Growth	-	24.00

SCHEDULE 'N' (Contd.)

	As at 31st March, 2009	(Rs. In Crore) As at 31st March, 2008
(23,94,80,208) - ICICI Prudential Fixed Maturity Plan of Rs. 10 per unit - Dividend	-	239.54
(17,39,88,402) - ICICI Prudential Institutional Liquid Plan of Rs. 10 per unit - Dividend	-	174.00
(19,24,81,432) - ICICI Prudential Flexible Income Plan of Rs. 10 per unit - Dividend	-	203.52
(6,00,00,000) - ICICI Prudential Interval Fund of Rs. 10 per unit - Growth	-	60.00
(15,69,039) - ICICI Prudential Liquid Plan of Rs. 10 per unit - Dividend	-	1.57
(38,11,897) - ICICI Prudential Institutional Liquid Plan of Rs. 10 per unit - Dividend	-	3.81
(13,50,00,000) - ING Vysya Fixed Maturity Fund of Rs. 10 per unit - Growth	-	135.00
(2,50,00,000) - ING Vysya Fixed Maturity Institutional Plan of Rs. 10 per unit - Dividend	-	25.00
(2,50,00,000) - Kotak Fixed Maturity Plan of Rs. 10 Per unit - Growth	-	25.00
(4,40,27,946) - Lotus India Liquid Plus Plan of Rs. 10 per unit - Dividend	-	44.10
(6,30,00,000) - Lotus India Fixed Maturity Institutional Plan of Rs. 10 per unit- Growth	-	63.00
(2,50,00,000) - Lotus India Fixed Maturity Plan of Rs. 10 per unit- Dividend	-	25.00
(49,99,000) - Lotus India Quarterly Interval Fund Plan of Rs. 10 per unit- Dividend	-	5.00
(4,96,686) - Mirae Asset Liquid Fund Super Institutional Plan of Rs. 1,000 per unit - Growth	-	50.00
(10,04,092) - Mirae Asset Liquid Plus Plan of Rs. 1,000 per unit - Dividend	-	100.41
(5,73,75,627) - Principal Cash Management Institutional Plan of Rs. 10 per unit - Growth	-	59.75
(2,50,00,000) - Principal PNB Fixed Maturity Plan of Rs. 10 per unit - Dividend	-	25.00
(2,50,00,000) - Principal PNB Fixed Maturity Plan of Rs. 10 per unit - Growth	-	25.00
(85,654) - Standard Chartered Liquidity Manager of Rs. 1,000 per unit - Dividend	-	8.57
(6,00,00,000) - Standard Chartered Fixed Maturity Plan of Rs. 10 per unit - Growth	-	60.00
(2,50,00,000) - Standard Chartered Fixed Maturity Plan of Rs. 10 per unit - Dividend	-	25.00

SCHEDULE 'N' (Contd.)

	As at 31st March, 2009	(Rs. In Crore) As at 31st March, 2008
- Standard Chartered Grindlays Floating Rate Plan (7,72,20,635) of Rs. 10 per unit - Dividend	-	77.26
- SBI Debt Fund of Rs.10 Per Unit - Dividend (2,50,00,000)	-	25.00
- Sundaram BNP Paribas Fixed Term Plan (5,00,00,000) of Rs. 10 Per unit - Growth	-	50.00
- Sundaram BNP Paribas Fixed Term Plan (2,50,00,000) of Rs. 10 Per unit - Dividend	-	25.00
- SBI Premier Liquid Fund of Rs.10 per unit - (5,66,59,324) Dividend	-	56.84
- SBI Premier Liquid Super Institutional Plan (3,58,56,822) of Rs.10 per unit - Growth	-	46.00
- Templeton India Treasury Management Account (6,25,354) Super Institutional Plan of Rs.1,000 each - Growth	-	75.00
- Tata Fixed Horizon Fund of Rs.10 per unit - Growth (6,00,00,000)	-	60.00
- Tata Fixed Income Portfolio Fund (2,49,74,276) Rs. 10 per unit - Dividend	-	25.00
- Tata Dynamic Bond Fund of Rs. 10 per unit - Dividend (4,77,54,926)	-	50.16
- UTI Fixed Maturity Plan of Rs.10 per unit - (5,00,00,000) Growth	-	50.00
- UTI Fixed Income Interval Fund (7,00,00,000) of Rs.10 per unit - Growth	-	70.00
- UTI Fixed Maturity Plan of Rs.10 per unit - Dividend (5,02,06,873)	-	50.21
	<u>-</u>	<u>3,058.73</u>
Total Current Investments	2,873.57	6,048.03
Investment in Others (B)	3,839.11	9,276.53
Total (A+B)	6,435.54	9,522.85

Note :

Provision for diminution in the value of investments is Rs. 3.44 crore (Previous Year Rs. 13.92 crore).

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
October 7, 2009

V.M. Ambani
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director

N.R. Meswani
H.R. Meswani
H.S. Kohli
P.M.S. Prasad
R. Ravimohan

R.H. Ambani
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Dr. R. A. Mashelkar

Directors

Shareholders' Referencer & Forms



Shareholders' Referencer

At a Glance

- Presently, the Company has around 3.5 million folios of shareholders holding Equity Shares in the Company.
- The Company's Equity Shares are listed on Bombay Stock Exchange 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.
- 96.46% 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 and communication exchanged with investors, regulatory and other concerned authorities.

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 ECS Mandate and furnish correct bank account particulars with Company / Depository Participant

Investors should provide an ECS mandate to the Company in case of shares held in physical form and ensure that the correct and updated particulars of their bank account are available with the Depository Participant (DP) in case of shares held in demat form. This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoiding postal delays and loss in transit.

Fill and submit Nomination Form

Investors should register the nominations, in case of physical shares, with the Company and in case of dematerialised shares with their DP. Nomination would help successors to get the shares transmitted in their favor without any hassles.

Keep holding details confidential

Folio number (Client ID and DP ID in respect of dematerialised securities) should not be disclosed to unknown persons. Signed blank transfer deeds (delivery instruction slips in respect of dematerialised shares) should not be given to unknown persons.

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 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, trade number, trade time, quantity, price and brokerage. 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. Periodic statement of holdings should be obtained from the concerned DP and holdings verified. Where the investor is likely to be away for a long period of time and where the shares 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.

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 investor 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.

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 shareholders 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.

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 depository participant 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 respective investor 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 of 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 shares 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 need to observe with respect to DIS?**

To give the delivery, 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 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 by any one.
- 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.

Dividend**Payment of Dividend**

The Dividend is paid under two modes viz:

- (a) Electronic Clearing Service (ECS)
- (b) Dividend Warrant

Payment of dividend through Electronic Clearing Service (ECS) facility**What is payment of dividend through ECS Facility and how does it operate?**

Under this option, investor's bank account is directly

credited and an advice thereof is issued by the Company after the transaction is effected. The concerned bank branch credits investor's account and indicates the credit entry as "ECS" in his / her passbook / statement of account.

What is payment of dividend through NEFT Facility and how does it operate?

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 68 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 R & TA prior to the payment of dividend for shares held in physical form.

What are the benefits of ECS (payment through electronic facilities)?

Some of the major benefits are :

- a. Shareholder 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 ECS facility?

SEBI in consultation with Reserve Bank of India has extended the ECS Facility to the investors residing at 68

locations centres, Ahmedabad, Agra, Allahabad, Amritsar, Aurangabad, Bengaluru, Baroda, Bhilwara, Bhopal, Bhubaneswar, Burdwan, Calicut, Chandigarh, Chennai, Coimbatore, Dehradun, Dhanbad, Durgapur, Erode, Gorakhpur, Guwahati, Gwalior, Haldia, Hubli, Hyderabad, Indore, Jabalpur, Jaipur, Jalandhar, Jammu, Jamshedpur, Jodhpur, Kakinada, Kanpur, Kochi/Ernakulam, Kolhapur, Kolkata, Lucknow, Ludhiana, Madurai, Mangalore, Mumbai, Mysore, Nagpur, Nashik, Nellore, New Delhi, Panaji, Patna, Pondicherry, Pune, Raipur, Rajkot, Ranchi, Salem, Shimla, Sholapur, Siliguri, Surat, Thiruvananthapuram, Tirupati, Tirupur, Trichur, Trichy, Udaipur, Varanasi, Vijaywada and Visakhapatnam.

The Reserve Bank of India may extend, this service to some more centres.

How to avail of ECS Facility?

Investors holding shares in physical form may send their ECS 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, ECS mandate has to be sent to the concerned Depository Participant (DP) directly, in the format prescribed by the DP.

Why cannot the Company 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 the Depository Participants.

Can ECS Facility be opted out by investors?

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 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?

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.

Unclaimed / Unpaid Dividend

What are the Statutory provisions governing unclaimed dividend?

With effect from October 31, 1998, any moneys 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.

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.

Chart 1 Status of unclaimed and unpaid dividend for different years

	Dividend upto 1994-95	Dividend for 1995-96 to 2000-2001	Dividend for 2001-2002 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 2000-01 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
31.03.2003	16.06.2003	15.06.2010	13.06.2003	12.06.2010
31.03.2004	24.06.2004	23.06.2011	12.06.2004	11.06.2011
31.03.2005	03.08.2005	02.08.2012	27.06.2005	26.06.2012
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	-	-

Dematerialisation / Rematerialisation 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 on a depository by way of electronic balances.

Why dematerialise shares? Trading in Compulsory Demat

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 Depository Participant (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.

What is the SMS alert facility?

NSDL and CDSL have launched SMS Alert facility for demat account holders whereby investors can receive alerts for debits (transfers) to their demat accounts and for credits in respect of corporate actions for 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 Depository Participants (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 the request through the system.
- 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 it is 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 the 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 will not be nominee(s). Minors 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.

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 by reporting death of the nominator along with the attested copy of the death certificate.

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.

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 one month under the Listing Agreement and two months under the Companies Act, 1956.

Is Permanent Account Number for transfer of shares in physical form mandatory?

SEBI vide its Circular dated May 20, 2009 has stated that for securities market transactions and off-market transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/ RTA for registration of such transfer of shares.

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 affecting 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 Rs. 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 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) will 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 probated copy of the Will, 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).

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 the Company.

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.

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 Karvy 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 Karvy for the prescribed form for consolidation of folios. This will help the investors to efficiently monitor the holding and 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. Shareholders are also requested to quote their folio number and furnish proof such as attested copies of Ration Card / PAN Card / Passport / Latest Electricity or Telephone Bill / Lease Agreement 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?

Shareholders need 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	7
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.	TDS certificate	2
2.	Allotment / call money	4
3.	Others	2
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

Intimation Letters to Investors

The Company gives an opportunity by sending intimation 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 of the odd lot shares on behalf of the shareholders.

The salient features of the Scheme effective 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 Bombay Stock Exchange / National Stock Exchange.
- 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%, together with education cess @ 2% and higher education cess @ 1%.
- Short Term Capital Gains (STCG) tax is payable @ 15% in case of 'individuals' together with education cess @ 2% and higher education cess @ 1%, in case shares are sold within 12 months from the date of purchase.
- 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';
 - (b) 10% of the capital gain computed before substituting 'cost of acquisition' with 'indexed cost of acquisition'.
- STT is payable as under
 - @ 0.125% by both the purchaser and the seller in respect of delivery based transactions
 - @ 0.017% by the seller in respect of derivatives
 - @ 0.025% by the seller in respect of transactions in securities not being settled by actual delivery.

Investor Servicing and Grievance Redressal at External Agencies

Ministry of Corporate Affairs

Ministry of Corporate Affairs (MCA) has launched a major 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.

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 in the Investors Service Centre Section.



Bombay Stock Exchange Limited (BSE) - BSE provides an opportunity to its members to file their complaints electronically through its website www.bseindia.com under the Investor Desk Section.

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 'Query Now' 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 Depository participants, 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 incometaxindia.gov.in wherein lot of queries with respect to PAN have been replied 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

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

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.

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 Profit and Loss Account along with all annexures / attachments (Generally known as Annual Report).
- 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 respond to communications seeking shareholders' approval through Postal Ballot.
- To respond to communications of SEBI / Depository / Depository Participant / 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.
- Give clear and unambiguous instructions to your broker / sub-broker / depository participant.
- Be vigilant in your transactions.
- Insist on a contract note for your transaction.
- Verify all details in contract note, immediately on receipt.
- 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 Depository participant.
- Keep copies of all your investment documentation.
- Handle Delivery Instruction Slips (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 rumors; 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 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 Delivery Instruction Slips of your demat account lying around carelessly or with anyone.
- Do not sign blank Delivery Instruction Slips (DIS) and keep them with Depository Participant (DP) or broker to save time. Remember your carelessness can be your peril.

NOTE

The contents of this Referencer are for the purpose of general information of readers; for full particulars / provisions, readers are advised to refer to the relevant Acts / Rules / Regulations / Guidelines / Clarifications.



**Members
Feedback Form
2008-2009**

Name : e-mail id :

Address :

DP ID. :

Client ID. :

Folio No. :
(in case of physical holding)

No. of equity shares held :
(the period for which 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 Atul Tandon
Asst. Company Secretary
Reliance Industries Limited
Registered Office: 3rd Floor, Maker Chambers IV
222, Nariman Point
Mumbai 400 021

Fold

VIMAL



Registered Office: 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai - 400 021

DISCOUNT COUPON

The Coupon entitles you to purchase "VIMAL" fabrics and apparel at a discount of 15% upon Cash Purchase up to the face value on each part of the discount coupon mentioned herein subject to (A) No Credit Card Purchases may be acceptable (B) Fabric discount coupon purchases are not eligible for any other additional discount. (C) Discount coupon must be presented intact at the time of purchase. (D) Validity of the Coupon will not be extended and no duplicate coupon will be issued. Coupons not valid at Vimal Factory Outlets. The following list of stores could be updated without prior notification.





VIMAL Gifting

Your special someone deserves a gift just as special



VIMAL SHOWROOMS

ANDHRA PRADESH: *Gajuwaka* - Sri Vamsi: Opp. Sri Kanya Complex, Main Road, Ph:2515531 • *Gopalapatnam* - Sri Vamsi: Main Road, Ph:558199 • *Guntur* - Annapurna Enterprises: # 6-9-18, Arundelpet, Ph:2234379 • *Khammam* - Vimal Showroom: Kaman Bazaar Ph:645880 • *Tirupathi* - Latha Enterprises: 31, Gandhi Road, Ph: 2222226 • *Rajahmundry* - Sri Ram Vimal Showroom: 10/15/42, Main Road, Fort Gate, Ph:2461150 • *Vizianagaram* - Maruthideep: 7-9-4, M.G Road, Ph:271244 • *Vijaywada* - Alekya Enterprises: # 27-16-30, Besant Road, Ph:2574359 • *Vizag* - Sri Vamsi: Loven Plaza, Daba Garden, Ph:2746562 • **ASSAM:** *Guwahati* - Abhishek: Sir Sadullah Road, Fancy Bazaar, Ph:2543220 • **BIHAR:** *Patna* - Amber: Khaitan Super Market, Ph:2687989 • Archana, Kankarbag, MIGH-58 • Robinson: Boring Road • Sarang - New Market • **CHANDIGARH:** *Chandigarh* - Krishna Textiles: SCO 5, Sector 20D, Tribune Road, Ph:3919685 • **DELHI:** *New Delhi* - Devi Sahai Charan Das (Retail): Ajmal Khan Road, Karol Bagh, Ph:28758325 • Kumardeep: G5 (Jc) Janak Place, Janak Puri, Ph:2811955 • Raj Emporium: D-10, Vikas Marg, Laxmi Nagar, Ph:22546031 • Stylecraft: Arya Samaj Road, Karol Bagh, Ph:28752133 • Uneek Selection: 6D, Kamla Nagar, Ph:23845839 • **GUJARAT:** *Ahmedabad* - Shree Top In Town: Pathar Kuva, Relief Road, Ph:25355251 • Vimal Showroom: C.G Road, Ph:65444661 • Vimal Showroom: Naroda, Ph:66068195 • *Jamnagar* - Vimal Showroom: Teen Batti, Ph: 2678093 • Priya Retail Shop: Near Natraj Cinema, Ashram Road, Ph:55312882 • *Rajkot* - Venus Fabrics: Sir Lakhaji Road, Ph:2222847 • *Vadodara* - Arihant: Productivity Road, Alka Puri, Ph:3054667 • Mangalam Fashion: Near Kothi Bus Stand, Raopura, Ph:2438546 • Sefali Emporium: Narmada Apts, Navrang Cinema Road, Ph:2438296 • **HARYANA:** *Karnal* - Salwan Fabrics House: Old Mugal Canal, Karan Commercial Complex, Ph: 2201415 • *Narnaul* - Vijay Deep: Pul Bazaar, Ph:2251508 • *Rohtak* - Vardhaman, 5/867 Dalal Building, Railway Road, Ph: 01262 269994 • *J&K:* *Jammu* - B R Traders: Raghunath Bazaar, Ph:2549153 • **JHARKHAND:** *Jamshedpur* - Panna: Zanda Chowk, Sakchi Bazaar, Ph:2431989 • **KARNATAKA:** *Bangalore* - Vimal Showroom: M.G Road, Ph:66965601 • Vimal Showroom: K.G Road, Ph:22871586 • Mangalore - Mangalyoti - Light House Hill Road, Hampanakatta, Ph:2421052 • **KERALA:** *Chalakyudy* - Chaitanya: South Chalakyudy, City Heights, Ph:3254651 • Emakulam - Vimal Showroom: M.G Road, Ph:2380305 • **MADHYA PRADESH:** *Bhopal* - Bhee Thrift & Credit Scy: Bachat Bhawan, Piplani, Ph:2502303 • **MAHARASHTRA:** *Mumbai* - Aavaran: Opp. Railway Station, Borivali (W), Ph:28934999 • Amrut: Opp.Lazaree, Dadar (W), Ph:24305895 • Dombivali: Chandan: Ganesh Krupa, Kelkar Road, Ph:2862539 • M/s Sandeep: Opp.Mafad Shopping Centre, Malad (W), Ph:28805121 • Roopali: Opp.Railway Station, Mulund West, Ph:25648135 • Shilpi: Ranade Road, Nr. Waman Hari Pethe Jewellers, Dadar (W), Ph:24302259 • Tashkent: Sion Circle, Sion, Ph:24076693 • Thane - Charmi: Gokhle Road, Naupada, Ph:25344545 • Vimal Showroom: Court House, L T Marg, Ph:65971617 • *Nagpur* - Vimal Showroom: Rani Jhansi Square, Sitaburdi, Ph:3254346 • Abhineel: Central Avenue, Darodkar Chowk, Ph:2769690 • *Pune* - Kamdhenu: Budhwar Peth, Laxmi Road, Ph:24450175 •

Vimal Gifting packs available in Suit lengths, Safari Lengths, Trousering and combis (Shirting & Trousering).

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15% OFF

Rs.1000

Valid upto 30.06.2010
at above Vimal Showrooms

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at above Vimal Showrooms



VIMAL Gifting

Exclusive Gift Packs Available

VIMAL

15% OFF

Rs.1000

Valid upto 30.06.2010
at above Vimal Showrooms

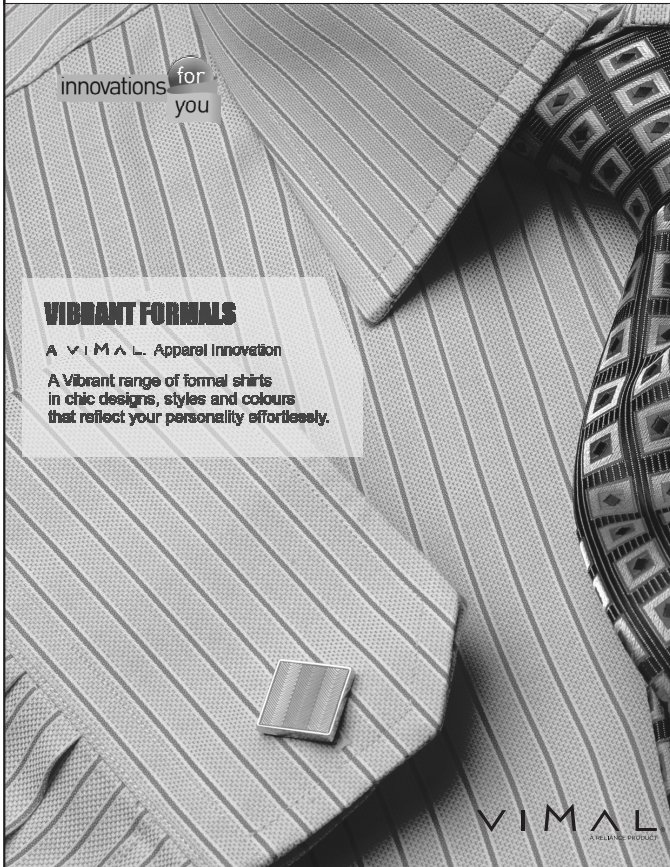
VIMAL



Registered Office: 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai - 400 021

DISCOUNT COUPON

The Coupon entitles you to purchase "VIMAL" fabrics and apparel at a discount of 15% upon Cash Purchase up to the face value on each part of the discount coupon mentioned herein subject to (A) No Credit Card Purchases may be acceptable (B) Fabric discount coupon purchases are not eligible for any other additional discount. (C) Discount coupon must be presented intact at the time of purchase. (D) Validity of the Coupon will not be extended and no duplicate coupon will be issued. Coupons not valid at Vimal Factory Outlets. The following list of stores could be updated without prior notification.



VIBRANT FORMALS

A V I M A L. Apparel Innovation

A vibrant range of formal shirts in chic designs, styles and colours that reflect your personality effortlessly.

VIMAL SHOWROOMS

PUNJAB: *Amritsar* - Libaas: Katra Jaimal Singh, Ph:5051420 • *Ludhiana*- Chaura bazaar, Girjagar Chowk • **RAJASTHAN:** *Kota* - Honey Fashion Fab: Station Road, Ph:2460866 • *Udaipur* - Tayasons: Town Hall Road, Ph:2411906 • **TAMILNADU:** *Chennai* - Vimal Showroom: Nr. Stella Maris College, Cathedral Road, Ph:28113116 • *Coimbatore* - Vimal Showroom: Opp.Koni Amman Temple, Big Bazaar St, Ph:6459062 • *Madurai* - Vimal Showroom , Aparna annexe Tower , Bypass road, Ph: 6461741 • *Salem* - Prabhuvel: Bazaar St Ph:6457585 • **TRIPURA:** *Agartala* - Tilottama Textiles: H.G Basak Road, Ph:2389614 • **UTTAR PRADESH:** *Agra* - Ganga Jamuna: Hospital Road, Rajendra Market, Ph:2267659 • *Kanpur* - Vijay Handlooms: Vijay Tower, P. Road, Ph:2543741 • *Lucknow*: Vimal Showroom, Aminabad Park, Ph: 0522 6451636 • *Varanasi* - Mangaldeep Exclusive: Maldhaiya, Ph:2393994 • **UTTARANCHAL:** *Dehradun* - Kishore Drapers: Paltan Bazar, Ph:2655489 • *Gadhwal* - Akash Deep - Gola Bazaar, Dist. Garhwal, Ph:2252245 • **WEST BENGAL:** *Arambagh* - Nivedan: Basudebpur Moer, Dist.Hooghly, Ph:255272 • *Belgharia* - Priya: Spandan Market, Feeder Road, Ph:25642067 • *Bongaon* - Atashi: Basanti Market, Chakda Road, Ph:258056 • *Burdwan* - Galaxy: Kaina, Ph:258254 • *Chandan Nagar* - La Vogue: Bagbazar, Ph:65458247 • *Chitranajan* - Kiran Textiles: Amladahi Market, Dist.Burdwan • *Cooch Behar* - Askaran Subhakaran: B.S Road, Ph:2224961 • Askaran Subhakaran: B.S Road, Ph:2224961 • Laxmi Narayan Bastralaya: Biswa Singha Road, Ph:228563 • *Durgapur* - Deepak: Benachity, Ph: 2584844 • *Jalpaiguri* - Kalpataru: D.B.C Road, Ph:220944 • *Kakinara* - Jiban: 57, Annada Banerjee Road, K.L Shaw Market, Ph:25813755 • *Khagra* - Radha: 20, Netaji Road, Behrampur, Ph:2256811 • *Kolkata* - Camellia: Barrackpure • Vimal Showroom, Gachtala More, Tollygunje, Ph: 24996860 • Durlink: P-192, VIP Road, Ultadanga Crossing, Ph:23559348 • Kiran: 18 APC Road, Sealdah, Ph:23509620 • Monarch: B-15, Garden Reach Road, Metabruz, Ph:24695463 • Niva Emporium: Garia, Raja S.C Mullick Road, Ph:24303181 • Prestige: Five Point Crossing, Shyam Bazaar, Ph:25554928 • Roopkala: D C 2/12 Shastribagan, Baguiati, Ph:25765920 • Selection: Bidhan Sarani, Ph:25540230 • The Seller: Between Gariahat Junc and Golpark, Ph:24641794 • Shree Sellers Pvt.Ltd: R.N Mukherjee Road, Ph:22483191 • Vimal Palace: Raja Rajendra Mitra Road, Beliaghata, Ph:23509272 • Vimal Samrat: Near Darpan Cinema, Bidhan Sarani, Ph:25554928 • *Malda* - Purbarag: Rabindra Avenue, Ph: 2253620 • Vimal Vatika: Rabindra Avenue, Khudiram Shaw Complex, Ph: 2253394 • *Midnapore* - Natraj: Bara Bazar, Ph:263662 • *Naihati* - Fashion: Aurbindo Road, Ph: 25814020 • *Serampore* - Ankur: B.P Dey Street, Dist, Hooghly, Ph:24663532 • *Silchar* - Suprava: Central Road, ph:246673 • *Siliguri* - Ahbhan: Bidhan Road, Dist.Darjeeling, Ph:2522361 • *Siliguri* - Mabella: Seth Sirimal Mkt, Ph:2430172 • Vimal Suravi: Mahabirasthan, Ph:2533941 • Tarkeshwar - Mausam: Nutan Bazar, Ph:276461 • *Tribeni* - Meeta: Shop No.19, Dr. B.C Mitra Super Market, Ph:26846649 • *Uttarpara* - Piyali: G.T Road, Dist: Hooghly, Ph:26644555

VIMAL

Reliance Industries Limited - Textile Division
103-106, Naroda Industrial Estate,
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Ph: +91-79-6606 8888/8999
Fax: +91-79-6606 8555
onlyvimal@ril.com
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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 **35TH ANNUAL GENERAL MEETING** of the Company held on Tuesday, November 17, 2009 at 11.00 a.m. at Birla Matushri Sabhagar, 19, 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, India

DP Id*	
--------	--

Master Folio No.	
------------------	--

Client Id*	
------------	--

I/We.....of.....being a member/members of Reliance Industries Limited hereby appoint.....of.....or failing him.....of.....

as my/our proxy to vote for me/us and on my/our behalf at the **35th Annual General Meeting** of the company to be held on Tuesday, November 17, 2009 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. Re-appointment of the following Directors retiring by rotation:		
a) Shri Hardev Singh Kohli		
b) Shri Yogendra P. Trivedi		
c) Prof. Dipak C. Jain		
d) Shri Mansingh L. Bhakta		
3. Appointment of Auditors		
4. Capitalisation of reserves for issue of bonus shares		
5. Re-appointment of and remuneration payable to Shri Hital R. Meswani as a Wholetime Director		
6. Appointment of and remuneration payable to Shri PMS Prasad as Wholetime Director		
7. Appointment of and remuneration payable to Shri R Ravimohan as a Wholetime Director		

Signed this..... day of 2009

* Applicable for investors holding shares in electronic form. Please see the instructions overleaf

Signature

Affix a 15 paise Revenue Stamp

NOTE: (1) **The proxy , to be effective, 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 commencement of the aforesaid 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.



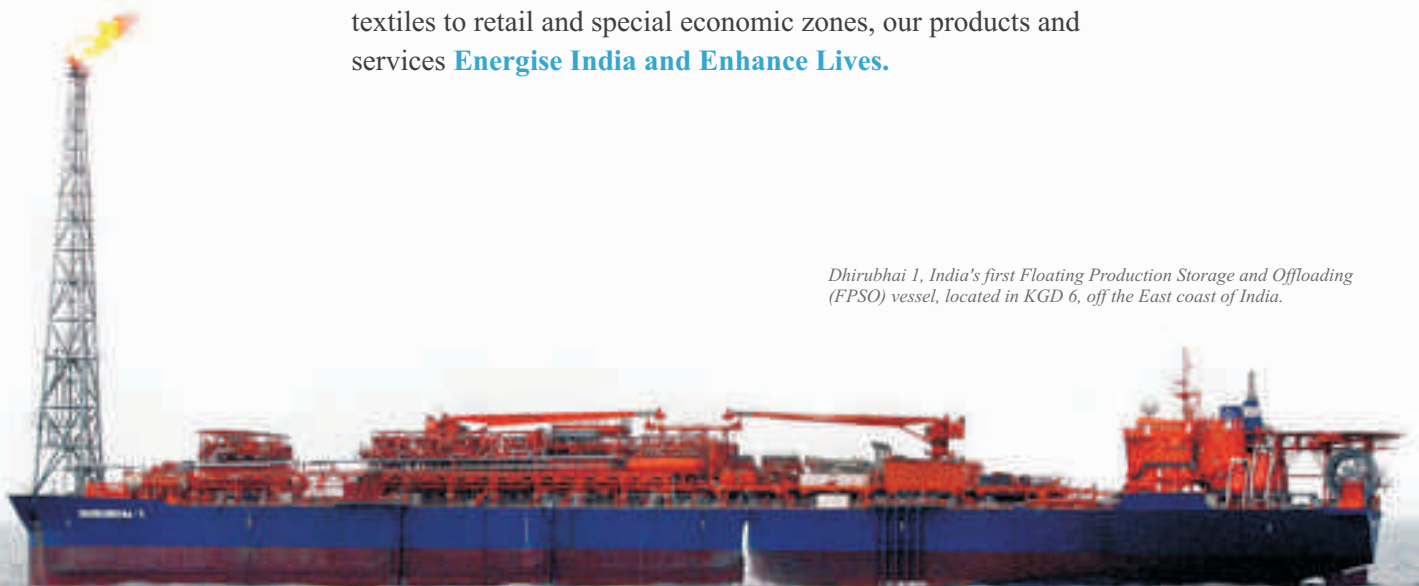
Enhancing Lives. Energising India. The Reliance Way

The old is giving way to the new. A bold new India is stepping up to be counted. It's an India where the old and young are emerging vibrant and more confident each day. Confident of their abilities, they see no limits to growth and development. It's a mindset that allows no fear of failure. **Growth brings with it change and change involves risk, of stepping from the known to the unknown.**

At Reliance this whole new nation is our constituency, our source spring and our market. **The small daily differences we make over time for the individual, add up to big differences for the country.** Our business interests lie at the heart of this growth dynamic. Marrying supply with demand, need with enterprise, national interest overriding commercial interest, **we see ourselves in the business of Energising India. In the process, our business footprint will touch every Indian's life.**

From oil & gas to refining and marketing, to petrochemicals and textiles to retail and special economic zones, our products and services **Energise India and Enhance Lives.**

Dhirubhai 1, India's first Floating Production Storage and Offloading (FPSO) vessel, located in KGD 6, off the East coast of India.



We see ourselves as leaders in helping people lead better, happier lives. At Reliance, this has been an article of faith for us. Our past bears ample evidence of our commitment.

We scripted a new chapter in the capital market and ushered in the cult of sharing corporate wealth with shareholders in India. **Enhancing the lives** of shareholders is part of the urban legend about Reliance for well over three generations. **With around 3.5 million investors, RIL has one of the largest shareholder families in the world.**

We weaved magic with our polyester business and heralded a new era in fabrics. We spun a fabric that ushered in new convenience, established a new cost paradigm and imparted new confidence to the common man. All this was possible because the intent was **Enhancing Lives** of the common man.

We Enhanced Lives of millions through our polymer and petrochemical value chain initiative. Petrochemicals and their derivative products have played a significant role in raising the standard of living across the economic spectrum. They are key enablers of sustainable solutions in areas like food-security, water-management, construction, textiles, healthcare, transportation, lifestyle products, information technology, communication and entertainment. **They continue to impact millions of lives enhancing the standard of living.**

We altered the energy scenario in India by building the world's largest Greenfield refinery. **The addition of the new refinery will transform 'Jamnagar' into the 'largest refining hub of the world'** thereby setting a new benchmark of world class scaling by Indian companies. It ended the long wait for getting kerosene and LPG.

But at Reliance, we do not rest on our laurels. Currently, **we are busy transforming India's energy landscape** with the oil & gas flowing from Dhirubhai 1 & 3. RIL's contribution will increase India's indigenous production of hydrocarbons by over 40 percent over the next couple of years. **Natural gas - a low-carbon, low polluting green fuel that will flow from our fields will create value and be beneficial to a large section of India's society.**





In September, last year, when the first drop of crude oil flowed from the Krishna-Godavari basin, the vision of our chairman Shri Mukesh D. Ambani was being realized. What had been a glint in the eye of our founder chairman Shri Dhirubhai Ambani, **to bring energy security to the people of India, has now turned into a reality.**

RIL saw oil security as an idea before its time had come. Today, we save precious foreign exchange for the nation while reducing our import dependency of gas. That has become **the Reliance Way** wherein the fledgling impulse of one man's ambition has now reached at a steady state expanding the RIL universe on its own momentum.

We are also serving the rising aspirations of vast amounts of purchasing power and hunger of consumers for the most basic of life's necessities through our foray into the retail sector, which is a consumer-led revolution of an unprecedented scale. It is a perfect intersection of forces whereby a business opportunity is being shaped by the emerging economic landscape of the nation.

This partnering with the agricultural and rural sectors will script a new prosperity paradigm. Significant economic gains for farmers, strong value proposition for consumers, inclusiveness of small shopkeepers, an overarching physical distribution and logistics infrastructure and, above all, greater rural prosperity, are the benefits, which shall accrue following RIL's retailing initiative.

We are promoting SEZs in the states of Haryana and Gujarat, which will provide small and medium scale firms the much needed platform to perform by concentrating on their core business and creating value for themselves, and millions of Indians thereby enhancing India.

Panoramic view of the new 580,000 Barrels Per Stream Day (BPSD) Refinery at the Jamnagar SEZ.



But our business vision extends beyond our commercial interests. We believe in the philosophy of co-existence - 'Vasudhaiva Kutumbakam' - the whole world is one family. Our CSR strategy is to have close and continuous interaction with the people and communities around our manufacturing divisions; the thrust is on improving their quality of life, especially of the people from the underprivileged segment of the society.

We support and partner with several NGOs in community development and health initiatives:

Reliance Rural Development Trust (RRDT) as a corporate NGO works on developing the rural infrastructure under the Government of Gujarat's rural development plans.

Dhirubhai Ambani Foundation (DAF) pursues philanthropic activities to promote national welfare and social well-being. Its main thrust areas are education and public healthcare.

Project Drishti - a joint initiative of RIL and National Association of Blind (NAB) - is a unique nation-wide corneal grafting drive to bring light into the lives of visually challenged from the underprivileged segment of society. Restoring the gift of sight to over 7,000 Indians, this is **the largest corneal grafting surgery project enabled by a single corporate entity in India.**

Our initiative to combat TB, HIV / AIDS is a unique public-private partnership programme; partnering with the government, NGOs, several agencies and RIL.

We have adopted a primary health centre (PHC) at Dahej from the Government of Gujarat and converted it into a model primary health centre and have developed a PHC in Gadimoga, State of Andhra Pradesh.

Education is one of the major thrust areas of RIL's CSR programme. A network of 10 schools caters to over 14,000 students spread across geographies in India. Our CSR cells support schools and students in numerous villages and tribal regions.

The Dhirubhai Ambani International School, Mumbai, provides world-class education, synthesizing an international perspective with a firmly grounded Indian context.





A nation grows on the seeds sown by its people. We see ourselves as the catalysts to uplifting India. It is a grand vision and not fettered by any envy of rivals or the limitations imposed by naysayers. And yet, we will overcome. The grandness of the vision is its own justification. With this comes the goal of addressing the needs of every Indian, of seeing all our countrymen sharing in the prosperity of our nation.

Besides creating unprecedented value for you our stakeholders, by propelling the circle of prosperity, Reliance is redefining India's march towards energy security.

**Enhancing Lives. Energising India.
That is the Reliance Way.**



Reliance Drishti Art Competition - 2008

Paintings by National Gold Winners. Theme: My India Tomorrow - The India I want to see



Vidya Chauhan
Age Group: 11-13 years



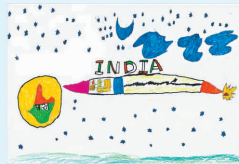
Kaiwan P. Todiwala
Age Group: 11-13 years



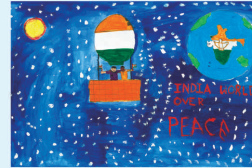
Kruti Calcuttawala
Age Group: 11-13 years



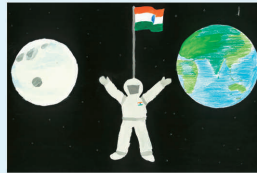
Rishi M. Tank
Age Group: 8-10 years



Samridhhi Rahlon
Age Group: 5-7 years



Gaurav Dey
Age Group: 8-10 years



Jayesh Baban Phadke
Age Group: 11-13 years



Pratyush Sinha
Age Group: 5-7 years



Romil Patel
Age Group: 11-13 years



Jalay D. Shah
Age Group: 8-10 years



Saundarya Jain
Age Group: 8-10 years


Reliance
 Industries Limited
 Growth is Life