

GROWTH IS



Growth is **Energy** | Growth is **Value**
Growth is **Happiness** | Growth is **Life...**





Growth is **Energy**
Growth is **Value**
Growth is **Happiness**

Growth is *Life...*

Late Shri Dhirubhai Ambani
Founder Chairman

Growth, in all its facets, has been a distinguishing factor at Reliance, ever since our inception. Our philosophy envisions growth as a universal concept, that represents multiple possibilities and touches all aspects of life.

This explains why we have put in motion some of the most ambitious plans, aligned to the needs of India as it develops into a world-force. The continuing expansion of our key business verticals places us at a vantage point with reference to the aspirations of India.

We have taken strategic decisions in key areas that will drive our growth and also create better outcomes for our youthful nation.

Strategy at Reliance is about making prudent choices, balancing risks and return, building competitive advantages and envisioning the future through the power of innovation.

Innovation has always been a cornerstone of our operations. It has enabled us to make significant technology-driven breakthroughs that add value to existing businesses, and create new ones. We are partnering with leading global institutions renowned for excellence to strengthen our experience and expertise.

From the manufacturing landscape to high-growth consumer service sectors, Reliance is making progress possible each day.

We are helping the country meet its growing energy demand in a safe and responsible manner, creating value for society through our retail and telecom businesses, widening our community investments for social well-being and elevating the quality of life.

Playing a role in creating a happy and prosperous India is our mandate. Because growth is energy. Because growth is value. Because growth is happiness.

Because Growth is Life...

Inside this Report

View the Annual Report online at www.ril.com/ar13-14

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↓ Night view of Jamnagar Refinery

Reliance at a Glance

Reliance Industries Limited (RIL) is India's largest private sector company with businesses across the energy and materials value chain and a strong presence in the rapidly expanding retail and telecommunication sectors.

RIL is the first private sector company from India to feature in Fortune Global 500 list of 'World's Largest Corporations' for the last ten consecutive years. RIL ranked 107th in terms of revenues and 128th in terms of profits in 2013. RIL's international debt is rated by Moody's at investment grade Baa2, with 'positive' outlook and by S&P at BBB+ with a 'negative' outlook, which are one notch and two notches above India's sovereign rating, respectively.



\$ 67.0 billion

(₹ 4,01,302 crore)
Annual revenue

\$ 3.7 billion

(₹ 21,984 crore)
Net profit

80+

Major products and brands across energy and service sectors

Largest

Refining complex globally –
1.4 MMBPD of crude processing
at a single location

5th

Largest producer of Paraxylene (PX)
and Polypropylene (PP), globally

9th

Largest producer of Purified
Terephthalic Acid (PTA), globally

4G

Setting up pan India telecom
network to provide high speed
internet and digital services

Producer of polyester fibre and
yarn, globally

8th

Largest producer of Mono
Ethylene Glycol (MEG), globally

1,691

Retail stores across India

12

Conventional E&P blocks –
9 domestic, 3 international; 2 CBM
blocks in India, 3 JVs in US Shale

Retailer in India by revenue
(Reliance Retail)

Key Performance Indicators



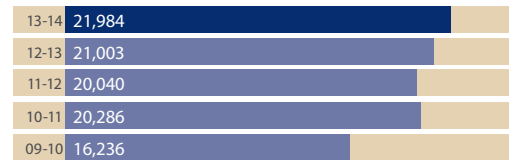
Turnover (₹ crore)

▲ 8.1% (year-on-year)



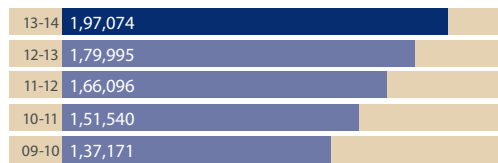
Profit After Tax (₹ crore)

▲ 4.7% (year-on-year)



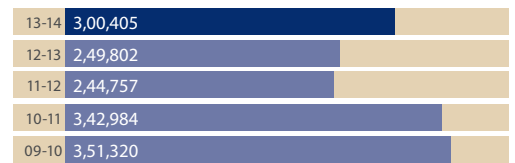
Networth (₹ crore)

▲ 9.5% (year-on-year)



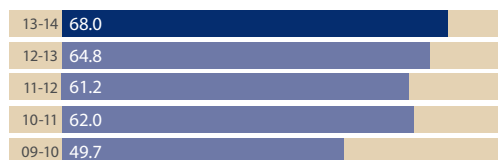
Market Capitalisation (₹ crore)

▲ 20.3% (year-on-year)



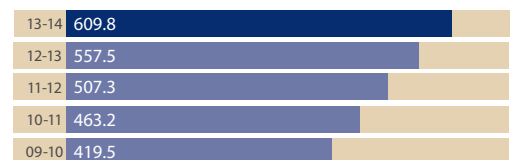
Earnings per Share* (₹)

▲ 4.9% (year-on-year)



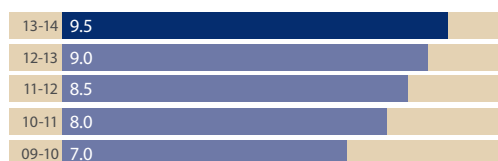
Book Value per Share (₹)

▲ 9.4% (year-on-year)

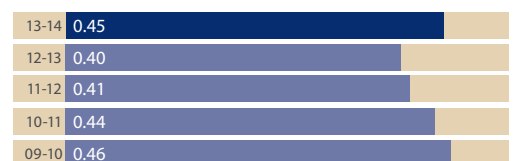


Dividend per Share (₹)

▲ 5.6% (year-on-year)



Debt Equity Ratio



1 crore = 10 million

All figures for RIL Standalone

* Normalised on account of issue of bonus shares in the ratio of 1:1 in 2009-10

Letter to Shareholders



Mukesh D. Ambani, Chairman and Managing Director

Dear Fellow Shareowners,

In FY 2013-14 the global economy showed signs of recovery with growth in demand from the developed countries in the second half of the year.

Emerging markets, including India, had to face multiple challenges of rising current account deficit, depreciation of the local currency and additional pressure due to capital outflows.

Despite global and domestic challenges, Reliance continued its growth path. Reliance achieved a record revenue of ₹ 4,01,302 crore (\$ 67.0 billion) and net profit of ₹ 21,984 crore (\$ 3.7 billion). We became the first company in the private sector to record revenues of over ₹ 4,00,000 crore. Reliance also achieved its highest ever exports of ₹ 2,75,825 crore (\$ 46.0 billion) during the year, contributing a record 69% of revenues. The continued growth of exports is an indicator of the growing demand for our products and services across the world.

FY 2013-14 was another record-setting year for RIL. Our Refining business delivered the highest-ever profits with a sharp recovery in gross refining margins towards the end of the year. Petrochemical earnings grew significantly with margin expansion across polymers and downstream polyester products.

The vertical integration across the refining and petrochemicals chain is a major advantage due to assured feedstock, lower volatility of margins and ability to take advantage of the opportunity in each product in the chain.

Domestic upstream production was lower compared to the prior year due to continuing geological complexities. The shale gas business in the US grew significantly during the year and has become a material contributor to our earnings.

We are now India's largest retailer and turned profitable this year.

First

Private sector company in India to record revenues of over ₹ 4,00,000 crore

110%

Capacity utilisation at the Jamnagar refinery against average utilisation rates of 85% in North America, 76% in Europe and 85% in Asia

We have also accelerated our efforts to roll-out our state-of-the-art 4G services across the country, which will add an exciting new dimension to our consumer facing service offerings.

Refining & Marketing

Our Jamnagar refinery complex continued to operate at over 110% of the design capacity, processing 68.0 MMT of crude, testament to our world-class assets and quality of operations. Global utilisation rates, in comparison, were 85% in North America, 76% in Europe and 85% in Asia. This was supported by stable middle distillate cracks, favourable crude differentials and currency movement. In addition to the market dynamics, Reliance's performance was driven by its operational excellence and well-executed strategies around crude sourcing and product placement. Continuing its emphasis on processing the challenging and most advantageous crudes, 64% of the total crude processed during the year was "advantaged". The ability to operate at high utilisation levels and optimise product slate to suit market conditions enabled Reliance to capture opportunities in the market.

As a part of our continuing efforts for energy conservation, we are working on the petcoke gasification project which is under rapid execution. This will provide competitive energy costs for our integrated refining complex at Jamnagar and improve profitability.

Petrochemicals

Earnings from the Petrochemical business increased by 17.5% on the back of strong polymer and downstream polyester margins coupled with favourable exchange rate movement. This was partly offset by weak fibre margins in the second half of the year

Demand growth in India for petrochemical products during FY 2013-14 was at a cyclical low compared to the double digit growth rates seen in the prior five and ten year periods. Domestic polymer demand growth was particularly weak at 3%. Reliance increased its polymer production by 2% to 4.5 MMT and maintained its leadership with a market share of 40% in the domestic polymer market.



Record Performance

Reliance achieved a record revenue of ₹ 4,01,302 crore (\$ 67.0 billion) and net profit of ₹ 21,984 crore (\$ 3.7 billion).

Achieved highest ever refining earnings during the year.

Letter to Shareholders (Continued)

We are implementing several projects both in the manufacturing domain and service sector to continue the tradition of creating significant shareholders value.



Superior Financial Strength

Reliance is the only Asian company in the oil & gas sector to be rated two notches above the sovereign by S&P. Reliance is now rated higher than some of its global emerging market peers demonstrating its strength and competitive position in the refining and petrochemicals sectors. The rating also underpins Reliance's position as a leading large-scale, integrated and efficient oil refining and petrochemicals company.

The margins in the polyester chain were impacted by excess capacity of PTA, slow growth in demand for polyester fibre and yarn and volatility in paraxylene prices. Domestic polyester demand growth was at 6%.

Reliance commissioned its new PFY facility at Silvassa which is the most automated and one of the most environment friendly plants globally. This is the first in the series of expansions that have been planned. With the economy and consumption being at the bottom of the down-cycle, the RIL start-ups would be ideally placed at a time when demand would emerge.

Exploration and Production

In our domestic upstream business, production from the KG-D6 block continued to decline during the year. The fall in production is mainly attributed to the geological complexity and natural decline in the fields and higher than envisaged water ingress. Several activities were therefore

undertaken to sustain production and enhance recovery from the existing producing fields. During the year, two significant discoveries were made in the KG basin and Cauvery basin. Development activities in the two CBM blocks is gathering momentum. The new discoveries and the efforts to enhance recovery will strengthen India's energy security.

Reliance continued to balance its international portfolio by evaluating new blocks and assigning existing blocks. Reliance's Shale Gas business continued on its growth path and has now achieved materiality in many respects. Our investments in the US Shale Gas ventures have started creating value for our shareholders. This business achieved record revenues and EBITDA for the year with significant growth. Reliance's share of net sales was at 131 BCFe in CY 2013, a growth of 54% y-o-y on account of about 1.6 fold increase in number of wells put on production from end of CY 2012.

Consumer Businesses

We are delighted that our retail business continues to sustain its leadership position across several formats. It has become India's largest retailer by revenues. It achieved the milestone of over 10 million square feet of retail space during the year. It also achieved break-even on a net profit basis during the year. Our retail offerings continue to delight our customers reflected in a record number of repeat customers and a healthy

rate of growth in the same stores. Each format continues its plan of aggressively expanding its footprint as well as enhanced product and service offerings in existing stores to improve revenues and profits.

Our ambitious goal of making India one of the global leaders in the delivery of digital content continues to gather steam. Reliance Jio Infocomm received Unified Licenses for all 22 service areas across India thus becoming the first telecom operator to get a pan India license. Several telecom infrastructure sharing arrangements with multiple operators were signed during the year. This will help us accelerate the roll-out of our 4G services while preserving capital and environment.

We have a strong balance-sheet to support our ambitious growth plans. Reliance is the only Asian company in the oil & gas sector

to be rated two notches above the sovereign by S&P. Reliance is now rated higher than some of its global emerging market peers demonstrating its strength and competitive position in the refining and petrochemicals sectors. The rating also underpins Reliance's position as a leading large-scale, integrated and efficient oil refining and petrochemicals company.

During the year, Reliance continued to make significant progress on strengthening people practices and processes to attract and retain world-class talent. Several measures including new performance management systems and flexible work hours were put in place.

Reliance has always prided itself in investing and contributing to India's economic growth. We make a unique contribution to the Indian economy as India's largest exporter, accounting for 14.7% of the country's exports. Reliance has been globally and nationally felicitated for creating sustained long-term shareholders value. We are implementing several projects both in the manufacturing domain and service sector to continue this tradition of creating significant shareholders value. We are confident that our largest capital expenditure cycle will create significant value to all our stakeholders.

During the year, Reliance Foundation started several initiatives in new geographies in the rural transformation and information service area. Reliance Foundation's role in relief and rehabilitation efforts in Uttarakhand was acclaimed and earned significant respect. Reliance Foundation continues its work in the identified domains of education, healthcare, rural transformation, urban renewal and protection of India's arts, culture and heritage.

I would like to thank all my colleagues in India and around the world for their commitment and contribution towards Reliance's growth. As we strengthen our core, we look at the future eagerly to continue to generate shareholders value.

I am grateful to the Board of Directors for their support and guidance. I would like to express my deep gratitude to all our stakeholders for the continued faith reposed in Reliance.

With best wishes,
Sincerely,



Mukesh D. Ambani
Chairman & Managing Director
18th April 2014



about 1.6 fold
Increase in number of wells put on production

131 BCFe
RIL's share of net sales
in US shale gas operations

The Board of Directors



1
Shri P. M. S. Prasad
Executive Director

Member: Health, Safety and Environment Committee

2
Prof. Dipak C. Jain
Independent Director

3
Shri Nikhil R. Meswani
Executive Director

Member: Stakeholders Relationship Committee, Corporate Social Responsibility and Governance Committee, Finance Committee

4
Dr. Dharam Vir Kapur
Independent Director

Member: Human Resources, Nomination and Remuneration Committee, Corporate Social Responsibility and Governance Committee, Health, Safety and Environment Committee

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

6
Shri Mansingh L. Bhakta
Independent Director

7
Shri Mukesh D. Ambani
Chairman and Managing Director

Chairman: Finance Committee

1

2

3

4

5

6

7



8
Shri Yogendra P. Trivedi
Independent Director
Chairman: Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility and Governance Committee
Member: Human Resources, Nomination and Remuneration Committee

9
Shri Mahesh P. Modi
Independent Director
Member: Audit Committee

10
Shri Hital R. Meswani
Executive Director
Chairman: Health, Safety and Environment Committee
Member: Stakeholders Relationship Committee, Finance Committee

11
Prof. Ashok Misra
Independent Director
Member: Stakeholders Relationship Committee

12
Dr. Raghunath A. Mashelkar
Independent Director
Member: Audit Committee, Human Resources, Nomination and Remuneration Committee, Corporate Social Responsibility and Governance Committee

13
Shri Adil Zainulbhai
Independent Director
Chairman: Human Resources, Nomination and Remuneration Committee
Member: Audit Committee

14
Shri Pawan Kumar Kapil
Executive Director
Member: Health, Safety and Environment Committee



Growth is Energy

Energy is key to progress. Energy is opportunity and fundamental to the quest for a better life. RIL has invested itself with energy and passion to address opportunities in India's economic landscape, both in the energy value chain and the growing consumer services industry.



RIL's Diverse Business Footprint

R&M

Petcoke gasification to maximise value addition and provide sustainable long-term cost advantage

Petchem

Projects strengthening cost competitiveness and expanding overall volumes by more than 60%



← Aromatics Complex at Jamnagar

Strengthening Energy Security

At RIL, world-class assets set global benchmarks and help meet India's growing energy needs. RIL is integrated across the energy value chain through a unique portfolio of upstream, refining and petrochemicals businesses. Besides, global scale, integration and locational advantages enable cost leadership. RIL's complex refining assets are configured to produce clean fuels and also provide feedstock integration to its world-scale petrochemical plants. RIL's investments in the energy and materials businesses are in brownfield sites – aimed at strengthening its position among the most competitive and energy efficient producers globally.

Capex for Growth

RIL is currently making investments in excess of ₹ 1,50,000 crore across its businesses.

₹ 1,50,000
crore

Planned investment programme

Delivering Consumer Value

Retail

India's consumption story is only beginning to unfold. With growing young earners and their aspiration for a better quality of life, the consumer retail business offers a \$ 500 billion market opportunity. Reliance Retail is a market leader in several products through a multi-format strategy with over 10 million square feet of retail space. It has achieved leadership in the digital, lifestyle and value formats.

Telecom

Reliance Jio is the only private player with contiguous, pan India spectrum in the 2,300 MHz band across 22 telecom circles. It also holds spectrum in the 1,800 MHz band in 14 telecom circles.

In addition, it is on-track to become the leading Indian player to deliver digital content, applications and services through a greenfield initiative.

RIL's energised initiatives across businesses accelerate growth, because growth is life.

E&P

Success in KG-D6 (MJ1) and Cauvery basin block (CY-D5) will augment India's energy security

Retail

Initiatives will continue to build scale by providing consumers with choice and delivering continuous value

4G

Initiatives are expected to build scale based on technological superiority, affordability and providing an unparalleled range of services that do not exist today

Growth is Value

At RIL, value is delivered through a consistent focus on quality across all business verticals. The experience and expertise of people, application of advanced technology and the ability to build strong relationships across the stakeholders fraternity helps RIL foster sustainable value.



RIL – India's largest private sector company

14.7%
Of India's exports

4%
Of India's total market
capitalisation

8%
Weightage in the Bombay Stock
Exchange (BSE) Sensex



6.7%

Weightage in the National Stock Exchange(NSE) Nifty

← Polypropylene Plant at Jamnagar

Consistent Value Creation

RIL has consistently created stakeholders value through a focus on operating sustainably and profitably.

10-year CAGR of key value parameters (%)

21.7	Revenue from operations
12.8	Cash profit
15.6	Net profit
19.1	Networth
17.8	Total Assets
14.9	Market Capitalisation

Delivering Shareholders Return

RIL is focused on enhancing shareholders value by optimising asset utilisation and investing in improving cost competitiveness and growth opportunities, while maintaining a conservative financial profile.

Dividend payout

Consistently increased dividend payout in the last 22 consecutive years.

24.7% CAGR

Growth in dividend payout since listing

India's largest exporter

10-year CAGR of exports: 33.8%

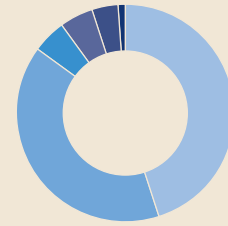
RIL exports to

123 countries

₹ 70,136 crore

Total Value Added* in FY 2013-14

Value Added* Statement in FY 2013-14 (% , ₹ crore)



Stakeholders	%	₹ crore
Contribution to National Exchequer	45	31,374
Reinvested in the Group to maintain & develop operations	40	27,980
Providers of Debt	5	3,907
Employee Benefits	5	3,370
Providers of equity Capital	4	2,793
Contribution to Society	1	712

* Value Added represents value created by the activities of the enterprise. The value added statement also shows total value added and its application among the stakeholders.

One of the Largest Contributors to India's Exchequer

Contribution to National Exchequer (₹ crore)

Year	Direct Taxes	Indirect Taxes
13-14	7,171	24,203
12-13	6,394	22,556
11-12	6,148	22,049
10-11	5,284	23,435
09-10	4,372	13,600

₹ 2,75,825 crore

Exports in FY 2013-14

(▲15.3%), 68.7% of turnover

Growth is Happiness

At RIL, business priorities co-exist with social commitments. Consistent collaborations and engagement with stakeholders ensure a religious adherence to the 4P model.

RIL's social investments

₹ 712 crore
CSR expenditure
by RIL in FY 2013-14

1+ million
Lives touched by Reliance
Foundation

5,500+
Villages and urban locations
touched by Reliance Foundation



nearly 40,700

Farming households being uplifted through 460+ VFAs

← School Children at Gadimoga

The '4P' Growth Approach

RIL believes that sustainable business transformation can be achieved only through enhancing profits, empowering people, protecting the planet and investing in the innovation of products and processes. During FY 2013-14, RIL undertook several initiatives, key among which are:

Profit

- Revenue (turnover) increased by 8.1% to ₹ 4,01,302 crore (\$ 67.0 billion)
- Cash Profit increased by 1.0% to ₹ 30,795 crore (\$ 5.1 billion)
- Net Profit increased by 4.7% to ₹ 21,984 crore (\$ 3.7 billion)
- 20.3% increase in Market Capitalisation to ₹ 3,00,405 crore (\$ 50.1 billion)

Planet

- Planted more than 11,00,000 saplings through Reliance Foundation
- Increased recycled material utilisation by 9.4%
- Reduced effluent discharged by 0.4%
- Decreased emissions of NO_x from process stacks by 1.1%
- 24 million cubic meters of water harvesting facility through Reliance Foundation

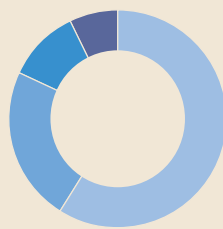
People

- A total of 1.36 million man-hours of training was imparted to workforce
- More than 460 Village Farmer Associations (VFAs) are being actively involved in the process of bringing about a change in the lives of nearly 40,700 farming households
- 3,552 HIV/AIDS patients were provided free consultation, counselling, investigation and treatment at the ART Clinic of Dhirubhai Ambani Hospital at Lodhivali
- Over 12,800 free corneal transplants across India till date (Reliance Drishti)

Product

- PP non-woven fabric for crop protection against extreme weather
- PVC-based food grain packaging ensures high CO₂ level and low oxygen level, ensuring zero insect survival and complete food protection

CSR Expenditure in FY 2013-14 (%)



Health	59
Rural Development	23
Education	11
Others	7

Total Expenditure ₹ 712 crore

Review of Operations

Refining and Marketing

RIL is among the top ten private players in the refining business globally. RIL's Jamnagar Complex has become the petroleum hub of the world and represents about 2% of global crude processing capacity. This asset has placed both RIL, as well as India, high on the world energy map.

Core Strengths & Key Advantages

- Large scale and highly complex refinery
- 128 different grades of crude processed which is over 40% of world-traded crude
- More than 50% of total refinery crude diet is "advantaged"
- World-class logistics infrastructure
- Strategic location, port-based, fully-integrated manufacturing facility
- Efficient crude sourcing
- Global reach with product storages at key destinations
- Refinery utilisation rates consistently surpassing global averages
- Energy efficient refiner - operating cost per barrel among the lowest in the world
- Flexibility to alter the product slate/adapt to the changing market dynamics



No. 1

Largest crude processing capacity located at one place (Jamnagar) in the world

12.7

Nelson Complexity Index

1.4 MMBPD

Crude processed during the year

↓ Fluid Catalytic Cracking Unit at Jamnagar Refinery



Operational Highlights

Read more about our R&M Operations on page 51



10

New crude grades processed



Largest

Petcoke gasification (upcoming) project to lower energy costs



68 MMT

Crude processed at Jamnagar refinery at 110% utilisation rate



\$8.1/bbl

GRM consistently outperforming regional benchmarks

Review of Operations

Petrochemicals

RIL is one of the leading petrochemicals producers, globally, with state-of-the-art, world-scale petrochemical plants. RIL has carved a niche for itself in terms of product quality and customer service. Its product portfolio includes Polymers, Polyester & Fibre intermediates and Chemicals & Elastomer.

Core Strengths & Key Advantages

- Fully-integrated operations
- Balanced portfolio of naphtha and gas-based crackers along with matching downstream capacities
- Leading market share in various products
- Manufacturing operations across 11 locations in India
- Among the lowest operating costs in the industry
- Focus on high growth markets
- Capital expenditure plans to enhance production capacity by more than 60% to service the large growing domestic market
- Likely to be among the top five petrochemical producers by capacity, globally, post completion of petrochemical and fibre expansion plans



1.4 MMTPA

World's largest ethylene cracker based on refinery off-gases being set up



Large

Capacity additions across polyester chain

↓ Aromatics Plant at Hazira Petrochemicals Complex



Operational Highlights

Read more about our Petrochemicals Operations on page 56



Commissioned the most automated PFY plant, globally, at Silvassa



Petrochemicals production 21.9 MMT



Consistently operating at close to 100% capacity utilisation

Review of Operations

Exploration and Production

RIL is India's largest private sector E&P operator with robust domestic as well as international asset portfolio. Its assets include KG-D6, Panna-Mukta, Tapti and two CBM blocks in addition to several domestic and international blocks. Additionally, RIL has three joint ventures in North America in shale gas with Pioneer Natural Resources, Chevron and Carrizo.

Core Strengths & Key Advantages

- Strong off-shore capabilities in India
- Strategic partnership with BP for domestic upstream business
- Leveraging the existing infrastructure, knowledge and experience
- Outstanding growth pace in unconventional shale gas business
- Balanced portfolio consisting of conventional and unconventional, deepwater and shallow water, onshore and off-shore, hydrocarbon resource play



KG-D6

One of the world's largest and most complex deepwater gas production facilities

13.2

million
Acres of exploration acreage globally



↓ Control and Riser Platform at KG-D6 block



Operational Highlights



Two significant hydrocarbon discoveries: one in KG-D6 block, the other in Cauvery basin (CY-D5)



KG-D6 block (JV) produced 178.3 BCF of gas and 2.3 MMBBL of oil and condensate in FY 2013-14; new well MA-08 put to production



KG-D6 block (JV): cumulative production of 2.32 TCF of gas and 24.9 MMBBL of oil and condensate



43% reserve accretion in US Shale Gas Operations with proved reserves at 2.66 TCFe as at December 2013

Read more about our E&P Operations on page 63

Review of Operations

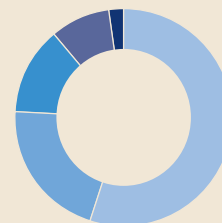
Retail

RIL is fulfilling the vision of creating an inclusive growth framework by forging enduring bonds between millions of farmers, consumers and small retailers, supported by a world-class supply chain. In-store initiatives, wide product choices and value merchandising are key enablers for robust growth.

Core Strengths & Key Advantages

- Pan India store network – 20 states
- Leveraging world-class supply chain in creating partnerships with kiranas and small shopkeepers
- Association with leading international renowned brands
- Committed to deliver quality products and services
- Market leaders in digital, lifestyle and value formats
- Continuous focus on own label products

Revenue Break-up (%)



Value format & Others	55
Digital	21
Fashion & Lifestyle	13
Jewellery	9
Brands	2

Revenue ₹ 14,496 crore



>3.5 million
Customers served every week

146
Cities across India

1,691
Total number of stores

11.7 million sq ft
Area of retail space

Operational Highlights

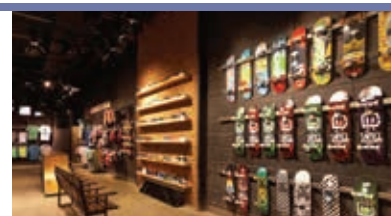
Read more about our Retail Operations on page 70



Achieved y-o-y revenue growth of 34% in line with a CAGR of 34% over the past 3 years



Over 1.2 million registered members for Reliance Market



Rapid expansion across formats, net addition of 225 stores

↓ *Reliance Trends store in Mumbai*



Awards and Recognitions

Leadership

RIL's Chairman and Managing Director, Shri Mukesh D. Ambani, received the 'NDTV 25 Greatest Living Legends of India' Award from the Honourable President of India, Shri Pranab Mukherjee →



CSR

- Oliver Kinross Asia Oil & Gas Award 2013 for Corporate Social Responsibility - Company of the Year (RIL KG-D6)
- "Best ART (Anti-Retroviral Therapy) Centre Award 2013" by Gujarat State AIDS Control Society (GSACS) on World AIDS Day (Hazira Manufacturing Division)

Quality

- CII Six-Sigma National Award for 2013 in the 'Continuous and Bulk Organisations' category (Vadodara Manufacturing Division)

Health, Safety and Environment

- Golden Peacock National Award for Occupational Health & Safety 2012-13 in the petrochemical sector (Nagothane Manufacturing Division)
- "International Safety Award 2014" with distinction for Health and Safety Management System performance for 2013 (Jamnagar SEZ Refinery)

Technology & Innovation

- 3rd National Award, 2013, for Technology Innovation in Petrochemical & Downstream Plastic Processing Innovation award from Ministry of Chemicals & Fertilizers, Government of India (Reliance Technology Group)

Retail

- Asian Human Capital Award 2013 - Special Commendation Prize for Work Smart - A Business Excellence and Workforce Enablement Programme (Reliance Retail Academy)
- Star Retailer Award 'Consumer Durables Retailer of the Year 2013' (Reliance Digital)

Sustainability

- CII-ITC Sustainability Awards 2013 - India's Most Sustainable Companies (Hazira Manufacturing Division)
- Golden Peacock Award for Sustainability 2013 (Nagothane Manufacturing Division)

Key Awards

Read more about our Awards on page 86



Oliver Kinross Asia Oil & Gas Award 2013 (KG-D6)



Golden Peacock National Award 2012-13 (Nagothane)



CII-ITC Sustainability Award 2013 (Hazira)

Company Information

Board of Directors

Chairman and Managing Director

Mukesh D. Ambani

Executive Directors

Nikhil R. Meswani
Hital R. Meswani
P. M. S. Prasad
Pawan Kumar Kapil

Non-Executive Directors

Ramniklal H. Ambani
Mansingh L. Bhakta
Yogendra P. Trivedi
Dr. Dharam Vir Kapur
Mahesh P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. Raghunath A. Mashelkar
Adil Zainulbhai¹

Chief Financial Officer

Alok Agarwal

Group Company Secretary and Chief Compliance Officer

K. Sethuraman

Auditors

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

¹w.e.f. 20.12.2013

Board Committees

Audit Committee

Yogendra P. Trivedi
(Chairman)
Mahesh P. Modi
Dr. Raghunath A. Mashelkar
Adil Zainulbhai¹

Stakeholders Relationship Committee

Yogendra P. Trivedi
(Chairman)
Nikhil R. Meswani
Hital R. Meswani
Prof. Ashok Misra

Human Resources, Nomination and Remuneration Committee

Adil Zainulbhai
(Chairman)
Yogendra P. Trivedi
Dr. Dharam Vir Kapur
Dr. Raghunath A. Mashelkar

Corporate Social Responsibility and Governance Committee

Yogendra P. Trivedi
(Chairman)
Nikhil R. Meswani
Dr. Dharam Vir Kapur
Dr. Raghunath A. Mashelkar

Finance Committee

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

Health, Safety and Environment Committee

Hital R. Meswani
(Chairman)
Dr. Dharam Vir Kapur
P. M. S. Prasad
Pawan Kumar Kapil

¹w.e.f. 20.12.2013

Bankers

Allahabad Bank
Andhra Bank
Bank of America
Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India

Citibank N.A
Credit Agricole Corporate
and Investment Bank
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
The Royal Bank of Scotland
Union Bank of India
Vijaya Bank

Major Plant Locations

Dahej

P. O. Dahej,
Taluka: Vagra, Dist.
Bharuch - 392130,
Gujarat, India

Gadimoga

Tallarevu Mandal,
East Godavari District,
Gadimoga - 533 463,
Andhra Pradesh, India

Hazira

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

Jamnagar

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

Jamnagar SEZ Unit

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

Nagothane

P. O. Petrochemicals Township,
Nagothane - 402125,
Roha Taluka, Dist. Raigad,
Maharashtra, India

Patalganga

B-1 to B-5 & A3, MIDC
Industrial Area, P.O. Rasayani,
Patalganga - 410 220, Dist.
Raigad, 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,
Plot No. 17-24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081, India Tel: +91 40 4465 5070 - 5099
Toll Free No.: 1800 425 8998; Fax: +91 40 2311 4087
e-mail: rilinvestor@karvy.com, Website : www.karvy.com

Major Products and Brands

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











Business/ Brand	Product	Brand	End Uses
Petrochemicals - Polymers			
Relflex™ Elastomers	Synthetic Rubbers		Tyres, Footwear soles & heels, belts, hoses etc.
Relflex™ Cisamer PBR	Polybutadiene Rubber (PBR)		Automotive Tyres, Tyre treads, Cycle Tyres, Conveyor & V-Belts, Sports Goods, Dock Fenders, HIPS etc.
Relflex™ Stylamer SBR	Styrene Butadiene Rubber (SBR)		Tyres, Footwear, Conveyor belts, Hoses, Mechanical rubber goods etc.
Chemicals			
Relab	Linear Alkyl Benzene (LAB)		Detergents
Petrochemicals - Polyester & Fibre Intermediates			
Recron®	Paraxylene (PX)	Recron®	Raw material for PTA
	Purified Terephthalic Acid (PTA)		Raw material for polyester
	Mono Ethylene Glycol (MEG)		Raw material for polyester
Recron®	Polyester Staple Fibres, Polyester Filament Yarns, Speciality Polyesters	Recron®	Apparel, Home textiles, Technical textiles & Non-wovens
Recron® IDY	Polyester high-tenacity industrial yarns	Recron® IDY	Conveyor belts, ropes, geo-grids, seat-belts, lashings, slings, industrial fabrics etc.
Recron® SHT	Polyester Super High Tenacity Fibres	Recron® SHT	Hi-Strength, Low-shrinkage Sewing threads for apparel, home and industrial applications
Recron® Fancyy	Innovative Polyester Filament yarns	Recron® Fancyy	Value-added fine quality fashion fabrics with unique weave patterns, textures and hand-feel.
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














Major Products and Brands (Continued)

Business/ Brand	Product	Brand	End Uses
Petrochemicals - Polyester & Fibre Intermediates			
Recron® 3D Conjugate	Virgin superwhite fibres with a unique spiral structure	Recron® 3D Conjugate	Sleep and comfort products, Furniture, Toys & Beddings
Recron® 3S	Secondary Reinforcement Products	Recron 3s	Construction industry (concrete/mortar), cement (sheet & pipe), paper industry (conventional & speciality), battery industry, wetlaid industry (wall papers, filtration, wipes & hygiene products) & Asbestos replacement
Recron® Certified	Quality Certified Sleep Products	Recron® CERTIFIED	Pillows, cushions, blankets & quilts
Recron® Low Pill	Polyester Tow & Staple Fibre with unique low pill properties	Recron LP	High-end worsted suitings, upholstery fabrics & socks
Recron® FeelFresh	Anti microbial fibres & yarns	Recron® FeelFresh	Active sportswear, Intimate apparel, socks, home furnishings & garments used in healthcare industry
Recron® Micrelle	Bi-component filament yarns	Recron® Micrelle	Super soft and ultra comfortable fabrics
Recron® Recrobulk	Hi-bulk fibres for soft-feel & warmth	Recron® Recrobulk	Sweaters, pullovers, cardigans, shawls & jackets
Recron® Green	Eco-friendly fibres made from 100% post-consumer polyester waste	Recron® Green	Apparel & home textiles
Recron® Spunlace	Speciality polyester fibres	Recron® Spunlace	High quality non-woven products for the healthcare & hygiene industry
Recron® RecoSilk	Speciality Polyester Filament Yarns	Recron® RecoSilk	Ideal for dress materials, velvet, sarees, embroidery threads with a silken shimmer and in swathes of colour.
Recron® FR	Flame retardant Fibres & Yarns	RecronFR	Institutional textiles for hospitality, entertainment, transport, safety etc. Also used in home textiles, fill & comfort products.
Recron® Duratarp	Polyester Fibres with increased abrasion resistance for better water proof, tear proof and fade- proof qualities	Recron® DURATARP	Tarpaulin, Tents & Awnings
Recron® Safeband	Structurally modified polyester fibre with antimicrobial and antifungal properties	Recron® Safeband	Crepe, Rolled Bandages & Surgical Dressings
Relpet®	Polyethylene Terephthalate (PET)		Packaging for bottled 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

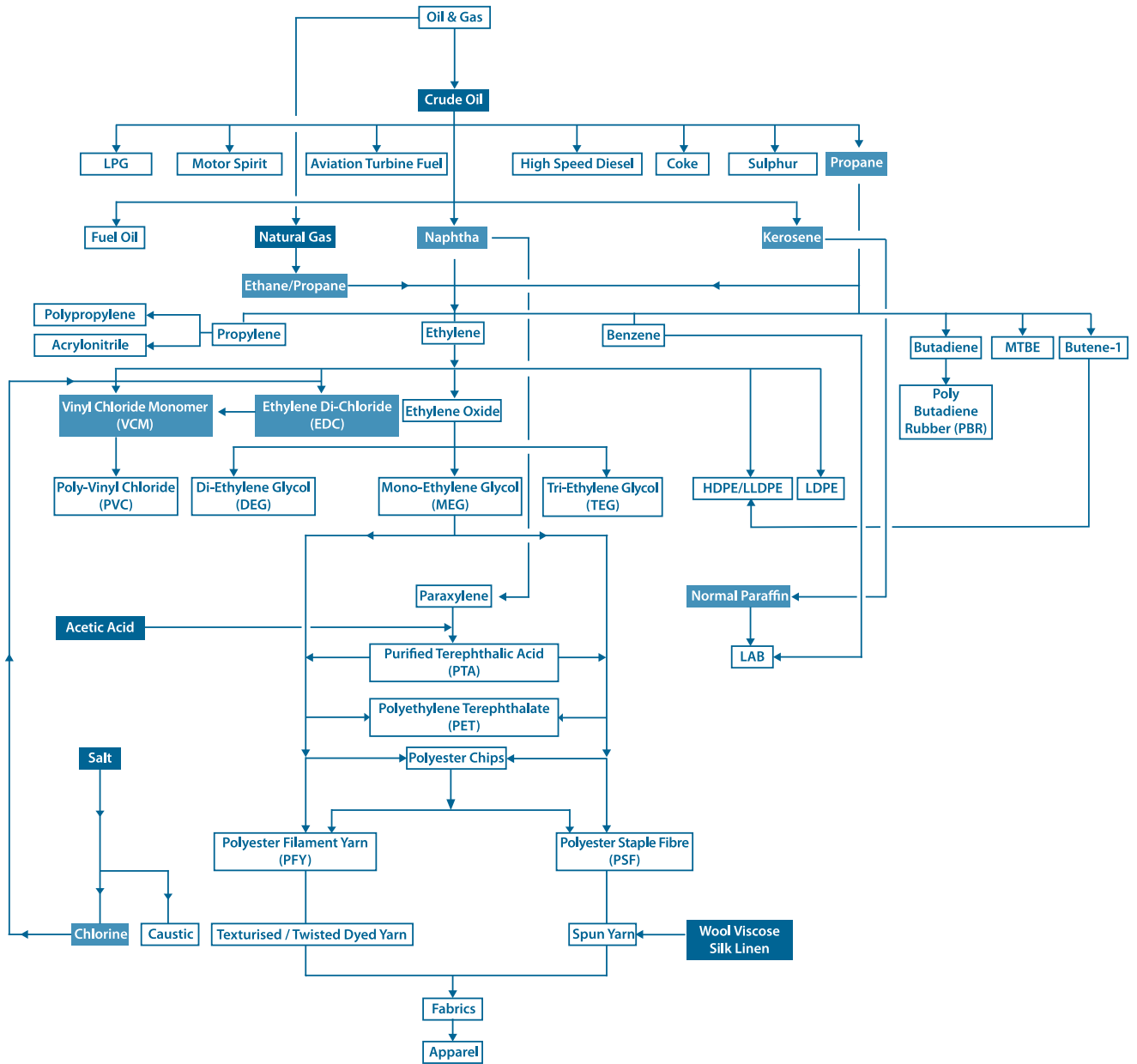
Business/ Brand	Product	Brand	End Uses
Retail			
	Reliance Retail		Organised retail
	Food & Grocery Specialty Store		Fresh vegetables, grocery, general and convenience merchandise
	Mini Hypermarket		Grocery, clothing, leisure, beauty and style, electronics and home merchandise
	Hypermarket		Grocery, clothing, leisure, beauty and style, electronics, home merchandise, furniture and jewellery
	Wholesale Store		A wholesale store for business & bulk needs
	Electronics Specialty Store		Computers, mobiles, entertainment, gaming merchandise
	Digital Technology Specialty Store		Solutions for the emerging entertainment and technology needs of Smart phones, ultra books, HD speakers, music players, smart TVs.
	Exclusive Apple Store		Range of Apple products like iPod and iMac
	Digital Service Center		Services (Guidance, Installation, Maintenance & Repair) for Digital products
	Jewellery Specialty Store		Fine jewellery
	Apparel Specialty		Men, ladies, children clothing and accessories
	Footwear Specialty Store		Men, ladies, children footwear, sports, handbags and accessories
	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
	Italian Luxury Men's Clothing		Apparel, Accessories and Footwear for Men
	Italian luxury sportswear brand		Apparel, Accessories and Footwear for Men
	Luxury Footwear		Accessories and Footwear for Women
	British Shirt Authority		Apparel and Accessories for Men
	American icon that has redefined & shaped classic American style for nearly two centuries		Apparel and Accessories for Men
	Iconic Italian Lifestyle Brand		Apparel, Accessories and Footwear

Major Products and Brands (Continued)

Business/ Brand	Product	Brand	End Uses
Retail			
	Urban fashion & Lifestyle brand that exudes metropolitan lifestyle of New York city		Apparel, Accessories and Footwear
	Fashion brand that fuses design influences from Japanese graphics and vintage Americana, with the values of British Tailoring		Apparel, Accessories and Footwear
	Distinctive Fashion footwear & Accessories		Accessories and Footwear for Men and Women
	Fashion forward Footwear & Accessories Brand		Accessories and Footwear for Men and Women
	The finest toy shop in the world		Toys
	Optical Specialty Store		Spectacles, Sunglasses, Contact Lenses
	International Apparel, Accessories & Home Products Store		Apparel for Women, Men and Children, Lingerie, Beauty and Home Décor
	Affordable Fashion Footwear Specialty Store		Mens, ladies, kids and sports footwear, handbags and accessories
	Iconic Japanese Sports Performance brand		Men, Ladies Sports footwear, clothing & accessories
	Quiksilver is a premium youth lifestyle and culture clothing brand representing action sports		Apparel, Accessories, Footwear, Skateboards & Surfboards
	Roxy is a global lifestyle brand, offering products for every aspect of an active girl's life, the key ingredient of the products being the inimitable Roxy spirit. "Daring, confident, naturally beautiful, fun, alive"		Apparel, Accessories, Swimwear, Footwear for girls
	Founded by Ken Block and Damon Way in 1993, DC is a leader in performance skateboarding shoes and renowned action sports and stands as a global brand whose product line has expanded to include men's, women's and kids' skateboarding and lifestyle shoes, apparel, snowboards, snowboard boots, outerwear, and accessories.		Apparel, Accessories, Footwear, Skateboards
	GAS is an Italian clothing brand offering quality products for intelligent, aware consumers, with an international, cosmopolitan attitude.		Apparel, Accessories, Footwear for men & women

Business/ Brand	Product	Brand	End Uses
Retail	Global apparel brands by blending surf, sport, urban and street into a contemporary fashion brand with a broad and credible appeal		Apparel, Accessories, Footwear for Men and Women
	Umbro makes football tailoring		Men's sports Footwear, Apparel and Accessories
	The #1 most recognized home brand with a powerful heritage		Home Furnishings
	Alternative lifestyle fashion brand that celebrates the classic American tattoo as an art form		Apparel, Accessories, Footwear for Men and Women
	Known for the classic trench coat and its iconic reputation		Apparel, Accessories, Footwear for Men and Women
	Fun & Flirty American Lifestyle Brand		Apparel, Accessories, Footwear for Girls
	Transportation fuels		Retail distribution of fuels
	Fleet Management Services		Transport fleet
	Highway Hospitality Services		Highway food plaza
	Auto LPG		Auto fuel outlet
GAPCO	Petroleum Retail		Retail distribution of fuels
	Lubricants		Lubricants
	Jio		

Product Flow Chart



Existing Products
 Purchased raw materials
 Partly purchased raw materials

Financial Highlights

₹ in crore

	\$ Mn	2013-14	12-13	11-12	10-11	09-10	08-09	07-08	06-07	05-06	04-05
Revenue From Operations	66,979	4,01,302	3,71,119	3,39,792	2,58,651	2,00,400	1,46,328	1,39,269	1,18,354	89,124	73,164
Total Income	68,470	4,10,238	3,79,117	3,45,984	2,61,703	2,02,860	1,48,388	1,44,898	1,18,832	89,807	74,614
Earnings Before Depreciation, Finance Cost and Tax Expenses (EBDIT)	6,645	39,813	38,785	39,811	41,178	33,041	25,374	28,935	20,525	14,982	14,261
Depreciation and Amortisation	1,467	8,789	9,465	11,394	13,608	10,497	5,195	4,847	4,815	3,401	3,724
Exceptional Items	-	-	-	-	-	-	(370)	4,733	-	-	-
Profit For the Year	3,669	21,984	21,003	20,040	20,286	16,236	15,309	19,458	11,943	9,069	7,572
Equity Dividend %*		95	90	85	80	70	130	130	110	100	75
Dividend Payout	466	2,793	2,643	2,531	2,385	2,084	1,897	1,631	1,440	1,393	1,045
Equity Share Capital	539	3,232	3,229	3,271	3,273	3,270	1,574	1,454	1,393	1,393	1,393
Equity Share Suspense Account	-	-	-	-	-	-	69	-	60	-	-
Equity Share Warrants	-	-	-	-	-	-	-	1,682	-	-	-
Reserves and Surplus	32,353	1,93,842	1,76,766	1,62,825	1,48,267	1,33,901	1,24,730	78,313	62,514	48,411	39,010
Net Worth	32,892	1,97,074	1,79,995	1,66,096	1,51,540	1,37,171	1,26,373	81,449	63,967	49,804	40,403
Gross Fixed Assets	44,109	2,64,281	2,32,270	2,05,493	2,21,252	2,28,004	2,18,673	1,27,235	1,07,061	91,928	59,955
Net Fixed Assets	25,223	1,51,122	1,28,864	1,21,477	1,55,526	1,65,399	1,69,387	84,889	71,189	62,675	35,082
Total Assets	61,351	3,67,583	3,18,511	2,95,140	2,84,719	2,51,006	2,45,706	1,49,792	1,17,353	93,095	80,586
Market Capitalisation	50,139	3,00,405	2,49,802	2,44,757	3,42,984	3,51,320	2,39,721	3,29,179	1,98,905	1,10,958	76,079
Number of Employees		23,853	23,519	23,166	22,661	23,365	24,679	25,487	24,696	12,540	12,113
Contribution to National Exchequer	5,236	31,374	28,950	28,197	28,719	17,972	11,574	13,696	15,344	15,950	13,972

Key Indicators

	\$	2013-14	12-13	11-12	10-11	09-10	08-09	07-08	06-07	05-06	04-05
Earnings Per Share - (₹) [excluding Exceptional item]*	1.1	68.0	64.8	61.2	62.0	49.7	49.7	105.3	82.2	65.1	54.2
Turnover Per Share - (₹)	20.7	1,241.7	1,149.5	1,037.8	790.5	612.9	464.9	958.1	814.2	639.6	525.0
Book Value Per Share - (₹)	10.2	609.8	557.5	507.3	463.2	419.5	401.5	560.3	440.0	357.4	289.9
Debt : Equity Ratio		0.45:1	0.40:1	0.41:1	0.44:1	0.46:1	0.63:1	0.45:1	0.44:1	0.44:1	0.46:1
EBDIT / Gross Turnover %	9.9	9.9	10.5	11.7	15.9	16.5	17.3	20.8	17.3	16.8	19.5
Net Profit Margin %	5.5	5.5	5.7	5.9	7.8	8.1	10.5	14.0	10.1	10.2	10.3
RONW % **	12.9	12.9	12.8	13.4	15.5	16.4	21.6	28.8	23.5	22.7	21.9
ROCE % **	11.5	11.5	11.2	11.6	13.2	13.9	20.3	20.3	20.5	20.5	21.3

In this Annual Report \$ denotes US\$

1US \$ = ₹ 59.915 (Exchange rate as on 31.03.2014)

* Adjusted for issue of Bonus Shares in 2009-10 in the ratio of 1:1

** Adjusted for CWIP and revaluation

Notice

Notice is hereby given that the fortieth Annual General Meeting of the members of Reliance Industries Limited will be held on Wednesday, June 18, 2014 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:
 - (a) the audited financial statement of the Company for the financial year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2014.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Shri Nikhil R. Meswani (DIN: 00001620), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
 "RESOLVED THAT M/s. Chaturvedi & Shah, Chartered Accountants (Registration No. 101720W), Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W / W - 100018) and M/s. Rajendra & Co., Chartered Accountants (Registration No. 108355W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

Special Business

5. To appoint Smt. Nita M. Ambani (DIN: 03115198) as a Director to fill up the vacancy of the retiring director Shri Ramniklal H. Ambani (DIN: 00004785), who retires at this Annual General Meeting 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 Smt. Nita M. Ambani (DIN: 03115198), in respect of whom the Company has received a

notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation in the vacancy of Shri Ramniklal H. Ambani (DIN: 00004785), who retires at this Annual General Meeting."

6. To appoint Shri Adil Zainulbhai (DIN: 06646490) as an Independent 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 pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Adil Zainulbhai (DIN: 06646490), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to March 31, 2019."

7. To appoint Shri Yogendra P. Trivedi (DIN: 00001879) as an Independent 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 pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Yogendra P. Trivedi (DIN: 00001879), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a

notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term up to the conclusion of the 43rd Annual General Meeting of the Company in the calendar year 2017."

8. To appoint Prof. Ashok Misra (DIN: 00006051) as an Independent 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 pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Prof. Ashok Misra (DIN: 00006051), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term up to the conclusion of the 43rd Annual General Meeting of the Company in the calendar year 2017."

9. To re-appoint Shri Mukesh D. Ambani (DIN: 00001695) as Managing 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 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri Mukesh D. Ambani (DIN: 00001695) as Managing Director of the Company, for a period of 5 (five) years with effect from April 19, 2014, on the terms and conditions including remuneration as set out in the 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 the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Shri Mukesh D. Ambani, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 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."

10. To re-appoint Shri P.M.S. Prasad (DIN: 00012144) as a Whole-time 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 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Shri P.M.S. Prasad (DIN: 00012144) as a Whole-time Director, designated as Executive Director of the Company, for a period of 5 (five) years with effect from August 21, 2014 on the terms and conditions including remuneration as set out in the 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 the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Shri P.M.S. Prasad, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 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

Notice (Continued)

be necessary, proper or expedient to give effect to this resolution."

11. To approve the payment of remuneration to non-executive directors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the non-executive directors of the Company (i.e. directors other than the Managing Director and / or the Whole-time Directors) be paid, remuneration, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Human Resources, Nomination and Remuneration Committee) 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."

12. To approve the payment of remuneration to executive directors 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 supersession of the resolutions previously passed by the shareholders in this regard and pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the executive directors of the Company (i.e. the Managing Director and the Whole-time Directors) be paid, remuneration by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc. as per their respective terms

of appointment, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Human Resources, Nomination and Remuneration Committee) 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."

13. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 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 pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company 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."

14. To approve offer or invitation to subscribe to Non-Convertible Debentures on private placement and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to authorize the Board of Directors of the Company to offer or invite subscriptions for secured

/ unsecured redeemable non-convertible debentures, in one or more series / tranches, aggregating up to ₹10,000 crore (Rupees ten thousand crore), on private placement, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said Debentures be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto;

RESOLVED FURTHER THAT the Board of Directors of the Company 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."

15. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company 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

K. Sethuraman
Group Company Secretary and
Chief Compliance Officer

May 12, 2014

Registered Office:
3rd Floor, Maker Chambers IV,
222 Nariman Point,
Mumbai 400 021, India
CIN: L17110MH1973PLC019786
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.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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. Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. 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.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

Notice (Continued)

8. (a) The Company has notified closure of Register of Members and Share Transfer Books from Tuesday, May 20, 2014 to Friday, May 23, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
- (b) The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched between June 19, 2014 and June 25, 2014 to those members whose names shall appear on the Company's Register of Members on May 19, 2014; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
9. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents, Karvy Computershare Private Limited ("Karvy") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Karvy.
11. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial years 1995-96 to 2005-06 and interim dividend for the financial year 2006-07, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on June 06, 2013 (date of last Annual General Meeting) on the website of the Company (www.ril.com), as also on the website of the Ministry of Corporate Affairs.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Karvy.
13. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.ril.com under the section 'Investor Relations'.
14. 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.
15. 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.
16. Members are advised to refer to the Shareholders' Referencer provided in the Annual Report.
17. Members are requested to fill in and send the Feedback Form provided in the Annual Report.
18. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 5

Shri Ramniklal H. Ambani retires at the ensuing Annual General Meeting in terms of his appointment.

As per the provisions of Section 152(6)(e) of the Act, at the Annual General Meeting at which a director retires, the Company may fill up the vacancy by appointing the retiring director or some other person thereto.

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have atleast one woman director.

Keeping in view the above legal requirements and in deference to Company's shareholders' wishes, the Board of Directors have proposed that Smt. Nita M. Ambani be appointed as a Director of the Company.

Consequently, it is proposed to appoint Smt. Nita M. Ambani to fill up the vacancy which would arise consequent to the retirement of Shri Ramniklal H. Ambani at the ensuing Annual General Meeting.

Shri Ramniklal H. Ambani has been a Director of the Company since January 11, 1977. He held the position of joint Managing Director from March 1, 1979 to February 28, 1994. Your Directors place on record the valuable guidance, support and advice extended by Shri Ramniklal H. Ambani during his tenure as Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Nita M. Ambani for the office of Director of the Company.

Smt. Nita M. Ambani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. She holds 33,98,146 equity shares in the Company.

Brief resume of Smt. Nita M. Ambani

Smt. Nita M. Ambani, a Commerce Graduate from Bombay University and Diploma holder in Early Childhood

Education and one who has studied Interior Design and has a wealth of experience in it as well as Architecture, has inspired and led the implementation of many path-breaking initiatives spanning education, health, rural transformation, environmental protection and sports. Smt. Ambani exemplified her commitment to people's welfare by leading the rescue and rehabilitation efforts in the 2001 Gujarat earthquake. In the aftermath of the Uttarakhand calamity in 2013 she led Operation Mission Rahat to provide immediate relief to the affected and strengthen the infrastructure there including reconstructing three schools. She was at the forefront of the ecological development of RIL's Jamnagar refinery site by implementing a greening plan covering 3.2 million trees over 2000 acres, which led to the annual rainfall in this area nearly doubling. She designed and developed a world-class township for 5500 families in Jamnagar, setting new standards in quality of life. For Reliance Retail, Smt. Ambani has made significant contribution by conceptualizing and guiding its corporate identity development across all formats.

Smt. Ambani is the Founder & Chairperson of Reliance Foundation that focuses on five core areas – Rural Transformation, Education, Health, Urban Renewal, and Arts, Culture and Heritage. The Reliance Foundation BIJ (Bharat-India Jodo), which aims to bridge the gap between rural India and urban India by catalyzing sustainable growth in the rural areas, has reached out to about 40,700 households in 460 villages, across 11 states. Smt. Ambani provides leadership to 13 schools that educate over 15,000 students. She is the Founder & Chairperson of Dhirubhai Ambani International School and in a short span of 11 years, the school has emerged as a centre of excellence. In 2013, Education World ranked it as India's No. 1 International School and consecutively for two years in 2012 and 2013, Hindustan Times ranked it as the No. 1 School in Mumbai.

Smt. Ambani is the President of Sir HN Reliance Foundation Hospital and Research Centre, the modernization of which has just been completed. This 19-storeyed hospital has state-of-the-art infrastructure facilities, as well as advanced technologies and information systems, and its vision is to provide 'Affordable International Healthcare for All'. Based on the environmentally sustainable strategies and practices followed in the design, construction and operation of this hospital, it will be one of the largest green hospital buildings in India. The Reliance Foundation Drishti led by

Notice (Continued)

Smt. Ambani launched in 2012 a registered international Braille newspaper in Hindi and it has now circulation in 19 countries. The Reliance Foundation Drishti is the largest corporate driven cornea transplant drive in India and since its launch in 2004 it has completed over 12,800 cornea transplants.

Smt. Ambani is the inspiring architect of the Mumbai Indians, which won the Champions League in 2013 and 2011 and the IPL in 2013. She is also the guiding spirit behind the Mumbai Indians' "Education For All" initiative which has impacted more than 27,000 children from underprivileged background. Over the years, Smt. Ambani has received many awards and honours. In 2011, Business Today magazine placed Smt. Ambani as the Most Powerful Woman in the Indian Business. In 2013, Sri Chandrasekharendra Saraswathi Viswa Mahavidyalaya (SCSVMV University), Kanchipuram conferred on her the Honourary Doctoral Degree (D. Litt) in recognition of her contributions to the social sector.

Smt. Ambani is a Director of EIH Limited.

Smt. Nita M. Ambani may be deemed to be concerned or interested, financially or otherwise, to the extent of the aforesaid shareholding in respect of her appointment as a Director. Shri Mukesh D. Ambani who is her relative and the Managing Director of the Company and their other relatives, to the extent of their shareholding interest in the Company, may be deemed to be concerned or interested in the appointment of Smt. Nita M. Ambani.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the shareholders.

Item No. 6

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Shri Adil Zainulbhai as an Additional Director of the Company with effect from December 20, 2013.

In terms of the provisions of Section 161(1) of the Act, Shri Adil Zainulbhai would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Adil Zainulbhai for the office of Director of the Company.

Shri Adil Zainulbhai is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Shri Adil Zainulbhai that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Shri Adil Zainulbhai possesses appropriate skills, experience and knowledge, *inter alia*, in the field of finance.

In the opinion of the Board, Shri Adil Zainulbhai fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Shri Adil Zainulbhai is independent of the management.

Brief resume of Shri Adil Zainulbhai, nature of his expertise in specific functional areas and names of companies in which he holds 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, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Adil Zainulbhai is appointed as an Independent Director.

Copy of the draft letter for appointment of Shri Adil Zainulbhai as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Shri Adil Zainulbhai and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Item Nos. 7 and 8

Shri Yogendra P. Trivedi and Prof. Ashok Misra are Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Shri Yogendra P. Trivedi and Prof. Ashok Misra as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 3 (three) consecutive years for a term up to the conclusion of the 43rd Annual General Meeting of the Company in the calendar year 2017.

Shri Yogendra P. Trivedi and Prof. Ashok Misra are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Yogendra P. Trivedi and Prof. Ashok Misra for the office of Directors of the Company.

The Company has also received declarations from Shri Yogendra P. Trivedi and Prof. Ashok Misra that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Yogendra P. Trivedi and Prof. Ashok Misra fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Yogendra P. Trivedi and Prof. Ashok Misra are independent of the management.

Brief resume of Shri Yogendra P. Trivedi and Prof. Ashok Misra, nature of their expertise in specific functional

areas and 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, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Shri Yogendra P. Trivedi and Prof. Ashok Misra as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Yogendra P. Trivedi and Prof. Ashok Misra are interested in the resolutions set out respectively at Item Nos. 7 and 8 of the Notice with regard to their respective appointments.

The relatives of Shri Yogendra P. Trivedi and Prof. Ashok Misra may be deemed to be interested in the resolutions set out respectively at Item Nos. 7 and 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 7 and 8 of the Notice for approval by the shareholders.

Item Nos. 9 and 10

The Board of Directors of the Company (the 'Board'), at its meeting held on April 18, 2014 has, subject to the approval of members, re-appointed Shri Mukesh D. Ambani as Managing Director, for a period of 5 (five) years from the expiry of his present term, which expired on April 18, 2014, at the remuneration recommended by the Human Resources, Nomination and Remuneration Committee (the 'HRNR Committee') of the Board and approved by the Board.

Further, the Board at its meeting held on April 18, 2014 has, subject to the approval of members, re-appointed Shri P.M.S. Prasad as Whole-time Director, designated as Executive Director, for a period of 5 (five) years from the expiry of his

Notice (Continued)

present term, which will expire on August 20, 2014, at the remuneration recommended by the HRNR Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Shri Mukesh D. Ambani as Managing Director and Shri P.M.S. Prasad as Whole-time Director, designated as Executive Director, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Shri Mukesh D. Ambani and Shri P.M.S. Prasad are as under:

(a) Salary, Perquisites and Allowances per annum:

₹ in crore

Name	Salary	Perquisites & Allowances
Shri Mukesh D. Ambani	4.16	0.60
Shri P.M.S. Prasad	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 and leave travel concession for self and family including dependents. 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, 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.

Any increment in salary and perquisites and remuneration by way of incentive / bonus / performance linked incentive payable to Shri Mukesh D. Ambani and

Shri P.M.S. Prasad, as may be determined by the Board and / or the HRNR Committee of the Board, shall not 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 referred to in the resolution at Item No. 12 of the Notice. It is clarified that employees stock options granted / to be granted to Shri P.M.S. Prasad, from time to time, shall not be considered as perquisites and are not to be included for the purpose of computation of the overall ceiling of remuneration.

(b) Remuneration based on net profits:

In addition to the salary, perquisites and allowances as set out above, Shri Mukesh D. Ambani shall be entitled to receive remuneration based on net profits. Such remuneration based on net profits payable to him as also to the other Whole-time Directors of the Company will be determined by the Board and / or the HRNR Committee of the Board for each financial year.

The overall remuneration payable every year to the Managing Director and the Whole-time Directors by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc. shall not exceed in aggregate one percent of the net profits of the Company as computed in the manner laid down in Section 198 of the Act or any statutory modification(s) or re-enactment thereof, as referred to in the resolution at Item No. 12 of the Notice.

(c) Reimbursement of Expenses:

Expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

(d) General:

- (i) The Managing Director and the Whole-time Director will perform their respective duties as such with regard to all work of the Company and they 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 the functions of the Whole-time Director will be under the overall authority of the Managing Director.

- (ii) The Managing Director and the Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii) The Managing Director and the Whole-time Director shall adhere to the Company's Code of Business Conduct & Ethics for Directors and Management Personnel.
- (iv) The office of the Managing Director and the Whole-time Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months' prior notice in writing.

Shri Mukesh D. Ambani and Shri P.M.S. Prasad satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for their re-appointment. They are not disqualified from being appointed as Directors in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Mukesh D. Ambani and Shri P.M.S. Prasad under Section 190 of the Act.

Brief resume of Shri Mukesh D. Ambani and Shri P.M.S. Prasad, 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 amongst directors *inter-se* as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Shri Mukesh D. Ambani and Shri P.M.S. Prasad are interested in the resolutions set out respectively at Item Nos. 9 and 10 of the Notice, which pertain to their respective re-appointments and remuneration payable to each of them.

The relatives of Shri Mukesh D. Ambani and Shri P.M.S. Prasad may be deemed to be interested in the resolutions set out respectively at Item Nos. 9 and 10 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 9 and 10 of the Notice for approval by the shareholders.

Item Nos. 11 and 12

Under the Act, directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the Directors by the Company should be commensurate with their increased role, responsibilities and duties.

Section 197 of the Act provides for payment of remuneration to the directors as under:

- (a) Payment of remuneration to more than one managing director / whole-time director shall not exceed 10% of the net profits of the Company to all such directors; and
- (b) Payment of remuneration to directors who are neither managing directors nor whole-time directors (that is non-executive directors) shall not exceed 1% of the net profits of the Company.

The Board of Directors of the Company have, subject to the approval of members of the Company, proposed to remunerate the Directors as under:

- (a) The non-executive directors (i.e. directors other than the Managing Director and the Whole-time Directors) may be paid remuneration not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act; and
- (b) The executive directors (i.e. the Managing Director and the Whole-time Directors), may be paid remuneration not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act.

The said remuneration to non-executive directors shall be in addition to the sitting fee payable to them for attending meetings of the Board and Committees thereof.

Save and except all the non-executive directors of the Company and their relatives, to the extent of their

Notice (Continued)

shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 11 of the Notice.

Save and except all the executive directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 of the Notice.

The Board commends the Special Resolution set out at Item No. 11 and Ordinary Resolution set out at Item No. 12 of the Notice for approval by the shareholders.

Item No. 13

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 as per the following details:

Sr. No.	Name of the Cost Auditor	Industry	Audit fees (₹ in lakhs)
1	M/s. Diwanji & Associates	Chemicals	8.09
2	M/s. K.G. Goyal & Associates	Chemicals	3.31
3	M/s. V.J. Talati & Co.	Chemicals and Petroleum Products	8.82
4	M/s. Kiran J. Mehta & Co.	Textiles and Chemicals	3.62
5	Shri Suresh D. Shenoy	Oil & Gas and Polyester	8.42
6	M/s. V. Kumar & Associates	Polyester	4.73
7	M/s. Bandyopadhyaya Bhaumik & Co.	Chemicals	1.58
8	M/s. Shome & Banerjee	Oil & Gas and Chemicals	6.82
9	M/s. Dilip M. Malkar & Co.	Electricity and Chemicals	4.05
10	M/s. Shome & Banerjee (Lead Auditor)	Lead Audit Fees	5.50

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 13 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 13 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 13 of the Notice for approval by the shareholders.

Item No. 14

Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed, *inter alia*, under Section 42 of the Act deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement, the company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

In order to augment long term resources for financing, *inter alia*, the ongoing capital expenditure and for general corporate purposes, the Company may offer or invite subscription for secured / unsecured redeemable non-convertible debentures, in one or more series / tranches on private placement, issuable / redeemable at par.

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 14 of the Notice. This resolution enables the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time for a year from the conclusion of this Annual General Meeting.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 14 of the Notice.

The Board commends the Special Resolution set out at Item No. 14 of the Notice for approval by the shareholders.

Item No. 15

The Articles of Association ("AoA") of the Company as presently in force were replaced in January 1984 from what they were when the Company was incorporated in 1973. The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, *inter alia*, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;

- (c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (d) new provisions relating to appointment of chief executive officer and chief financial officer, in addition to manager and company secretary;
- (e) existing articles have been streamlined and aligned with the Act;
- (f) the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included; and
- (g) provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 15 of the Notice.

The Board commends the Special Resolution set out at Item No. 15 of the Notice for approval by the shareholders.

By Order of the Board of Directors

K. Sethuraman
Group Company Secretary and
Chief Compliance Officer
May 12, 2014

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Management's Discussion and Analysis

FORWARD-LOOKING STATEMENT

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

OVERVIEW

The global economy began its modest recovery in FY 2013-14 with improved demand from OECD economies in the second half of 2013. While the trend is expected to accelerate in the current year, the positive outlook is subdued by the potential consequences of 'tapering' of some of the US Federal Reserve's Quantitative Easing (QE) policies which were undertaken in the aftermath of global financial crises. Emerging markets like India faced multiple challenges: capital outflows, intense exchange rate pressures and volatile current account movement. A combination of



Record Revenues

₹ 4,46,339

crore

(\$ 74.5 billion)
highest ever consolidated
revenue

persistent inflation, fiscal imbalances, external sector vulnerabilities and low investments resulted in sluggish domestic demand growth. Fiscal and monetary initiatives taken by the Indian government and the Reserve Bank of India (RBI) helped stabilise financial market conditions, but the domestic macro-economic environment still remains challenging.

Economic recovery in the US and Europe had a positive impact on oil demand, which increased by 1.3 million barrels per day (MMBPD) in 2013. Crude oil prices fluctuated extensively, driven by supply concerns in Libya, South Sudan, West Africa and Iraq. Higher US shale oil production helped offset the impact of these disruptions with Brent crude oil prices averaging marginally lower at \$ 108.7 per barrel in 2013.

Operating in a volatile and uncertain environment, Reliance Industries Limited (RIL) demonstrated the resilience of its business model. RIL's best-in-class refining configuration and integrated petrochemical business enabled it to deliver robust profits in FY 2013-14. The Company achieved:

- Highest ever Revenue of ₹ 4,01,302 crore (\$ 67.0 billion) and Net profit of ₹ 21,984 crore (\$ 3.7 billion)
- Record Exports of ₹ 2,75,825 crore (\$ 46.0 billion)
- Record Refining business EBIT ₹ 13,220 crore (\$ 2.2 billion)
- Highest ever consolidated Revenue and Net profit of ₹ 4,46,339 crore (\$ 74.5 billion) and ₹ 22,493 crore (\$ 3.8 billion) respectively
- Dividend of 95%, highest ever payout of ₹ 3,268 crore (\$ 545 million)

Operationally, downstream segments continued to deliver superior performance with operating rates of over 100%. RIL processed 68.0 million tonnes (MMT) of crude oil at its Jamnagar refinery complex. The KG-D6 (JV) facility produced 2.31 million barrels (MMBL) of crude and condensate and 178.3 billion cubic feet (BCF) of natural gas. RIL's share of gross JV production in US Shale was 154 BCFe in 2013 reflecting a growth of 52% over previous year.

The Company featured in the Fortune Global 500 list of the world's largest corporations for the tenth consecutive year and was ranked 107th in terms of revenues and 128th in terms of profits.

HIGHLIGHTS AND KEY EVENTS

RIL delivered strong results across its refining, petrochemicals and international E&P businesses whilst continuing to grow and invest in its energy value chain. In addition, substantial progress was made in consumer-facing businesses - retail and telecom.

Refining – Record earnings

The refining business had a record performance during the year delivering the highest ever annual contribution to the Company's EBIT. RIL's refining margins at \$ 8.1/bbl significantly outperformed regional benchmarks as the superior configuration of its refineries enabled it to benefit from stable middle distillate margins and widening light-heavy crude oil differentials.

Petrochemicals – New PFY plant commissioned

Petrochemical business EBIT margins improved to 8.9% from 8.3% in the previous year driving a 17.5% growth in EBIT to ₹ 8,612 crore, with an improvement in polymer chain margins.

Polyester Filament Yarn (PFY) plant at Silvassa was commissioned successfully during FY 2013-14. Three products Partially Oriented Yarn (POY), Fully Drawn Yarn (FDY) and Polyester Textured Yarn (PTY) are being produced at the site and all units are now fully operational. The new PFY plant at Silvassa is one of the most automated and environment friendly plants globally. It is co-located with RIL's existing texturizing facility at Silvassa eliminating the packaging and logistics costs. The entire production from this facility has been successfully placed in the domestic and international markets. With the commissioning of this ultra-modern PFY facility, RIL's total PFY capacity, including the facilities at Recron (wholly owned subsidiary in Malaysia) is now in excess of 1.5 MMTPA. The polyester



Record Earnings

₹ 22,493
crore

(\$ 3.8 billion)

highest ever consolidated
net profit

New polyester facility at Silvassa



facility is the first amongst a series of projects which will add significantly to RIL's petrochemical volumes and enhance cost-competitiveness.

Oil & Gas – New discoveries and growth in Shale

The US shale gas business is now a material contributor to RIL's consolidated profits. The shale business delivered revenues of \$ 819 million and EBITDA of \$ 616 million in 2013 on the back of a 52% growth in volumes to 154 BCFe. Proved reserves of shale gas increased 43% to 2.66 TCFe.

In May 2013, RIL and its partners made a significant gas and condensate discovery (MJ-1) in the KG-D6 block of Krishna Godavari basin, off the eastern coast of India. This discovery is expected to add to the hydrocarbon resources in the KG-D6 block.

In August 2013, RIL and BP also announced a new gas condensate discovery off India's east coast in the Cauvery basin. The discovery, in the deepwater block CY-D5, is situated 62 kilometres from the coast in the Cauvery Basin and is the second gas discovery in the block.

Retail business – India's largest retail chain

Reliance Retail has become India's largest retailer by revenues. FY 2013-14 revenues grew 34% to ₹ 14,496 crore, while EBITDA was at ₹ 363 crore. The retail business also achieved two major milestones in FY 2013-14. It crossed 10 million square feet of retail space and broke even on a net profit basis during the year. The Company enhanced its presence across various format sectors. Reliance Retail now operates 1,691 stores across 146 cities.

Reliance Jio – accelerated efforts to roll-out 4G services

Reliance Jio Infocomm Ltd. (RJIL) successfully acquired the right to use spectrum in 14 key circles across India in the 1,800 MHz band in the spectrum auction conducted by Department of Telecommunications (DoT), Government

Management's Discussion and Analysis (Continued)

of India (GoI). RJIL will use this spectrum in conjunction with its pan India 2,300 MHz spectrum acquired earlier to provide seamless 4G services using FDD-LTE on 1,800 MHz and TDD-LTE on 2,300 MHz through an integrated ecosystem. Following the acquisition, RJIL holds the largest quantum of liberalised spectrum, with the longest residual spectrum life.

Earlier in the year, RJIL received Unified License for all 22 Service Areas across India and became the first telecom operator in the country to get a pan India license. The license allows RJIL to offer all telecom services including voice telephony under a single license. The Company has migrated from its existing ISP license, along with Broadband Wireless Access (BWA) spectrum, to the Unified License.

During the year, Reliance Jio announced telecom infrastructure sharing arrangements with Reliance Communications, Bharti Airtel, Bharti Infratel and Viom Networks. These agreements are aimed at avoiding duplication of infrastructure, whilst also helping to preserve capital and the environment. The infrastructure tie-ups will enable the accelerated roll-out of RJIL's state-of-the-art 4G services.

Credit rating upgrade

S&P upgraded RIL's international debt rating to BBB+ with a 'negative' outlook, which is now two notches above India's sovereign rating. The upgrade confirms RIL's strong financial metrics and liquidity position in the sector.

FINANCIAL PERFORMANCE AND REVIEW

RIL Financial Information – Standalone and Consolidated

Particulars	Standalone			Consolidated		
	FY 2013-14		FY 2012-13	FY 2013-14		FY 2012-13
	₹ in crore	\$ in billion	₹ in crore	₹ in crore	\$ in billion	₹ in crore
Revenue from operations	4,01,302	67.0	3,71,119	4,46,339	74.5	4,08,392
PBDIT	39,813	6.6	38,785	43,800	7.3	40,912
Cash profit	30,795	5.1	30,505	33,980	5.7	32,115
Net profit	21,984	3.7	21,003	22,493	3.8	20,879
Cash and marketable securities	88,190	14.7	82,975	90,637	15.1	84,387
Fixed assets	1,51,122	25.2	1,28,864	2,32,911	38.9	1,83,439
Gross debt	89,968	15.0	72,427	1,38,761	23.2	1,07,219

RIL delivered superior financial performance with improvements across key parameters.

Revenue from operations of ₹ 4,01,302 crore (\$ 67.0 billion), increased 8.1% on a y-o-y basis. Higher prices accounted for 7.7% growth in revenue and increase in volumes accounted for 0.4% growth in revenue. Revenues were positively impacted by a sharp movement in exchange rate, with a 10.4% depreciation of the Indian rupee vis-à-vis the US dollar. Exports were higher by 15.3% at ₹ 2,75,825 crore (\$ 46.0 billion) as against ₹ 2,39,266 crore in FY 2012-13.

- Refining business contributes 78% of revenues (including inter-divisional transfer) and grew by 8.4% as compared to previous year. The growth in revenue was driven by 8.1% increase in prices and 0.3% higher volumes
- Petrochemicals business accounted for 21% of revenues and grew by 9.5% as compared to previous year. The

growth in revenue was contributed by 8.6% increase in price and 0.9% higher volumes

- Oil & gas business revenue declined by 26.7% as compared to previous year largely on account of 39.7% decline in production

Operating profit before other income and depreciation increased marginally from ₹ 30,787 crore to ₹ 30,877 crore (\$ 5.2 billion) in FY 2013-14 with higher contribution from refining and petrochemical business, partly offset by lower contribution from the upstream business. Higher cost of crude oil and other raw materials in rupee terms resulted in a 7.6% increase in cost of raw materials to ₹ 3,29,313 crore (\$ 55.0 billion). Net operating margin was lower at 7.9% compared to 8.5% in the previous year due to reduced contribution from oil & gas business.

Other income was higher at ₹ 8,936 crore (\$ 1.5 billion) as against ₹ 7,998 crore in the previous year, largely on account

of higher investible surplus. Other income includes interest income of ₹ 6,472 crore and investment income of ₹ 2,348 crore.

Interest cost was higher at ₹ 3,206 crore (\$ 535 million) as against ₹ 3,036 crore in FY 2012-13. With majority of the Company's borrowing in foreign currency, sharp rupee depreciation during the year negatively impacted interest costs. This resulted in gross interest cost being higher at ₹ 3,907 crore (\$ 652 million) as against ₹ 3,421 crore in FY 2012-13. Interest capitalised was higher at ₹ 701 crore (\$ 117 million) as against ₹ 385 crore last year, on account of the large on-going capex programme.

Depreciation (including depletion and amortisation) was lower by 7.1% at ₹ 8,789 crore (\$ 1.5 billion) as against ₹ 9,465 crore in FY 2012-13. This was primarily due to lower depletion charges, in-line with decline in upstream oil & gas production.

Tax expenses for the year increased to ₹ 5,834 crore (\$ 974 million) as compared to ₹ 5,281 crore in the previous year.

Profit after tax for the year was at ₹ 21,984 crore (\$ 3.7 billion) an increase of 4.7% over ₹ 21,003 crore in the previous year. Growth in net profit was led by higher operating income from the refining and petrochemical businesses, higher other income and lower depreciation.

The **basic and diluted** EPS for the year was ₹ 68.0 per share as compared to ₹ 64.8 per share in FY 2012-13 registering a growth of 4.9%.

The Board of Directors have recommended, subject to approval of shareholders, a **dividend** of 95% amounting to ₹ 3,268 crore (\$ 545 million), including dividend distribution tax. This shall be the highest payout ever by RIL and balances on-going capex commitments and shareholder interests.

Return on capital employed was at 11.5% and **return on equity** was at 12.9%. Return ratios improved marginally compared to the previous year with stronger performance in refining and petrochemical businesses.

RIL's **consolidated revenue from operations** for FY 2013-14 was ₹ 4,46,339 crore (\$ 74.5 billion), an increase of 9.3% on a y-o-y basis. **Consolidated profit after tax** was at ₹ 22,493 crore (\$ 3.8 billion), an increase of 7.7% against ₹ 20,879 crore in the previous year. EPS on consolidated basis for the year was at ₹ 76.5 as against ₹ 70.7 in the previous year. Key contributors to incremental consolidated revenues and profit were the US shale operations and domestic retail business.

Key Subsidiaries

	(₹ in crore)		
	Revenue from Operation	PBDIT	Profit/(Loss) after Tax
GAPCO*	15,665	133	62
Recron Malaysia Sdn Bhd	6,603	(119)	(158)
Reliance Holding USA Inc. (Shale)*	4,816	3,135	409
Reliance Retail Ventures Limited*	14,496	363	182

* consolidated

RIL's **consolidated fixed assets** stood at ₹ 2,32,911 crore (\$ 38.9 billion) as of 31st March, 2014. This includes fixed assets of ₹ 81,789 crore of its subsidiaries mainly in Reliance Jio Infocomm, Reliance Holding USA and Reliance Retail.

RIL's **gross debt on a consolidated basis** was at ₹ 1,38,761 crore (\$ 23.2 billion). This includes standalone gross debt of ₹ 89,968 crore and subsidiary debt mainly raised by Reliance Holding USA (₹ 32,122 crore), Reliance Jio Infocomm (₹ 14,763 crore) and Recron Malaysia (₹ 1,592 crore).

Consolidated cash and marketable securities were at ₹ 90,637 crore (\$ 15.1 billion), resulting in consolidated net debt of ₹ 48,124 crore (\$ 8.0 billion).

LIQUIDITY AND CAPITAL RESOURCE

RIL's cash and marketable securities as at 31st March, 2014 amounted to ₹ 88,190 crore (\$ 14.7 billion), as compared to ₹ 82,975 crore at the beginning of the year. RIL's total debt stood at ₹ 89,968 crore (\$ 15.0 billion) up from ₹ 72,427 crore last year. RIL's gross debt to equity ratio including long-term and short-term debt as on 31st March, 2014 stood at 0.45, net debt to equity ratio was 0.01, and net gearing was 0.8%.

RIL moved from a net cash position at the beginning of the year, to a marginal net debt level during the course of the year as it drew down on funding to part finance the expansion of its petrochemical capacities and setting up the new gasification plant and refinery off-gas cracker over the next two to three years.

The Company continued to efficiently manage its short-term resources by placing them in liquid instruments and highly rated securities, such as bank fixed deposits, CDs, Government securities and corporate bonds. RIL raises capital resources in line with its strategy of extending the average maturity of its long term debt, at a competitive cost and tying up financing at early stages of project execution. RIL continuously undertakes liability management to reduce cost of debt and to diversify its liability mix.

Management's Discussion and Analysis (Continued)

RIL's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies.

In May 2013, S&P upgraded RIL's international debt rating to BBB+ with a 'negative' outlook which is two notches above India's sovereign rating. S&P's rating upgrade took cognizance of RIL's plans to invest significantly in growing its businesses over the next 3 years. S&P believes that the expansion program would further strengthen RIL's competitive position and profitability. The upgrade confirms RIL's strong financial metrics and liquidity position in the sector.

Moody's has rated RIL's international debt at investment grade Baa2, with 'positive' outlook which is one notch above India's sovereign rating.

RIL's long-term debt is rated AAA by CRISIL and 'Ind AAA' by Fitch, the highest rating awarded by both these agencies. Similarly, RIL's short-term debt is rated P1+ by CRISIL, the highest credit rating assigned in this category.

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

In continuation of the fund raising programme initiated in FY 2012-13, RIL tied up facilities of around \$ 3.15 billion equivalent to part finance the petrochemical expansions and petcoke gasification projects through landmark transactions.

During FY 2013-14, RIL signed \$ 500 million equivalent facilities backed by two Export Credit Agencies (ECAs) which included \$ 300 million facility from Export Credits Guarantee Department (ECGD), the UK ECA, and \$ 200 million equivalent facility from The Compagnie Française d'Assurance pour le Commerce Extérieur (COFACE), the French ECA. These facilities will be drawn over the next two to three years as the projects progress and will have a door-to-door tenor of over 10 to 13 years. These deals were accorded 'Better than Sovereign' rating by both the ECAs. This is the first time these agencies accorded such a rating to any corporate in their history, re-emphasising RIL's creditworthiness in international debt markets.

For the ECA deals, RIL has received the 'TFR Deals of the Year' award for 2013 from Trade and Forfeiting Review, 'Deals of the Year 2013' award from Trade Finance Magazine and 'GTR Best Deal of 2013' award from Global Trade Review and 'TFX Perfect 10 Deals of the Year' award for 2013 from Trade and Export Finance.

The syndicated loan deal of \$ 1.75 billion equivalent completed during the year represented the largest bank group in Asia in the last two years. The deal enjoyed a strong participation of 30 international banks, despite turbulent market conditions. This unsecured syndicated loan has a tenor in excess of five years and has one of the longest tenors for a senior unsecured corporate loan in Asia this year.

Additionally, loans aggregating \$ 900 million were raised through a mix of club and bilateral loans during a period of extreme volatility in INR/USD currency with the INR witnessing sharp depreciation. One of the loans (8.75 years tenor) probably has the longest tenor for a senior unsecured corporate loan in Asia in 2013.

During FY 2013-14, Reliance Holding USA Inc. (RHUSA) through its wholly owned subsidiary tied up five year revolving reserve based lending facility with a maximum commitment of \$ 300 million to finance the capital expenditure. With this, the total reserve based lending commitments of RHUSA across its subsidiaries aggregates to a maximum of \$ 1.3 billion. In addition to this, another wholly owned subsidiary of RHUSA executed a five year unsecured term loan facility with a maximum commitment of \$ 350 million.



Superior Financial Strength

Investment grade

ratings from S&P and
Moody's



Superior Credit Profile

Best Borrower

of the Year 2013
in Asia – Finance Asia

During FY 2013-14, Reliance Jio Infocomm Limited raised financing from banks and other institutions aggregating over ₹ 3,700 crore to part finance the capital expenditure.

RIL has also been awarded the 'Best Borrower of the Year 2013 in Asia' by Finance Asia and 'Best Issuer of the Year 2013 in Asia' by The Asset, two of Asia's leading financial publications.

97.0% of long-term debt and 62.3% of RIL's short-term debt were denominated in foreign currencies. The proportion of long-term debt to total debt is 74.7%.

Business Performance

REFINING AND MARKETING

Market environment and outlook – Global Crude oil

Oil markets broadly followed trends of recent years and prices remained within the range established therein.

New refining capacity in the Middle East, Asia and increased utilisation of the resurgent US industry led to a weaker refining margin environment. However, the flexibility and capability in the Reliance system in terms of feedstock run, product flexibility and efficient product placement, coupled with a weaker rupee allowed R&M to deliver a record performance in FY 2013-14.

Global economy and oil demand

The macro-economic environment began to show signs of recovery, led by the OECD countries. Major economic

indicators from USA demonstrated positive sentiments and the country posted strong GDP numbers across the quarters. The EU zone, which had witnessed a recession in 2012, recovered in 2013-14. Emerging markets in contrast struggled to sustain their high growth rates and deal with inflationary pressures. China in particular looks to have moved to a more moderate growth path.

Against this mildly positive economic backdrop, oil demand grew by 1.3 MMBPD to 91.4 MMBPD. Non-OECD countries led by China contributed to almost the entire oil demand growth. Relatively sluggish economic activity and increasing energy efficiency has led to a decline in absolute demand in developed economies.

Oil supply

On the supply side, overall supply increased by 0.6 MMBPD, led by Non-OPEC supply which grew by 1.3 MMBPD during 2013 reducing the call on OPEC.

Geo-political tension and social unrest in several major oil exporting countries in the Middle East and Africa impacted oil supplies. As a result, there were periods when over 3 MMBPD were removed from the market.

The US shale oil revolution has led to a surge in the North American oil production, contributing significantly to the OECD oil supplies. In 2013, US oil production (including NGLs) increased by 1 MMBPD to 10.3 MMBPD, contributing to fundamental changes in global oil trade flows. The increased US oil production is replacing Latin American and West African crude imports into US, resulting in increased flows to Asia.

Oil prices

Countervailing factors impacted oil markets in 2013. The geo-political environment continued to remain volatile leading to supply disruptions. Despite reduced call on OPEC, geo-political concerns on supply outlook together with actual disruptions, kept Brent oil prices in the \$ 90 to \$ 115 per barrel range that has been established over recent years.

Some de-bottlenecking in crude transportation infrastructure, including huge growth in rail facilities, partly helped US crude prices recover versus Brent and Dubai. However, WTI is likely to continue to trade at a discount to global benchmarks due to infrastructure and regulatory constraints. In FY 2013-14, Brent to WTI crude differential narrowed to \$ 8.6/bbl as compared to \$ 18.1/bbl in FY 2012-13.

Refining margins

The dominant impact on global margins and trade flows was the increase in US product exports, mainly as a result of higher operating rates, ramp-up of new facilities and

Management's Discussion and Analysis (Continued)

addition of some simple refining capacity. New capacity also came on-stream in China and in the Middle East – with the Jubail refinery ramping up production during the year.

On the positive side - impact of material closures in the Atlantic region last year, high incidences of unplanned outages and delayed commissioning of refineries, provided some support to margins. Demand for refined products was also higher than estimates at the beginning of the year. On an annualised basis margins were weaker as compared to the previous year.

The year witnessed significant divergence in regional margins. US refineries benefitted from low energy and cheap feedstock prices. While the narrowing of Brent-WTI differential had a negative impact, absolute refining margins in the US continue to be at high levels. Growth in demand emanated largely from the Eastern hemisphere, providing support to Asian margins, including Reliance. European refining margins witnessed dual pressure on account of increased import availability from the US and ME region and weak local demand. Continued margin pressure on European refining system could lead to further capacity rationalisation.

RIL refining margins outperformed Singapore benchmark, widening the premium over the benchmark to \$ 2.2/bbl during FY 2013-14. RIL benefited from its ability to run advantaged feedstock, flexibility to upgrade low value products and the capacity to switch production to the most valuable product as the market evolved.

Product Cracks						
Asian Cracks - \$/bbl	1Q	2Q	3Q	4Q	FY 2013-14	FY 2012-13
Naphtha	-7.1	-5.8	-3.0	-1.5	-4.3	-5.0
Gasoline	14.6	12.4	9.2	14.6	12.7	15.4
Jet	15.3	17.0	17.3	17.0	16.7	18.9
Gasoil	16.8	17.3	17.7	17.8	17.4	19.5
Fuel Oil	-3.6	-10.7	-10.4	-8.5	-8.3	-5.0
Singapore Complex GRM	6.7	6.0	5.4	6.2	5.9	7.7
RIL GRM	8.4	7.7	7.6	9.3	8.1	9.2
Rotterdam (Brent) GRM	5.7	1.8	3.8	4.2	3.9	6.9
USGC (WTI) GRM	16.2	6.1	8.5	11.7	10.6	23.1

Source : Reuters

Middle distillates

Middle distillates (diesel and jet/kerosene) continued to remain the key contributors to complex refining margins. In 2013, middle distillate demand grew by over 450 KBD,



Port facility at Jamnagar

contributing almost 35% of global oil demand growth. In line with seasonal patterns, gasoil cracks started low in the first quarter but gained strength through the year as demand picked up. Demand for gasoil remained supported by growing industrial activity and a colder-than-expected winter in the US. Subsidies on diesel in most of the emerging Asian economies continue to support strong demand growth.

Jet witnessed a low margin environment throughout the year amid ample supplies and warmer weather in North Asia, where kerosene is used for heating.

Indian diesel demand shrank by 1%, the first decline in over a decade. This was partly in response to the slowdown in industrial activity and in part due to the removal of subsidies to the commercial sector.

Light distillates

Light ends witnessed a mixed year. Gasoline cracks remained subdued through the major part of the year, except the US driving season and the last quarter of the year. The cracks averaged lower at \$ 12.7/bbl during the year as compared to \$ 15.4/bbl in the previous year. Naphtha cracks held relatively stable during the first half of the FY 2013-14 amid an increase in naphtha demand from Asian petrochemical sector while the overall naphtha supply swelled. Cracks improved during the second half of the year on back of firm petrochemical demand.

Freezing temperatures across US provided significant support to light-ends during the winter period. Material increase in use of propane for heating in US resulted in higher LPG prices globally. This supported naphtha prices as an alternate feedstock for crackers.

Fuel oil

Fuel Oil (FO) cracks were strong in the first quarter of FY 2013-14, due to restricted supply of blending components to produce on-spec marine fuels. Cracks were also supported by reduction in Russian exports of Straight Run Fuel Oil due to the start of new upgrading capacities. On

the demand side, teakettle refineries reduced throughput and used crude as feedstock due to poor margins, capping further gains. However, FO cracks collapsed in the second half of the year, on account of weak bunker demand in Asia, higher stocks and below average Japanese power sector demand. Cracks improved marginally in January due to seasonal winter demand, lower inflows from west and improved demand as feedstock from teakettle refineries ahead of Lunar New Year. Subsequently, cracks have drifted lower on flat bunker demand.

RIL is able to upgrade its heavy liquid products into higher value products, and largely tends to benefit in weakness of fuel oil as it lowers the prices of heavy crude oil.

Crude differentials

A key determinant of complex refining margins has been the differential between light and heavy crudes. Arab Light – Heavy crude differential widened to \$ 4.2/bbl in FY 2013-14 as compared to \$ 3.6/bbl in the previous year. Heavier crudes, particularly from Latin American sources were also available at significantly higher differentials during FY 2013-14 with incremental light oil supply in North America. While new refineries that are getting built are increasingly complex and require heavy crudes as feedstock, crude production increase is more on the lighter side over the next few years supporting wider Light-Heavy differentials in the coming years.

New refinery additions and expansions in existing refineries were partly offset by closures in the US, Europe and Japan, leading to a net capacity addition of about 0.9 MMBPD; oil demand growth was higher at 1.3 MMBPD, with a reversal of the declining trend in OECD demand witnessed over the last three years.

These refinery closures also resulted in improved average refinery utilisation rates in North America (84.8% in 2013 compared to 84.1% in 2012). However, in Europe, utilisation rates (76.4% compared to 79.8% in 2012) decreased due to weak margins. Asian operating rates were at 85.4%.

Refining business and competitive position

RIL's core business model for R&M segment is to acquire the most advantageous crudes from across the world, process them optimally using its complex refining assets and place high quality products in the most profitable markets using its supply chain/logistics infrastructure. Along with this, RIL manages operational, financial (business) and regulatory risks efficiently, which helps outperformance over its regional peers.

Scale and complexity

The scale and complexity of RIL's assets strongly support its business model. The Jamnagar supersite, which processes

close to 1.4 MMBPD of crude, is among the largest and most complex refining assets in the world. It is composed of two refinery systems, one of which caters to domestic and export demand while the other is dedicated to the export market. The configuration of the refinery gives RIL the technical ability to process almost all grades of crude oil produced and meet the increasingly differentiated and more demanding product specifications.

Sourcing the most advantageous crude

The crude and supply trading teams select a crude diet using processes that are optimised against the tremendous flexibility of the system, and then source the most advantageous crudes across the globe. To date, the refinery has processed 128 different grades of crudes in addition to other semi-refined feedstock from simple refineries.

Flexibility to alter the products

The configuration of RIL's assets also allows for tremendous amount of flexibility to alter the product slate and thus adapt to the changing market dynamics. The facilities at Jamnagar enable RIL to produce products capable of meeting the most stringent environmental norms, even after processing high sulphur feedstock. This gives RIL a competitive advantage in catering to the needs of many markets across the world. This year Jamnagar produced seven new product grades, catering to specific needs, helping RIL penetrate into high value niche markets. Significant flexibility to increase the production by a scale of 2-3 times in Jet and Alkylate and grade switching capabilities in gasoil help RIL capture market opportunities.

Integrated supply and trading

RIL's integrated Supply and Trading team works with the refinery on a real time basis to optimise the asset utilisation and place RIL's products most profitably across the globe. RIL's global footprint includes trading offices in Houston, London, Singapore and Mumbai which gives it a global coverage for crude supplies and market outlets. The product trading team identifies the market shorts and collectively places the products in the highest netback regions. Tankage



Management's Discussion and Analysis (Continued)



Refining Performance

₹ 13,220
crore

highest ever Refining
segment EBIT

at the major trading hubs allows RIL to move its selling point closer to market, helping to serve customers better, benefit from the seasonality capturing the upside from the resulting market structure and taking advantage of prompt local opportunities.

World class logistics infrastructure

Jamnagar refineries are supported by world-class logistics infrastructure, including a marine facility, giving access to the world's largest crude and product vessels. This allows berthing of ships ranging from small chemical carriers to VLCCs. On the refined product side, the ability to load LR2 sized vessels allows RIL to optimise on the freight for delivery to its storage locations, helping maintain cost competitiveness at distant locations.

Asset optimisation model

In addition to installing world-class assets, RIL excels in managing and utilising its assets most efficiently to generate greater value for its shareholders. RIL's asset optimisation model is based on the principles of Safety, Operational Excellence and Continuous Improvement.

Safety focus

RIL's foremost priority is safe and reliable operations. RIL extensively utilises DuPont's safety processes and programmes, the recognised leader in the industry. A better safety performance, not only enhances life and effectiveness of human and capital assets, but also improves their availability and reduces losses due to safety incidents.

RIL's HSE systems are aligned with recognised management systems and global best practices. Most manufacturing units have been awarded ISO 14001:2004 and OHSAS 18001:2007 certifications.

Operational excellence and continuous improvement

RIL implements a culture of continuous improvement, sponsored by top management and supported by technology excellence and innovation. Centres of Excellence (CoE) ensure that RIL adopts the latest and best industry standards, processes, tools and applications available. The adoption of such global standards and processes has enabled RIL's refinery utilisation rates to consistently surpass global averages and maintain operating costs per barrel which are amongst the lowest in the world. In pursuit of achieving excellence in operations and energy conservation, several profitability improvement and energy conservation projects are identified and executed on an on-going basis.

Operations and Financial performance

Financial Performance

₹ in crore	FY 2013-14	FY 2012-13	% change
Revenues	3,61,970	3,33,774	8.4%
EBIT	13,220	12,788	3.4%
EBIT (%)	3.7%	3.8%	

Refining Margins- Global Benchmarks vs RIL



USGC — Mediterranean —
RIL — Singapore —
Rotterdam —

R&M segment had a record year with the highest ever annual EBIT of ₹ 13,220 crore. Gross Refining Margin (GRM) averaging \$ 8.1/bbl, as against \$ 9.2/bbl in FY 2012-13. EBIT increased on account of stable middle distillate cracks, improved light-heavy crude differentials and favourable currency movement. Though refining margins remained weaker compared to last year, RIL performed significantly better than the benchmark Singapore GRM which averaged at \$ 5.9/bbl during the year. RIL refineries processed 68 MMT of crude oil during the year, at an operating rate of 110%. It processed 10 new crude grades during the year, taking the total number of crudes processed to 128.

Total exports of refined products reached \$ 41.1 billion during the year compared to \$ 39.3 billion for the previous year.

Overall, effective utilisation of secondary processing units, innovative approach to optimise logistics cost and utilisation, production flexibility to swing to higher net-back products and sourcing of best value feed stock enabled RIL to sustain its performance even in a challenging margin environment.



R&M Investment

Petcoke Gasification

project to deliver a step
change reduction in
energy cost

Retail distribution network

GAPCO group owns and operates large storage facilities and has a retail distribution network in Tanzania, Uganda, Rwanda and Kenya. It has significantly improved its standing in the East African market and has emerged as a key supplier to the neighbouring countries. During 2013, 3.2 million Kilo Litres (mkLs) of petroleum products were sold, up from 1.74 mkLs in 2012.

On the domestic retail side, nearly 300 retail outlets are operational, mainly in Southern and Western India. There have been some positive signs in the market, with step-wise price deregulation, but resuming operations in all geographies and scaling up of sales will be possible after complete implementation of market determined prices for gasoline and diesel.

Capex and growth plans

Petcoke gasification project – utilising the “bottom of barrel”

One of RIL's key strategies, going forward, is setting up the petcoke gasification project which is expected to put RIL's energy and hydrogen costs at par or better than the refineries in the US, where natural gas prices have fallen dramatically with the shale revolution. The project is designed to deliver a step change reduction in energy costs, substituting imported LNG with Coke /Coal.

The project is based on the “E-gas technology” (owned by CB&I) and is currently in the execution stage. Engineering and Procurement activities are nearing completion and construction activities are progressing rapidly. Delivery of key units has started at the site. Construction of the petcoke storage dome in Gasification complex is in the final stages of completion. RIL is aiming for a phased start-up of the gasifiers. Manpower resources and construction plans are aligned to execute the project on schedule.

The coke gasification project is designed to run on both coal and petcoke, giving RIL the flexibility to optimise based on relative economics. RIL is looking for various sourcing options for petcoke from the refiners in India, Middle East and North America. RIL is also evaluating coal import options from key coal exporting countries – Australia, Indonesia and South Africa.

The gasification assets, delivered with Reliance's project execution capabilities, are expected to enhance its refining profitability significantly. This project is expected to make RIL's energy costs competitive with the best in the industry.

Management's Discussion and Analysis (Continued)

PETROCHEMICALS

RIL is one of the most integrated petrochemicals producers globally, with operations ranging from the production of feedstock and intermediates to end products in both the polyester and polymer chain. This vertical integration from refining to petrochemical end products imparts RIL with the fundamental strength of feedstock safety, scalability, product diversification and economies of scale.

RIL has a balanced portfolio of naphtha and gas based crackers, along with matching downstream capacities. RIL's petrochemical products portfolio includes polymers (PE, PP, PVC), fibre intermediates (PX, PTA, MEG), polyester products (PFY, PSF, PET), elastomers and solvents.

The combination of world-scale capacity and deep integration has a positive impact on the Company's operating margins and reduces exposure to the cyclicality of markets and raw material prices. The Company believes that this strategy is also important in maintaining domestic market leadership in its major product lines and is a source of competitive advantage.

RIL constantly focuses on technology, cost improvements and safe practices, whilst continuing to invest in high growth opportunities.

Market Environment

Olefins and Polymers

Ethylene is the base raw material used in manufacturing of polymers like Polyethylene (PE), Polyvinyl chloride (PVC) and polystyrene, and chemicals like ethylene oxide and ethylene glycols.

The development of US shale gas reserves has had a profound impact on the global chemical industry. With prices for ethane, the primary US ethylene feedstock, down 60% versus its historical averages, the US is today the second lowest cost region in the world to produce chemicals (after the Middle East). Today, 69% of US ethylene is produced from ethane versus 17% from propane and 6% from naphtha. In contrast, Europe and Asia, which have limited amounts of natural gas, developed as crude oil based chemical producing regions. Naphtha, a derivative of crude oil, is the primary ethylene feedstock in these regions.

Global ethylene operating rates improved marginally to 85.8% in 2013, higher than the five-year average of 85.4%. Ethylene prices and margins increased globally, supported by stable crude oil and naphtha prices, along with tight supply due to regional cracker turnarounds. Asian ethylene margins improved during the year led by firm PE demand, despite high ethylene prices.

Global Ethylene Supply/Demand 2013

Production by Feedstock Production : 131.7 MMT		Demand by End Use Demand : 133.1 MMT	
Naphtha	47%	PE	60%
Ethane	36%	Ethylene Oxide	15%
Propane	9%	EDC	10%
Butane	4%	EBZ	6%
Others	4%	Others	9%

Source: IHS

Global incremental ethylene supplies are likely to be constrained in 2014 due to project delays. The current expectation for incremental capacities in 2014 is 37% lower as compared to early 2013 estimates of 7.3 MMTPA. Major project delays are largely in the North East Asian region. The global ethylene cycle is likely to stay strong over the next 3-4 years with the next major wave of capacity addition (US shale gas based) expected from 2017-18. This could be further delayed due to engineering and construction bottlenecks. Even with key pieces of equipment likely to be built offshore, availability of skilled labour is likely to be a limiting factor for the rate and cost at which new US ethylene capacity comes on-line.

The global thermoplastics market in 2013 was estimated at 208 MMT. PE accounted for 39%, Polypropylene (PP) 27% and PVC 19%, respectively, of the global thermoplastic market. Demand for these polymers (PE, PP, PVC) grew by 3.4% during 2013 driven by North America, China and marginal improvement in European market. The demand for these polymer products is likely to grow at CAGR of approximately 4% over the next five year period.

Global Polyolefin and PVC Demand

(In MMT)	2013	2012	% Growth
PE	81	79	4%
PP	56	54	3%
PVC	39	37	3%
Ethylene	133	129	3%
Propylene	84	81	4%

Source: IHS

South East Asia Polymers Deltas

(\$/MT)	FY 2013-14	FY 2012-13
HDPE-Naphtha	595	482
PP-Propylene	150	134
PVC-EDC-Naphtha	468	535

Source: Platts

PP deltas improved (from \$ 134/MT to \$ 150/MT) during FY 2013-14. Year-average deltas were positively impacted as higher propylene inventories in the region and lower downstream activity in China which kept feedstock prices lower. In 2014, propylene supply is expected to lengthen in Asia as new crackers in China and Taiwan start production.

HDPE deltas improved significantly during the year from \$ 482/MT to \$ 595/MT. Deltas were strong due to firm product prices with limited supply and range bound naphtha prices. Ethylene prices were higher due to lower supply from South East Asia on account of heavy cracker maintenance schedule. Additionally, olefin shipments from Middle East were limited due to port congestion and start-up of downstream polymer units. China's drive for self-sufficiency continues to reshape Asia's olefin trade and margin environment with increased regional availability. However, the global ethylene cycle continues to be poised favourably with operating rates likely to remain high to meet demand growth.

PVC deltas declined (from \$ 535/MT to \$ 468/MT) as there was substantial rise in EDC prices due to higher ethylene prices on account of higher feedstock cost and tight supply. EDC prices and supply were also affected by lower chlorine availability in the US market (co-product chlorine was impacted due to weak caustic markets) amidst rising US PVC demand. Globally, improvement in the US construction sector is likely to enhance manufacturing activity and demand for PVC-based products like profiles, among others.

Polyester and Fibre Intermediates

Polyester markets faced challenges during the year as capacity growth outpaced demand growth.

Despite price declines of 6-7%, downstream polyester deltas were stable to marginally lower than last year on account of lower feedstock costs. Higher cotton price (up 6% y-o-y) was also a major factor during the year, as it led to widening of the price differential in favour of polyester.

Amongst the downstream polyester products, PET had a relatively better year. The global overcapacity has forced a few large producers to shut operations at some sites in USA and Europe. Heavy rationalisation of operations resulted

in steady prices during the year, and supported higher margins of \$ 221/MT against \$ 171/MT in the previous year.

Polyester markets are expected to witness capacity growth in excess of demand growth. These excess capacities are likely to impact operating rates and profitability. Polyester producers having presence in end products and fibre intermediates are relatively better placed due to integrated chain economics.

Across western economies demand improved, but it was still marked by discretionary buying and cautious optimism. Asia's share in global consumption stands at 37%. China accounts for 30% of the global capacity and 55% of the global capacity growth of 2.8 MMT in 2013.

Recycled PET usage growth almost halved with only North America witnessing stable growth. PET markets are likely to witness higher capacity growth over demand, which may result in softening of deltas. The key consuming sector – beverages – is sensitive to discretionary spending trends and weather, which could have an adverse impact on consumption.

South East Asia Polyester Deltas

(\$/MT)	FY 2013-14	FY 2012-13
POY-PTA-MEG	183	205
PSF-PTA-MEG	132	133
PET-PTA-MEG	221	171
PX-Naphtha	514	615
PTA-PX	98	106
MEG-Naphtha	432	458

Source: Platts, ICIS

Fibre intermediates: During the year, overcapacity in the fibre intermediate markets led to a decline in prices and margins.

Paraxylene (PX) market was dislocated due to excess supply and difference between contract and spot prices. As a result, contract prices remained unsettled several times during

Polyester storage at Hazira



Management's Discussion and Analysis (Continued)

the year. The margins declined from the previous year as naphtha prices remained firm, and acceptability of PX prices by the strained PTA sector remained weak, amidst divergent views about the impact of the impending new capacity start-up. Large-scale PX capacity expansions are planned for 2014. However many of the new capacities are based on high cost feedstock such as heavy condensate, heavy naphtha and mixed xylenes which would impair operations, leaving primarily the integrated and the low cost based operations with a competitive advantage.

High industry capacity impacted prices and margins for PTA, which for most part of the year remained below break-even levels, exerting severe pressure on operating economics. PTA capacity growth is expected to continue to surpass demand growth, albeit at a slower rate. Plant operations not falling under the top two quartiles of cost curve would continue to witness rationalisation, either as shut downs or lower operating rates. Operating rates are likely to remain low; however, margins could improve as increased supply of PX will ease price pressure.

MEG markets were balanced with a capacity growth of 1.5 MMT against a demand growth of 1.2 MMT in 2013. Average prices and margins remained stable and operating rates were slightly higher at 82%. Though markets remained balanced, it was subject to speculation and polyester buyers resorted to holding lower stocks along with co-feedstock PTA. Chinese port stocks increased steadily during the year, reaching around 1 MMT at year end. This increase pressurised margins, pulling them below the five-year average. MEG markets are expected to maintain a stable operating rate.

Chemicals and Elastomers

During the year, the global chemical business scenario was mixed with high feedstock prices and low demand growth; but with low capacity addition.

In the elastomers segment globally, the auto industry is going through a difficult period, which is impacting PBR, SBR and Butyl rubber consumption. With Asia's subdued demand and major capacity additions, margins remained under pressure. In FY 2013-14, the Indian auto sector contracted for the first time in the last decade, which impacted, the primary consumer of synthetic rubbers.

Benzene: Globally, benzene markets remained tight, supporting margins above their five-year average level. Margins for the year averaged at \$ 400/MT, around 9% higher y-o-y. Although margins remained healthy, global operating rates were around 66% with a production of 44 MMT during 2013. Raw material shortage in the US and Europe and poor refinery economics impacted benzene

MEG plant at Hazira



production. The demand from styrene sector (accounting for 50% of Benzene demand) remained firm. Asian operating rates remained healthy, and the region was a major exporter to other markets. Domestic consumption was almost flat as no new major consumption unit was commissioned.

Benzene markets are likely to witness a capacity growth of 2.5 MMTPA, mostly in Asia and US benzene demand is expected to recover in alignment with its economic revival. Increasing use of light feedstock (shale gas) is likely to limit feedstock availability for benzene production, resulting in tight supply and firm prices.

Butadiene: In 2013, butadiene global capacity was 13.4 MMT with 78% operating rate. Demand grew at 3% based on the previous year driven by PBR, Styrene Butadiene Rubber (SBR), ABS and SB Latex, primarily catering to automobile industry.

SBR and PBR markets in Asia have had a poor run last year and demand is yet to recover. Most butadiene consuming



Domestic Leadership

No. 1
producer
of synthetic rubbers in India

plants in Asia especially China have been operating at reduced rates leading to oversupply of butadiene in the region. This has put pressure on butadiene prices; on a Y-o-Y basis butadiene price have fallen by around 30% in the region. There has been no corresponding fall in butadiene feedstock prices; which has led to erosion in margin for butadiene manufacturers.

Indian butadiene demand grew by 3% to 116 KTA as against capacity of 300 KTA, making it a net exporter in the global markets. Domestic demand growth is expected to increase due to the start-up of new synthetic rubber plants planned for in the near future.

Linear Alkyl Benzene (LAB): LAB is mostly consumed as surfactant intermediate for detergents. Global LAB capacity is around 3.8 MMTPA with 85% capacity utilisation. While the global demand growth is at 2%, for Asia it is 5%, indicating emergence of Asia as a key LAB consumption region. Middle Eastern countries have a very limited domestic LAB market whilst India being at close proximity becomes their natural export market. This allows for low priced imports to be available in the country.

The current Indian LAB capacity is 520 KTA while the overall demand is of around 500 KT. LAB demand in India grew by 2.5% during the year. Additional capacity expansions in Saudi Arabia and China as well as renewed availability of Iranian material are expected to put pressure on domestic LAB manufacturers.

Polybutadiene Rubber (PBR): PBR is used mainly in the automobile sector. Global PBR consumption for FY 2013-14 remained weak due to lower off-take from the automobile sector. There was significant capacity addition in China during 2013, which, coupled with the slowdown in global economy kept the operating rates of PBR plants at lower levels (approximately 72%). Major manufacturers in China and Korea operated at even lower rates of 50-60% due to weak regional demand.

During FY 2013-14, automobile sales in India excluding 2-wheelers witnessed de-growth. Despite this slowdown, PBR consumption in India increased by 8% due to strong demand from the replacement market.

Indian Petrochemical market

Polymers: The Indian polymer market growth is closely linked to GDP growth. The Indian per capita plastic consumption is advancing at 1.5 times its GDP growth making India among the world's fastest growing polymer markets with a five-year CAGR of 10.7% (2008-2013). Despite strong growth over last few decades, the Indian market remains under-penetrated. Increasing industrialisation



India Demand Growth

**1.5x GDP
Growth**

expected in per capita
plastic consumption

and stable economy is likely to propel India's per capita consumption of polymers.

During FY 2013-14, polymer demand in India grew by 3%. This was driven by 5% growth in PP, 2% growth in PVC and 1% growth in PE demand. Petrochemical demand growth in India during FY 2013-14 was low compared to last 5 and 10 year average growth rates. The lower demand growth can be attributed to economic slowdown, deferment of capital expenditure by the government on infrastructure, currency volatility and liquidity crunch caused by higher interest rates.

Overall, PP demand was moderately higher as there was growth in some of the end-use packaging applications. However, PP demand was negatively affected by poor demand from cement packaging and automobile sector. In PVC market, pipe demand was flat due to extended monsoon and high inventory of finished goods. During the year, India imported around 1 MMT of PVC in line with previous year's imports. Overall, PE demand was soft as end-use sector consumption was affected by slower growth in infrastructure, fertilizer sectors and roto-moulded products. PVC domestic demand growth during 2013-18 is expected to be at 6.7% CAGR. However, long-term growth prospects are positive on account of the government's focus on infrastructure development and low per capita consumption.

During the year, 0.7 MMTPA of polymer capacity was added in India (mainly in PP and PVC). Total market demand for PE, PP and PVC was 9.3 MMT in 2013, and it is estimated to

Management's Discussion and Analysis (Continued)

reach 13.7 MMT by 2018, a CAGR of 8%. During the same period, around 3.5 MMTPA of total polymer capacity is likely to be added, including RIL's on-going capacity expansions.

Polyester: Indian all fibre textile mill consumption in 2013 was estimated at 9 MMT, 7% up over previous year. Of this, cotton and polyester are major textile fibres consumed, and account for almost 90% of all fibre consumed. In India, the current share of cotton and man-made fibre demand is around 55:45 compared to around 35:65 globally. Indian all fibre demand is expected to reach a market size of around 13 MMT by 2020 and 17.5 MMT by 2030. India is ideally positioned to see an impressive stage of growth with favourable demographics and dependent population rate growing slower than the workforce. In line with global trends this would pave the way for larger man-made fabric base, benefiting the polyester industry at large.

The domestic polyester industry witnessed mixed market sentiments during FY 2013-14, reflecting an overall moderate and cautious growth pattern. During the year, domestic polyester demand grew by 6% on y-o-y basis, led by 7% growth in PFY, 6% growth in PET and 2% growth in PSF. The first quarter of the year witnessed healthy demand growth for all polyester variants due to seasonal upturn and active restocking activities. However, in the second quarter of the fiscal, the polyester demand turned cautious amidst volatility in the feedstock prices and the Indian Rupee.

Fully Drawn Yarn (FDY) markets, however, witnessed good growth due to import substitution and growing applications in warp knits and embroidery segments. PET market growth was stunted owing to the longer monsoons and prolonged winter, while PSF growth was affected due to the replacement by recycled fibres and filament yarns in certain market segments.

During FY 2013-14, Indian textile and clothing exports increased by 14% y-o-y. Textile industry-friendly policies and schemes were announced by the GoI and several states to encourage the sector's value-addition and growth.

Operations and Financial Performance

Financial Performance

₹ in crore	FY 2013-14	FY 2012-13	% change
Revenues	96,465	88,108	9.5%
EBIT	8,612	7,328	17.5%
EBIT (%)	8.9%	8.3%	

FY 2013-14 revenue from the Petrochemicals segment increased by 9.5% y-o-y to ₹ 96,465 crore (\$ 16.1 billion).



Global Leadership

No. 1 global
producer of polyester fibre
and yarn

Growth in revenue was led by 8.6% increase in prices and 0.9% growth in volumes. EBIT improved sharply by 17.5% in FY 2013-14 to ₹ 8,612 crore.

Petrochemicals business earnings were positively impacted by higher polymer, PET margins and rupee depreciation; partially offset by the decline in regional deltas for PVC and fibre intermediates.

Polymer Production

(Production in KT)	FY 2013-14	FY 2012-13
PP	2,805	2,810
PE	1,018	992
PVC	671	620

RIL maintained its leadership in the polymer industry with a domestic market share of 40%. RIL's cracker operating rate was at 96%.



RIL is the world's fifth largest producer of PP. During FY 2013-14, the Company produced 2.8 MMT of PP, a capacity utilization of 100%. RIL has a pre-eminent position in the domestic PP market with 60% share. The major new grade development activities undertaken in PP business include:

- Commercial trial lot production started for bi-axially oriented film grade for capacitor applications
- Commercial trial run for advance catalyst-donor system taken for PP-ICP grades at Hazira for better properties
- Alternate additives and dosage optimisation established for Hazira ICP grades for improved properties and cost-saving

RIL produced total PE of over 1.0 MMT during the year and has market shares of 18% in HDPE, 39% in LLDPE and 43% in LDPE. With 29% market share in the overall PE market, RIL leads the domestic PE producers market. The Company increased market share in high-value sectors in HDPE (pipe, roto-moulding and high flow) during the year. The Company also maintained its share in LDPE's high-value sectors (milk packaging, extrusion coating and injection moulding). The major new grade development activities undertaken in PE business include:

- Successfully developed HDPE base resin for PEX pipe compound for hot water application
- Introduced lower MI for master batch in the injection moulding sector
- Successfully developed grade with higher stiffness and lower cycle time for LL roto-moulding sector

RIL's total PVC production was at 0.67 MMT and it has a market share of 29% in the domestic market. The major new grade development activities undertaken in PVC business include:

- Successfully commercialised a new PVC grade with a medium porosity resin to capture customers focused on aesthetics. This grade is now well-positioned in PVC flexi banner market

- Exploring on value-added products development, such as C-PVC pipes and fittings compounds
- Focusing on high K-Value resins for critical insulation and high-strength applications

Polyester Production

(Production in KT)	FY 2013-14	FY 2012-13
PFY	671	665
PSF	630	612
PET	347	351

Fibre Intermediates Production

(Production in KT)	FY 2013-14	FY 2012-13
PX	1,989	1,995
PTA	2,045	2,087
MEG	675	682

Polyester production was marginally higher at 1.65 MMT for the year.

During the year, RIL successfully commissioned its highly automated 0.4 MMTPA world's first 'zero waste' - based PFY plant at Silvassa. It is co-located with RIL's existing



New PFY Plant

Most
automated

and one of the most
environment friendly plants
globally

PTA Plant at Hazira



Management's Discussion and Analysis (Continued)

texturizing facility at Silvassa eliminating packaging and logistics costs. This coupled with integration with PTA will make the Silvassa facility amongst the lowest cost PFY producing sites globally.

This expansion further strengthens RIL's position as the world's largest producer of Polyester Fibre and Yarn with total polyester capacity of 2.8 MMTPA. RIL maintained its domestic market leadership position with 20% share in PFY, 67% share in PSF and 41% share in PET.

RIL is the world's 5th largest producer of PX, 9th largest producer of PTA and 8th largest producer of MEG. RIL retained its pre-eminent position in the domestic fibre intermediate market with 59% share in PX, 47% share in PTA and 37% share in MEG.

RIL's Malaysian operations enhanced polyester market share in Asia primarily in Korea, Indonesia and Vietnam. The drivers were value-added products and superior customer service, prompt deliveries and consistent quality. The operations enhanced textiles market share in Turkey by fully leveraging improved demand and developed new markets in Mexico.

RIL optimised logistics cost by procuring from closer facilities, and sold MEG from its own plants to other nearby external polyester facilities. As in-house demand increases during the next fiscal, RIL will divert more in-house volumes while simultaneously optimising external sources to increase profitability.

Chemicals / Elastomers Production

(Production in KT)	FY 2013-14	FY 2012-13
Benzene	714	743
Butadiene	174	169
LAB	164	162
PBR	81	77

RIL has built capacities in chemicals, which are primarily fed by cracker by-products. RIL is the leading producer of benzene, butadiene, LAB, caustic, butene1, MTBE and is the only producer of PBR and acrylonitrile in India. These chemicals are supplied to various downstream industries, such as pharmaceuticals, packaging, agriculture, automobile, electronics and construction sector.

New applications and market initiatives

Polymers: The PP business has developed and pioneered Flexible Intermediate Bulk Container (FIBC) for silage storage. This new product application is expected to deliver a step improvement in preparation and storage of fodder as compared to traditional silo digging. The PP

Silage Bag, available in capacity of 100 to 9,000 kg, is an ideal replacement of concrete and mud silos. It has unique advantages like being lightweight, foldable, portable and reusable.

PP nonwoven crop cover is now a proven application to protect vegetables from frost and insects. Development work with farmers of Rajasthan and National Horticulture Mission (NHM) has led to growing crop cover use for many vegetables and fruits. Apart from high yield, this crop cover also reduces pesticides usage to a great extent, making the product environment friendly.

RIL developed flexible pouch for milk packaging to improve shelf life at ambient temperature up to 30 days. The Extended Shelf Life (ESL) milk packaging will enable packaging and storing of milk without refrigeration. RIL developed in-house multilayer polyfilm structures with better barrier to oxygen and 100% opacity.

RIL successfully developed 'Ultra-clear Repol SRX 100' PP grade for refrigerator parts, clear containers, among others. New products are economical due to low density (lesser weight), and provide excellent contact clarity, freedom from breakages and good aesthetics.

Polyesters: During the year, RIL introduced many premium apparel and non-apparel products, which were widely accepted by customers. Some of the products are slub yarn, which gives a linen-like look and feel, and sparkle and shimmer yarn which adds a shining effect in evening wear.

Recron pre-coloured fibres are making ways for new application in denim fabrics. On the industrial usage front, Recron UVS yarn imparts an enhanced protection against sunlight exposure and is ideal for technical uses as geotextiles, awnings, etc.

In packaging segment, RIL has developed PET with barrier properties for use in flavoured milk, syrups and pharmaceutical sector and cobalt free PET as a green packaging initiative.

Capex and growth plans

India's PE demand in 2013 was 3.5 MMT and is projected to grow at 6-8% annually. The market remains supply-constrained whilst higher domestic availability and new applications are expected to augment demand. Last year, India imported 1.3 MMT of PE to meet rising demand. Reliance is expanding PE capacity by 1 MMTPA at Jamnagar. In addition, to help meet the growing needs of polyester business, Reliance is setting up a world scale MEG plant at Jamnagar. These state-of-the-art technology plants will be supplied ethylene from a new cracker being built at the



Petrochemical Investment

1.4 MMTPA

refinery off-gas cracker to be among the world's largest ethylene crackers

same site. The new cracker has a capacity of 1.4 MMTPA and will use refinery off gases as feedstock. This is likely to be among the world's largest ethylene crackers and will reap the benefits of economies of scale. Additionally, by virtue of complex integration with Company's existing refineries at the same site, the plant will be in the top quartile in terms of global cost competitiveness. Currently, significant construction activity is underway at the site and long-lead items have been ordered.

RIL is undertaking de-bottlenecking activities for PP at Jamnagar and for PVC at Dahej.

RIL is undertaking a large expansion across the polyester value chain, taking advantage of feedstock linkages and domestic market growth. During the year, RIL commissioned one of the most automated PFY facilities in the world at Silvassa. The commissioning of this facility marks the beginning of the mega petrochemical expansion of RIL. Other expansions in the polyester chain include 2.3 MMTPA of PTA, 2.3 MMTPA of PX and 0.6 MMTPA of PET which are

progressing as per scheduled timelines and are expected to be commissioned in phases over the next two years. With these expansions, RIL is expected to emerge as the third largest producer of PTA and the second largest producer of PX in the world. With the coordination in expansion of feedstock and downstream polyester products, the feedstock security and consumption markets have been addressed, and RIL will continue to benefit from the chain delta economics. All expansions are world scale and use state-of-the-art technology which ensures advantageous cost of operations alongside savings in packaging and logistic costs. Being strategically located close to the consumption centres, allows for easy access and benefits the targeted markets with an economical and reliable source of raw materials.

The surplus capacity in the intermediates business has impacted both prices and margins in the past year. However with the economy and consumption being at the bottom of down-cycle, RIL start-ups would be ideally placed at a time when demand would emerge. In addition to this the limited exposure to externalities would sheath the impacts allowing maximum benefits in the integrated chain.

The petrochemical capacity additions are aimed at serving growing Indian consumption and will further strengthen RIL's leadership position in the domestic market.

The new SBR project (150 KTPA) and PBR project (40 KTPA) are progressing well and are expected to commence production in FY 2014-15. Additionally, RIL has broken ground for its 100 KTPA butyl rubber facility in partnership with Sibur at Jamnagar. This is a significant step towards the Company's commitment to service India's growing automotive sector by bringing in complex technologies.

OIL AND GAS EXPLORATION AND PRODUCTION BUSINESS

Market environment and outlook

Crude oil

2013 witnessed a rebound in global oil demand, which increased by 1.3 MMBPD, tracking the economic recovery in the US and Europe. Supply concerns in Libya, South Sudan, West Africa and Iraq were offset by higher US shale oil production resulting in Brent crude oil prices averaging marginally lower at \$ 108.7/ barrel (bbl) during 2013 as compared to \$ 111.6/bbl in 2012. During the year 2013, the US emerged as the second largest producer of crude oil behind Russia as a consequence of higher shale oil production. The success story of shale was driven by the policy of free market pricing of gas, mineral rights vested with land owners and excellent rail/pipeline infrastructure to evacuate gas and liquids.

Management's Discussion and Analysis (Continued)



FPSO, KG-D6 Block

As the underlying economic fundamentals for the global economy maintain their momentum, oil demand in 2014 is expected to increase by 1.3 MMBPD (Source: IEA), keeping prices range bound. Oil markets entered 2014 with the lowest commercial oil inventories in over twenty years, for the three major OECD markets — US, Europe and Japan. Spare capacity is also low and largely concentrated in the Middle East whilst incremental supply is likely to be driven by US crude production. Oversupply of light sweet crude in the US Gulf Coast market has pushed out US imports of Oil, effectively disconnecting Brent prices from WTI/LLS prices.

In the US market, crude oil production growth is expected to remain strong, primarily concentrated in the Bakken, Eagle Ford and Permian regions. EIA forecasts the US production to increase from 7.4 MMBPD in 2013 to 9.1 MMBPD by 2015. WTI crude prices remain strong in view of geo-political tensions and continuous reduction in Cushing inventories.

US natural gas

The importance of natural gas is expected to grow considerably owing to abundant supply, competitive supply costs vis-à-vis liquid fuels and environmental advantages over other fossil fuels. Since the turn of the century, global gas use has expanded on average by 2.7% annually – faster than oil or nuclear energy.

In the US markets also, the growth in natural gas production is likely to continue in the near term, driven by sustained growth in rich gas or associated gas of liquid area. US natural gas production grew by 1.2% y-o-y in 2013 reaching a level of 66.53 BCF/D. Growing domestic production over the past several years has displaced some pipeline imports from Canada, while exports to Mexico have increased. EIA projects United States to be net exporter of gas beginning in 2018. The market has responded to this growth by adding processing capacities and other necessary infrastructure for gas.

Gas prices in the US market, which are quite sensitive to weather have seen strengthening over last three years. A warmer than normal 2011/12 winter resulted in gas prices

to average \$ 2.83/MMBTU in 2012, but the severe 2013/14 winter (the 3rd coldest winter on record) resulted in a sharp increase in gas prices. Supported by low gas storage levels, prices are sustaining levels of \$ 4.50 to \$ 5.00/MMBTU and this is reflected in analysts' price estimate outlook for 2014.

Supply chain

As per research estimates, global E&P capital expenditure will grow from around \$ 451 billion in 2013 to reach \$ 656 billion by 2020. Out of the current capex figure, nearly \$ 127 billion is earmarked for offshore development and this is expected to touch \$ 224 billion by 2020. Demand is picking up in regions including North America (unconventional), East Africa, Latin America, Asia and the Middle East. Of these, Asia and the Middle East are amongst the fastest growing regions in the world for upstream capital expenditure and account for nearly 27% of all the upstream expenditure in the world. Availability of rigs, particularly deepwater rigs remained constrained, and day rates stayed firm.

The industry also suffers from manpower shortages and currently has a high level of vacancies in key disciplines and is confronted with an expertise gap.

Market environment - India

India's gas demand is expected to treble over the next decade, rising from 150 million metric standard cubic metre per day (MMSCMD) to exceed 517 MMSCMD by 2022 (Source: PNGRB). This demand escalation would be driven by multiple factors: environmental concerns, convenience of use and cost advantage over other fossil fuels.

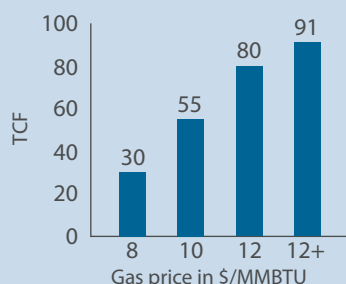
Indian LNG imports are also expected to increase three-fold by around 2020. Currently, India imports 34% of its gas needs at prices indexed to oil. Indian LNG prices are likely to be indexed to oil for the foreseeable future, driven by global benchmarks and higher costs of new projects in Australia and East Africa.

According to the IEA, to meet energy security needs, India needs upstream investment of nearly \$ 176 billion from 2013 to 2035. This implies an annual investment of about \$ 8 billion.

The IHS CERA estimates (issued in April 2013) show that nearly 91 trillion cubic feet (TCF) of gas in India's basins can be unlocked at \$ 12+ per MMBTU. An enabling regulatory environment and a regime for free market pricing may facilitate enhanced investments and a robust energy security landscape.

As part of the transition towards free market pricing, during the year, Cabinet Committee on Economic Affairs (CCEA) approved a new gas pricing formula for a period of five

Indian Gas Resource Potential



91 TCF

of gas resource can be unlocked at price of \$ 12+ per MMBTU

years based on the recommendation of the Rangarajan Committee Report on “the Production Sharing Contract Mechanism in Petroleum Industry”. The Domestic Natural Gas Pricing Guideline, 2014 has been notified by the Government which will be applicable to all natural gas produced domestically, irrespective of source.

Oil & Gas business and competitive position

RIL's upstream business covers the complete chain of activity starting from acquisition to exploration, development and production. The Company has a balanced portfolio of conventional and unconventional hydrocarbon resource plays with significant presence in deep-water blocks off the East Coast of India and US shale regions of Eagle Ford and Marcellus.

Partnerships represent an important dimension of the E&P business. RIL and its partners channelise expertise and work closely together to target high quality prospects and optimise existing and future development plans.

RIL has gained significant experience and expertise in conventional deepwater drilling and horizontal drilling in North America's shale plays. A large repository of data acquired over the last two decades of exploration and development supports an extensive knowledge base gathered through consistent investment in technology and people. Leveraging this database and experience, the Company has re-organised and restructured the upstream business into three distinct sectors - Conventional, Coal Bed Methane (CBM) and Shale Gas. Such an initiative ensures that the sectoral risks and dynamics are clearly understood and separately managed to maximise value and growth.

Oil & Gas Portfolio

Block	Country	Partners	RIL Stake	JV Acreage (in acres)
Conventional*				
NEC-OSN-97/2	India	Niko - 10 % , BP - 30%	60%	10,23,016
KG-DWN-98/3	India	Niko - 10 % , BP - 30%	60%	5,62,906
GS-OSN-2000/1	India	Hardy - 10 %	90%	1,48,263
CY-PR-DWN-2001/3	India	BP - 30%	70%	12,10,816
CY-DWN-2001/2	India	BP - 30%	70%	26,32,907
KG-DWN-2003/1	India	Hardy - 10 % , BP - 30%	60%	8,12,482
CB-ONN-2003/1	India	BP - 30%	70%	1,17,622
Panna Mukta	India	BG - 30% ; ONGC - 40%	30%	2,98,256
Mid and South Tapti	India	BG - 30% ; ONGC - 40%	30%	3,63,492
Block 34	Yemen	Hood Energy - 30%	70%	17,33,691
Block 37	Yemen	Hood Energy - 30%	70%	17,03,544
Block 39	Peru	Repsol 55%, Peru Viatnum 35%	10%	18,41,182
CBM*				
SP(East)-CBM-2001/1	India	-	100%	1,22,317
SP(West)-CBM-2001/1	India	-	100%	1,23,552
Shale				
Pioneer JV	USA	Pioneer – 46.4%, Newpek – 8.6%	45%	1,90,530
Chevron JV	USA	Chevron – 60%	40%	2,49,004
Carrizo JV	USA	Carrizo – 40%	60%	48,648

Note: RIL has been awarded two offshore blocks in Myanmar in March 2014, for which the PSC is yet to be signed.

* Conventional and CBM acreage converted into acres using 1sq. km. = 247.1053 acres

Management's Discussion and Analysis (Continued)

Expanding resource base through successful exploration initiatives

RIL along with JV partners made two significant hydrocarbon discoveries in FY 2013-14, i.e. Discovery (D-55) in well MJ1 drilled in the block KG-D6 situated in the Krishna Godavari basin and Discovery (D-56) in exploration block CY-D5 situated in the Cauvery basin.

Discovery D-55 – Discovery in development area of block KG-D6 (D1-D3 field): The KG-D6-MJ1 well was drilled in a water depth of 1,024 metres, and to a total depth of 4,509 metres, to explore the prospects of a Mesozoic Synrift Clastic reservoir, lying over 2,000 metres below the already producing reservoirs in the D1-D3 gas fields. Formation evaluation indicates a gross gas and condensate column in the well of about 155 metres in the Mesozoic reservoirs. In drill stem testing, the well flowed at 30.6 million standard cubic feet per day (MMSCFD) and 2,121 Barrels of Oil per Day (BOPD). The discovery, named 'D-55', has been notified to the GoI.

Discovery D-56 – Discovery in block CY-D5: As part of the minimum work program in this block, exploratory well CY-III-D5-S1 which was drilled in a water depth of 1,743 metres, to a total depth of 5,731 metres, with the primary objective of exploring Mesozoic-aged reservoirs has resulted in gas condensate discovery. The formation evaluation indicated a gross gas and condensate column in the well of about 143 metres in the Mesozoic-aged reservoirs.

In drill stem testing, the well flowed at 35.2 MMSCFD and 413 BOPD. The discovery, named 'D-56', has been notified to the GoI. This is the second discovery in the block which will enable scope for integration of all discoveries for early monetisation.

Portfolio management

During the year, as part of on-going portfolio management, RIL has relinquished 4 exploration blocks including KG-DWN-2004/4, MN-DWN-2004/1, MN-DWN-2004/2 and KG-DWN-2005/2.



On-shore Terminal at Gadimoga

Progress towards next wave of development projects

KG-D6

R-Cluster Development: Management Committee approval for the Field Development Plan (FDP) has been received. This is part of the next wave of projects in KG-D6 with ultimate recoverable reserves of around 1.2-1.4 TCF. The expected gas production rate will be in the range of 12 MMSCMD, significantly increasing utilisation of existing KG-D6 facilities. As part of the development activity, the Concept and FEED have been completed and the sourcing, contracting for the long lead items for the projects have also been initiated.

Appraisal of MJ1 discovery

As part of the appraisal program, the first appraisal well was successfully drilled. It has encountered approximately 130 meters of hydrocarbon column. For effective reservoir characterisation, a high end seismic activity was completed. Based on current understanding, this discovery is a material one and all efforts are being made to accelerate the commerciality assessment of this significant discovery for expeditious monetisation.

Satellite / Other Satellite discoveries

Since the approval of Optimized Field Development Plan (OFDP) for 4 Satellite discoveries, the JV, based on drilling of development well and D1-D3 field performance has recalibrated the reservoir models.

With respect to the Other Satellite discoveries (D29, D30 & D31), the Declaration of Commerciality (DOC) is pending with Management Committee for review awaiting resolution on Drill Stem Testing (DST) issue. The JV has already submitted a proposal to do DST in the wells and is hopeful of an early resolution of the issue.

Meanwhile, JV has undertaken Concept updation, Geotechnical, Geophysical & Geohazard Surveys and Front End Engineering Design (FEED).

With the purpose of efficiently developing these Discoveries an integrated scheme of development is being conceptualised.

NEC-25

The DOC and Integrated Block Development Plan (IBDP) are pending for review and approval, respectively with DGH, awaiting the resolution of DST. RIL has submitted its proposal for carrying out DST to DGH.

CBM

Development activities have commenced in RIL's two CBM blocks (Sohagpur East and West) with first gas being targeted in mid of FY 2015-16. All requisite approvals required for the development stage are already in place.

As a part of the CBM development programme, RIL is drilling more than 200 wells and setting up two Gas Gathering Stations and 8 Water Gathering Stations in Phase-I. The land acquisition is at an advanced stage – more than 50% of Phase-1 scope has been completed. Currently 3 rigs are in operation with drilling and completion activities having commenced from November 2013. RIL has drilled 90 surface and 72 production holes and 51 hydro fracturing jobs have been completed. Concept and FEED for Surface Facilities is completed and Detailed Engineering is underway.

Shahdol – Phulpur gas pipeline project

Petroleum And Natural Gas Regulatory Board (PNGRB) has issued the Grant of Authorisation in June 2013 to Reliance Gas Pipeline Limited, a subsidiary of RIL, for a natural gas pipeline from Shahdol in Madhya Pradesh to Phulpur in Uttar Pradesh (hook-up point with GAIL's HVJ pipeline) to transport gas from RIL's CBM blocks.

Land acquisition has been completed for all critical installations and obtaining of Right of Use (ROU) for laying the pipeline is under way. Basic engineering (FEED) is completed and detailed engineering is in progress. Ordering for long lead items has been completed and awarding of construction contract is in the final stages.

Measures taken for sustaining production from existing fields

As part of multiple initiatives to sustain production and enhance recovery from the D1-D3 and MA fields, RIL successfully drilled and completed a development well MA-08 in MA field and commenced production from January 2014. This has resulted in additional gas production of approximately 2.2 MMSCMD.

Other enhanced gas recovery projects underway include: i) water shut off jobs and side track activities in the existing shut in wells, and ii) Engineering and construction activities for booster compression – target completion in 2015.

Panna-Mukta JV

The Panna-Mukta JV carried out significant drilling activities during the current year, drilling six wells in the PL area and six infill wells in the PJ and PG areas. These activities yielded additional volume that helped in partially arresting production decline.

As part of the Mukta field development, the Joint venture submitted and received approval for Mukta "B" development from the Management Committee. The estimated recoverable reserves from Mukta "B" area is approximately 3.56 MMBBL of oil and 9.16 BCF of gas during the Production Sharing Contract (PSC) period. First oil from this development is expected in FY 2015-16.

Financial and production performance

Financial Performance

₹ in crore	FY 2013-14	FY 2012-13	% change
Revenues	6,068	8,280	(26.7%)
EBIT	1,626	2,887	(43.7%)
EBIT (%)	26.8%	34.9%	

Overall, oil and gas revenues for the current year were lower by 26.7% at ₹ 6,068 crore, compared to the previous year. This was largely on account of lower production and lower liquid price realisation, partly offset by a higher exchange rate realisation.

Earnings before Interest and Tax (EBIT) declined by 43.7% to ₹ 1,626 crore, compared to the previous year due to lower production, partly offset with correspondingly lower depletion charges.

The KG-D6 block

KG-D6: JV Production

	FY 2013-14	FY 2012-13
KG-D6		
Oil (MMBBL)	2.0	2.9
Gas (BCF)	178.3	336.0
Condensate (MMBBL)	0.3	0.4

The block produced 178.3 BCF of natural gas and 2.3 MMBBL of crude oil and condensate in FY 2013-14, a 47% and a 30% reduction for natural gas and crude oil/condensate, respectively. Production volumes for the year were lower on account of geological complexity, natural decline in the fields and higher than envisaged water ingress. This decline is partially offset by additional gas production from the new development well MA-08.

Rig at KG-D6 Block



Management's Discussion and Analysis (Continued)

PMT block

PMT: JV Production		
	FY 2013-14	FY 2012-13
Panna- Mukta		
Oil (MMBBL)	7.4	8.2
Gas (BCF)	65.4	71.2
Tapti		
Gas (BCF)	27.3	43.9
Condensate (MMBBL)	0.3	0.5

The Panna Mukta field delivered 7.4 MMBBL of crude oil and 65.4 BCF of natural gas in FY 2013-14; 9% and 8% reductions in crude oil and natural gas respectively. The decrease in the production volumes for the year was due to a 17-day shutdown for field maintenance activities including commissioning of new SPM system coupled with natural decline. The Tapti field delivered 0.3 MMBBL of condensate and 27.3 BCF of natural gas in FY 2013-14; 48% and 38% declines in condensate and natural gas respectively. The decrease was due to the under-performance of new wells, as well as the natural decline in reserves.

During the year, the Tapti field witnessed lower production from the existing wells due to natural decline. Also, the results of the new infill wells drilled were not encouraging. Consequent to this, JV re-assessed the reserve estimates through an independent consultant and revised the ultimate recoverable reserves. The JV is preparing for abandonment of this field in consultation with Gol.

International business

In line with its strategy of portfolio balancing by expanding its international asset base and investing in regimes having attractive internationally competitive terms, RIL participated in the Myanmar bid round.

RIL was selected for two offshore blocks (M17 and M18) located in offshore Myanmar in water depths up to 3,000 ft and together encompassing an area of 27,600 sq. km.

During the year RIL and PDVSA, Venezuela signed a joint study agreement for Ayacucho Block 8 in the Orinoco Oil Belt to jointly evaluate the development plan for Ayacucho block. RIL is also actively considering other opportunities in East and West Africa, Iraq and other locations. RIL has concluded an assignment of its working interest (30%) in Block 108 in Peru to Pluspetrol and Woodside.

North American Shale Gas – Operations

Background

The successful shale gas revolution in North America has changed the global energy landscape. Industry continues to

discover new plays and operators continue to find economic ways of exploiting this resource. The US market is business friendly and actionable with an abundance of financing options that make it possible for leaner and smaller players to gain a position of importance in the market.

RIL has leveraged its cost leadership experience in its shale joint ventures and with its truly global outlook has quickly become a sustainable and a major shale gas player. Reliance has, till date, invested \$ 7.0 billion in its joint ventures with Pioneer Natural Resources, Carrizo and Chevron.

Operations and financial performance

Financial Performance			
\$ in million	CY 2013	CY 2012	% change
Revenues	819	545	50.3%
EBIT	295	180	63.9%
EBIT (%)	36.0%	33.0%	

Reliance continued to register growth in its shale gas business with revenues and EBIT increasing 50.3% and 63.9% respectively. Reliance share of net sales averaged at 359 MMCFed, from 622 producing wells. Aggregate sales volume at 131 BCFe, compared to 85 BCFe in 2012. EBITDA of \$ 616 million in 2013, up 46% y-o-y, provides a solid base to the business, which is now reaching material levels of production, revenue and EBITDA.

Reliance was successful in its portfolio high-grading efforts and the strategy of liquid focused development was successfully implemented by reducing activity in dry gas area and focusing development in liquid rich area of Pioneer



US Shale Investment

\$ 7 billion

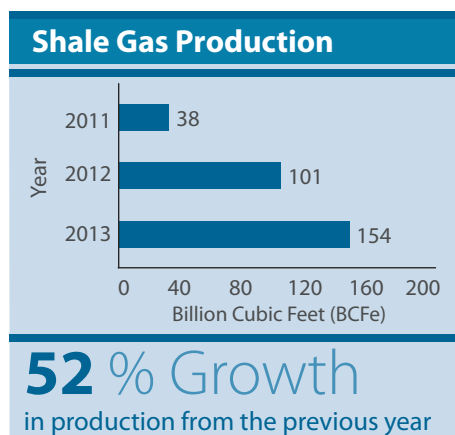
invested in its joint ventures
with Pioneer Natural
Resources, Carrizo and
Chevron

JV. The overall capex during the year was \$ 1.4 billion, lower by 35% over the previous year on account of reduced carry obligations and moderated development pace at Marcellus.

Several initiatives were taken up to ensure sustainable growth of the business by increasing resource recovery, reducing costs and higher productivity. New development concepts such as down spaced wells, drilling in upper Eagle Ford and upper Marcellus were pursued. These will positively impact reserve accretion as well. Cost and recovery optimisation initiatives like multi well-pad drilling and longer laterals were successfully pursued.

In CY 2013, the RIL-Shale Gas Operations (RIL-SGO) posted a 43% reserve accretion with year-end proved reserves at 2.66 TCFe. These Proved reserves are about 30% of total resource base underscoring significant development upside. Reserves were positively impacted by benefits of additional well locations in Pioneer and Carrizo joint ventures marking development upside.

During 2013, the joint ventures drilled 252 wells and put 237 wells on production taking the cumulative number of producing wells to 622 at the end of the year as compared to 385 producing wells at the end of 2012. Reliance witnessed an improvement in efficiencies and cost reductions in development activities for 2013 over the previous year. The focus was on leveraging knowledge on acreage sweet spots and preserving optionality on dry gas acreage.



The RIL-SGO share of gross JV production was 154 BCFe in 2013 reflecting a growth of about 52% over 2012 production.

Pioneer Upstream JV

JV has been notably successful in pursuing high value growth. Producing well count increased from 246 at year-end 2012 to 371 at year-end 2013, which was a major

factor in the growth in production volumes. The JV produced 207 BCFe of products through the year (gross) and achieved an exit rate of 662 MMCFeD. The share of liquids increased to 64% in 2013 reflecting growth in activity in oil-rich acreage. On-going development thrust on infill drilling, down spaced and upper Eagle Ford development provided for additional potential locations leading to growth in proved reserves by 34% at year-end 2013.

Chevron Upstream JV

The JV saw production growing over 100% from previous year at 91 BCFe and achieved an exit rate of 328 MMCFeD. The JV witnessed impressive growth in proved reserves going up 79% from year-end 2012 to year-end 2013. JV is pursuing paced development in view of the challenging pricing environment while retaining optionality on acreages through low cost lease renewals.

Carrizo Upstream JV

In view of a challenging price differential environment, Carrizo JV deferred bringing some wells online as per original schedule which led to curtailment in production. In spite of this, the JV production of 40 BCFe reflected a 78% increase over the previous year and the JV achieved an exit rate of 138 MMCFeD at the end of 2013. Carrizo JV focused on portfolio optimisation through the sale of suboptimal acreage in Sullivan County in the fourth quarter of CY 2013. While year-end 2013 reserves were largely unchanged, Carrizo added potential well locations due to Upper Marcellus development plan down spacing.

Update on domestic gas pricing, arbitration and other legal issues

Domestic Gas Pricing

The Contractor was entitled to a revised gas price from 1st April 2014. The government notified "The Domestic Gas Pricing Guidelines, 2014" on 10th January 2014. The notification required the Government to intimate quarterly prices on the basis of the approved formula. In view of the Model Code of Conduct which is in place for the Parliamentary Elections, the Government approached the Election Commission for permission prior to notifying the applicable process for quarter 1st April to 30th June 2014. The Election Commission has advised after taking into account all relevant facts that the intimation of the price of gas sales for the quarter be deferred. In view of the Election Commission recommendation, the MoPNG has directed the Contractor to continue to charge the earlier prices even after 1st April 2014. Accordingly, the Contractor is selling gas to its customers at the price of \$ 4.2/ MMBTU, on a provisional basis. The Contractor is entitled under the

Management's Discussion and Analysis (Continued)

PSC to receive market prices for all gas produced and sold from the block. The restriction on charging the revised gas price is not in line with the PSC and the Contractor reserves its rights and remedies to claim the revised gas price from 1st April 2014.

KG-D6 Arbitration and other legal issues

RIL has commenced an arbitration against the Government's decision to disallow recovery of costs incurred by the Contractor in the development of facilities constructed for production of gas from the D1 and D3 fields in the block KG-D6. RIL approached the Supreme Court for appointment of a third arbitrator following the failure on the part of the arbitrators appointed by the Contractor and the Government to appoint a third arbitrator. Consequently, the third arbitrator has been appointed by the Supreme Court.

Public Interest Litigations (PIL) were filed by Gurudas Dasgupta and an NGO called Common Cause before the Supreme Court. The PILs primarily seek quashing of the decisions of the Government to revise the gas price and action against the Contractor for failure to relinquish area and for hoarding gas. As both the PILs raised substantially the same claims, the Supreme Court tagged both the petitions to be heard together. These PIL are currently being heard by the Supreme Court.

PMT Arbitration

Arbitration Hearing took place in London from 19th November to 27th November 2013 and a number of issues (including Interpretation of Cost recovery provisions, interpretation of provision related to calculation of Investment Multiple and profit sharing, Powers and functions of Management Committee and method of determining the amount of royalty) were heard and award has been reserved. A final hearing has been fixed for 15th June to 3rd July 2015. Further RIL/BG's SLP before the Supreme Court (challenging Delhi High Court's order admitting GoI's petition for setting aside a partial final award handed down by PMT arbitration tribunal) has been heard by the Supreme Court and the judgment has been reserved.

Major Subsidiaries

RETAIL BUSINESS

Market environment

India's economy has been plagued by persistent slowdown since 2012. Combination of domestic and global factors are responsible for the downturn. Spiralling inflation and rising interest rates over the past few years have subdued both investment and consumption in the economy. Global

downturn also cast its shadow, making consumers cautious in their spending behaviour.

Discretionary spending among urban consumers was also impacted by escalating food prices. Growth in private final consumption expenditure (PFCE) of 2.5% in 3Q of FY 2013-14 (2Q FY 2013-14: 3%) was the second lowest growth observed in the last 37 quarters. (Source: Central Statistics Office – 3rd Quarter GDP Estimates, February 28, 2014). The result is a bleak domestic scenario in which consumer confidence and business optimism have remained below expectations.

India's Retail industry, estimated at over \$ 500 billion in 2012 (Source: Deloitte – Indian Retail Market Opening More Doors, January 2013), has evolved considerably in the last few years. However, organised retail is still in its infancy stage with 12 million *kirana* shops strengthening the sector's backbone.

While modern retail is resilient to economic cycles owing to its fundamental growth drivers, improvements in the overall consumer sentiment will drive industry growth in the foreseeable future. Organised retail will help accelerate India's economic growth and job creation.

During the year, developments on the policy front provided an opportunity for global retailers to make investments and participate in the sector's growth story.

Outlook

A two trillion dollar economy catering to a billion-plus population, more than half of which is below the age of 30. Such a scenario, a rarity in the world's demographic profile, represents the foundation for India's retail sector growth.

India's organised retail is witnessing a new surge of optimism and is projected to touch a 20% share of the total retail market by 2020 vis-à-vis 8% now. (Source: Deloitte – Indian Retail Market Opening More Doors, January 2013).

Retail business and competitive position

Operating strategy

Reliance Retail is India's largest retailer by revenues. Reliance Retail has been instrumental in serving the country's growing consumption base by operating multiple retail formats that offer best choices in products and services, superior value proposition and world class shopping environment.

Deep insight into India's economic, cultural and consumption diversity drives Reliance Retail's vision in the retail universe. The operating model is based on customer

centricity, while leveraging common centres of excellence in technology, business processes and supply chain.

Leadership: Reliance Retail has consistently taken a long-term view on India's enormous consumption requirements and potential. Reliance Retail's vision is about inclusive growth for both organised and unorganised retail. It continues to reinforce leadership in focus sectors and its efforts enable economies of scale and best practices. Reliance Retail is at the forefront of evolving new consumption opportunities.

Speed: A core element of Reliance Retail's strategy is to be able to anticipate and respond quickly to evolving customer/market trends and requirements. Speed in decision-making, effective resource development, format and product development are essential for sustained profitable retail growth. The speed-to-market approach is driven by leveraging state-of-the-art retail technology and operating functional expertise, which provides rapid deployment and replication.

Consumer Focus: At Reliance Retail, customer-centricity forms the basis of its operating model. Reliance Retail's Academy provides comprehensive training and development to its associates. Reliance Retail's Customer Loyalty programme is a critical tool to ensure constant understanding and serving the needs of its existing and new customers. In addition, it has many important consumer touch-points, such as customer service call centres, mystery shoppers, decentralised buying and merchandising, along with extensive data analytics to understand purchasing patterns. Consumer focus is also at the centre of its format innovations, product development and technology enhancements.

Productivity and Efficiency: Reliance Retail has built world-class infrastructure supporting business systems and supply chains. Its highly trained people and robust processes ensure consistent execution. These developments enable to leverage resources to a great extent and drive productivity. Managing a diverse portfolio of formats, geographies and products is greatly simplified with an evolved infrastructure of processes and systems.

Reliance Retail has continuously invested in strengthening its technology platforms that enables it in making better decision, achieve operational efficiency and offer superior customer service.

Operations and financial performance

Retail business grew by 34% to reach revenue of ₹ 14,496 crore as against ₹ 10,800 crore registered in the previous financial year.



It continued to grow profitably, achieving profits before depreciation, finance cost and tax expense (PBDIT) of ₹ 363 crore. The format sectors collectively witnessed a three-year CAGR of 34% in revenues.

Efficiency improvement initiatives taken under the leadership of best retail management talent, with an unwavering focus on providing superior customer shopping experience has helped attain robust growth across almost all format sectors during the year. The retail business witnessed strong same store sales growth up to 23% across format sectors over last year.

Reliance Retail has established market leadership in all of the focus sectors of Digital, Lifestyle and Value sectors. During the year, a total of 225 stores were added, covering an area of 2.7 million square feet.

As on 31st March 2014, Reliance Retail operated 1,691 stores, covering an area of 11.7 million square feet across 146 cities. There was continued focus on best-in-class systems, processes and infrastructure to enable growth. The scale and speed of profitable expansion is a result of the back-end infrastructure and continuous improvement.

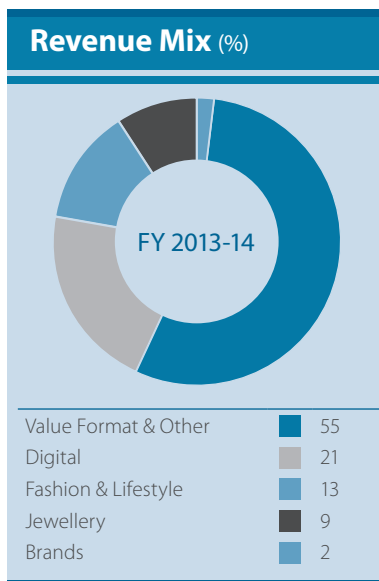
The performance of various format sectors during the year is detailed below:

Store Count and Additions

Format Sector	Store Count As on 31 st March, 2014	Store Additions FY 2013-14
Value and Others	718	(42)#
Fashion & Lifestyle	533	85
Digital	284	145
Brands	102	34
Jewellery	54	3
TOTAL STORE	1,691	225

includes impact due to closure of Delight (Non-vegetarian food format)

Management’s Discussion and Analysis (Continued)



Value formats and others

Food and Grocery remains the largest category in the consumption basket and is estimated at around 60% of consumer spending. (Source: Deloitte – Indian Retail Market Opening More Doors, January 2013) Value Formats have been primarily focused on this key element of consumption basket and the format strength has been to offer a comprehensive range of fresh products. The business continued to consolidate its position as India’s largest grocery retailer during the year.

Value Formats have been focusing on own label products that stand true to the tag-line of ‘Trusted Quality, Reliance Price’. Several new products and categories were added to the strong own label portfolio. During the year, the business recorded a participation of up to 23% from own label brands in key categories such as staples and dairy. With a broad selection of own label products, complemented by

well-known brands, value formats optimally meet the diverse needs of Indian consumers.

Grocery retail is a business that thrives on getting a right business model, which blends standardisation and specialisation with equal measure. The best-in-class retail chains have always looked for opportunities and ways to ‘localise their offerings, while maintaining a global perspective’.

With India’s retail market being dominated by the *kirana* stores, the cash-and-carry model is looking at the opportunity to serve this under-served segment.

Reliance Market has established leadership in Wholesale Cash & Carry segment in the country with 32 operational stores and enjoys patronage of more than 1.2 million registered members.

‘Reliance Market’, has infused new life into business transactions of Kirana, HORECA, institutions, etc by empowering and boosting their entrepreneurial potential. At the same time, it has generated sustained social value by increasing employment opportunities for large population strata. This is encapsulated in its promise to customers – ‘**Aapka Market, Aapka Fayda**’.

Reliance Market has been leveraging the synergies across the retail business portfolio to help bring the right merchandise on the shelves in each location. Reliance Market’s strong own brand portfolio has further helped to bring relevant offerings to its shelves. Such a scenario has led to a large assortment of core and complementary products, which further differentiates Reliance Market from competitors.

Pricing is yet another distinctive feature of Reliance Market. Its leadership position is secured by key product ranges being available at the lowest wholesale prices. In the pricing process, Reliance Market has also practiced the concept of ladder pricing which allows small shop owners to save more by buying more of their requirements.

Fashion and lifestyle

The apparel market (approximately ₹ 2.3 lakh crore market size) accounts for 8% of India’s consumption expenditure. (Source: Deloitte – Indian Retail Market Opening More Doors, January 2013) It is expected to quadruple over the next decade, while the footwear industry is estimated to be about approximately ₹ 0.3 lakh crore (Source: Technopak Report – Fashion Retail Scenario in India: Trends and Market Dynamics, Jan 2014), growing 15% annually (Source: ASSOCHAM Report). The industry has been relatively more

Reliance Market store in Mumbai





organised, with modern trade accounting for 30% market share (Source: ASSOCHAM Report).

Reliance Trends, the apparel and accessories specialty format, established a strong fashion identity for itself during the year, while continuing to be true to its brand communication '*Sirf Dikhne Mein Mehenga*'.

With the constant endeavour to improve the fashion quotient of the format for its consumers, Reliance Trends continues to work with empanelled international designers. Such an approach ensures that trend-forward designs are available to its customers through the extensive range of own labels, apart from other national and international brands.

Reliance Trends now has a deep and wide assortment of own brand labels in the women's western wear and kids wear segments with these launches:

- **Intribe** – This fast fashion own label offers men's wear and women's wear and will have a new range every 30 days, representing in-trend styles from ramps in India and around the world
- **Rio** – Western wear for women including Casual, Evening and Party wear for teens and young women
- **Fusion** – Contemporary ethno-western wear for stylish young women
- **Fig** – Complete wardrobe solution for the modern Indian woman
- **Avaasa** – Versatile ethnic wear for Indian women

Own label brands contributed to about 61% of the Trends business.

To support its range of labels, Reliance Trends has, over the years, made significant and meaningful interventions in the apparel value chain at every stage of the manufacturing process - from fibre selection and sourcing through to

apparel design, sampling, sales and marketing. These interventions have enabled Reliance Trends to drive product innovations, reinforce quality control and significantly reduce lead times in unveiling latest designs from around the world.

Reliance Trends launched the BisouBisou collection, which includes fashionable casual and party wear for the contemporary Indian woman, in its stores during the year. BisouBisou, an international brand by an award-winning designer, will be retailed exclusively by Reliance Trends stores.

The business launched high-impact, marketing innovations in print and outdoor media and was associated as the 'Preferred Partner' at the Lakmé Fashion Week 2013.

Reliance Footprint, the specialty footwear format of the retail business, firmly established itself as the largest multi-brand format in its segment with continued store additions.

During the year, Footprint signed an exclusive franchise agreement with Payless ShoeSource to build and operate Payless ShoeSource stores in the country. Payless is the largest specialty family footwear retailer in the Western hemisphere. The Payless stores in India will offer a wide variety of fashionable, comfortable, high-quality and affordable footwear and accessories to Indian consumers across segments.

Footprint expanded the distribution of Asics into specialty footwear stores, key department stores and on-line stores during the year to make the brand more accessible to consumers. The business also continued to partner with other leading brands bringing more choices for consumers.

The successful partnership with Marks & Spencer (M&S) continued to grow from strength to strength through the launch of new stores during the year.



Management's Discussion and Analysis (Continued)

During the year the business opened 10 stores, including the largest flagship store in Bandra, Mumbai, and an expanded flagship store at South Extension, Delhi. These stores provide customers with a truly international shopping experience - showcasing M&S's most extensive range of exceptional quality, confident styles across clothing and beauty to date.

With aggressive expansion plans in place targeting 80 operational stores by 2016 including expanding in tier 2 cities, the business is on track to become largest international market outside the UK for M&S.

In line with its strategy to capitalise on growth of the lingerie and beauty market in India, the business opened the world's first Marks & Spencer Lingerie & Beauty department apart from other ranges of exceptional quality, stylish products.

Vision Express, the optical retail chain under partnership with Grand Vision, Europe's largest optical retail chain with over 4600 stores in over 40 countries completed 5 years of successful partnership with the Company. Vision Express serves eye care needs of the customers by offering

an extensive range of spectacles, progressive lenses and trendiest range of sunglasses. Vision Express is India's largest chain of Company operated stores and continues to grow.

Digital

Reliance Digital, the consumer durables and information technology (CDIT) products retailing format, has established itself as a complete destination store that offers comprehensive assortment of top brands, a large selection of innovative products, attractive pricing and best-in-class service.

To help consumers better understand and experience the comprehensive technological solutions that the format offers, Reliance Digital launched several experience zones in its stores. These zones give consumers a first-hand experience of the digital ecosystem on display, helping them make better informed purchase decisions and ensure optimum utilisation of the solution post sales.

Built around the central theme of providing cutting-edge technology solutions, the Digital Express format offers a wide range of products and helps customers connect with their world from anywhere at any time.

The business also launched a new format Digital Express Mini, which represents an exciting opportunity to extend the success of Digital Express. The format focuses on mobility and communication products. The format operates in a much smaller space, which creates tremendous flexibility and scale opportunities.

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



Reliance Digital

Largest
digital
retail chain in India



Reliance Brands store

business will continue to grow geographically in terms of its offerings.

Reliance Digital continued to refine the ReConnect range of the own-label brand. It included new products and categories to suit all budgets and requirements. During the year, the most notable achievement has been the launch of ReConnect LED televisions in collaboration with Harman Kardon. ReConnect contributed up to 18% penetration for several CDIT product families representing steady increase in the own label penetration.

Digital format sector continued its rapid expansion during the year. It added over 140 stores to its tally of 139 stores at the beginning of the year.

Brands

During the year, Reliance Brands through its joint venture with Iconix USA, Iconix Lifestyle India, made available three well-known international brands viz; London Fog, Umbro and Cannon for discerning Indian consumers.

The business added Quiksilver (www.quiksilver.in) to its e-commerce portfolio, supplementing the earlier launch of Stevemadden (www.stevemadden.in)

Hamleys, the experiential toys retailing format, added 5 stores to its portfolio during the year. It is now the largest franchised operation of the London-based iconic retailer.

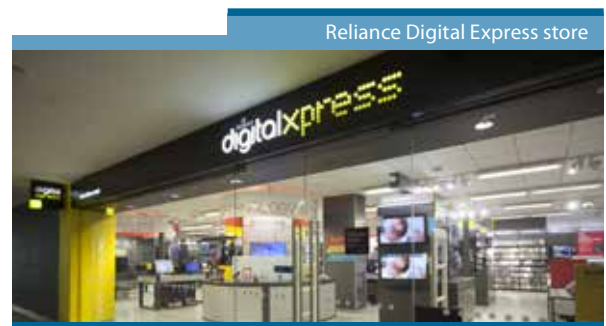
Widening its store network of brands already in its portfolio, Reliance Brands opened the first stores for Dune and Stuart Weitzman during the year.

Jewellery

During the year, jewellery demand remained sluggish owing to weak macro environment, sticky inflation and poor consumer sentiment. Unfavourable regulatory landscape also led to volatility in gold prices. Regulatory changes severely curtailed gold imports, resulting in scarcity and spiralling cost of imported gold. The inevitable outcome was higher gold prices and weak consumer demand.

Reliance Jewels was focused on consolidating operations of its portfolio of over 50 stores. The objective was to improve its performance against various operational parameters and build a robust growth platform. Several new product lines were introduced during the year.

Relaxation of control on gold imports and reduction in import duty shall be the key growth catalysts in the coming period.



Growth plans

Format developments

Offerings in the portfolio were consistently re-evaluated and as a result some key developments were witnessed:

- a) In line with emerging scenarios, the business withdrew its offering of TimeOut in the books and music category.

The books and music industry is undergoing consistent evolution catalysed by technology and the way consumers perceive these categories in a technology-driven era.

Reliance Retail recognised the growing influence of electronic information media on this category. Therefore, Reliance Retail realigned its offerings in this segment and discontinued the books and music format.

- b) Another key development at Reliance Retail during the year was the discontinuation of the non-vegetarian food offering, 'Delight', echoing consumer sentiments.

Reliance Retail is in a unique position to capitalise on the growing opportunity in India. Continued expansion is the way ahead. The roadmap is clear -- it will be achieved by growing in existing markets and foraying into unexplored markets. The objective is simple, 'Elevating Lives and Rekindling Aspirations', for all Indians.

The business is poised to launch multi-channel shopping in the coming year. The potential of e-commerce combined with the network of physical store locations will offer tremendous choice and convenience at a great value to the consumer.

Digital sector would be one of the growth verticals for the coming year. Expansion of Digital Express Mini format to newer geographies that represents potential for mobility devices would be a priority for the Company. To augment this growth, ResQ would expand its presence and enable

Management's Discussion and Analysis (Continued)

more and more consumers to experience and benefit from the interplay of communication and technology.

Reliance Market would remain a priority for network expansion as it continues to empower the kiranas and helps the farmers and small manufacturers to benefit from the modern distribution system.

RELIANCE JIO INFOCOMM

Operating environment

From less than 5 million mobile users in 2001, India has grown to more than 893 million mobile users as of January 2014 (Source: TRAI) achieving more than 72% teledensity. However, the growth in broadband connections has not been commensurate with the enormous growth of India's telecommunication industry. India has only around 14.5 million broadband (Source: TRAI) connections, excluding internet access by wireless phone subscribers, which is very low compared to other European and Asian countries.

Spectrum acquisition and infrastructure tie ups

RIL's subsidiary, Reliance Jio Infocomm Limited (RJIL) is the only private player with Broadband Wireless Access (BWA) spectrum in all the 22 telecom circles of India, plans to provide reliable fast internet connectivity through the 20 MHz, contiguous, pan-India BWA spectrum. In addition, in the recently concluded spectrum auctions, RJIL successfully acquired 1800 MHz spectrum across 14 key circles to strengthen in-building coverage in LTE. In addition to connectivity, RJIL also plans to enable end-to-end solutions that address the entire value chain across various digital services in key domains of national interest such as, education, healthcare, security, financial services, government-citizen interfaces and entertainment. In October 2013, RJIL received Unified License for all 22 service areas across India and became the first telecom operator in the country to get pan India Unified License. The license allows RJIL to offer all telecom services including voice telephony under a single license. RJIL has migrated its existing ISP license along with BWA spectrum to the Unified License to provide all services allowed under the license.

RJIL was allotted Mobile Switching Centre Code (MSC), Mobile Country Code (MCC) and Mobile Network Code (MNC) for mobile access services across all 22 circles by the Department of Telecommunications (DoT) providing it with about 22 million mobile phone numbers across India.

In line with the Government's policy decision of delinking spectrum allocation from the licenses and offering access spectrum based on auction process, the GoI has been

conducting spectrum auctions for the access spectrum from time to time. In the recently concluded spectrum auction, RJIL successfully acquired the right to use spectrum in the 1800 MHz band in 14 key circles across India at a total cost of ₹ 11,054 crore. This spectrum has been acquired in all metro and Category A circles and all key Category B and C circles over a contiguous block of 5 MHz. With this acquisition, RJIL will be the holder of the largest quantum of liberalised spectrum (spectrum in any band can be used for delivering any services deploying any technology). With the longest residual spectrum life, RJIL plans to use this 1800 MHz spectrum, in conjunction with its pan India 2,300 MHz spectrum to address the expected surge in demand for digital services as well as to enhance in-building coverage. RJIL plans to provide seamless 4G services using FDD-LTE on 1800 MHz and TDD-LTE on 2300 MHz through an integrated ecosystem.

Reliance Jio Infocomm Pte. Limited, Singapore, a subsidiary of RJIL, was granted a Facility Based Operator (FBO) license in Singapore which will allow it to buy, operate and sell undersea and/or terrestrial fibre connectivity, set up its internet point of presence, offer internet transit and peering services as well as data and voice roaming services in Singapore.

RJIL has adopted a partnership based model for telecom infrastructure for 4G wireless and fibre based high speed broadband services.

In line with this strategic intent, RJIL and its wholly owned subsidiaries have finalised the following partnerships for infrastructure sharing:

- Agreement with Bharti to utilise a dedicated fibre pair on Bharti's i2i submarine cable between India and Singapore.
- A construction, maintenance and supply contract for "Bay of Bengal Gateway" cable system to provide connectivity between South East Asia, South Asia and the Middle East among RJIL, Telekom Malaysia Berhad (TM) (Malaysia), Vodafone Group (UK), Omantel (Oman), Etisalat (UAE) and Dialog Axiata (Sri Lanka)
- Agreements with Reliance Communications and its affiliates for sharing of their inter-city fibre network, intra-city fibre network, and tower infrastructure
- Agreement with Bharti Infratel to share their tower infrastructure
- Agreement with Viom Networks to share their tower infrastructure

Technology framework

LTE

LTE (Long Term Evolution) has globally emerged as the technology of choice to deploy next generation mobile networks. Operators across the world are deploying mobile networks using LTE to meet the explosive demand for mobile data services. Almost 44% of world's next generation LTE networks are deployed in the LTE-FDD 1800 MHz band.

RJIL plans to use LTE technology for its country-wide next generation network deployment to provide connectivity and related digital services to its customers. In addition to LTE and its future versions, it will continue to evaluate and deploy other technologies, both wireless and wire-line, to offer comprehensive broadband solutions to consumers, small businesses, enterprises, government and other entities.

VoLTE

RJIL is looking to provide advanced 4G voice calling using VoLTE (Voice over LTE) as a technology to offer high quality voice calls over its 4G network. At Mobile World Congress 2014 (MWC) in Barcelona, RJIL showcased LTE-TDD interoperability use case with Chinese giant China Mobile.

RJIL is deploying an enhanced packet core network to create futuristic high capacity infrastructure to handle huge demand for data and voice. In addition to high speed data, the 4G network will provide voice services from and to non-RJIL networks.

High speed broadband over Fibre (FTTx)

In addition to 4G wireless services, RJIL is rolling-out high speed internet services via FTTx in over 900 cities/towns. The high speed fibre connectivity will enable RJIL to provide a wide gamut of digital services across various sectors.

RJIL has finalised key agreements with its technology partners, service providers, infrastructure providers, application partners, device manufacturers and other strategic partners for the project. It aims to create a digital ecosystem which can be used to benefit the industry, the government and, above all, the people of this country. RJIL has also completed the detailed planning for the pan India implementation of the infrastructure needed for the project. RJIL continues to attract the best talent in the industry and is focusing on building a high performance team. The key leadership talent required for the setting up of the business are in place in the respective geographies and are currently leading the implementation phase.

The LTE ecosystem is gaining traction worldwide as more devices are being launched to strengthen the device

ecosystem across the globe. RJIL has been actively involved in developing the ecosystem for LTE phones in India, working with renowned OEMs, ODMs and chipset vendors on end-to-end device design and engineering. RJIL is ensuring the tight integration of these devices with Jio's network infrastructure, platforms and applications portfolio.

Product experience pilots underway

RJIL is currently conducting extensive field tests in Navi Mumbai, Jamnagar and other locations on integration of devices with its network, platform and services, to provide seamless experience to customers. RJIL has finalised or is in the process of finalising agreements with OEMs and ODMs for LTE devices and is working with its partners on certification, validation and quality assurance. RJIL is committed on innovation, design and providing technologically advanced devices at affordable prices.

RJIL has exhibited some of the devices developed, at the Techfest event at IIT Mumbai campus and MWC, Barcelona. Visitors were able to experience benefit of high speed wireless connectivity for hand held devices (smart phones and tablets) over a blend of LTE and Wi-Fi networks. Jio conducted trials of some consumer 'beta' testing experience so as to improve the commercial product through the feedback received from users.

RJIL launched free Wi-Fi hot spots in 8 locations at Ahmedabad and 9 locations at Baroda and Surat. High speed internet trials have been provided to over 55,000 unique devices since the launch. Users are provided 72 hours of free usage which can be extended through reactivation. Users are served by on-ground teams deployed in each of these locations and central call centres to facilitate connectivity to Jio Wi-Fi.



Management's Discussion and Analysis (Continued)

RELIANCE HARYANA SEZ LTD

Reliance Haryana SEZ Ltd (RHSL), is a JV between RIL's wholly owned subsidiary, Reliance Ventures Limited (RVL), and Government of Haryana through Haryana State Industrial & Investment Corporation Ltd (HSIIDC) for developing SEZs / Model Economic Township project and other infrastructure facilities in Haryana. Infrastructure Leasing and Financial Services Limited (IL&FS) became a strategic partner in the MET project in January 2011.

In view of the economic scenario the development of SEZs became unviable and in January 2012, RHSL offered to return 1383.68 acres of land acquired from HSIIDC for setting up SEZs. HSIIDC is in the process of taking back said land from RHSL and exit the JV.

RHSL has commenced development of the phase I of the Model Economic Township and units of Panasonic and Denso are already operational. Land consolidation is in the process and it is expected that over the next one year the Company will be applying for the development of approximately 1000 acres of land.

RHSL has engaged itself in various CSR activities in the field of health care by providing mobile health services to 18 villages, free eye and dental camps, women empowerment and training, technical education and skills development and creation of village infrastructure in the project area.

ENTERPRISE RISK MANAGEMENT

RIL actively stimulates entrepreneurship throughout the organisation and encourage its people to identify and seize opportunities. The current economic environment in combination with significant growth ambitions of the Reliance Group carries with it an evolving set of risks. RIL recognises that these risks need to be managed to protect its customers, employees, shareholders and other stakeholders to achieve its business objectives and enable sustainable growth. Risk and opportunity management is therefore a key element of the overall RIL strategy. This section provides an overview of the key strategic risks, the RIL risk & control framework, and its approach to risk management.

Creating Value through Risk Management

RIL operates in diverse industries and global markets and therefore requires a balanced approach to risk management. An integrated system of risk management and internal controls framework which is tailored to the specific RIL segments and businesses is deployed taking into account various factors such as the size and nature of the inherent risks and the regulatory environment of the individual business segment or operating company. This framework

undergoes continuous improvements to allow RIL management to optimise its management of risk exposures while taking advantage of business opportunities.

RIL's View on Risk

Risk Appetite

RIL's risk appetite is linked to its strategic approach and is based on the stance it has taken across five areas:

- **Strategic:** RIL manages strategic risk in the pursuit of profitable growth in both mature and emerging markets. Given the volatile markets and economic climate in which it operates, the adaptability of its people, its service offering and its infrastructure are key
- **Operations:** To strive to minimize all people and safety risks and take a balanced approach to other operations risks, taking into account the risk and reward profile of key business decisions
- **Financial:** To maintain a prudent financing strategy, even when undertaking major investment and therefore taking controlled risks in this area
- **Reporting:** RIL believes that accurate and reliable information provides a competitive advantage and is key to effective management of its business. It therefore accepts minimal risk in relation to reporting risks
- **Compliance:** To comply with laws and regulation is fundamental to maintaining its license to operate in the various industries that it operates in

Risk Factors

RIL's focus is on those risks that threaten the achievement of business objectives of the Group over the short to medium term. An overview of these risks is provided hereafter, including the actions taken to mitigate these risks and any related opportunities:

Strategic Risks

Prices and Markets

RIL's financial performance is subject to the fluctuating prices of crude oil & gas and downstream petroleum products. Prices of oil & gas products are affected by supply and demand, both globally and regionally. Factors that influence the supply and demand include operational issues, natural disasters, political instability, economic conditions etc. For example lower prices will mean lower revenues for RIL's upstream production and as a result the long term projects may become less profitable. Additionally, this may also have the impact on reserves booking. Prolonged unfavourable conditions could also result in, cancellation of projects

or impairment of assets. Since RIL operates an integrated hydrocarbon business some of these risks can be offset by gains in other parts of the Group. In addition, RIL proactively hedges these exposures.

Competitive Forces

While RIL seeks to compete on the basis of product differentiation, it operates in commodity-type markets. It is therefore important to manage its costs to ensure it has an edge in pricing over its competitors.

Surplus refining capacity in India, augmentation of refining capacities by PSUs and the additions of new refining capacity in Asia, notably in China and the Middle East will increase competition in the region potentially impacting GRM in its Refining and Marketing business. As a risk mitigating strategy, RIL continues to diversify its product portfolio and also develop new export markets. It is also investing in projects to strengthen cost competitiveness.

Brand and Reputational risks

RIL is one of the leading brands in the country, hence its brand and reputation is an important asset. The Group has defined the Code of Conduct and Operating Model that govern how all employees in RIL and its Group companies operate. Compliance with these codes of conduct, organisational policies and other regulatory compliance and governance requirements are key to protect Reliance's reputation.

Political instability, acts of terrorism, government policies

Social or civil unrest, within India or internationally can have an impact on the Group's operations. Potential developments that may impact its business operations include government pricing policy of petroleum products, piracy on high seas, any changes to Indo-US economic policy, acts of terrorism or civil unrest that may have an impact on safe operation of its facilities and transportation of its products.

Political unrest and tensions in the Middle East, North Africa can cause short term fluctuations in crude oil prices and crude availability. To mitigate the risks resulting from non-availability of crude and feedstocks, the Company has a diversified crude sourcing strategy from multiple geographies (Asia, Middle East, West Africa, Latin / South America and North Africa) under both short term and long term arrangements.

Operations Risks

Changing Technology and Obsolescence Risk

The changing technologies and the natural ageing of existing facilities pose the risk of production plants becoming obsolete and uneconomic. Aged plants are prone to unplanned shutdowns and increased maintenance and operating costs. Deployment of new technologies and on-going maintenance processes are key to enhancing the reliability of operations and reduction in operating costs while improving the safety of operating conditions while extending the useful life of assets.

Evolving HSSE risks

The RIL Group is exposed to a wide spectrum of health, safety, security and environmental risks (HSSE), given the diversity and complexity of the industries RIL operates in. The exploration and production of oil & gas, transport of the hydrocarbons and their further refining and processing is regulated by various HSSE related regulations across the geographies where RIL operates. A major HSSE incident, such as fire, oil spill, security breach can result in loss of life, environmental degradation and overall disruption in business activities. RIL follows an HSE Policy that "Safety of persons overrides all production targets", which incentivises all employees to strive for excellence in safety management for the benefit of its employees, customers and the communities in which they live. RIL has set itself the goal of 'zero injuries and accidents'. The Group conducts HSSE audits to get assurance on HSSE managements frameworks protocols and regulatory compliances.

Financial Risks

Treasury Risks

Treasury risks include, amongst others, exposure to movements in interest rates and foreign exchange rates. The Group is exposed to fluctuating dollar and euro prices. While a majority of the Company's purchases and sales are denominated in US dollars, the Company is exposed to currency risk where the realisation of sales proceeds is in local currencies.

The Group seeks to maintain a financial framework to ensure that it is able to maintain an appropriate level of liquidity and financial capacity. This framework constrains the level of capital at risk for the purposes of position taken in financial instruments. RIL uses debt instruments like commercial paper and bonds to raise capital. The main Treasury risks include interest rate risks and foreign exchange risk.

Interest Rate Risks

RIL borrows funds in the domestic and international markets to meet long-term and short-term funding requirements. It

Management's Discussion and Analysis (Continued)

is subject to risks arising from interest rate fluctuations both LIBOR and Rupee based interest rates since majority of RIL's borrowing are floating rate debt.

Foreign Exchange Risks

RIL has majority of operations in the markets which are priced in directly or indirectly in US dollars. As a result the functional currency for most of the RIL Businesses is dollar with a reporting currency in INR. The major currency to which RIL is exposed is US Dollar. Consequently RIL is exposed to varying levels of foreign exchange risk when it enters into transactions which are not denominated in INR, when foreign currency monetary assets and liabilities are translated at the reporting date and as a result of holding net investment in operations which are non-INR.

Commodity Related Risks

Commodity risk management is an important component of RIL's supply and distribution function. The Company is exposed to risks arising from:

- Timing risk resulting from mismatch between pricing in of crude and feedstocks and pricing out of petroleum products
- Absence of liquidity in the market and ability to hedge known exposures
- Basis risk resulting from differences between the pricing basis for the physical purchases / sales and the pricing basis of the underlying hedging instruments used to hedge the financial exposures created from the physical trades

The Company has put in place Treasury and Commodity risk management policies which provide the framework for decision making with respect to currency exposures and commodity trading positions.

Reporting Risks

Estimation of provisions and reserves

The estimation of proved oil & gas reserves involves subjective judgements and determinations based on available geological, technical, contractual and economic information. These estimates may change depending on availability of new information from production and drilling activities, or changes in economic factors like change in pricing of crude oil, projection of foreign exchange rates, natural decline in the field and unexpected geological complexity etc. The published provisions and reserves may also be subject to correction due to errors in application of published rules and change in guidance. Any downward adjustment would indicate lower production volumes in the upstream business.

Compliance Risks

The evolution of the regulatory environment across the globe has resulted into increased regulatory scrutiny that raises minimum standards required at Reliance. This signifies the alignment of corporate performance objectives, whilst ensuring compliance with regulatory requirements. RIL recognises that regulatory requirements can be both a threat and a source of competitive advantage and therefore it will:

- Strive to understand the changing regulatory standards so as to strengthen its decision making processes and integrate these in its business strategy of each of the industries in which it operates
- Drive business performance through the convergence of risk, compliance processes and control mechanisms to ensure continued operational efficiency and effectiveness
- Exploit significant opportunities arising out of changing regulatory landscape to realign business processes and strategies

How RIL Manages Risk

Reliance's Board of Directors is responsible for the direction and oversight of the Group, its governance principles as well as the establishment of a system of internal control to mitigate material business risks. The Reliance Executive Committee is responsible for the design and operation of the Reliance System of Internal Control which includes Risk Management and Internal Control frameworks and for reviewing its effectiveness.

The System of Internal Control is designed to manage the risks that may prevent RIL from achieving its business objectives and to provide reasonable assurance that all material misstatements, frauds or violations of laws and regulations will be prevented. The RIL system of internal control which includes:

- a) Governance Structures and Policies
 - Establishing and communicating a common vision, mission, values and strategies by top management (strategy setting)
 - Establishing appropriate performance management systems and processes to drive the achievement of Group objectives (performance management)
 - Establishing expected and acceptable behaviours while pursuing the achievement of business objectives through a code of conduct (tone from the top)

- Delegation of authorities which establishes levels of autonomy at the various levels in the organisation
- b) Risk Management and Internal Control
- Policies and procedures which codify requirements with respect to the management of risks and opportunities
 - Risk management processes which manage the key business risks of the Group and each Business segment
 - Operational controls embedded within the business processes to enable the achievement of business objectives
 - Information systems which support the decision making processes at all levels of the organisation
- c) Independent Internal and External Assurance
- d) Board and Business Oversight mechanisms

Governance Structures and Policies

The setting of clear and effective business objectives for the Group is a key aspect of the system of internal control. RIL's Group strategic framework sets out its Group strategy, financial framework and how it manages risk. RIL has clearly defined its vision, mission and core values. Its Group strategy focuses on safety and centres on playing to its competitive strengths. Senior leadership plays a critical role in ensuring conformance with RIL's stated business principles and core values.

Risk Management and Internal Control

RIL has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and internal audit activities. This integration is enabled by all three being fully aligned across Group wide Risk Management, Internal Control and Internal Audit methodologies and processes supported by a common SAP GRC platform. The RIL Group has adopted the following key risk mitigation and internal control design principles and strategies:

- Risk management and Internal Control frameworks are designed and implemented to manage rather than completely eliminate the risk of failure to achieve business objectives
- Maximising the Embedding of Controls in systems and business process designs (configured automated checks and balances, configured delegations, as well as

automated monitoring with alerts and shut outs where necessary) to reduce the resource burden of controls.

- Dual Ownership for Risk Management – Business segments have primary accountability for business risks but Corporate Functions (Finance, HR, IT) operate and support Business segments in ensuring an effective control framework. The Business and Functional CEOs are the key owners of the control framework for their respective Business or Function.
- A “Three-Not-Out” risk mitigation model is applied in each high exposure area with multiple checks (initiate, validate, approve) and hardware redundancy for enhanced process safety.
- In-line and off-line audits of significant risk areas and controls deployed through systems, processes and other operational activities. These assurance activities are designed to provide reasonable but not absolute assurance against material misstatement or loss.
- Where a significant risk materialises into a significant business incident, these are to be managed through the Groups Business Continuity, Emergency Response and Crisis Management Processes.

These elements increasingly provide the “foundations” of the Reliance Risk Management and Internal Control Frameworks.



Independent Internal and External Assurance

Effective Risk Management and Internal Audit functions are key elements of the RIL governance framework. Risk management ownership is fully embedded in the Business whilst the Risk Management function aligns, supports and facilitates the risk management processes of the Group. The Internal Audit Function provides assurance to the Board

Management's Discussion and Analysis (Continued)

and Senior Management in the various Businesses and Functions that the system of internal control deployed is appropriately designed to manage the key business risks and is operating effectively.

Governance, Risk Management, Internal Controls and Internal Audit are aligned at Group level to enable full alignment and integration of integrated methodologies, processes and systems. The Internal Audit and Risk Management functions report directly to the Chairman and Managing Director with direct access to the Chairman of the Audit Committee. The role of Internal Audit, its mission and goals, are set out in the Company's Internal Audit Charter, which has been approved by the Audit Committee and Executive Committee.

Board and Business Oversight Mechanisms (Business Risk and Assurance Committees)

During 2013, Business Risk and Assurance Committees (BRACs) were established to provide the necessary formal structures to implement the Group's Risk Management policies and to facilitate the risk management process for the respective Businesses and Functions. The BRACs provide a platform to:

- Integrate multidisciplinary views on the key organisational risks
- Prioritise the most relevant risks to the Business or Function
- Align risk management, internal control and assurance activities across the Three Lines of Defence: Business and Functions, Controlling and Compliance Functions and Internal Audit

The BRAC for each Business or Function integrates the senior leadership representation of the business, Risk management and Internal Audit Functions around a common agenda covering governance, risk management and internal audit matters. The Committee meet on quarterly basis to review and assess the effectiveness of the respective risk management and internal control frameworks. BRACs provide an integrated view of risk to the Audit Committee and Executive Committee on a quarterly basis.

INNOVATION, RESEARCH & DEVELOPMENT

Innovation is not only important for organisational sustainability, but also vital for long-term value creation. Innovation can happen as one all-encompassing stroke or in small incremental steps, both of which can take the business to the next level.

RIL believes in pushing boundaries to achieve business innovation. Innovation can mean elevation in the level of technology being used, greater diversity or resilience in the business model being pursued or application of higher intelligence and deeper insight in the processes being followed in resource utilisation. RIL has shaped an organisational culture that fosters innovation at every single step.

The drive for innovation is led by the **Reliance Innovation Council** comprising Nobel laureates, global strategists and iconic thought leaders. The Council meets annually to give direction to RIL's innovation agenda. **The Reliance Innovation Leadership Centre** (RIL-C) manages the innovation ecosystem with the aim of making innovation, a way of life at RIL. The ecosystem approach defines innovation in the realm of people, processes, systems, technology, new businesses and structures. RIL-C identifies innovation opportunities across the organisation and designs, develops and deploys innovation programmes. For example, the 'Beyonders' programme aims at grooming innovation leaders by giving potential leaders an opportunity to innovate, as well as training on systematic methods of innovation.

The Leading Expert Access Programme (LEAP) 'democratises inspiration' by providing a platform for interaction with luminaries and accomplished leaders from diverse areas. Powered by creative energies of thousands of its people, RIL will surely succeed in creating new exponential value, with the ultimate aim of reinventing the way people live their lives.

Research & Technology and Innovation are two key focus areas to enhance RIL's value creation, identifying new platforms for its sustainable growth. **'Reliance Technology Group'** (RTG), RIL's centre for research and technology activities, focuses on (i) new products, processes and catalyst development to support existing business, and create breakthrough technologies for new businesses, and (ii) advanced troubleshooting, support to capital projects, and profit and reliability improvements in manufacturing plants.

To accelerate research efforts at RIL, a new Research Centre has been recently commissioned at the Reliance Corporate Park (RCP) in Navi Mumbai. The facility will be the central hub of research and new technologies. It is a world-class facility providing state-of-the-art equipment for hundreds of RIL's scientists and engineers. In R&D, RIL has broken new ground to develop game-changing products and technologies to add value to existing businesses, and create new business opportunities.

In Refining, RTG continues to pursue research in coking, hydro processing, fluidised catalytic cracking (FCC), crude

processing, molecule-based process optimisation and value addition from low-value refinery streams.

In Petrochemicals, RTG is providing technology support to olefin crackers, polymers, fibre intermediates, linear alkyl benzene (LAB) and polyester. The focus areas include:

- a) Efficient asset utilisation
- b) Development of specialty product grades/materials/catalysts
- c) Value addition to by-product streams and
- d) Leveraging opportunities at the chemicals/oil interface

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

- Product development and improvements
- Process development and improvements
- Energy efficiency
- Enhancing product value to customer
- Application development
- Catalyst development
- Additive development
- Automation technology

For more detail refer the Technology Absorption section in the Directors Report.

RTG also provides advanced technical support through computational fluid dynamics and multiple advanced simulation tools. The modelling and simulation group is engaged in resolving several important refinery and petrochemicals reliability issues, leveraging computational fluid dynamics and other simulation tools.

India's agro residue potential is being recognised only recently. RIL's bio-based chemicals/fuels strategy aims to leverage India's large quantum of agro-residue availability as a feedstock, and help improve the country's energy security.

Several technologies have been developed including the following:

1. Technologies to convert the agri-residue into fuel and chemicals
2. Developing Jatropa-based biodiesel
3. Project with CSIR on indigenous 'polymer electrolyte membrane' (PEM) fuel cell technology development

Collaborative research projects with IIP Dehradun, IIT Mumbai, PDPU Ahmedabad, Delhi University, Himachal Pradesh Horticultural University, IICT-Hyderabad, Shah-

Schulman Centre for Surface Science and Nano Technology, DDU-Nadiad and IIT Kharagpur are being undertaken. An industry programme with Tulsa University is also underway.

Clean Development Mechanism (CDM)

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

RIL is continuously working towards the development and implementation of climate change mitigation projects, primarily through energy efficiency and use of cleaner fuels. This year, RIL has taken up various initiatives to deploy renewable energy like rooftop solar photovoltaic projects, biogas generation project and wind resource assessment to explore possibility of wind turbines installation.

SMART TRANSFORMATION AT RELIANCE

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

Coverage of STAR

STAR covers three businesses, Exploration & Production, Refining & Marketing and Petrochemicals and support functions such as Manufacturing, Projects, Procurement & Contracting, Logistics, Human Resources, Finance, Shared Services, IT, Research and Development and Security.

Development during the year

Progress has been made to integrate process models with the system solution landscape to ensure integrated process change management. The key state-of-the-art solutions benefitting RIL in the areas of advanced planning, plant data reconciliation and validation, operational performance management and analysis and quality management have also been implemented. A team of around 950, inclusive of RIL employees and external consultants have been working

Management's Discussion and Analysis (Continued)

on this initiative during FY 2013-14 to make it successful. Thus far, significant progress has been made in the following areas:

Process

1. Completed basic and detailed design, including business blueprinting for 265 end-to-end business processes.
2. Detailed designing and integration of all key end-to-end improved business processes.
3. The first SAP systems implementation, which fully integrates processes, has been successfully delivered for the Exploration & Production business.

Data

4. The design and implementation of a robust data architecture and data to support integrated business processes.

People

5. RIL has taken strong steps forward in its HR transformation, a key part of its STAR Business Transformation programme. Under the banner of R-HR Transformation, the programme is steeped in a desire to drive both a culture change in Reliance, as well to embrace new business processes used and advocated by the world's top multi-national companies. The objective of this transformation is to achieve Reliance's vision of being:

"A modern, progressive people environment, where purpose-driven talent are attracted and motivated by a consistent meritocratic HR framework and where high quality leaders capable of realising RIL business goals, are identified, encouraged, and rewarded."

Focus for next year

The focus for FY 2014-15 will be to continue with the delivery momentum and begin full deployment of transformed business processes for the Refining and Marketing and Petrochemical businesses, including all support functions, and Wave 2 scope of the HR Transformation scope which will focus on talent management processes. When fully deployed, all of these transformation projects will create a foundation to support and enable us to propel and be ready for the next phase of growth.

HUMAN RESOURCE DEVELOPMENT

Human resource accounting

RIL firmly believes that growth of core and fringe stakeholders' will foster its growth opportunities. RIL aims

to develop the potential of every individual associated with the Company as a part of its business goal.

As on 31st March, 2014, 23,853 employees are on RIL's payroll. The current workforce breakdown structure has a good mix of employees at all levels.

Respecting the experienced and mentoring the young talent has been the bedrock for RIL's successful growth. RIL's employees' age bracket represents a healthy mix of experienced and willing-to-experience employees.

Human resource transformation

Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement. RIL focuses on providing individual development and growth in a work culture that enables cross-pollination of ideas, ensures high performance and remains empowering. At RIL lot of focus has been given to HR Transformation activities to revamp the HR organisation structure and processes. The new human resource management systems and processes are designed to enhance organisational effectiveness and employee alignment. The result is that the Company is able to work towards market leadership in all the businesses that it operates.

During 2013-14, focus has been on transforming five areas of Organisational Hierarchy, Performance Management, Differentiated Rewards, Delegation of Authority, and HR Model.

Any transformation journey needs a significant change management effort. RIL's focus has been to ensure the absorption of change through proper modes of communication, such as town-hall discussions, emails, webinars, and webcasts, among others. Focused efforts are being taken to promote 'Acceptance' and 'Adoption' as a part of facilitating change management. The consistent measurement of change management has enhanced effectiveness of change management efforts. As a part of change management, a Human Resources portal has been launched for all employees to provide them information regarding all HR transformation initiatives.

Significant efforts have gone into developing a strong leadership potential across RIL locations by imparting leadership qualities in employees through highly focussed training programmes. A lot of impetus has been given to e-learning which also simplifies the learning process and puts employees on an accelerated learning path.

Talent pipeline

RIL hires best-fit talents to meet the present and future talent requirements. Over the last year, the Company has hired 2,914 employees in different roles.

The Reliance Accelerated Leadership Programme (RALP), institutionalised three years ago, continues to be a centrepiece of RIL's future leadership pipeline. Two batches of RALPs have been already hired, and this year, the focus was on ensuring their assimilation into the organisation.

During the current fiscal, RIL hired 57 management graduates and 751 graduate engineers from India's leading institutes as a part of RIL's campus recruitment initiative. The numbers are likely to increase in the future with RIL's foray into new-age businesses.

Learning and development

RIL strives to keep its employees updated with the latest cutting edge developments in their fields of work and promote them to take up new challenges outside their familiar domains. Cross-functional learning and developing managerial capabilities is the crux of RIL's learning agenda. The 70:20:10 principle has been adopted across all training initiatives. RIL has focussed on giving leaders three broad categories of experiences, 70% through the challenging work on hand, 20% through interaction with people and 10% from training activities. This combination has helped RIL's employees in getting to learn things as they grow in their career through their day-to-day activities.

RIL's imparted a total of thirteen lakhs sixty thousand man-hours of trainings to its employees from both internal as well as external subject matter experts till 31st March, 2014. RIL also ensures that all its contract workforce is well trained on Health, Safety and Environment before commencing any work.

The Learning and development team focused on developing and imparting training to implement elements of Employee Value proposition that was created last year.

The academies of Information Technology, FC&A (Finance, Compliance and Accounts), GMS (Group Manufacturing Services), P&C (Procurement and Contract), Institute of Leadership and HR were strengthened by inducting new talent. Their effectiveness was measured to ensure improvement. New academies for E&P, Petrochemicals, Refining and Security are focus areas for launch.

The broad categories of training include:

- Behavioural
- Functional / Domain
- Business related

RIL partnered leading institutions and professional bodies worldwide, including Harvard Business School, Bersin, Corporate Executive Board, among others in pursuit of knowledge building and develop world-class experience and expertise.

Diversity

RIL ensures diversity in workforce by promoting employees to maintain their identity, while adhering to the Company's values and behaviour. Concentrated effort on gender and age diversity has been initiated through workshops and training programs.

RIL's total workforce strength as on 31st March, 2014 is 23,853 including 1149 female employees. RIL employs people from 23 nationalities.

A concentrated effort on gender and age diversity has been initiated through workshops and training programmes.

A concerted effort to empower women was made through the following initiatives:

- Policy for prevention of sexual harassment was rolled out
- Internal complaints committees, as per legal guidelines, were set up at major locations
- Diversity and inclusion council was set up

Human rights

It is RIL's firm belief that respect for human rights represents the foundation for good corporate governance. RIL's units maintain 100% compliance with local and national laws regarding ethics and human rights. RIL also strives to comply with all global standards and norms. RIL adheres to the principles of United Nation's Universal Declaration of Human Rights. Every employee is exposed to these topics through organised training programmes.

Quality

RIL continued its journey towards achieving excellence by instilling employees with a high regard for quality. More employees are being trained on Six-Sigma as a part of this overarching initiative.

This year has seen 19,428 man hours of training being provided to employees on Six-Sigma. During the year, 78 six-sigma projects have been executed, leading to annualised savings of ₹ 83.1 crore.

Management's Discussion and Analysis (Continued)

AWARDS AND RECOGNITIONS

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

Leadership

RIL's Chairman and Managing Director, Shri Mukesh D. Ambani, received the "NDTV 25 Greatest Living Legends of India Award", presented by the Honourable President of India on 14th December, 2013

CSR

- Oliver Kinross's Asia Oil & Gas Award 2013 for Corporate Social Responsibility - Company of the Year (RIL KG-D6)
- "Best ART (Anti-Retroviral Therapy) Centre Award 2013" by Gujarat State AIDS Control Society (GSACS) on World AIDS Day (Hazira Manufacturing Division)
- Award for leadership excellence in corporate social welfare/CSR by "The Greatest Corporate Leaders of India" initiative (Hazira Manufacturing Division)
- 'Best corporate social responsibility practices' and 'Best use of CSR practices in manufacturing' awards (Hazira Manufacturing Division)

Quality

- Par Excellence, Excellence and Gold Awards in Quality Circle by Quality Circle Forum of India (QCFI) (Dahej Manufacturing Division)
- IMC Ramkrishna Bajaj National Quality Award 2013 (Jamnagar Manufacturing Division)
- QualTech Prize 2013 under Manufacturing Category (Hazira Manufacturing Division)
- Quality Impact Story board - ASQ (American Society for Quality) International Team Excellence Awards, ITEA 2013 (Hazira Manufacturing Division)
- Platinum awards for three projects at the lean six sigma convention 2013 by Concept Business Excellence Pvt. Ltd. (Hazira Manufacturing Division)
- Gold Trophy at State level Quality Circle Convention 2013 by Quality Circle Forum of India (Patalganga Manufacturing Division)
- CII Six-Sigma National Award for 2013 in the 'Continuous and Bulk Organisations' category (Vadodara Manufacturing Division)
- Platinum Award' in the 2nd Annual Convention of Concept Business Excellence Pvt Ltd (CBEPL) (Dahej Manufacturing Division)



Leadership

25 Greatest Living Legends

of India Award by NDTV
presented to RIL CMD by the
Honourable President
of India

- Quality Circle 'Challengers' won the highest award 'Excellence Award' in the International Convention on Quality Control Circles (ICQCC'13) (Dahej Manufacturing Division)
- 4 Gold awards in first annual Quality Circle Convention (ACCQC 2013) (Dahej Manufacturing Division)

Projects

- Best Project of the Year - Small category at the Project Management National Conference, India 2013 (Hazira Manufacturing Division)

Health, safety and environment

- Golden Peacock Environment Management Award 2013 (Hazira Manufacturing Division)
- 'Most Innovative Environmental Project Award 2013' organised by CII, Confederation of Indian Industry for the project on 'Reduction in Carbon Di-Oxide (CO₂) emission by productive utilisation of recovered CO₂ (Hazira Manufacturing Division)'
- 12th Annual Greentech Safety Award 2013 gold category for the petrochemical sector (Nagothane Manufacturing Division)

- Greentech Safety Gold Award 2013 for safety performance (Silvassa Manufacturing Division)
- Golden Peacock National Award for Occupational Health & Safety 2012-13 in the petrochemical sector (Nagothane Manufacturing Division)
- Gold Award in the petrochemical sector in '14th Annual Greentech Environment Award 2013' (Nagothane Manufacturing Division)
- "International Safety Award 2014" with distinction for Health and Safety Management System performance for the year 2013 (Jamnagar SEZ refinery)
- SHRM HR AWARDS 2013 in the 'Organisational Awards' category for 'Employer with Best Employee Health and Wellness Initiatives'
- Greentech Environment Award 2014 – Gold Award for highest level of commitment to environment management (Dahej Manufacturing Division)

Energy and water conservation / efficiency

- Excellent Energy Efficient Unit Award at the CII National Energy Summit (Hazira Manufacturing Division)
- Excellent Energy Efficiency Unit Award 2013 at CII Energy Summit (Nagothane Manufacturing Division)
- Excellence in Energy Conservation and Management under category Petrochemical sector by Maharashtra Energy Development Agency (MEDA) (Patalganga Manufacturing Division)
- International Green Apple Award 2013 by The Green Organisation, UK for optimisation of Gas turbines (Jamnagar Manufacturing Division – SEZ refinery)
- "Best energy efficient unit 2013" by CII (Jamnagar DTA refinery)
- Outstanding performance in energy conservation award by Southern Gujarat Chamber of Commerce and Industries (SGCCI) (Hazira Manufacturing Division)

Technology, patents, R&D and innovation

- Best Practices - Improvements in Manufacturing in the 25th Qimpro Convention 2013 (Runners up) (Patalganga Manufacturing Division)
- Petrofed Innovator Award of the year 2012 (Reliance Technology Group)
- I.C.C. Award for Excellence in Chemical Plant Design and Engineering for the year 2012 (Reliance Technology Group)
- 3rd National award, 2013 for Technology Innovation in Petrochemical & Downstream Plastic Processing Innovation award from Ministry of Chemicals & Fertilizers, Government of India (Reliance Technology Group)

Retail

- Asian Human Capital Award 2013 - Special Commendation Prize for Work Smart - A Business Excellence and Workforce Enablement Programme (Reliance Retail Academy)
- Star Retailer Award - Consumer Durables Retailer of the year 2013 (Reliance Digital)
- India Fashion Forum 2014 - Images Most Admired Fashion Retail Destination Of The Year (Reliance Trends)
- Images Retail Awards 2013 - Images Most Admired Retailer of the year (Reliance Trends)
- Reliance Trends ranked amongst top 10 "Brands to look out for in 2014". (Reliance Trends)
- Great Place To Work in Retail Industry 2013 (Marks and Spencer Reliance India)

Sustainability

- CII-ITC Sustainability Awards 2013 - India's Most Sustainable Companies (Hazira Manufacturing Division)
- Golden Peacock Award for Sustainability 2013. (Nagothane Manufacturing Division)

Business Responsibility Report

Section A: General Information about the Company

- Corporate Identity Number (CIN) of the Company:**
L17110MH1973PLC019786
- Name of the Company:** Reliance Industries Limited
- Registered address:** 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021, India
- Website:** www.ril.com
- E-mail id:** sustainability.report@ril.com
- Financial Year reported:** 2013-14
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

Exploration and Production of Oil and Gas, Refining, Petrochemicals (Polymers, Polyester and fibre intermediates) and Textiles

Industrial Group	Description
061	Extraction of crude petroleum
062	Extraction of natural gas
131	Spinning, weaving and finishing of textile
139	Manufacture of other textiles
192	Manufacture of refined petroleum products
201	Manufacture of basic chemicals, fertilizers and nitrogen compounds, plastic and synthetic rubber in primary forms
203	Manufacture of man-made fibres

As per National Industrial Classification – Ministry of Statistics and Programme Implementation

- List three key products/services that the Company manufactures/provides (as in balance sheet):**
 - Transportation Fuels
 - Polymers
 - Polyester Fibre
- Total number of locations where business activity is undertaken by the Company:**
 - Number of International Locations (Provide details of major 5):** RIL has business activity undertaken in over 16 international locations. The major ones are USA, Malaysia, Kenya, Uganda, Rwanda and Tanzania.

- Number of National Locations:** RIL has business activity carried out in over 50 domestic locations. The manufacturing divisions are at Allahabad, Barabanki, Dahej, Hazira, Hoshiarpur, Jamnagar, Nagothane, Nagpur, Naroda, Patalganga, Silvassa and Vadodara. The Exploration and Production (E&P) units are at KG-D6 – Gadimoga and Panna-Mukta-Tapti. Besides, there are CBM Blocks and various regional marketing offices.

- Markets served by the Company – Local/State/National/International:** In addition to serving Indian markets, RIL exported to 123 countries worldwide during FY 2013-14.

Section B: Financial Details of the Company

- Paid up capital (INR):** 3,232 crore
- Total turnover (INR):** 4,01,302 crore
- Total profit after taxes (INR):** 21,984 crore
- Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 3.24%
- List of activities in which the CSR expenditures have been incurred:**

The major areas in which the above expenditure has been incurred includes education, healthcare, livelihood support, rural development, heritage conservation, environment and safety initiatives for the community.



CSR Expenditure

3.24%
of profit after tax
Spent on Corporate Social
Responsibility

Section C: Other Details

1. Subsidiary Company/ Companies

The number of RIL's subsidiary Companies as on 31st March, 2014 was 103.

2. Participation of Subsidiary Company/Companies in the BR Initiatives of the parent company

RIL encourages its subsidiary companies to participate in its group-wide Business Responsibility (BR) initiatives on several topics. All subsidiaries are aligned to the activities under the aegis of Reliance Foundation. RIL's subsidiaries like Reliance Retail Limited and Reliance Trading Limited have taken part in initiatives across several areas during FY 2013-14. The areas are farm engagement activities, training and skill development of youth, community connect activities and promotion of education, etc.

3. Participation and percentage of participation of other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, in the BR initiatives of the Company

RIL collaborates with all relevant stakeholders as part of the BR initiatives of the company. This includes suppliers, distributors, local communities, government and other entities in the value chain. Considering the spread of RIL's value chain, at present the number of entities who directly participate in the BR initiatives would be less than 30%.

Section D: BR Information

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

The Corporate Social Responsibility and Governance (CSR&G) Committee of the Board of Directors is responsible for implementation of BR policies. The following are the members of the CSR&G Committee:

- DIN Number: 00001879
Name: Shri Yogendra P. Trivedi (Chairman)
Designation: Independent Director
- DIN Number: 00001620
Name: Shri Nikhil R. Meswani
Designation: Executive Director
- DIN Number: 00001982
Name: Dr. Dharam Vir Kapur
Designation: Independent Director
- DIN Number: 00074119
Name: Dr. Raghunath A. Mashelkar
Designation: Independent Director

b) Details of the BR Head

Particulars	Details
DIN Number (if applicable)	00001879
Name	Shri Yogendra P. Trivedi
Designation	Independent Director
Telephone Number	022 - 2363 3600
E-mail id	trivedi_yogendra@yahoo.co.in

2. Principle-wise (as per NVGs) BR policy/policies (Reply in Y/N)

P1- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

P2- Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

P3- Businesses should promote the well-being of all employees

P4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

P5- Businesses should respect and promote human rights

P6- Businesses should respect, protect, and make efforts to restore the environment

P7- Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

P8- Businesses should support inclusive growth and equitable development

P9- Businesses should engage with, and provide value to their customers and consumers in a responsible manner



K. D. Ambani Vidyamandir, Jamnagar

Business Responsibility Report (Continued)

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Do you have policy/policies for....	Y	Y ¹	Y	Y	Y	Y	Y	Y	Y
Has the policy being formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the policy conform to any national /international standards? If yes, specify? (The policies are based on NVG-guidelines in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000, UNGC guidelines and ILO principles)	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Indicate the link for the policy to be viewed online?	http://www.ril.com/html/aboutus/sustainability_report.html								
Has the policy been formally communicated to all relevant internal and external stakeholders?	The BR policies have been communicated to RIL's key internal stakeholders. The policies are communicated through this report and the link provided above. RIL will also explore other formal channels to communicate with other relevant stakeholders.								
Does the Company have in-house structure to implement the policy/policies?	Yes. The Corporate Social Responsibility and Governance (CSR&G) Committee of the Board of Directors is responsible for implementation of policies.								
Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Yes. Any grievances or feedback related to the policies can be sent to sustainability.report@ril.com . The CSR&G Committee of the Board of Directors undertakes the responsibility of addressing stakeholder concerns related to BR policies.								
Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The BR policy manual has been evaluated internally. Policies pertaining to health, safety and environment have also been audited by external agencies, viz. DNV, LRQA and BVQI.								

¹The policy is embedded in the Environment policy, Business communication policy and CSR policy.

3. Governance related to BR

- **Frequency of the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company**

The CSR&G Committee annually assesses the BR performance of the Company.

- **BR and Sustainability Reports published, frequency and link of published reports**

RIL publishes its Sustainability Report annually based on Global Reporting Initiative's latest reporting guidelines. RIL has been publishing GRI A+ application² level check reports since 2005-06. The last published Sustainability Report for FY 2012-13 and all previous reports are available at http://www.ril.com/html/aboutus/sustainability_report.html

Notes

²Declaring an Application Level results in a clear communication about which elements of the GRI Reporting Framework have been applied in the preparation of a report. The reporting levels C, B and A reflects an increasing application or coverage of the GRI Reporting Framework while the '+' sign signifies that the report is externally assured.

Section E: Principle-wise performance

Principle 1 - Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Conducting business on the pillars of ethics and transparency fosters trust of stakeholders. RIL, believes that image and reputation are vital in adding value to the organisation.

1. Coverage of policy relating to ethics, bribery and corruption (e.g. Joint Ventures, Suppliers, Contractors, NGOs etc.)

RIL's policy on bribery and anti-corruption covers all individuals working with it, and its subsidiaries at all levels and grades. This mechanism includes directors, senior executives, officers, employees (whether permanent, fixed-term or temporary) and third parties including consultants, contractors or any other person associated with RIL. The well-defined policy lists tenets on ethical business conduct, definitions and the framework for reporting concerns.

2. Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management

As specified in the Corporate Governance Report, 3,322 investor complaints were received during FY 2013-14. Only one complaint was outstanding, as on 31st March, 2014. In addition to this 3,164 customer complaints were received out of which 3,126 were successfully resolved as on 31st March 2014. Subsequently most of these complaints have been resolved.

As part of the business responsibility policy manual, a policy on stakeholders' grievance redressal has been instituted. This makes provision for all the stakeholders to freely share their concerns and grievances with RIL through a structured mechanism.

It eradicates the use of chemical pesticides, maintaining the natural quality of soil.

During FY 2013-14 RIL has undertaken this initiative for watermelon, chilly, chappan tinda and coriander crops.

Effect of frost



Field covered with PPNW Crop Cover



Crop protected from frost



Principle 2 – Product Lifecycle Sustainability

Businesses should provide safe goods and services that contribute to sustainability throughout their life cycle

Creating sustainable products is a part of RIL's endeavour towards responsible product stewardship. RIL aims to make its products more safe and environment friendly.

1. List three products or services whose design has incorporated social or environmental concerns, risks and/or opportunities

It is RIL's constant endeavour to make products that have a positive impact on the environment and cater to consumer needs. Some such products created during FY 2013-14 are listed below:

a) PP non-woven fabric

This is utilised as a crop cover for protection against extreme cold weather. It prevents the crop leaves from freezing and allows sunlight to pass, thus resulting in normal photosynthesis. The cover also acts as a protection from pests and insects.

b) Double Wall Corrugated Polyethylene Pipes

This is utilised in sewage systems for conveyance of municipal sewage and wastewater. The traditional pipes, generally used in the sewage system, are made of concrete and possess major risks. These risks include breaks and leaks due to its brittle nature, corrosion and increased number of joints. It results in groundwater contamination, and in some cases contamination of potable water. DWC PE pipes have a number of technical advantages

Business Responsibility Report (Continued)

over traditional piping systems. These pipes are stronger and hence reduce occurrence of leakages.

c) PVC-based food grain packaging

PVC food grain storage structures are airtight (hermetic) and unsupported rectangular structures made of lightweight UV-resistant PVC sheets. Due to excellent gas tightness of the structure, it can maintain low oxygen and high carbon dioxide level within the packaging. This ensures zero survival of insects, which in turn, protects food grains.

2. Procedures in place for sustainable sourcing (including transportation) and percentage of inputs sourced sustainably

The Company's motto is to establish long term relationship with its vendors and include them in its growth story. In addition to techno-commercial aspects, RIL's procedures with regard to finalising vendors emphasises on environmental practices, existing certifications, safe working conditions, prevention of child labour and general housekeeping. RIL engages with its vendors periodically and also offers technical assistance whenever required. The selection procedure of RIL's transport vendors (Trucks and Containers) involves scrutiny at various levels like young vehicle/container fleet, presence of mandatory inspections and safe driving procedures. Further, the Company urges its large group of transport vendors to focus on load and route optimisation to ensure fuel efficiency and reduce the environmental impact due to transportation.

PTA product bulk dispatch at Hazira

At RIL's Hazira operations, bulk dispatching of PTA product has been implemented. Dispatch levels have increased to 70-75% of PTA. The higher dispatch volume in the tanks (32MT/truck when compared to jumbo bags - 16.5MT/truck) has resulted in emission reduction due to decreased number of trips.

Green Polymer Packaging Bags

Green polymer (fully recyclable) packaging is used in the packaging of polyester and polymer products. A weight reduction of 3.5%-12% was achieved without compromising on mechanical properties of packaging materials. The process has lowered the number of trucks required for transportation of the product thereby reducing fuel consumption and hence emissions.

3. Steps taken to procure goods and services from local and small producers, including communities and capability building activities undertaken for local and small vendors

In order to ensure a positive impact of sourcing of raw materials and other resources as well as product distribution, RIL supports, encourages and develops local vendors. E.g., the Company developed a local vendor for the supply of a critical chemical. Various contracts have been entered with local villagers around RIL's plants in vehicle hiring, material handling, housekeeping, waste handling and horticulture. These contracts have led to entrepreneurship development around the manufacturing sites and have created employment for the populace.

Through financial assistance and encouragement, RIL supports many small suppliers, predominantly civil contractors and transport suppliers. Some of these partners have been serving to RIL for the past two generations.

4. Mechanism to recycle products and waste and the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)

RIL has taken various initiatives towards waste management and continuously monitors it with a view to ensure reduction in waste generation. RIL has taken various measures such as converting waste to organic manure and bio gas generation.

RIL ensures responsible disposal of waste generated by partnering with various agencies to encourage end-of-life recycling and reuse. At Hoshiarpur and Barabanki recycled polyester fibre is being produced through post-consumer PET bottle recycling.

Total recycled material at Manufacturing Divisions (tonnes)



9.4 % Increase
in recycled material utilisation

The industrial waste generated at Naroda plant is converted into useful 'bio-manure' by the vermi-composting method, thereby reducing the load of waste disposal on the environment.

The Jamnagar refinery has reduced its load on the environment by tapping and desalinating sea water instead of using fresh water resources. The waste water generated is treated and used for green belt development thereby ensuring zero effluent discharge.

RIL has recycled treated waste water across its manufacturing divisions which amount to more than 50% of its fresh water withdrawal.

Recycling of used PET blend fabrics by bio route

Polyester is not easily amenable to microbial attack and hence polyester fabric waste poses a huge disposal problem. Separation of polyester from its blends and dye will aid in recycling of the polyester. There are some chemical recycling processes including hydrolysis, methanolysis and glycolysis that are being adopted to digest the polyester portion of the blends. Work is underway by RIL's R&D group on exploring the possibility of recycling used PET via a biological route in an environmentally friendly manner using enzymes from microbes.

Principle 3 Employee Well-being

Businesses should promote the well-being of all employees

RIL believes in its people power propelling its progressive growth. Their knowledge, experience and passion to perform are fundamental to building the organisation further. Hence RIL provides its employees with opportunities that encourage them to excel. RIL ensures a work environment that promotes well-being.



1. Total number of employees

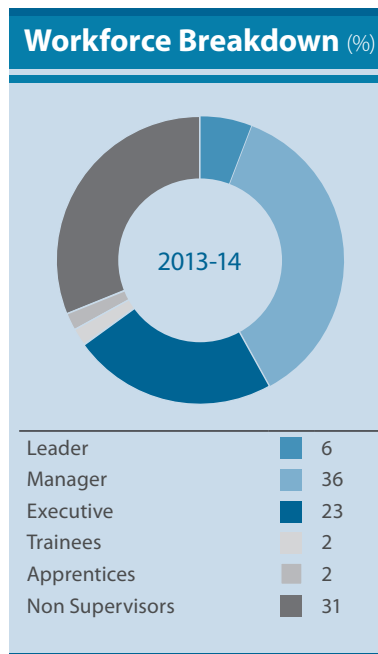
The total number of employees is 23,853 as on 31st March, 2014.

2. Number of permanent women employees

The total number of permanent women employees is 1,149 as on 31st March 2014.

3. Number of permanent employees with disabilities

The total number of permanent employees with disabilities is 99 as on 31st March 2014.



4. Employee associations recognised by the management

RIL has various unions and associations of employees at various sites which encourage the employees to participate freely in constructive dialogue with the management.

5. Percentage of permanent employees that are members of recognised employee association

Almost 100% of non-supervisory permanent employees at manufacturing locations are members of trade unions / employee associations.

6. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

There were no cases of child labour/ forced labour/ involuntary labour and discriminatory employment during the year. As for protection against sexual harassment, RIL has formed an internal complaints committee to which employees can write their complaints. Also the Company has sexual harassment policy in which it formalised a free and fair enquiry process with clear timeline.

Business Responsibility Report (Continued)

7. Percentage of under mentioned employees that were given safety & skill up-gradation training in the last year

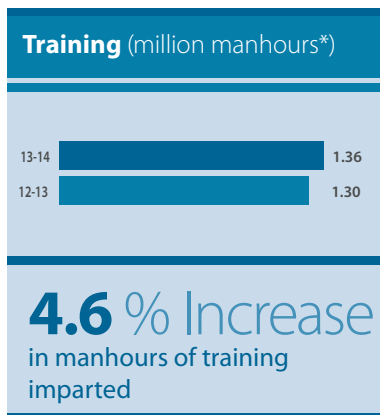
Permanent Employees

Permanent Women Employees

Employees with Disabilities

Casual/Temporary/Contractual Employees

It is RIL's constant endeavour to keep its employees abreast with the latest technical knowledge. During FY 2013-14, a total of 1.36 million manhours* of training was imparted by RIL to its workforce.



*On the Job trainings provided to trainees are not included.

62.05% of RIL's permanent workforce and 49.5% of the permanent women employees received safety and skill upgradation trainings through classroom as well as web-based training programmes. Out of 99 permanent employees with disabilities, 41.4% received safety and skill upgradation trainings. All of RIL's contractual employees receive mandatory safety training before entering the premises and receive on the job training through the contractor and the Company.



Principle 4 – Stakeholder Engagement

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

Stakeholders play an important role in determining RIL's growth story. Stakeholder engagement, at RIL, aims to provide transparency in communications and continual improvement. It's a dialogue that defines the RIL approach of understanding stakeholder needs, and developing action plans to fulfil them.

1. Mapping of internal and external stakeholders

RIL's major stakeholders have been mapped and the key categories are as below:

- i) Government and regulatory authorities
- ii) Employees
- iii) Customers
- iv) Local community
- v) Investors and shareholders
- vi) Suppliers
- vii) Trade unions
- viii) NGOs

RIL engages with its identified stakeholders on an on-going basis through a constructive consultation process. There is a structured stakeholder engagement programme which entails specific engagement mechanisms for each stakeholder group. The Company follows a system of timely feedback and response through formal and informal channels of communication to ensure that the stakeholder information remains current and updated.

2. Identification of the disadvantaged, vulnerable & marginalised stakeholders

Through RIL's stakeholder engagement, the disadvantaged and marginalised stakeholders are identified.

3. Special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders

A large number of RIL's livelihood support programmes are women centric and have helped them become self-reliant and gain a steady source of income through a range of different vocations. The Company is continuously improving the access to quality education for children by adopting schools in and around its manufacturing units. These educational institutions include children from the underprivileged communities whose fee is completely or partially waived. Meritorious

students are assisted with scholarships to pursue higher education in the colleges. Students who are physically challenged are specially assisted to pursue high education in colleges. 'Mumbai Indians' supported projects for providing access to quality education for underprivileged children, supporting girl child education, imparting life skills to the differently-abled and creating a level field by providing support classes to the vulnerable children.

For its trucker community RIL conducts AIDS awareness programs on a large scale including skits and role plays. 'Hamrahi', a clinic operating in Allahabad continues to provide voluntary testing and counselling for HIV/AIDS primarily for truckers and nearby residents. Under the "Chirudeepam" initiative and "Project Hope", the employees at E&P sites and the Reliance Ladies Club (an association of spouses of RIL managerial employees) at Hazira support children affected by AIDS and supply them with nutritive kits every month, in conformance with the WHO standard.

For specific details, please refer to Report on Corporate Social Responsibility.

Principle 5 – Human Rights

Businesses should respect and protect human rights

RIL's culture demonstrates integrity and respect for human rights. RIL developed policies and mechanisms to ensure human rights are an entitlement to all. It is guaranteed in day-to-day operations and in the way RIL conducts its business. RIL publicly reports its progress against the ten principles by UNGC, one of them being human rights.

1. Coverage of the company's policy on human rights to the company and its extension to Group/Joint Ventures/Suppliers/Contractors/NGOs/Others

RIL has instituted a 'Human Rights Policy' that demonstrates its commitment towards the preservation of human rights across the value chain. The Company believes that a sustainable organisation rests on a foundation of ethics and respect for human rights. RIL promotes awareness of the importance of respecting human rights within its value chain and discourage instances of abuse.

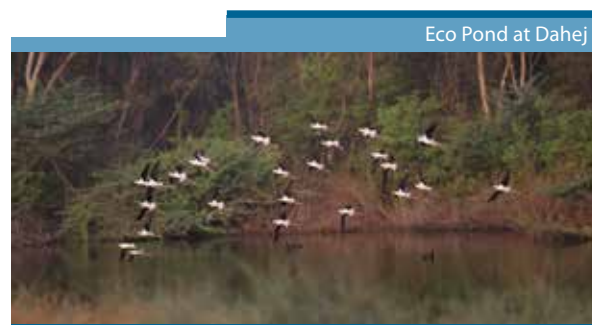
2. Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management

There were no reported complaints during FY 2013-14.

Principle 6 – Environmental Management

Businesses should respect, protect and make efforts to restore the environment

RIL believes in safeguarding the environment, while executing its operations. To this effect, it takes every effort towards environmental conservation. RIL ensures to do business with a minimal environmental impact that aims at rational use of natural resources and reduced waste and emissions.



Some of the initiatives adopted to improve and reduce environmental footprint at RIL's manufacturing location during FY 2013-14 include:

- An IT-enabled process for tracking and monitoring of environmental performance and statutory compliance is implemented across major sites.
- Organisation level Greenhouse Gas Accounting and reporting standard and Audit protocol development.

1. Coverage of the policy related to Principle 6 and its extension to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others

Environmental conservation is core to RIL's business strategy. RIL's Health, Safety and Environmental policy is a comprehensive document which identifies environmental preservation and pollution prevention as its responsibility. The policy addresses the issues not only related to the RIL manufacturing units but of the Group companies, JV partners, suppliers, contractors, communities, and other stakeholders as well. Safety of personnel is of prime importance and given the top most priority.

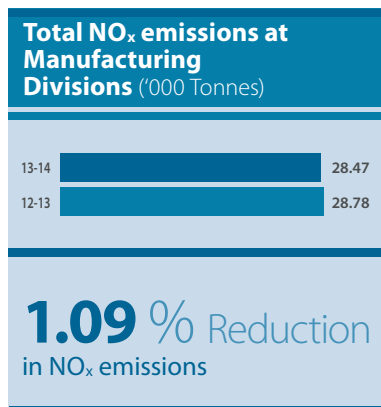
RIL encourages sharing of process and product innovations within the group and extending it to benefit the industry and key members of its value chain.

Business Responsibility Report (Continued)

2. Company's strategies/initiatives to address global environmental issues such as climate change, global warming, etc.

One of the key strategic pillars of RIL's sustainability strategy is ensuring energy security. In its endeavour to become a key global energy player, the Company has strengthened its focus in recent years on opportunities to harness alternative energy sources.

RIL undertakes continuous activities to improve energy efficiency and thereby reduce Green House Gas (GHG) emissions. It has a separate Clean Development Mechanism (CDM) cell to focus on climate change mitigation projects. As a responsible corporate, RIL monitors and develops measures to reduce emissions at all locations. RIL adheres to all legal requirements and norms of energy conservation and other environmental conservation standards exercised by the Government of India and other countries where RIL has a presence. Through its sustainability report, RIL reports on direct and indirect emissions and measures undertaken for GHG emission reduction.



3. Identification and assessment of potential environmental risks

At RIL, risk assessment is a continuous activity across all operations. RIL has systems in place that ensure continued monitoring. A standard process includes identification of environmental aspects in RIL's activities and further addressing them with a structured framework to mitigate the associated environmental impacts. All the manufacturing Divisions are certified by ISO-14001 environment management system and integrated with quality and safety management systems (ISO 9001 and OHSAS 18001). In addition, all these sites have also been covered under the British Safety Council UK's environment five star audit. The

periodic audits conducted as part of these management systems help RIL identify potential risks at its locations.

The measures highlighted in the environmental assessments are addressed in a timely manner and monitored accordingly. Mitigation measures and environmental parameters are internalised at all stages of project design, execution, construction, operation and maintenance.

4. Company's initiatives towards Clean Development Mechanism

The Company continues to work towards development and implementation of climate change mitigation projects, mainly through energy efficiency and use of cleaner fuels. RIL has 8 CDM projects registered with the United Nations Framework Convention on Climate Change (UNFCCC). The Company has built in-house capacity to develop CDM projects and obtain the registration and issuance of the same in the form of Certified Emission Reductions (CERs) from the UNFCCC.

5. Company's initiatives on – clean technology, energy efficiency, renewable energy, etc.

This year, RIL has adopted various initiatives for deployment on clean technology, energy efficiency and renewable energy. Some of these initiatives are listed below:

a) Clean Technology

Maintaining H₂S liberation from desalted brine in regulated concentration

The Jamnagar refinery has established a simple scheme of flushing H₂S generated in the Effluent Treatment Plant (ETP). This process is under implementation within the DTA Refinery at Jamnagar.

b) Energy Efficiency

Catalytic HTL process for conversion of biomass to oil

Development of a catalytic process for the conversion of biomass to bio crude oil has been initiated. In this process harvested biomass is subjected to catalytic hydrothermal liquefaction to achieve energy efficiency in the process.

c) Renewable

Aggregation of surplus waste agri-residue as biomass for conversion to biofuels/biochemicals

RIL is focusing on in-house research and external technology for converting abundantly available cellulosic biomass in India to fuels & chemicals. For example, isoprene production through a biological route will address environmental issues and

harness the inherent energy stored in renewable feedstock. This would also stop the current practice of agri-residues being burnt which leads to a lot of smoke and pollution.

6. Reporting on the emissions/waste generated by the company as per the permissible limits given by CPCB/SPCB

The emissions / waste generated by the company is not only within but in many cases significantly lower than the permissible limits given by the State or Central pollution control boards. In RIL's environmental management system, environmental compliance is an indispensable aspect. RIL's emissions/waste generated reports are regularly submitted to CPCB/SPCB by the Company and no non-conformances have been observed.

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year

No pending or unresolved show cause/ legal notices from CPCB/SPCB, as on end of FY 2013-14.

Principle 7 – Public Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

RIL's collaboration with industrial bodies and academia demonstrates its approach towards addressing sustainability challenges. RIL aims to create an environment that encourages supportive decisions made in a responsible way. The associations formed are in consultation with the Board, and contain representation from the Board in certain memberships.

1. Representation in any trade and chamber or association

RIL has its representation in several business and industrial associations' such as The World Economic Forum, The American Chemistry Council (ACC), Indian Chemical Council (ICC), The Chemicals and Petroleum Manufacturers Association (CPMA), Gulf Petrochemicals & Chemicals Association (GPCA), European Petrochemicals Association (EPCA), American Fuel & Petrochemical Manufacturers (AFPM) Association of Oil and Gas Operators in India (AOGO), Federation of Indian Chambers of Commerce and Industry (FICCI), Confederation of Indian Industry (CII), Associated Chambers of Commerce and Industry of India (ASSOCHAM) and Association Of Synthetic Fibre Industry (ASFI).

2. Advocated/lobbied through above associations for the advancement or improvement of public good

RIL as a responsible producer of petrochemicals is collaborating with ICPE (Indian Centre for Plastic & the Environment) on a voluntary basis and provides technical and financial support to help developing newer technologies for plastics waste management, establishment of pilot projects for plastics waste management in cooperation with municipal authorities and civil society.

Principle 8 – Inclusive Growth

Businesses should support inclusive growth and equitable development

RIL believes in creating opportunities for the people around its operations to enable a sustainable future and ensure inclusive growth. Its community development activities focus on areas that foster development and well-being of communities. RIL's CSR initiatives are aligned to aspects, such as education, healthcare, skill enhancement, infrastructure development, promoting sportsmanship, women empowerment, among others.

1. Specified programs/initiatives/projects by the Company in pursuit of the policy related to Principle 8

RIL's CSR policy demonstrates its efforts towards social and economic development. RIL's community development initiatives focus on education, healthcare, skill enhancement, infrastructure development, promoting sportsmanship, women empowerment, among others.

Following are some of the initiatives RIL has undertaken during FY 2013-14:

- Ensuring well-being of local communities
- Building capabilities for employment generation
- Empowering women
- Creating access to health care
- Conserving environment

2. Modes through which programs/projects undertaken (through in-house team/own foundation/external NGO/government structures/ any other organisation)

Reliance Foundation – A comprehensive approach towards community development

RIL implements a number of its community development initiatives through Reliance Foundation (RF).

Business Responsibility Report (Continued)

RF has a comprehensive approach towards community development with focus on five pillars of Rural Transformation, Education, Health, Urban Renewal and Arts, Culture and Heritage. Through various initiatives under these core areas, the Foundation strives to bring a synergetic approach towards community development.

For specific details about RF, please refer to the Report on Corporate Social Responsibility under the following heads:

- Reliance Foundation BIJ- Bharat India Jodo
- Information services
- Health Programmes
- Reliance Foundation Drishti
- The Dhirubhai Ambani Scholarship Programme
- Sports for Development
- Arts, Culture & Heritage
- Disaster Response
- Environmental Sustainability

3. Impact assessments for initiatives

Needs assessment is an important aspect of RIL's operational strategy for Corporate Social Responsibility (CSR) initiatives. Before initiation of a CSR activity, the potential areas of intervention and target groups are identified by using various tools. Information on communities is captured through baseline data collection, primary and secondary resources. The need assessment process sets a background and gives critical information on the said context. The areas and strategies for action are worked out based on the information elicited. The RF BIJ programme management system is ISO 9001:2008 compliant since May 2013.

After initiation of the CSR activities, RIL has constituted mechanisms to collect relevant information about the beneficiaries so that the progress and changes could be measured over a period of time. RIL continuously seeks feedback to understand the impact of its initiatives which also includes visits by its CSR teams on a periodic basis. In addition feedback is also sought from the village heads/Sarpanch to get an understanding of the impacts of the initiatives and opportunities for improvement.

4. Company's direct contribution to community development projects

During FY 2013-14, RIL spent ₹ 711.72 crore on community development initiatives. CSR expenditure incurred by RIL is on various projects pertaining to education, healthcare, livelihood support, rural

development, heritage conservation, environment, safety etc.

5. Steps undertaken to ensure that community development initiatives are successfully adopted by the community

RIL ensures its presence is established right from the commencement of the initiatives. RIL collaborates with communities from need identification stage to project implementation. The Company involves the community in decision-making process, right from the problem identification stage till implementation. The extensive engagement with the community establishes joint ownership of projects. All concerns are amicably addressed and the initiatives are adopted since they are designed as per the identified and prioritised needs of the communities, implemented with the active participation of the communities and progress is jointly evaluated with the community representatives.

Principle 9 – Value for Customers

Businesses should engage with, and provide value to their customers and consumers responsibly

Understanding customer needs is a key step in RIL's endeavour towards developing an efficient product stewardship programme. RIL ensures utmost care is taken towards customer safety. Putting customers first has always been its approach of conducting business.

1. Percentage of customer complaints/consumer cases pending as on the end of financial year

RIL conducts regular Customer Relation Meets (CRM) to educate and apprise customers about all aspects of its products and takes their feedback in addition to understanding their concerns.

The Company has a separate framework to deal with customer complaints. As on 31st March 2014, 1.2% of customer complaints were pending which were subsequently resolved.

2. Product information and product labelling

All marketing communication efforts of the Company adhere to the brand standards/ guidelines with regard to visual manifestation, brand promise and relevancy and saliency of the target group. RIL follows all legal statutes with respect to product labelling and display of product information. RIL follows the Globally Harmonised System for classification of chemicals and preparation of Material Safety Data Sheets. Besides, RIL shares information with its customers on safe handling and use of products during distribution.

3. Case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year

Nil

4. Consumer survey/ consumer satisfaction trends carried out by the Company

Customer satisfaction is RIL's goal, which drives RIL to ensure its products deliver results that continually meet customer requirements. To understand customers better, RIL follows several modes of engagement. These engagements include customer audits, customer surveys, call centres, direct feedback taken

by visiting managers/plant personnel and factory visits organised for customers. These modes help RIL to understand customer requirements, satisfaction levels and customer behaviour. RIL also conducts one-to-one meetings with customers to enable efficient communication and resolve specific needs. In addition, RIL conducts web-based customer satisfaction surveys.

RIL has also conducted third-party Mystery Customer Audits, Customer Satisfaction Index and Call Centre evaluation studies for this purpose. This has helped RIL to ensure periodic fulfilment of service delivery promise, conformance to internal norms and standards, identification of process improvement areas and understand customer attitude and behaviour stage to ascertain that needs are met at all stages.

Report on Corporate Social Responsibility

RIL understands the changing business paradigm and the need to collaborate with its stakeholders to ensure long-term sustainable growth. The Company has identified issues material to the business, prioritised through effective stakeholder engagement and have taken effective steps to address it.

Health, Safety and Environment (HSE)

Health

Driven by the philosophy of **'One Reliance. Healthy Reliance!'** RIL strives to achieve excellence in improving its employees' occupational and personal health. The aim is to ensure a healthy and productive work environment by minimising health hazards and providing model facilities. To further the cause, RIL has set up world-class occupational and family welfare centres and follows international HSE best practices at all manufacturing, E&P locations and major office complexes.

In addition to emergency medical services, the Occupational Health Centres (OHC) offer preventive, promotive and curative health services to employees. All centres are equipped with state-of-the-art diagnostic and therapeutic equipment. These are managed by qualified occupational health specialists. Additionally, training sessions are regularly held for medical staff to enhance their skill and knowledge.

The Company's medical and occupational health department focuses extensively on the prevention and management of lifestyle diseases, such as hypertension and diabetes, communicable diseases like tuberculosis and HIV/AIDS. Structured monthly health awareness sessions, daily health tips programme and personal counselling are conducted across locations. These activities are also extended to employee's family members staying at Company townships.

'Health Awards' were introduced as a new initiative on the wellness front across all locations this year. This initiative will have a long-term benefit in creating a culture of healthy living among employees and their family members.

To overcome emerging mental health issues, RIL undertook an ambitious Project **'WISH'** (Work life Improvement for Safety and Health) to focus on emotional health as a part of Resilience Management. A group of employees who have been trained by the Company act as missionaries to enhance awareness regarding emotional health and psychological well-being.

RIL employees undergo periodic medical examinations (PME). The medical check-up facility is also extended to

contract employees at manufacturing sites. The results are maintained online and analysed to provide targeted interventions at individual and group levels. Employees are subjected to health risk assessments and appropriate measures are taken to prevent any medical complications.

Under RIL's Health Management System (HMS), PME reports are generated and documented. Based on an individual's fitness levels and susceptibility to diseases, employees are mapped into Red, Yellow and Green categories.

Key quality indicators are developed for evaluation of individual's health status and its effectiveness of application strategies.

RIL started the **'Change Agents for Safety Health and Environment'** (CASHe) programme a decade ago. Over the years, the CASHe programme has evolved into a movement encompassing the entire enterprise with thousands of improvement projects. The programme has been instrumental in creating a culture of implementing health, safety and environment projects on a priority basis. This programme has helped to improve the Company's performance on the occupational health and safety front. It has been recognised in various international forums like the International Occupational Health Congresses held in Italy, South Africa and Mexico.

During the year, RIL has also implemented a unique programme called 'Task Based Health Risk Assessment' (TBHRA).



CASHe

CASHe has been recognised in various international forums like the International Occupational Health Congresses held in Italy, South Africa and Mexico

A very unique and significant initiative, 'REFERS' (Reliance Employee & Family Emergency Response Services) offers 24x7 assistance in case of any medical, accident, fire and security exigencies.

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

A joint initiative of RIL and National Association of Blind, Project Drishti, has undertaken over 12,800 free corneal graft surgeries till date across the country.

RIL's initiative to combat TB and HIV/AIDS is a unique public-private partnership programme between the Government, NGOs and the Company. It creates awareness and provides care, support and treatment (including free-of-cost treatment) to the poor.

The Hazira Manufacturing Division's HIV/AIDS Centre is one of the largest Anti-Retroviral Treatment Centre (ART Centre) in India. It is a fully functional 32-bed hospital for HIV/AIDS patients. ART Centre facilities are replicated as per the successful Hazira model in Jamnagar, Patalganga and Lodhivali.

Accreditation

- National Accreditation Board for Hospitals (NABH) certification at Jamnagar township hospital
- National Accreditation Board for Laboratories (NABL) certified laboratories at all manufacturing sites

Safety

RIL is unwavering in its goal of zero injuries and incidents. It continues the pursuit in this direction, building a safety culture involving all stakeholders. RIL has devoted its efforts in providing a safer work environment for employees and contractors while protecting and adding value to its operating communities.

RIL is in the process of making further inroads in embedding safety for upcoming projects. The focus is on establishing world-class standards in project's addressing process and construction safety. It has partnered with a world-renowned external agency for assistance in enhancing a safety culture and best-in-class practices.

While establishing safety standards in steady state operations, the Company continues its efforts to augment the safety culture within the organisation. To take the organisation to a higher level, RIL has been focusing on FELT leadership programmes. This helps to empower individuals to contribute and intervene where it makes a difference. HSE



assurance systems and processes are continually assessed to ensure their robustness as aligned to designed intent.

RIL emphasises on integrating emerging businesses such as Coal Bed Methane and Reliance Jio to build a 'One Reliance' HSE Management System across the organisation. The Company is working towards leveraging a standardised policy, practices and processes to manage risks commensurate to each area/business. It also provides an assurance framework through a multi-layered auditing process.

RIL firmly believes in a culture of continual learning and development of its people. To achieve this, HSE Learning & Development (L&D) Academy has standardised, developed and imparted, structured learning programmes to a cross-section of employees. RIL considers that personnel competency is a key area to ensure safe and efficient operations. Therefore, the HSE L&D Academy has been focusing on implementing a robust Competency Management System.

Safety Initiatives for Community

RIL Hoshiarpur ensured the participation of its employees and local public in a workshop for traffic awareness conducted by the district administration. In the city, some specific areas are coping with heavy vehicular traffic resulting into chaos, accidents and traffic bottlenecks. Hence, proper infrastructure was built and safety gadgets were installed.

Truck/tanker drivers are trained for 'Defensive Driving Techniques' at DSTC (Drivers Safety Training Centre), Hazira. As part of its safety initiative, RIL established a Truckers' Safety Training Centre at Hazira. This centre is fully equipped with audio-video equipment to impart training to truck drivers on safety rules, efficient driving techniques and emergency responses. More than 243,000 drivers have been trained through this initiative since its inception in 2005. During FY 2013-14, more than 23,000 drivers have been trained.

Report on Corporate Social Responsibility (Continued)



EMS

ISO 14001
Environmental Management
Systems certification for all
manufacturing sites

Environment

RIL, in its journey towards environmental excellence, continues to achieve new milestones. Its efforts are directed to achieve environmental performance beyond compliance through adoption of global best practices.

Major manufacturing sites follow an 'Integrated Management System' combining environment, quality, occupational health and safety management system, duly certified by accredited agencies. All manufacturing sites are certified for ISO 14001 Environmental Management System. For reducing the adverse environmental impact of its operations, the Company focuses on some key areas including energy and water conservation, minimising air and GHG emissions including flaring, reducing the generation of waste and protection of biodiversity across the locations.

New projects are carefully scrutinised at the drawing-board level to incorporate necessary environmental considerations and standards. The Company conducts an environmental impact assessment study through nationally reputed organisations prior to planning a major project or expanding an existing facility. As part of the study, RIL considers the potential effects on local biodiversity and takes steps to address them. Requisite environmental approvals are ensured from State/Central Government well in advance before proceeding with execution of suggested improvements. Compliance to statutory approvals is ensured by creating necessary facilities, appropriate monitoring and operational control procedures.

During the year under review, several initiatives were taken at manufacturing sites to improve the environmental performance and reduce the environmental footprint. Some of them are:

- Installation of continuous ambient air quality monitoring stations at refinery and petrochemical sites
- At Dahej Manufacturing Division, on-line effluent monitors were installed at discharge point, for vital parameters like pH and TOC
- A pilot scale study is in progress for recycling of treated ACN plant effluent as make-up water for cooling towers at Vadodara Manufacturing Division
- At Nagothane manufacturing division, storm water channels were improved to prevent escape of wastewater from the complex

The Company believes awareness and knowledge is the key to excellence. To spread environmental awareness and initiate focused environmental action plan for improvement, the 'World Environment Day', 'Earth Day', 'World Water Day', 'International Day for the Preservation of Ozone Layer', among others are celebrated.

RIL believes that its environmental performance is the direct result of its team of talented professionals as well as the company's commitment to continuous improvement.

Effluent Discharged at Manufacturing Divisions

(000 m³)



0.4 % Reduction
in treated effluent discharge

Saving of potable water in Petcoke project at Allahabad Manufacturing Division

- For civil construction job, water consumption was pegged at 10 KL per day approximately. Arrangements were made to utilise treated effluent water instead of potable water. A 10 KL tank with transfer pump was installed and connected with a pipeline of treated effluent

- There is a saving of 10 KL of potable water per day, which amounts to nearly 300 KL per month

Post project completion, this water has been used for floor cleaning purposes in petcoke handling area as a substitute for fresh water.

Environment protection and awareness drives

Green Cover in surrounding villages

As part of the week-long celebrations of the World Environment Day (WED), a massive plantation programme was organised by RIL at Gopalapuram village, Gadimoga Panchayat on 7th June 2013. Around 50 community members participated in the programme. They assured to safeguard the plants. Senior RIL officials participated in the programme and created awareness among the village community on the importance of green-cover and about 'Think. Eat. Save', (World Environment Day) theme for 2013.

Awareness sessions on environment

The HSE Department of RIL conducted an awareness programme on the occasion of World Environment Day for the engineering students at Sri Aditya Engineering College, Kakinada. More than 100 engineering students participated in the program.

Please refer the Management's Discussion & Analysis section for Awards & Recognition, pertaining to Health, Safety & Environment.

Social Responsibility

Education

RIL has instituted the 'UAA-ICT Dhirubhai Ambani Lifetime Achievement Award', jointly with the UDCT Alumni Association (UAA) and the Institute of Chemical Technology (ICT), Mumbai for innovative and outstanding contribution in chemical sciences. It continues to recognise scientists from India and worldwide through this award. The award, fourth in the series, was conferred on Professor George Stephanopoulos (Arthur D. Little Professor of Chemical Engineering, Massachusetts Institute of Technology, USA) in recognition of his seminal and innovative contributions in chemical engineering this year. The felicitation ceremony, held on 13th November, 2013 in ICT, was presided over by Shri N. R. Meswani, Executive Director.

Reliance Dhirubhai Ambani Protsaham Scheme

A flagship CSR initiative in its own right, Reliance Dhirubhai Ambani Protsaham Scheme, financially supports poor and meritorious students (Class X pass-outs) from the East Godavari district. Recipient students get admissions in

corporate junior (intermediate) colleges of their choice. A total of 178 meritorious students were selected for the academic year 2013-14 and received support of ₹ 1 crore.

With this year's admissions, the total number of students supported under the scheme reached 1,326. Since 2010-11, RIL has been providing financial aid to the deserving candidates (among Protsaham recipients) for pursuing their higher studies in engineering and medical streams.

Mumbai Indians 'Education for All' Initiative

Smt. Nita M. Ambani – an educationist – who pioneered the concept of 'Education for All' programme believes in the cause to uplift a child through equal education opportunities.

In the past four years, this programme has been able to impact the lives of over 27,000 underprivileged children. Apart from monetary support, it has built awareness amongst various groups so that the movement can expand and impact more children.

Dhirubhai Ambani International School

Dhirubhai Ambani International School (DAIS), Mumbai, a K-12 school established in 2003, prepares students for the ICSE, the IGCSE and the IB Diploma Examinations. The school is also a member of the Cambridge International Primary Programme.

The school's mission is to provide a learning environment that encourages children to bring out the best in themselves. It supports their all-round development through discovering the joy of learning, awakening and illuminating their intellect in multi-dimensional ways and instilling values in them.

In a decade, the school has achieved the highest standards of excellence on all performance parameters. It has evolved as one of the most admired schools in India and in the world. In 2013, Education World ranked DAIS as the No. 1 International School in India across all categories. The rank

Student at school in Gadimoga



Report on Corporate Social Responsibility (Continued)

was given on seven key parameters - Academic Reputation, Individual Attention to Students, Co-curricular Education, Competence of Faculty and Leadership/Management Quality, Parental Involvement, Teacher Welfare and Development. The Hindustan Times – C Fore Top Schools Survey has ranked DAIS the No. 1 School in Mumbai for 2012 and 2013.

The students of the school have consistently achieved outstanding results across all three curricula – the ICSE, the IGCE and IB Diploma. The ninth batch, the Class of 2013, earned an average of 39.6 points (out of the maximum possible score of 45). Generally an average of 30-32 points is considered to be excellent for any good IB World School. From the Class of 2013, 11 students gained 44 points and 4 students obtained the perfect score of 45 points. This score was achieved by only 108 children worldwide.

The IB Diploma graduates from the class of 2013 have gained admissions to 20 of the world's top 30 universities. Many universities have offered scholarships to these students. Some of the graduates have also joined India's leading colleges.

In 2013, 85.3% of IGCE grades achieved were A* and A grades. Each year, students have topped in the world and India in several subjects. In 2013, of the 16 IGCE world toppers in India, 6 are from DAIS. In 2013, DAIS's average ICSE score was 93.82% - 26 out of 28 students have scored more than 90% and the ICSE topper scored 97%.

Students' accomplishments in co-curricular and extracurricular activities continue to be splendid. They won prizes at state, national and international levels in several sports. Some of them are table tennis, chess, football, squash, athletics, judo, cricket and swimming. They have also won prizes at the Indian Robot Olympiad, IRIS National Science Fair, Commonwealth Essay competition and Education First's English Proficiency Survey. They also received the prestigious Hindustan Times scholarships. The Annual DAIMUN (Dhirubhai Ambani International School Model United Nations) Conference 2013 deliberated on the topic of 'Foreign Intervention'. Over the years, DAIS's student exchange programmes have expanded to more schools worldwide. Currently, DAIS has exchange programmes with schools in seven countries - France, Spain, Germany, Italy, UK, USA and the Czech Republic.

As part of their engagement with many social causes, the children work with several NGOs - Advitya, Muktangan, Pratham and Aseema. They support the educational needs of children from underprivileged sections. Through outreach programmes for remote rural villages - Hassachipatti (a

village near Matheran) and Kumbharghar (near Patalganga) - these NGOs help in constructing roads, educating children and creating employment avenues through skill development initiatives. As a Global Member Round Square, this year, the school hosted the Round Square International service project at Kumbharghar. Children from 8 countries participated in building a school and low-cost housing facilities by using green architecture. The students conducted a School Fete and raised substantial funds to support the various service projects undertaken by them.

The Dhirubhai Ambani International School Akanksha Centre supports the education of children from slum areas. The first batch of students from this Centre has passed the Class 10 board examinations in 2013.

The school celebrated its Annual Week on the theme 'Katha Sagar'. Children enacted a series of plays celebrating India's rich legacy of art and culture.

Girls' Education Initiative

RIL Jamnagar supported the Government of Gujarat's drive to promote girls' education. Approximately 1,600 school kits were distributed in the villages to encourage enrollment of girls in schools. More than 1,500 kits are distributed in 42 villages of Jamnagar and Lalpur talukas every year since 2006. This has resulted in a remarkable rise in enrollment of girls in the first standard.



Construction of girls' primary school at the Moti Khavdi village in the vicinity of Jamnagar Complex was undertaken during the year at the behest of villagers. A two-story building with the necessary facilities has been constructed. The school building is earthquake resistant, and has the provision for vertical extension.

Furniture and computers were provided to Moti Khavdi Boys' Primary School. Ten computers were donated to the primary school at Kanalus village.

In Ranchi and other places of Jharkhand, school benches were provided to various schools according to requirements.

Financial assistance to Bhil Community in Tripura and Assam for educational needs of underprivileged children was given.

Sanskar Shibir

Sanskar shibir is a regular activity of CSR team of Nagothane Manufacturing Division. Sanskar Shibir is a concept of enjoyable learning for school students. It is also a demonstration of interactive teaching method for school teachers. Sanskar, synonymous with excellence in education equips its pupil with all the requisite skills to be tomorrow's leaders with a critical and global outlook.

Objective of the project is to motivate school children for improved life skills and also encourage the high moral values and cultural values towards the right ways of leading life.

Community Healthcare

Health Care initiatives

To inculcate the awareness of public health and sanitation among villagers, scientific disposal of waste and a total sanitation drive in association with Sulabh International is regularly carried out at Moti Khavdi, Meghpar, Padana and Nani Khavdi villages. A daily door-to-door collection of garbage, sweeping of village roads and disposal of waste collected at designated places outside village continued during the year.

The Community Medical Centre at Moti Khavdi with an average of 400 OPD patients per day caters to the village



Primary Health Centre

22,250

patients treated
at Gadimoga and
Bhairavapalem Panchayats,
during the year

and floating population mainly consisting of migrant labour staying in nearby villages. The Centre provides free-of-cost, round-the-clock comprehensive health services to about 45 villages/hamlets. The intervention impacts health and hygiene needs of 1.5 million people. It also extends emergency life-saving services to accident victims on the Jamnagar-Dwarka highway. The Centre provides ARV treatment for AIDS patients free-of-cost since October 2007. This is the first centre of its kind by a private sector company in this region.

Doctors and nurses from the Centre visit 6 neighbouring villages twice a week. Free check-up and treatments are done and free medicines are provided to around 150 to 180 patients per trip.

Audio-visual shows, poster exhibition, Sunday clinic for HIV/AIDS awareness, pulse polio vaccination, multi-diagnostic camps and blood donation camps are carried out regularly.

Primary Health Centre Operations

A total of 22,250 patients (male 9,844, female 12,406) from Gadimoga and Bhairavapalem Panchayats were treated during the year at static clinic Gadimoga and satellite clinic Bhairavapalem.

One male doctor, one lady doctor and two pharmacists are available between 9 AM to 5.30 PM on all working days at the Gadimoga Static Clinic. The doctors extend their services to the Bhairavapalem village community twice a week - on Tuesdays and Fridays.

The Static Clinic at Gadimoga and the Satellite Clinic at Bhairavapalem are functioning since 2005 and 2006 respectively, to cater the health needs of fishermen community with a budget outlay of about ₹ 0.24 crore annually.

Dhirubhai Ambani Hospital

During the year, the Dhirubhai Ambani Hospital at Lodhivali, Maharashtra engaged significantly to improve the quality of life in surrounding communities. Medical diagnostic camps were arranged in nearby areas for providing medical consultation, diagnosis and medicines to the needy. During FY 2013-14, 13 medical camps were conducted.

In addition, during the year, the following initiatives were taken for providing healthcare facilities to the local communities:

- Medical care was provided to 54 road accident trauma patients free-of-cost or at highly subsidised rates
- Medical care was provided to residents of surrounding villages. 1014 patients were treated during FY 2013-14
- Free or highly subsidised medical care was provided to 76 patients belonging to economically weaker section of the society

Report on Corporate Social Responsibility (Continued)

- An Orthopedic camp for Osteoporosis patients was conducted at Dhirubhai Ambani Hospital at Lodhivali, where 70 persons were attended

3,552 HIV/AIDs patients were provided free consultation, counselling, investigation and treatment till 31st March 2014 at the ART Clinic of Dhirubhai Ambani Hospital at Lodhivali.

Sir HN Reliance Foundation Hospital and Research Centre

Reliance Foundation is revamping 'Sir HN Reliance Foundation Hospital and Research Centre' and creating world-class tertiary care hospital. Designed by Perkins and Will, an internationally renowned architectural firm, this 19-storeyed, 800,000 square feet, new hospital has state-of-the-art infrastructure facilities, as well as advanced technologies and information systems, which are benchmarked with the best in the world.

The multi-speciality, tertiary care hospital shall offer the latest of clinical technology across core specialties, as well as imaging and diagnostics. The hospital aims to bring about a paradigm shift in the way health care is delivered in India, in step with the latest global practices, and to emerge as a world class health facility.

Preserving and honouring the heritage of the original hospital has been a key priority for the Reliance Foundation and, the new hospital has been designed and built in harmony with the original architecture which has long been a local landmark.

The new hospital building is built with fire and earthquake resistant material and design. It has the highest space allocated per bed area, with adequate space for visiting families. With rainwater harvesting, reuse and recycling of water and energy efficiency, this will be the largest green hospital in Mumbai.

In addition to world-class technology and resources, the hospital aspires to redefine the model of patient care. It aims to reset the paradigm of healthcare in India by being a truly "Patient & Family Centric" facility offering consistently safe and high quality care.

The hospital has an excellent team of doctors across all specialties, with experience in leading hospitals not only from all over India but also from across the world. This hospital is built as a unique centre of healing and care in the heart of Mumbai with the vision of providing 'Affordable International Healthcare for all'. The hospital is at advanced stage of completion and expected to commence operations shortly.

Promoting Sports and Sportsmen

Promoting sports in India, RIL has instituted the 'IMG Reliance Scholarship for India' programme. During the year 11 scholarships were awarded to aspiring Indian sportspersons for full-time training and coaching at one of the best sports training facilities in the world – The IMG Academies, Florida. These talented young sportspersons from the fields of tennis, basketball and football, underwent rigorous physical and mental training. They were given best-in-class sport education and exposed to high quality competition. Recipients of these scholarships brought several laurels to the community.

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

IMG Reliance operates the Aircel Chennai Open, India and South Asia's only ATP World Tour event. The tournament is one of the world's longest running ATP 250 events having completed 19 years. Through the Aircel Chennai Open, India's top tennis talent get the chance to compete with the world's best players on a world-class platform.

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



IMG Reliance

11 scholarships awarded to aspiring Indian sportspersons for training at The IMG Academies, Florida, under "IMG Reliance Scholarship for India"

Community Development

CSR expenditure

CSR expenditure:				
(₹ in crore)	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11
Education	80.76	66.71	75.06	91.01
Health	416.69	140.72	91.03	46.99
Rural Development	165.72	73.10	21.69	28.35
Environment (Greening activities)	0.52	1.20	2.15	0.76
Others	48.03	69.27	61.34	34.23
TOTAL	711.72	351.00	251.27	201.34

Reliance Rural Development Trust (RRDT)

The RRDT, a unique Corporate NGO, set up in FY 2001-02 for implementing the Gokul Gram Yojana of the Government of Gujarat completed the prestigious assignment successfully. The RRDT also completed construction of 33 anganwadi buildings during the year at a cost of ₹ 0.73 crore. It has been a matter of great honour for RRDT to have been chosen to carry out the government mission to face-lift the rural scene of Gujarat. Cumulatively, from November 2001 till the closure date of Gokul Gram Yojana scheme, i.e. 20th September, 2013, the RRDT created 7,902 village facilities in around 5,894 villages of Gujarat, across 25 districts and 218 talukas. The facilities constructed includes 1,603 cement concrete roads, 3,804 anganwadi buildings, 158 drinking water facilities, 741 panchayat office buildings, 1,507 community halls, 39 check-dams and 50 other facilities of village-needs. The RRDT has been the most gratifying experience in the CSR work of RIL, Jamnagar.



RRDT

3,804

anganwadi
buildings constructed

Community Development Initiatives

RIL constructed a comprehensive water supply infrastructure at a cost of ₹ 8 crore and handed over to the Rural Water Supply Department for providing drinking water to nearby villages at Gadimoga. Though the infrastructure has been taken over by the Government, RIL continues to extend technical help in smooth functioning of the facility for urgent purchase of spare parts, rectification of leakages, and so on.

Disaster Response and Relief - Cyclone Lehar Response Operations

RIL KG-D6 actively participated in preparatory help for cyclone Lehar relief operations. All arrangements were made to accommodate the evacuated public from Bhairavapalem and Theerdalamundi villages at Community Hall and PHC facilities at Gadimoga constructed by RIL. RIL made arrangements for availability of DG set for uninterrupted power supply, mobilised water storage facilities, medicines, sanitary requirements, such as buckets, drinking water mugs, water jugs, chairs, tables, and provided other necessary requirements.

RIL also arranged for immediate purchase of four petrol operated saws for local roads and buildings. This was done to help in the speedy removal of fallen trees obstructing traffic.

RIL deployed its chopper on 22nd November, 2013 for making a few sorties near the Kothapalam Lighthouse area and 10 nautical mile radius in an effort to identify and rescue 20 fishermen stranded in three fishing boats.

Livelihood Support

A one-day training programme was organised on 21st May 2013 for local womenfolk on post harvesting and marketing practices of fish products. 39 women from Gadimoga, Laxmipathipuram and Chinavalasala villages were trained

Report on Corporate Social Responsibility (Continued)

in making fish and prawn pickle. Technical support was provided by the Central Institute of Fisheries Technology, Visakhapatnam.

Employment of Local People

About 250 community members from Gadimoga and Bhairavapalem habitations are being engaged in various maintenance works in the KG-D6 plant. The individuals work in skilled, semi-skilled and unskilled categories.

Reliance Foundation

Comprehensive approach towards development

Reliance Foundation has a comprehensive approach towards sustainable development with focus on five pillars of Rural Transformation, Education, Health, Urban Renewal and Arts, Culture and Heritage. Through various initiatives under these core areas, RF strives to bring a synergetic approach towards development.

The Foundation's activities have covered over 5,500 villages and various urban locations across all Indian states and union territories. More than one million lives have been touched by the RF initiatives during this year.

A brief narrative of the different initiatives of the Foundation is given below.

Reliance Foundation BIJ- Bharat India Jodo

With the aim of bridging the rural-urban divide, the rural transformation initiative RF BIJ supports marginal farmers by ensuring livelihoods and supporting them in their journey out of poverty. While the programme aims at de-risking farming and making the community self-sufficient, it also aims at contributing towards conservation of nature and promoting sustainable farming practices. Launched in 2010, the RF BIJ programme has come a long way and has its presence in 19 agro ecological zones spread over 11 states in the country.

Working on the three core pillars of direct action, participatory approach and sustainable development, RF BIJ reaches out to the most deserving communities characterised by low rainfall, rainfed agriculture, large tracts of cultivable wastelands and high poverty index. Today more than 460 Village Farmer Associations (VFAs) are being actively involved in the process of bringing about a change in the lives of nearly 40,700 farming households through its initiatives. Close to 15,600 hectares of land have been redeveloped under the Dharti farm initiative this year taking the cumulative land development since inception of the programme to over 31,000 hectares. Another significant intervention under the RF BIJ initiative, Reliance Nutrition Garden has positively influenced the nutritional intake

of nearly 12,100 rural households this year (16,292 since inception). Through its institution building processes, RF is trying to ensure empowerment at an individual household as well as community level so as to make the intervention inclusive as well as sustainable.

Information services

Information, knowledge sharing and technology have a significant role to play in the development process. RF Information Services (RF IS) addresses this crucial area and brings relevant, timely and accurate information to the end users in rural areas making use of different platforms like mobile phones and television. Through the RF IS initiatives and platforms, benefits of high end technology have been delivered to those who need them the most at the most pertinent time. Revealing the significance of fast, accurate and timely information, RF IS platforms were used by the marine police of Andhra Pradesh in nine coastal districts during Phailin, Helen and Leher cyclones. RF IS has reached out to over 3600 villages in 7 states and one union territory through its multiple mediums during this year (5068 villages since inception of the programme). Close to 11,59,700 successful calls were made to deliver key messages to the beneficiaries this year taking the total tally of successful calls made by the programme since inception to 1.26 million. The programme is a perfect example of how to use information and knowledge to empower the community to maximise their potential.

Health Programmes

The 'Health for all' initiative focuses on the provision of good quality primary care through its mobile and static medical units and caters to the needs of the lower income group families in the area. It also aims at establishing an effective referral system to streamline the flow of patients to the higher centres of care. More than 350,000 individuals have enrolled for the services and nearly 52,600 patients have benefitted from the services within one and half years of initiating the programme. Similar mobile medical units are operating in Uttarakhand and Madhya Pradesh. More than 14,300 patients from nearly 150 villages in Madhya Pradesh and Uttarakhand have benefitted from the services of the mobile medical units in this year.

Reliance Foundation Drishti

The Drishti programme aims at improving the lives of visually impaired. Implemented in association with the National Association for the Blind, the programme has transformed the lives of 1200 cataract affected individuals through successful corneal transplants this year (12,839 cataract surgeries since inception). Other initiatives like the Braille newspaper and calendar and campaigns to promote eye donation are also integral aspects of the Drishti programme.

The Dhirubhai Ambani Scholarship Scheme

Good education, without doubt, is one of the main cornerstones for building a successful and prosperous society. The merit cum means scholarship by RF ensures that students get an opportunity to follow their dreams without worrying about the financial implications of pursuing higher education. The scholarship programme supports the top scoring Higher Secondary students from financially weak backgrounds and physically challenged students from across all states and union territories of India to pursue education at college level. A total of 393 scholarships have been awarded this year of which nearly 50% were awarded to girls and 111 to students from physically challenged category. The programme has positively influenced the lives of more than 10,000 young scholars and their families so far. RF organised the Dhirubhai Ambani scholarship award ceremony at Mumbai to award the scholarships to selected students in January 2014.

Sports for Development

Recognizing the value of sports towards education, fitness and well being of students, RF launched the Jr. NBA programme in partnership with the National Basketball Association (NBA). A comprehensive, school based youth basketball programme in India, it is working towards promoting health, fitness and an active lifestyle through basketball and teaches the values of the game such as teamwork, sacrifice, discipline, dedication and sportsmanship. Launched in the cities of Mumbai and Kochi, it has already reached 228 schools, 260 coaches and nearly 140,000 students. The programme aims at reaching one million youth in three years. It will also train 2,000 coaches and physical education instructors across India to sustain this effort over a longer period.

RF is also implementing a programme in 30 villages of Agar, Madhya Pradesh with the aim of empowering children and communities through the medium of sports. The programme is working towards creating an enabling environment for improved educational status, gender inclusiveness and improved health outcomes through the active participation of children, parents, larger community and the local governance system.

Arts, Culture & Heritage

Reliance Foundation focuses on preserving the rich heritage, arts and culture of India for its future generations and has made conscious efforts to contribute towards preserving the same. RF continued to support specific programmes to promote Indian art.

Disaster Response

Reliance Foundation has a capacity to respond to disasters in a timely manner and engage directly with the affected

communities using its experience of working closely with the communities. When Uttarakhand was affected by massive floods in June 2013, RF was one of the first organisations to lend a supporting hand. RF relief efforts reached the unreached that were cut off post the disaster. RF supported the rescue and relief operations by ensuring supply of relief material and prompt medical support. RF deployed a team of 20 doctors and 50 development professionals to reach out to more than 100 villages in Uttarakhand in the period following the disaster. RF constructed 50 family shelters, distributed more than 5,500 relief kits and conducted medical camps that benefitted more than 8000 patients in the months following the calamity. RF is committed to continue the efforts in Uttarakhand and has deployed two full time teams to streamline its efforts at Rudraprayag and Uttarkashi. RF is also committed to reconstruct some of the affected schools and houses in Uttarakhand.

School children at Uttarakhand



The use of Reliance Foundation Information Services platforms to deliver key alerts and messages to the public during the cyclone attacks in Andhra Pradesh is another instance where RF was of timely help and assistance in the times of need.

Environmental Sustainability

RF is working towards environmental sustainability through its various initiatives. The foundation is promoting soil and water conservation measures through its work in the rural transformation space. 24 million cubic meters of water harvesting facility has been created so far and the intervention has helped to conserve 1,19,000 tonnes of soil.

More than 11,00,000 saplings have been planted on individual and common lands to promote biodiversity.

Towards tapping natural resources of energy, RF has been promoting the use of biogas plants and solar lamps. Close to 750 biogas plants have been constructed this year. RF distributed 1,500 solar lamps in Uttarakhand and partnered with Shri Hriday Narain Dhawan Charitable Trust for supporting the installation of 6000 solar street lights in the district of Unnao, Uttar Pradesh.

Corporate Governance Report

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

- Founder Chairman Shri Dhirubhai H. Ambani

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

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

Statement on Company's philosophy on Code of Governance

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

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations

in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance teams, Auditors and the senior management. At RIL, 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 integral to India's social development. Details of several such initiatives are available in the Report on Corporate Social Responsibility.

At RIL, we believe that as we move closer towards our aspirations of being a global corporation, our corporate governance standards must be globally benchmarked. Therefore, we have institutionalised the right building blocks for future growth. The building blocks will ensure that we achieve our ambition in a prudent and sustainable manner. RIL not only adheres to the prescribed corporate governance practices as per Clause 49 of the Listing Agreement with the Stock Exchanges in India (Listing Agreement), but is also committed to sound corporate governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavour to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfilment of stated goals and objectives.

Over the years, we have strengthened governance practices. These practices define the way business is conducted and value is generated. Stakeholders' interests are taken into account, before making any business decision. RIL has the distinction of consistently rewarding its shareholders over 36 eventful years from its first IPO. Since then, RIL has moved from one big idea to another and these milestones continue to fuel our relentless pursuit of ever-higher goals.

We have grown by a Compounded Annual Growth Rate (CAGR) of Revenues 27.3%, EBITDA 27.1% and Net Profit 28.1%. The financial markets have endorsed our sterling performance and the market capitalisation has increased by CAGR of 33.2% during the same period. In terms of distributing wealth to our shareholders, apart from having a track record of uninterrupted dividend payout, we have also delivered consistent unmatched shareholder returns since listing. The result of our initiative is our ever widening reach

and recall. Our shareholder base has grown from 52,000 after the IPO to a consolidated present base of around 3 million.

For decades, RIL is growing in step with India's industrial and economic development. The Company has helped transform the Indian economy with big-ticket projects and world-class execution. The quest to help elevate India's quality of life continues unabated. It emanates from a fundamental article of faith: **'What is good for India is good for Reliance'**.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

Appropriate Governance Structure with defined roles and responsibilities

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established six Committees to discharge its responsibilities in an effective manner. RIL's Company Secretary acts as the Secretary to all six Committees. The Chairman and Managing Director (CMD) provides overall direction and guidance to the Board. Concurrently, the CMD is responsible for overall implementation. In the operations and functioning of the Company, the CMD is assisted by four Executive Directors and a core group of senior level executives.

Board Leadership

A majority of the Board, 8 out of 14, are Independent Directors. At RIL, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Company has defined guidelines and an established framework for the meetings of the Board and Board Committees. These guidelines seek to systematise the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner.

The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews related party transactions, possible risks and risk mitigation measures, 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 Company's future growth.

Ethics Policies

At RIL, we strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code for Board of Directors and Board Committees
- Code of Business Conduct and Ethics for Directors / Management Personnel
- Code of Conduct for Prohibition of Insider Trading
- Code of Ethics and Business Policies
- Policy document on Values and Commitments
- Manual on Corporate Governance
- Health, Safety and Environment (HSE) Policy
- Code of Financial Reporting, Disclosure & Transparency
- Business Responsibility Policy Manual

Audits and internal checks and balances

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, M/s. Chaturvedi & Shah, Chartered Accountants, one of India's leading audit firms and a member of the Nexia's global network of independent accounting and consulting firms and M/s. Rajendra & Co., Chartered Accountants, Member of PrimeGlobal, an association of Independent Accounting Firms, audit the accounts of the Company. The Company has an Internal Audit Cell besides external firms acting as independent internal auditors, that reviews internal controls and operating systems and procedures. A dedicated Legal Compliance Cell ensures that the Company conducts its businesses with high standards of legal, statutory and regulatory compliances. RIL has instituted a

Corporate Governance Report (Continued)

legal compliance programme in conformity with the best international standards, supported by a robust online system that covers the Company's manufacturing units as well as its subsidiaries. The purview of this system includes various statutes, such as industrial and labour laws, taxation laws, corporate and securities laws and health, safety and environment regulations.

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

Management Initiatives for Controls and Compliance

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

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

The framework has been documented to provide a comprehensive view of:

- the process
- key control points
- responsible organisations

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

Best Corporate Governance practices

RIL maintains the highest standards of corporate governance. It is the Company's constant endeavour to adopt the best corporate governance practices keeping in view the international codes of Corporate Governance and practices of well-known global companies. Some of the best implemented global governance norms include the following:

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

Business and Functional Risk and Assurance Committees (BRACs)

To have a better assessment of the business and functional risks and to monitor risk mitigation effectiveness based on risk evaluation, the concept of BRACs was introduced comprising senior management personnel in the said committee.

Proactive Review of Governance practices and standards

RIL proactively reviews its governance practices and standards inter alia considering best practices and regulatory developments. During the year under review, the following significant developments took place on the governance front:

- **Constitution of 'Corporate Social Responsibility and Governance Committee':** Considering the work being done by the Company on social front, the Company's Board has constituted a 'Corporate Social Responsibility and Governance Committee' (CSR&G Committee). CSR&G Committee is primarily responsible for formulating and monitoring the implementation of the framework of corporate social responsibility policy, other policies under Business Responsibility Policy Manual and to look into sustainability matters and matters related to overall governance.

- **Human Resources, Nomination and Remuneration Committee:** To rationalise all employees' related issues, while adhering to the requirements of the Companies Act, 2013 / Clause 49 of the Listing Agreement, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time, the Board of the Company has constituted 'Human Resources, Nomination and Remuneration Committee' (HRNR Committee). The terms of reference of the 'Remuneration Committee' was conferred on the HRNR Committee; consequently, the Remuneration Committee was dissolved.
- **Audit Committee:** The Audit Committee's strength was increased to four members by nominating one more Independent Director in the Committee.
- **Stakeholders Relationship Committee:** The Board has constituted Stakeholders Relationship Committee in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms of reference of Shareholders' / Investors' Grievance (SIG) Committee was conferred on the Stakeholders Relationship Committee and consequently, the SIG Committee was dissolved.

Corporate Social Responsibility (CSR)

With the belief in the philosophy of responsible corporate citizenship and sustainable growth, RIL considers social institution building as one of its main purposes. Increasing its commitment, RIL built a comprehensive community development programme to support initiatives in the field of health, safety, education, infrastructure development, environment, relief and assistance in the event of a natural disaster, livelihood support, promoting sports and sportsmen and contributions to other social development organisations through collaborations with several NGOs. Besides this, RIL aims at developing techno-economically viable and environment-friendly products and services for the benefit of millions of its consumers while ensuring high safety and environment protection standards.

RIL's sustainability reporting journey

RIL commenced annual reporting on its triple-bottom-line performance from the Financial Year 2004-05. All its sustainability reports are externally assured and Global Reporting Initiative (GRI) application level checked. The maiden report received 'in-accordance' status from GRI and all subsequent reports are 'GRI G3 Checked A+'

application level reports. From Financial Year 2006-07, in addition to referring GRI G3 Sustainability Reporting Guidelines, RIL refers to the American Petroleum Institute / the International Petroleum Industry Environmental Conservation Association Sustainability Reporting 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. From the Financial Year 2011-12, Reliance adopted the newly published GRI G3.1 guidelines and is additionally referring to GRI G3.1 – Oil & Gas Sector Supplement. RIL has aligned its sustainability report with the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business framed by the Government of India. In line with RIL's endeavour to be the pioneers in sustainability reporting, RIL is also coming up with its maiden report based on the latest G4 guidelines published by GRI.

Working towards People, Planet, Profit & Product

RIL works towards attaining a sustained financial bottom line along with enhancing the natural human capital and product development. It is committed to reduce its negative impacts and enhance its positive impacts on the society as well as the natural environment.

In addition to making a positive economic contribution to the nation and society at large, it has focused its energies on identifying specific impact areas. It endeavours to alleviate the underprivileged and marginalized sections of the society and has an active engagement with them to ensure their holistic development.

RIL supports life cycle assessment studies being done by Indian Centre for Plastics in the Environment (ICPE) and also works with the Bureau of Indian Standards for formulating standards and guidelines.

It has also imbibed the concept of resource conservation into its operations. It strives to achieve highest levels of efficiencies by implementing best available technologies.

Social, Environmental and Economic Responsibilities

RIL is committed to create value for the nation and enhance the quality of life across the entire socio-economic spectrum. RIL believes that Corporate Social Responsibility extends beyond the ambit of business and should focus on a broad portfolio of assets - human, physical, environmental

Corporate Governance Report (Continued)

and social. RIL gives utmost importance to conservation of the natural capital at its operations. RIL is committed to responsible stewardship of the natural resources to conduct its operations in a sustainable manner. To strengthen its commitment to responsible business, the Board of the Company has adopted Business Responsibility Policy Manual based on the principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG) as issued by the Ministry of Corporate Affairs, Government of India. In sync with the same and Clause 55 of the Listing Agreement, a Business Responsibility Report is attached forming part of the Annual Report. This Report is in addition to RIL's Sustainability Reporting in accordance with Global Reporting Initiative (GRI).

Shareholders communications

The Board recognises the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. RIL's corporate website (www.ril.com) has information for institutional and retail shareholders alike. Shareholders seeking information related to their shareholding may contact the Company directly or through any of the Investor service centres of the Company's Registrars and Transfer Agents spread over 82 cities across India, details of which are available on the Company's website. RIL ensures that complaints and suggestions of its shareholders are responded to in a timely manner. A comprehensive and informative shareholders' referencer is appended to this annual report.

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 assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces

between the management and regulatory authorities for governance matters.

Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India

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

Board of Directors

Board composition and category of Directors

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

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

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

Selection of Independent Directors

Considering the requirement of skill sets on the Board, eminent people 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 Human Resources, Nomination and Remuneration Committee, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

Lead Independent Director

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

- To preside over all meetings of Independent Directors
- To ensure there is an adequate and timely flow of information to Independent Directors
- To liaise between the Chairman and Managing Director, the Management and 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

Meetings of Independent Directors

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

Code of Business Conduct and Ethics for Directors/ Management Personnel

The Code of Business Conduct and Ethics for Directors/ Management Personnel ('the Code'), as adopted by the Board, is a comprehensive Code applicable to 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 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 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 Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chairman and Managing Director is published in this Report.

Directors' Profile

A brief resume of Directors, nature of their expertise in specific functional areas and company names in which they hold Directorships, Memberships/ Chairmanships of Board Committees, and shareholding in the Company are provided in this Annual Report.

Board Meetings, Board Committee Meetings and Procedures

Institutionalised decision-making process

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served.

The Board has constituted six Board Committees, namely Audit Committee, Human Resources, Nomination and Remuneration Committee, Corporate Social Responsibility and Governance Committee, Finance Committee, Health, Safety and Environment Committee and Stakeholders Relationship Committee. The Board is authorised to

Corporate Governance Report (Continued)

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

The Company's internal guidelines for Board/Board Committee meetings facilitate the decision making process at its meetings in an informed and efficient manner. The following sub-sections deal with the practice of these guidelines at RIL.

Scheduling and selection of agenda items for Board meetings

Minimum five pre-scheduled Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

The meetings are usually held at the Company's office at Maker Chambers IV, 222 Nariman Point, Mumbai 400 021.

The Company's various business heads / service heads are advised to schedule their work plans well in advance, particularly with regard to matters requiring discussion/approval/decision at Board/Board Committee meetings. Such matters are communicated by them to the Company Secretary in advance so that they are included in the agenda for Board/Board Committee meetings.

The Board is given presentations covering Finance, Sales, Marketing, the Company's major business segments and their operations, overview of business operations of major subsidiary companies, global business environment, the Company's business areas, including business opportunities and strategy and risk management practices before taking on record the Company's quarterly/annual financial results.

The items / matters required to be placed before the Board, inter alia, include:

- Annual operating plans of businesses and budgets including capital budgets and any updates
- Quarterly results of the Company and its operating divisions or business segments
- Company's annual Financial Results, Financial Statements, Auditors' Report and Board's Report
- Minutes of meetings of the Audit Committee and other Committees of the Board.
- Show cause, demand, prosecution notices and penalty notices, which are materially important
- Fatal or serious accidents, dangerous occurrences, and 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.
- Details of any joint venture or collaboration agreement
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like implementation of Voluntary Retirement Scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures, and steps taken by management to limit risks of adverse exchange rate movement, if material
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others
- Appointment, remuneration and resignation of Directors
- Formation/reconstitution of Board Committees
- Terms of reference of Board Committees
- Minutes of Board meetings of unlisted subsidiary companies
- Declaration of Independent Directors at the time of appointment/annually
- Disclosure of Directors' interest and their shareholding
- Appointment or removal of the Key Managerial Personnel (KMP) and officers one level below KMP.
- Appointment of Internal Auditors and Secretarial Auditors.
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors
- Dividend declaration
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made

- Significant changes in accounting policies and internal controls
- Takeover of a company or acquisition of a controlling or substantial stake in another company
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies
- Issue of securities including debentures
- Appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee
- Internal Audit findings and External Audit Reports (through the Audit Committee)
- Proposals for major investments, mergers, amalgamations and reconstructions
- Status of business risk exposures, its management and related action plans
- Making of loans and investment of surplus funds
- Borrowing of monies, giving guarantees or providing security in respect of loans
- Buyback of securities by the Company
- Diversify the business of the Company
- Brief on statutory developments, changes in government policies, among others with impact thereof, Directors' responsibilities arising out of any such developments
- Compliance Certificate certifying compliance with all laws as applicable to the Company
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996
- Brief on information disseminated to the press

The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalise the agenda for Board meetings.

Board material distributed in advance

The agenda and notes on agenda are circulated to Directors in advance, and 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, it 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.

Recording minutes of proceedings at Board and Committee meetings

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

Post meeting follow-up mechanism

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

Compliance

The Company Secretary, while preparing the agenda, notes on agenda, minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 1956/ Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

Number of Board meetings held with dates

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

The details of Board meetings are given below:

Date	Board Strength	No. of Directors Present
April 16, 2013	13	13
July 19, 2013	13	12
October 14, 2013	13	12
December 20, 2013	14	13
January 17, 2014	14	13
March 3, 2014	14	14

Corporate Governance Report (Continued)

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

Name of the Director	Attendance at meetings during 2013-14		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	6	Yes	2	Nil
Nikhil R. Meswani	6	Yes	1	1 (as Chairman)
Hital R. Meswani	6	Yes	2	2 (including 1 as Chairman)
P.M.S. Prasad	6	Yes	1	1
Pawan Kumar Kapil	5	Yes	Nil	Nil
Ramniklal H. Ambani	5	Yes	2	1 (as Chairman)
Mansingh L. Bhakta	5	Yes	1	1
Yogendra P. Trivedi	6	Yes	5	2
Dr. Dharam Vir Kapur	6	Yes	2	4 (including 3 as Chairman)
Mahesh P. Modi	5	Yes	Nil	Nil
Prof. Ashok Misra	6	Yes	2	1
Prof. Dipak C. Jain	6	Yes	1	1
Dr. Raghunath A. Mashelkar	6	Yes	4	2
Adil Zainulbhai*	3	N.A.	Nil	Nil

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

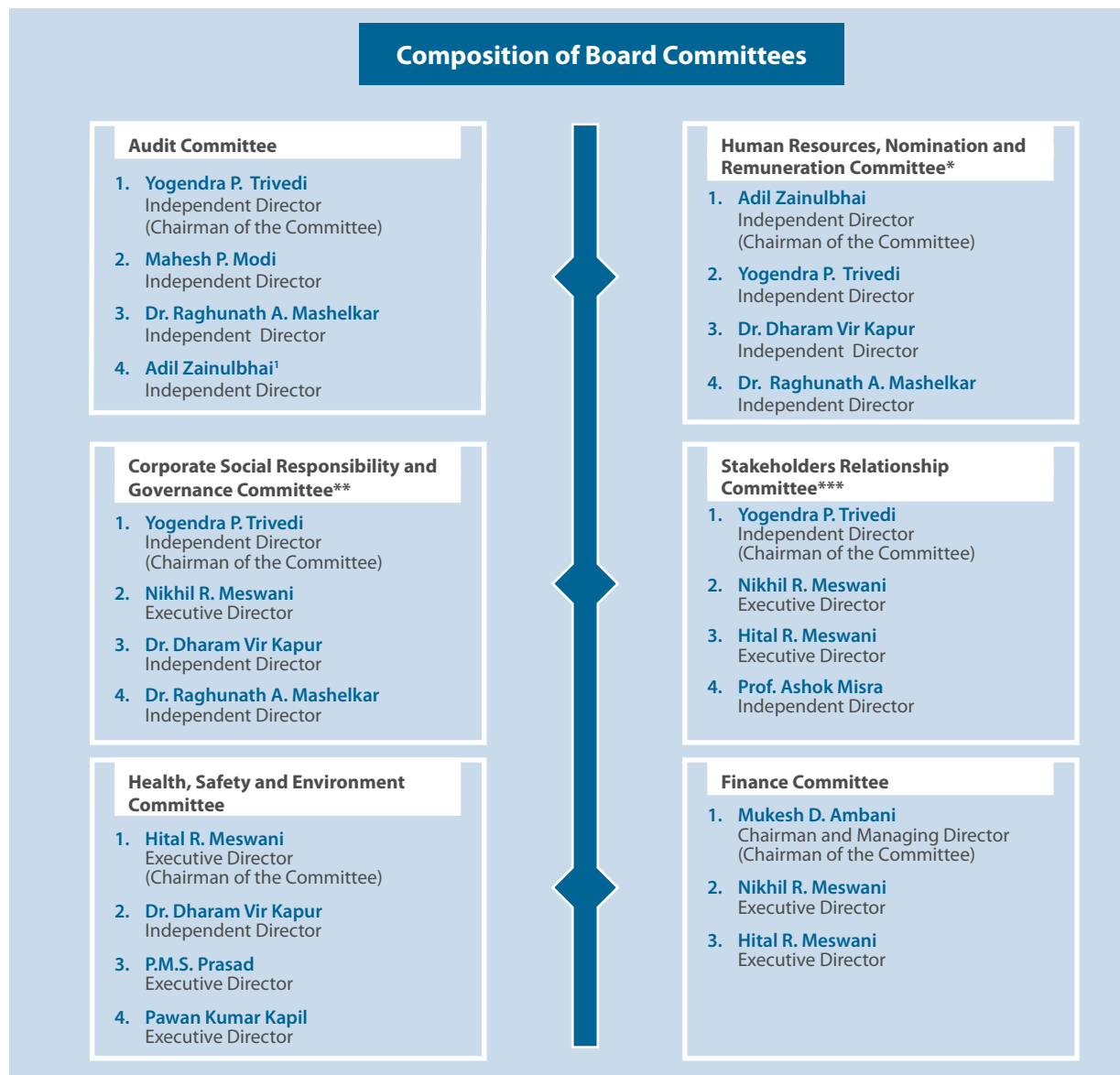
²In accordance with Clause 49 of the Listing Agreement, Memberships/Chairmanships of only Audit Committees and Shareholders'/Investors' Grievance Committees in all public limited companies (excluding Reliance Industries Limited) have been considered.

*Appointed as Director, w.e.f. December 20, 2013. 3 meetings were held during his tenure.

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

Board Committees:

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



* Constituted on December 20, 2013. The terms of reference of the 'Remuneration Committee' and 'Employee Stock Compensation Committee' (ESC Committee) was conferred on 'Human Resources, Nomination and Remuneration Committee' (HRNR Committee); consequently, the 'Remuneration Committee' and the 'ESC Committee' were dissolved.

**Constituted on January 17, 2014; the terms of reference of 'Corporate Governance and Stakeholders' Interface Committee' (CGSI Committee) was conferred on the Corporate Social Responsibility and Governance Committee; consequently, the 'CGSI Committee' was dissolved.

***Constituted on April 18, 2014. The terms of reference of the 'Shareholders' / Investors' Grievance Committee' (SIG Committee) was conferred on 'Stakeholders Relationship Committee'; consequently, the 'SIG Committee' was dissolved.

¹ Appointed as a member, w.e.f. December 20, 2013

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

Corporate Governance Report (Continued)

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

Board Committee	Audit Committee	Shareholders'/ Investors' Grievance Committee ¹	Remuneration Committee ²	Human Resources Nomination and Remuneration Committee ³	Corporate Governance and Stakeholders' Interface Committee ⁴	Employees Stock Compensation Committee ⁵	Health, Safety and Environment Committee	Finance Committee
Meetings held	4	4	1	1	3	1	4	7
Directors' Attendance								
Mukesh D. Ambani	NA	NA	NA	NA	NA	1	NA	7
Nikhil R. Meswani	NA	4	NA	NA	NA	NA	NA	7
Hital R. Meswani	NA	3	NA	NA	NA	NA	3	7
P.M.S. Prasad	NA	NA	NA	NA	NA	NA	3	NA
Pawan Kumar Kapil	NA	NA	NA	NA	NA	NA	3	NA
Mansingh L. Bhakta	NA	NA	NA	NA	NA	NA	NA	NA
Yogendra P. Trivedi	4	4	1	1	3	1	NA	NA
Dr. Dharam Vir Kapur	NA	NA	1	1	3	NA	4	NA
Mahesh P. Modi	4	NA	NA	NA	3	1	NA	NA
Prof. Ashok Misra	NA	4	NA	NA	NA	NA	NA	NA
Prof. Dipak C. Jain	NA	NA	NA	NA	NA	1	NA	NA
Dr. Raghunath A. Mashelkar	3	NA	1	1	NA	NA	NA	NA
Adil Zainulbhai	1*	NA	NA	1	NA	NA	NA	NA

NA – Not a member of the Committee

*Appointed as a member, w.e.f. December 20, 2013. One meeting was held during his tenure.

¹ The terms of reference of this Committee was conferred on the 'Stakeholders Relationship Committee' constituted by the Board on April 18, 2014; consequently, the 'Shareholders' / Investors' Grievance Committee' was dissolved w.e.f. April 18, 2014.

² The terms of reference of this Committee was conferred on the 'Human Resources, Nomination and Remuneration Committee'; consequently, this Committee was dissolved w.e.f. December 20, 2013.

³ This Committee was constituted on December 20, 2013.

⁴ The terms of reference of this Committee was conferred on the 'Corporate Social Responsibility and Governance Committee'; consequently, this committee was dissolved, w.e.f. January 17, 2014.

⁵ The terms of reference of this Committee was conferred on the 'Human Resources, Nomination and Remuneration Committee'; consequently, this Committee was dissolved, w.e.f. December 20, 2013.

No meeting of the Corporate Social Responsibility and Governance Committee was held during FY 2013-14 after its constitution on January 17, 2014.

Procedure at Committee Meetings

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

Terms of Reference and other details of Board Committees

Audit Committee

Composition of the Committee

Yogendra P. Trivedi (Chairman of the Committee)	Independent Director
Mahesh P. Modi	Independent Director
Dr. Raghunath A. Mashelkar	Independent Director
Adil Zainulbhai	Independent Director

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial / accounting expertise / exposure.

Powers of the Audit Committee

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

Role of the Audit Committee inter alia, includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors, including cost auditors, and fixation of audit fees and other terms of appointment
- Approving payment to statutory auditors, including cost auditors for any other services rendered by them

- Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by the management
 - Significant adjustments made in 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
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
- Reviewing and monitoring the auditors independence and performance and effectiveness of audit process
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- Reviewing with the management, the performance of statutory auditors, including cost auditors and internal auditors, adequacy of internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading

Corporate Governance Report (Continued)

the department, reporting structure, coverage and frequency of internal audit

- Discussion with internal auditors, any significant findings and follow-up thereon
- 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
- 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
- To look into the reasons for substantial defaults, if any, in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- To review the functioning of the Whistle Blower mechanism
- Approval of appointment of the CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing qualifications, experience and background of the candidate
- Carrying out such other functions as may be specifically referred to the Committee by the Company's Board of Directors and/or other Committees of Directors.
- Reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries.
- Reviewing 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 / chief internal auditor
- To call for comments of the auditors about internal control systems, the scope of audit, including the

observations of the auditors and review of financial statement before their submission to the Board and to discuss any related issue with the internal and statutory auditors and the management of the Company

General

Executives of Accounts Department, Finance Department, Corporate Secretarial Department and Internal Audit Cell and representatives of statutory and internal auditors attend Audit Committee Meetings. The cost auditors attend the Audit Committee Meeting where cost audit reports are discussed. The due date for filing the cost audit reports in XBRL mode for the financial year ended March 31, 2013 was September 27, 2013 and the cost audit reports were filed by the Lead Cost Auditor on September 21, 2013. The due date for filing the cost audit reports for the financial year ended March 31, 2014 is September 27, 2014.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on June 6, 2013.

Meeting Details

Four meetings of the Audit Committee were held during the year. The details of meetings and attendance are given on page no. 120.

Human Resources, Nomination and Remuneration Committee

Composition of the Committee

Adil Zainulbhai (Chairman of the Committee)	Independent Director
Yogendra P. Trivedi	Independent Director
Dr. Dharam Vir Kapur	Independent Director
Dr. Raghunath A. Mashelkar	Independent Director

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013, Clause 49 of the Listing Agreement and Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time.

Terms of Reference of the Committee, inter alia, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior

management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.

- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme including:
 - the quantum of options to be granted under Employees' Stock Option Scheme per employee and in aggregate;
 - the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - 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;
 - the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - the right of an employee to exercise all options vested in him at one time or various points of time within the exercise period;
 - 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;
 - the granting, vesting and exercising of options in case of employees who are on long leave; and the procedure for cashless exercise of options
- To 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

- To perform such other functions as may be necessary or appropriate for the performance of its duties

Meeting Details

One meeting of the Human Resources, Nomination and Remuneration Committee was held during the year. The details of meeting and attendance are given on page no. 120.

The details relating to remuneration of Directors, as required under the Clause 49 of the Listing Agreement, have been given under a separate section, viz. 'Directors' Remuneration' in this report.

Stakeholders Relationship Committee

Composition of the Committee

Yogendra P. Trivedi (Chairman of the Committee)	Independent Director
Nikhil R. Meswani	Executive Director
Hital R. Meswani	Executive Director
Prof. Ashok Misra	Independent Director

The 'Stakeholders Relationship Committee' (SR Committee) was constituted by the Board on April 18, 2014 consequent to the dissolution of the 'Shareholders'/Investors' Grievance Committee' (SIG Committee). The SR Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The SR Committee's composition and the terms of reference meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

Terms of Reference of the Committee, inter alia, includes the following:

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share / debenture certificates
- Monitor redressal of investors' / shareholders' / security holders' grievances

Corporate Governance Report (Continued)

- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable

Meeting Details

Four meetings of the 'SIG Committee' were held during the year. The details of meetings and attendance are given on page no. 120.

Compliance Officer

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

Investor Grievance Redressal

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

Type of Complaints	Number of Complaints
Non-Receipt of Annual Reports	266
Non-Receipt of Dividend Warrants	2585
Non-Receipt of Interest/ Redemption Warrants	164
Non-Receipt of Certificates	307
TOTAL	3322

As on March 31, 2014, one complaint was outstanding.

Corporate Social Responsibility and Governance Committee

Composition of the Committee

Yogendra P. Trivedi (Chairman of the Committee)	Independent Director
Nikhil R. Meswani	Executive Director
Dr. Dharam Vir Kapur	Independent Director
Dr. Raghunath A. Mashelkar	Independent Director

The Corporate Social Responsibility and Governance (CSR&G) Committee was constituted by the Board on January 17, 2014 considering requirements of the Companies Act, 2013 relating to the constitution of a Corporate Social Responsibility Committee. The Board also empowered the Committee to look into matters related to sustainability and overall governance. The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'corporate social responsibility policy', observe practices of Corporate Governance at all levels, and to suggest remedial measures wherever necessary.

The terms of reference of the Corporate Governance and Stakeholders' Interface Committee (CGSI Committee) was conferred on this Committee, and consequently, the CGSI Committee was dissolved, w.e.f. January 17, 2014.

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

Terms of Reference of the Committee, inter alia, includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under
- To recommend the amount of expenditure to be incurred on the CSR activities
- To monitor the implementation of the framework of the CSR Policy
- To approve the Corporate Sustainability Report and oversee the implementation of sustainability activities
- To oversee the implementation of policies contained in the Business Responsibility Policy Manual, to make any changes / modifications, as may be required, from time to time and to review and recommend the Business Responsibility Report (BRR) to the Board for its approval
- To observe corporate governance practices at all levels and to suggest remedial measures wherever necessary
- To ensure compliance with corporate governance norms prescribed under Listing Agreements with Stock Exchanges, the Companies Act and other statutes or any modification or re-enactment thereof
- To advise the Board periodically with respect to significant developments in the law and practice of

corporate governance, and to make recommendations to the Board for appropriate revisions to the Company's Corporate Governance Guidelines

- To monitor the Company's compliance with Corporate Governance Guidelines and applicable laws and regulations, and make recommendations to the Board on all such matters and on any corrective action to be taken, as the Committee may deem appropriate
- To review and assess the adequacy of the Company's Corporate Governance Manual, Code of Business Conduct & Ethics for Directors and Management Personnel, Code of Ethics and other internal policies and guidelines, and monitor that principles described therein are being incorporated into the Company's culture and business practices
- To formulate / approve codes and / or policies for better governance
- To provide correct inputs to the media so as to preserve and protect the Company's image and standing
- To disseminate factually correct information to investors, institutions and the public at large
- To establish oversight on important corporate communication on behalf of the Company with the assistance of consultants / advisors, if necessary
- To ensure institution of standardised channels of internal communications across the Company to facilitate a high level of disciplined participation
- To 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 or as may be necessary or appropriate for performance of its duties.

Health, Safety and Environment Committee

Composition of the Committee

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

The Health, Safety and Environment Committee is primarily responsible to monitor and ensure the highest standards

of environmental, health and safety norms are maintained, and the Company's operations are in compliance with applicable pollution and environmental laws across all locations. The Committee fulfils its responsibilities by reviewing the management of health, safety, environmental and social impacts of the Company's various projects and operations.

Terms of Reference of the Committee, inter alia, includes the following:

- Monitoring and ensuring the highest standards of environmental, health and safety norms
- Ensuring compliance with applicable pollution and environmental laws at the Company's works / factories / locations by putting in place effective systems in this regard and reviewing the same periodically
- Reviewing, as the Committee deems appropriate, the Company's health, safety and environment related policy and making recommendations as necessary
- Reviewing the Company's performance on health, safety and environment related matters and suggesting improvements as the Committee may deem necessary
- Reviewing procedures and controls being followed at the Company's various manufacturing facilities and plants for compliance with relevant statutory provisions
- Reviewing regularly and making recommendations about changes to the charter of the Committee
- Obtaining or performing an annual evaluation of the Committee's performance and making appropriate recommendations

Meeting Details

Four meetings of the Health, Safety and Environment Committee were held during the year. The details of the meetings and attendance are given on page no. 120.

Finance Committee

Composition of the Committee

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

Corporate Governance Report (Continued)

Terms of Reference of the Committee, inter alia, includes the following:

- 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
- Review banking arrangements and cash management
- Exercise all powers to borrow money (otherwise than by issue of debentures) within limits approved by the Board, and take necessary actions connected therewith, including refinancing for optimisation of borrowing costs
- Give guarantees/issue letters of comfort/providing securities within the limits approved by the Board
- Borrow money by way of loan and/or issue and allot 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 limits approved by the Board
- Provide corporate guarantee/performance guarantee by the Company within the limits approved by the Board
- 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.
- 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
- Other transactions or financial issues that the Board may desire to have them reviewed by the Finance Committee
- Delegate authorities from time to time to the executives/ authorised persons to implement the Committee's decisions
- Review regularly and make recommendations about changes to the charter of the Committee

Meeting Details

Seven meetings of the Finance Committee were held during the year. The details of meetings and attendance are given on page no. 120.

Directors' Remuneration

Remuneration policy

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

Remuneration paid to the Chairman and Managing Director and Whole-time Directors during 2013-14:

₹ in crore

Name of the Director	Salary	Perquisites and allowances	Retiral benefits	Commission payable	Performance Linked Incentive*	Total	Stock options granted
Mukesh D. Ambani	4.16	0.60	0.82	9.42	-	15.00	Nil
Nikhil R. Meswani	1.15	1.45	0.32	9.20	-	12.12	Nil
Hital R. Meswani	1.15	1.45	0.31	9.20	-	12.11	Nil
P.M.S. Prasad	0.86	1.35	0.15	-	3.67	6.03	Nil
Pawan Kumar Kapil	0.50	0.75	0.19	-	1.05	2.49	Nil

* Performance Linked Incentive for the FY 2012-13 was paid during financial year 2013-14.

The Chairman and Managing Director's compensation has been set at ₹ 15 crore as against ₹ 38.86 crore as per shareholders' approval, reflecting his desire to continue to set a personal example for moderation in managerial compensation levels.

Performance criteria for two Executive Directors, entitled for Performance Linked Incentive (PLI), are determined by the Human Resources, Nomination and Remuneration Committee.

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

Sitting fee and commission on net profit to Non-Executive Directors:

₹ in lakh

Name of the Non-Executive Director	Sitting Fee	Commission	Total
Ramniklal H. Ambani	1.00	50.00	51.00
Mansingh L. Bhakta	1.00	50.00	51.00
Yogendra P. Trivedi	4.00	50.00	54.00
Dr. Dharam Vir Kapur	3.00	50.00	53.00
Mahesh P. Modi	2.60	50.00	52.60
Prof. Ashok Misra	2.00	50.00	52.00
Prof. Dipak C. Jain	1.40	50.00	51.40
Dr. Raghunath A. Mashelkar	2.20	50.00	52.20
Adil Zainulbhai	1.00	14.00	15.00
TOTAL	18.20	414.00	432.20

During the year, the Company paid ₹ 0.32 crore as professional fees to M/s. Kanga & Co., a firm in which the Company's Director, Shri Mansingh L. Bhakta, is a partner. There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

Subsidiary Companies' Monitoring Framework

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

Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.

Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board regularly.

A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

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

General Body Meetings

Annual General Meetings

During the preceding three years, the Company's Annual General Meetings were held at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai - 400020.

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

Year	Date	Time	Special Resolution Passed
2012-13	June 06, 2013	11.00 a.m.	Yes (one)*
2011-12	June 07, 2012	11.00 a.m.	Nil
2010-11	June 03, 2011	11.00 a.m.	Nil

*Special Resolution was passed for payment of commission to the Non-Executive Directors.

Special Resolution passed through Postal Ballot

No special resolution was passed through postal ballot during the Financial Year 2013-14. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

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

None of the transactions with any of related parties were in conflict with the Company's interest. Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 31 of Standalone Financial Statements, forming part of the Annual Report.

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in

Corporate Governance Report (Continued)

operations, sectoral specialisation and the Company's long-term strategy for sectoral investments, optimisation 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 Company's interests.

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority.

However, the SEBI has issued Show Cause Notices during last three years in connection with (i) sale of shares of erstwhile Reliance Petroleum Limited; (ii) the allotment of the Company's equity shares to certain companies against detachable warrants attached to privately placed debentures issued by the Company and (iii) disclosure of Earnings Per Share and diluted Earnings Per Share in the filing with Stock Exchanges in respect of shares against warrants issued in April, 2007. The Company has submitted its reply for the same.

Means of Communication

Quarterly results: The Company's quarterly results are published in 'Financial Express'/'Indian Express' and 'Navshakti', and are displayed on its website (www.ril.com).

News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges.

Presentations to institutional investors / analysts: Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations are also uploaded on the Company's website (www.ril.com).

Website: The Company's website (www.ril.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website (www.ril.com).

Chairman's Communiqué: The printed copy of the Chairman's speech is distributed to shareholders at Annual General Meetings. The document is also placed on the Company's website (www.ril.com) and sent to Stock Exchanges.

Reminder to Investors: Reminders for unclaimed shares, unpaid dividend/unpaid interest or redemption amount on debentures are sent to shareholders/debenture holders as per records every year.

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 and NSE are filed electronically through the CFDS portal, and hard copies of the said disclosures and correspondence are also filed with stock exchanges.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id: The Company has designated the following email-ids exclusively for investor servicing:

For queries on Annual Report: investor_relations@ril.com

For queries in respect of shares in physical mode:
rilinvestor@karvy.com

Shareholders' Feedback Survey: The Company had sent feedback forms seeking shareholders' views on various matters relating to investor services and Annual Report 2012-13. The feedback received from shareholders was placed before the Shareholders'/Investors' Grievance Committee.

General Shareholder Information

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.

Annual General Meeting

(Day, Date, Time and Venue)
Wednesday, June 18, 2014 at 11.00 a.m.
Birla Matushri Sabhagar, 19, New Marine Lines,
Mumbai 400 020

Financial Year

April 1 to March 31

Financial Calendar (tentative)

Results for the quarter ending

June 30, 2014- Fourth week of July, 2014
September 30, 2014 - Third week of October, 2014
December 31, 2014-Third week of January, 2015
March 31, 2015-Third week of April, 2015
Annual General Meeting-June, 2015

Date of Book Closure

Tuesday, May 20, 2014 to Friday, May 23, 2014
(both days inclusive) for payment of dividend.

Dividend Payment Date

Credit/dispatch of dividend warrants between June 19, 2014 and June 25, 2014.

Listing on Stock Exchanges

Equity Shares

BSE 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

Global Depository Receipts (GDRs)

Listing

Luxembourg Stock Exchange,
11, Avenue de la Porte-Neuve,
L – 2227, Luxembourg.
Also traded on International Order Book System (London Stock Exchange) and PORTAL System (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 400 013

Debt Securities

Listing

The Wholesale Debt Market (WDM) Segment of BSE and NSE

Debenture Trustees

Axis Bank Limited
Axis House, C-2, Wadia International Centre,
Pandurang Budhkar Marg, Worli,
Mumbai 400 025

Axis Trustee Services Limited
Axis House, 2nd Floor, Wadia International Centre,
Pandurang Budhkar Marg, Worli, Mumbai 400 025

Payment of Listing Fees:

Annual listing fee for the year 2013-14 had been paid by the Company to BSE and NSE. The listing fee for the year 2014-15 shall be paid within the due date. Annual maintenance and listing agency fee for the calendar year 2014 has been paid by the Company to the Luxembourg Stock Exchange.

Payment of Depository Fees

Annual Custody/Issuer fee for the year 2014-15 will be paid by the Company to NSDL and CDSL on receipt of the invoices.

Corporate Governance Report (Continued)

Stock Market Price Data

Month	National Stock Exchange (NSE)			BSE Limited (BSE)		
	High Price (₹)	Low Price (₹)	Volume (No.)	High Price (₹)	Low Price (₹)	Volume (No.)
April 2013	826.60	764.15	6 87 78 328	826.85	765.00	95 11 962
May 2013	855.00	779.20	7 12 07 346	854.80	780.00	89 26 555
June 2013	873.00	775.30	7 79 37 592	873.00	776.50	98 74 200
July 2013	927.90	839.00	7 60 66 558	927.90	800.00	1 01 09 517
August 2013	882.85	763.90	7 28 92 884	882.00	765.00	83 56 353
September 2013	901.00	819.10	6 91 81 328	900.90	819.05	92 58 401
October 2013	918.00	817.70	6 23 61 526	915.80	818.50	79 94 848
November 2013	926.55	835.25	4 59 02 759	925.00	836.00	57 57 323
December 2013	909.00	836.75	4 89 18 932	908.35	836.25	60 34 413
January 2014	898.25	822.20	6 48 00 287	898.00	823.00	55 23 918
February 2014	829.80	793.10	4 19 35 622	829.40	794.00	40 97 363
March 2014	939.80	797.15	9 60 08 110	939.30	798.00	86 33 859

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

Share Price Performance in comparison to broad based indices – BSE Sensex and NSE Nifty as on March 31, 2014

	BSE (% Change)		NSE (% Change)	
	RIL	Sensex	RIL	Nifty
FY 2013-14	20.14%	18.85%	20.42%	17.98%
2 years	24.22%	28.63%	24.00%	26.60%
3 years	-11.29%	15.12%	-11.28%	14.92%
5 years	22.05%	130.58%	22.09%	121.92%

Registrars and Transfer Agents

Karvy Computershare Private Limited
Plot No.17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081.
Tel:+91 40-44655070-5099
Toll Free No.18004258998; Fax +91 40-23114087
e-mail: rilinvestor@karvy.com
Website: www.karvy.com

List of Investor Service Centres of Karvy Computershare Private Limited is available on the Company's website www.ril.com.

Share Transfer System

Share transfers are processed and share certificates duly endorsed are returned within a period of seven days from the date of receipt, subject to 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 / Stakeholders Relationship Committee (earlier Shareholders'/Investors' Grievance Committee). The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with Stock Exchanges.

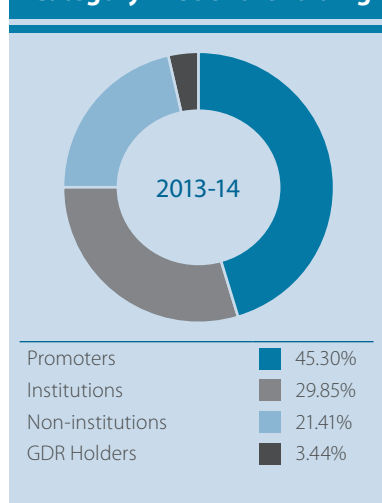
Distribution of Shareholding as on March 31, 2014

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	66*	146 39 61 977	45.30
(2)	Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	66*	146 39 61 977	45.30
(B)	Public Shareholding ²			
(1)	Institutions	2 102	96 48 88 137	29.85
(2)	Non-institutions	29 41 305	69 18 95 810	21.41
	Total Public Shareholding	29 43 407	165 67 83 947	51.26
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	0	0	0.00
(2)	Public	1	11 11 55 934	3.44
	TOTAL (A) + (B) + (C)	29 43 474	323 19 01 858	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 the Listing Agreement.

*As per disclosure under regulation 30(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, furnished by the promoters.

Category-wise Shareholding**Shareholding Pattern by Size as on March 31, 2014**

Category (Shares)	Holders	Shares	% of Total Shares
Up to 500	28 19 890	19 08 08 484	5.91
501 – 1000	72 925	5 12 85 153	1.59
1001 - 5000	44 758	8 37 47 580	2.59
5001 - 10000	3 097	2 13 71 177	0.66
10001 - 20000	1 103	1 52 93 626	0.47
Above 20000	1 701	286 93 95 838	88.78
TOTAL	29 43 474	323 19 01 858	100.00

Corporate Governance Report (Continued)**Build up of Equity Share Capital**

Particulars	Allotment Date	No. of Shares
Subscribers to Memorandum	October 19, 1975	1 100
Shareholders of Reliance Textile Industries Limited (Merged with the Company)	May 9, 1977	59 50 000
Conversion of Loan	September 28, 1979	9 40 000
Rights Issue – I	December 31, 1979	6 47 832
Bonus Issue – I	September 19, 1980	45 23 359
Debenture Series I Conversion	December 31, 1980	8 40 575
Consolidation of Fractional Coupon Shares	May 15, 1981	24 673
Conversion of Loan	June 23, 1981	2 43 200
Conversion of Loan	September 22, 1981	1 40 800
Rights Issue II	October 6, 1981	23 80 518
Debenture Series II Conversion	December 31, 1981	8 42 529
Debenture Series I Conversion Phase II	December 31, 1981	27 168
Shareholders of Sidhpur Mills Co Limited (Merged with the Company)	April 12, 1982	81 059
Rights Issue II NRI	June 15, 1982	774
Debenture Series III Conversion	August 31, 1982	19 20 000
Rights Issue II	September 9, 1982	41
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) II	December 29, 1982	1 942
Bonus Issue- II	September 30, 1983	1 11 39 564
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) III	September 30, 1983	371
Debenture Series IV Conversion	September 30, 1983	64 00 000
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) IV	April 5, 1984	617
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) V	June 20, 1984	50
Debenture Series I Conversion	October 1, 1984	97 66 783
Debenture Series II Conversion	December 31, 1984	2 16 571
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VI	January 31, 1985	91
Consolidation of Fractional Coupon Shares	April 30, 1985	45 005
Debenture Series E Conversion	April 30, 1985	53 33 333
Debenture Series III Conversion	July 5, 1985	52 835
Debenture Series IV Conversion	December 17, 1985	42 871
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VII	December 31, 1985	106
Consolidation of Fractional Coupon Shares	December 31, 1985	610

Particulars	Allotment Date	No. of Shares
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VIII	November 15, 1986	40 284
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) IX	April 1, 1987	169
Debenture Series G Conversion	August 1, 1987	6 60 30 100
Rights Issue III	February 4, 1988	3 15 71 695
Debenture Series G Conversion	February 4, 1988	29 35 380
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) X	June 2, 1988	25
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XI	October 31, 1988	10
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XII	November 29, 1990	322
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XIII	May 22, 1991	46
Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XIV	October 10, 1991	25
Euro Issue GDR-I	June 3, 1992	1 84 00 000
Shareholders of Sidhpur Mills Co Limited (Merged with the Company)		4060
Shareholders of Reliance Petrochemicals Limited (Merged with the Company)	December 4, 1992	7 49 42 763
Loan Conversion	July 7, 1993	3 16 667
Debenture Series H Conversion	August 26, 1993	3 64 60 000
Warrant Conversion (Debenture Series F)	August 26, 1993	1 03 16 092
Euro Issue GDR II	February 23, 1994	2 55 32 000
Loan Conversion	March 1, 1994	18 38 950
Warrant Conversion (Debenture Series J)	August 3, 1994	87 40 000
Private Placement of Shares	October 21, 1994	2 45 45 450
Conversion of Reliance Petrochemicals Limited Debentures	December 22, 1994	75 472
Shareholders of Reliance Polypropylene Limited and Reliance Polyethylene Limited (Merged with the Company)	March 16, 1995	9 95 75 915
Warrants Conversion	March 10, 1995	74 80 000
Conversion of 3.5% ECB Due 1999 I	May 24, 1997	544
Conversion of 3.5% ECB Due 1999 II	July 11, 1997	13 31 042
Conversion of 3.5% ECB Due 1999 III	July 22, 1997	6 05 068
Conversion of 3.5% ECB Due 1999 IV	September 13, 1997	18 64 766
Conversion of 3.5% ECB Due 1999 V	October 22, 1997	18 15 755
Conversion of 3.5% ECB Due 1999 VI	November 4, 1997	1 03 475
Bonus Issue III	December 20, 1997	46 60 90 452
Conversion of 3.5% ECB Due 1999 VII	December 4, 1997	15 68 499

Corporate Governance Report (Continued)

Particulars	Allotment Date	No. of Shares
Conversion of 3.5% ECB Due 1999 VIII	September 27, 1999	7 624
Conversion of Warrants	January 12, 2000	12 00 00 000
Shareholders of Reliance Petroleum Limited (Merged with the Company)	October 23, 2002	34 26 20 509
Shareholders of Indian Petrochemicals Corporation Limited (Merged with the Company)	October 13, 2007	6 01 40 560
Exercise of Warrants	October 3, 2008	12 00 00 000
ESOS – Allotment	Various dates in 2008-09	1 49 632
Shareholders of Reliance Petroleum Limited (Merged with the Company)	September 30, 2009	6 92 52 623
Bonus Issue IV	November 28, 2009	1 62 67 93 078
ESOS – Allotment	Various dates in 2009-10	5 30 426
ESOS – Allotment	Various dates in 2010-11	29 99 648
ESOS – Allotment	Various dates in 2011-12	13 48 763
ESOS – Allotment	February 22, 2013	1 86 891
ESOS – Allotment	Various dates in 2013-14	32 38 476
Less: Shares bought back and extinguished on January 24, 2005		-28 69 495
Less: Shares bought back and extinguished from February 08, 2012 to January 22, 2013		-4 62 46 280
TOTAL EQUITY AS ON MARCH 31, 2014		323 19 01 858

Corporate Benefits to Investors

Dividend Declared for the last 10 Years

Financial Year	Dividend Declaration	Dividend per Share*
2003-04	June 24, 2004	5.25
2004-05	August 03, 2005	7.5
2005-06	June 27, 2006	10
2006-07	March 10, 2007	11
2007-08	June 12, 2008	13
2008-09	October 07, 2009	13
2009-10	June 18, 2010 (post bonus issue 1:1)	7
2010-11	June 03, 2011	8
2011-12	June 07, 2012	8.5
2012-13	June 06, 2013	9

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

Note: Dividend of ₹ 9.50 per share, recommended by Directors on April 18, 2014, is subject to declaration by shareholders at the ensuing Annual General Meeting.

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

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 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 RCoV were allotted on January 27, 2006.

Dematerialisation of Shares

Mode of Holding	% age
NSDL	95.77
CDSL	1.93
Physical	2.30
TOTAL	100.00

97.70% of Company's paid-up Equity Share Capital has been dematerialised up to March 31, 2014 (97.58% up to March 31, 2013). 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 2013-14 is given below:

	BSE	NSE	Total
Shares (nos.)	3 74 816	31 71 280	35 46 096
Value (in ₹ crore)	31.78	269.49	301.27

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

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

GDRs: Outstanding GDRs as on March 31, 2014 represent 11,11,55,934 equity shares constituting 3.44% of Company's paid-up Equity Share Capital. Each GDR represents two underlying equity shares in the Company. GDR is not a specific time-bound instrument and can be surrendered at

any time and converted into the underlying equity shares in the Company. The shares so released in favour of the investors upon surrender of GDRs can either be held by investors concerned in their name or sold off in the Indian secondary markets for cash. To the extent of shares so sold in Indian markets, GDRs can be reissued under the available head room.

RIL GDR Programme - Important Information

RIL GDRs are listed at the Luxembourg Stock Exchange. GDRs are traded on the 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.

Employee Stock Options

The information on Options granted by the Company during the financial year 2013-14 and other particulars with regard to Employees' Stock Options are set out under Annexure I to the Directors' Report

Plant Locations

Refining & Marketing

Jamnagar

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

Jamnagar SEZ Unit

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

Petrochemicals

Allahabad Manufacturing Division

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

Barabanki Manufacturing Division

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

Corporate Governance Report (Continued)

Dahej Manufacturing Division

P. O. Dahej- 392 130
Taluka: Vagra, Dist.: Bharuch, Gujarat, India

Hazira Manufacturing Division

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

Hoshiarpur Manufacturing Division

Dharamshala Road, V.P.O. Chohal
Dist.: Hoshiarpur - 146 024, Punjab, India

Nagothane Manufacturing Division

P. O. Petrochemicals Township
Nagothane - 402 125, Roha Taluka,
Dist.: Raigad, Maharashtra, India

Nagpur Manufacturing Division,

Village: Dahali, Mouda ,Ramtek Road
Tehsil Mouda – 441 104, Dist.: Nagpur
Maharashtra, India

Patalganga Manufacturing Division

B-1 to B-5 & A3, MIDC Industrial Area, P.O. Rasayani,
Patalganga – 410 220, Dist.: Raigad
Maharashtra, India

Silvassa Manufacturing Division

342, Kharadpada, P.O. Naroli – 396235
Union Territory of Dadra and Nagar Haveli, India

Vadodara Manufacturing Division

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

Oil & Gas

Gadimoga

Tallarevu Mandal
East Godavari District Gadimoga – 533 463,
Andhra Pradesh, India

Oil & Gas Blocks

Panna Mukta, Tapti, NEC-OSN-97/2, KG-DWN-98/3, GS-OSN-2000/1, CY-PR-DWN-2001/3, CYDWN-2001/2, KG-DWN-2003/1 and CB-ONN-2003/1

CBM Blocks

SP (West) – CBM – 2001/1, SP (East) – CBM – 2001/1

Textiles

Naroda Manufacturing Division

103/106, Naroda Industrial Estate, Naroda,
Ahmedabad - 382 330, Gujarat, India

Address for Correspondence

Investor Correspondence

For Shares/Debentures held in Physical form

Karvy Computershare Private Limited
Plot No.17-24, Vittal Rao Nagar, Madhapur,
Hyderabad - 500 081.

Tel: +91 40-44655070-5099

Toll Free No: 18004258998

Fax: +91 40-23114087

e-mail: rilinvestor@karvy.com

Website: www.karvy.com

For Shares/Debentures held in Demat form

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

Any query on the Annual Report

Shri S. Sudhakar

Vice President, Corporate Secretarial

Reliance Industries Limited,

3rd Floor, Maker Chambers IV, 222, Nariman Point,
Mumbai 400 021.

e-mail: investor_relations@ril.com

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

During the year under review, the Company has credited ₹ 9.17 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.

The cumulative amount transferred to IEPF up to March 31, 2014 is ₹108.44 crore.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on June 06, 2013 (date of last Annual General Meeting) on the Company's website (www.ril.com) and on the website of the Ministry of Corporate Affairs.

Equity Shares in the Suspense Account

In terms of Clause 5A(I) and Clause 5A(II) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense accounts which were issued in demat form and physical form, respectively:

Particulars	Demat		Physical	
	Number of Shareholders	Number of equity shares	Number of Shareholders (phase wise transfers)	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2013	96	1,308	1,63,137	62,99,258
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	0	0	1,591	1,01,792
Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	0	0	1,359	44,145
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2014	96	1,308	1,62,905	62,41,611

The voting rights on the shares in the suspense accounts as on March 31, 2014 shall remain frozen till the rightful owners of such shares claim the shares.

Compliance Certificate of the Auditors

Certificate from the Company's Auditors, M/s. Chaturvedi & Shah, M/s. Deloitte Haskins & Sells LLP and M/s. Rajendra & Co., confirming compliance with conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached to the Directors' Report forming part of the Annual Report.

This Certificate has also been forwarded to the Stock Exchanges where the shares of the Company are listed.

Adoption of Mandatory and Non- Mandatory Requirements of Clause 49

The Company has complied with all mandatory requirements of the Clause 49 of the Listing Agreement. The Company has adopted following non-mandatory requirements of Clause 49 of the Listing Agreement:

Remuneration Committee

The Company has constituted 'Human Resources, Nomination and Remuneration Committee' meeting the requirements of Clause 49 of the Listing Agreement and the Companies Act, 2013.

Communication to Shareholders

Half-yearly reports covering financial results were sent to members at their registered addresses.

Audit Qualification

The Company is in the regime of unqualified financial statements.

Training of Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Whistle Blower policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

Corporate Governance Report (Continued)

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 of the Listing Agreement. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer is published in this Report.

Certificate on Compliance with Code of Conduct

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/Management Personnel for the financial year 2013-14.

(Mukesh D. Ambani)
Chairman and Managing Director

Mumbai
April 18, 2014

CEO / CFO Certificate under Clause 49 (V)

To,
The Board of Directors
Reliance Industries Limited

1. We have reviewed financial statements and the cash flow statement of Reliance Industries Limited for the year ended 31st March, 2014 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:

- (i) that there are no significant changes in internal control over financial reporting during the year;
- (ii) that there are no significant changes in accounting policies during the year; and
- (iii) that there are no instances of significant fraud of which we have become aware.

(Alok Agarwal)
Chief Financial Officer

Mumbai
April 18, 2014

(Mukesh D. Ambani)
Chairman and Managing Director

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 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chaturvedi & Shah Chartered Accountants (Registration No. 101720W)	For Deloitte Haskins & Sells LLP Chartered Accountants (Registration No. 117366W/W-100018)	For Rajendra & Co. Chartered Accountants (Registration No. 108355W)
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(D. Chaturvedi)
Partner
Membership No.: 5611

Mumbai
April 18, 2014

(A.B. Jani)
Partner
Membership No.: 46488

(A.R. Shah)
Partner
Membership No.: 47166

Directors' Profile

Shri Mukesh D. Ambani (DIN 00001695) is a Chemical Engineer from Institute of Chemical Technology, Mumbai (earlier University Department of Chemical Technology, University of Mumbai). He has pursued MBA from Stanford University, USA.

Shri Mukesh D. Ambani has joined Reliance in 1981. He initiated Reliance's backward integration journey from textiles into polyester fibres and further into petrochemicals, petroleum refining and going 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 fourteen million tonnes per year. He is envisaging doubling these capacities to twenty seven million tonnes per annum within a short span.

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

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

Shri Mukesh D. Ambani is steering Reliance's development of infrastructure facilities and implementation of a pan-India organized retail network spanning multiple formats and supply chain infrastructure. Today, Reliance Retail is the largest retail player in the Country.

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

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

- In 2013, he was conferred 'Entrepreneur of the Decade' by All India Management Association.

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

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

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

Shri Mukesh D. Ambani is a member of the Indo-US CEOs Forum, Chair of The British Asian Trust's India Advisory Council, International Advisory Council of The Brookings, McKinsey & Company, Global Advisory Council of Bank of America, Member of The Business Council and Asia Business Council, and London School of Economics' India Advisory Group.

Shri Mukesh D. Ambani is the Chairman and Director of Reliance Jio Infocomm Limited and Reliance Retail Ventures Limited and a Director of Reliance Foundation and Reliance Europe Limited.

At RIL, he is Chairman of the Finance Committee.

He is Promoter of the Company and holds 36,15,846 shares of the Company in his name as on March 31, 2014.

Shri Nikhil R. Meswani (DIN 00001620) is a Chemical Engineer. He is the son of Shri Rasiklal Meswani, one of the Founder Directors of the Company.

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

Corporate Governance Report (Continued)

He is primarily responsible for Petrochemicals Division and has contributed largely to Reliance to become a global leader in Petrochemicals. Earlier, he handled refinery business between 1997 and 2005. He was also responsible for integration of IPCL with Reliance businesses. In addition, he continues to shoulder several other corporate responsibilities such as Corporate Affairs and Group's taxation policies. He also takes keen interest in IPL cricket franchise "Mumbai Indians".

He was the President of Association of Synthetic Fibre Industry and was also the youngest Chairman of Asian Chemical Fibre Industries Federation. He is also a member of managing committee of Federation of Indian Export Organisations set up by Ministry of Commerce.

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

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

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

He is a member of the Corporate Social Responsibility and Governance Committee, the Finance Committee and the Stakeholders Relationship Committee of the Company.

He is a Director of Reliance Commercial Dealers Limited and Chairman of its Audit Committee.

He holds 4,18,374 shares of the Company in his name as on March 31, 2014.

Shri Hital R. Meswani (DIN 00001623) graduated with Honours in the Management & Technology programme from the University of Pennsylvania, U.S.A. where he received a Bachelor of Science Degree in Chemical Engineering from the School of Engineering and Applied Sciences and a Bachelor of Science Degree in Economics from the Wharton Business School.

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

He is a member of the Finance Committee and Stakeholders Relationship Committee and Chairman of the Health, Safety and Environment Committee of the Company.

He is a Director of Reliance Industrial Investments and Holdings Limited and Reliance Commercial Dealers Limited. He is the Chairman of the Audit Committee of Reliance Industrial Investments and Holdings Limited and is a member of the Audit Committee of Reliance Commercial Dealers Limited.

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

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

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

He was also recently conferred the Honorary CEPM-PMA Fellowship Award for Project Management Excellence.

He holds 3,51,886 shares of the Company in his name as on March 31, 2014.

Shri P.M.S. Prasad (DIN 00012144) is a Whole-time Director designated as Executive Director of the Company since August 21, 2009.

He has been with the Company for about 33 years. Over the years, he has held various senior positions in the Fibres, Petrochemicals, Refining & Marketing and Exploration & Production Businesses of the Company.

He holds Bachelor's degrees in Science and Engineering.

He was awarded an honorary doctorate degree by the University of Petroleum Engineering Studies, Dehradun in recognition of his outstanding contribution to the Petroleum sector. He has been conferred the Energy Executive of the Year 2008 award by Petroleum Economist in recognition of his leadership.

He is on the Board of Governors of the University of Petroleum & Energy Studies, India.

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

He is a Director of Reliance Commercial Dealers Limited and is a member of its Audit Committee.

He holds 1,36,666 shares of the Company in his name as on March 31, 2014.

Shri Pawan Kumar Kapil (DIN 02460200) has been appointed as a Whole-time Director designated as Executive Director of the Company with effect from May 16, 2010.

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

He joined Reliance in 1996 and led the commissioning and start-up of the Jamnagar complex. He was associated with this project since conception right through Design, Engineering, Construction and Commissioning. He also led the commissioning of the manufacturing operations in the Special Economic Zone (SEZ) at Jamnagar by Reliance.

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

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

He has been the Site President of the Jamnagar complex of the Company from 2001 to 2010. He is currently heading Group Manufacturing Services (GMS) since 2011 and

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

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

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

He holds 5,000 shares of the Company in his name as on March 31, 2014.

Shri Mansingh L. Bhakta (DIN 00001963) is senior partner of Messers Kanga & Company, a leading firm of Advocates and Solicitors in Mumbai. He has been in practice for over 59 years and has vast experience in legal field and particularly on matters relating to corporate laws, banking and taxation.

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

He is a Director of the Indian Merchant's Chamber, Mumbai and JCB India Limited. He is the Lead Independent Director of the Company. He is a member of the Audit Committees of JCB India Limited. During his long legal career, he has served as an Independent Director of a large number of leading corporates including Larsen & Toubro Limited, SKF (India) Limited, Kirloskar Oil Engines Limited, Arvind Limited and Bennett Coleman & Company Limited.

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

Corporate Governance Report (Continued)

year was the sixth consecutive year in which he has been so nominated.

He holds 3,30,000 shares of the Company in his name as on March 31, 2014.

Shri Yogendra P. Trivedi (DIN 00001879) is practicing as senior advocate in Supreme Court. He was a member of the Rajya Sabha till April 2, 2014. He holds important positions in various fields viz. economics, profession, politics, commercial, education, medical field, sports and social service. He has received various Awards and medals for his contribution in various fields. He was a Director in Central Bank of India and Dena Bank, amongst many other reputed companies. He was the past President of the Indian Merchants' Chamber and presently is a Member of the Managing Committee. He was on the Managing Committee of ASSOCHAM and the International Chamber of Commerce. He was the Hon' Counsel of Republic of Ethiopia.

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

He is the Chairman of Indo African Chamber of Commerce. He was the President of the Cricket Club of India. He was the past President of the Western India Automobile Association. He is also Member of the Indian Merchants Chamber, All India Association of Industries, W.I.A.A. Club, B.C.A Club, Orient Club, Royal Bombay Yatch Club. He is also the Chairman of the Audit Committee, the Corporate Social Responsibility and Governance Committee and the Stakeholders Relationship Committee and Member of the Human Resources, Nomination and Remuneration Committee of the Company. He is a Member of the Audit Committee of Zodiac Clothing Company Limited and The Seksaria Biswan Sugar Factory Limited.

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

He holds 27,984 shares of the Company in his name as on March 31, 2014.

Dr. Dharam Vir Kapur (DIN 00001982) is an honours Graduate in Electrical Engineering with wide experience in Power, Capital Goods, Chemicals and Petrochemicals Industries.

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

As Secretary to the Government of India in the Ministries of Power, Heavy Industry and Chemicals & Petrochemicals during 1980-86, he made significant contributions with introduction of new management practices and liberalization initiatives including authorship of "Broad Banding" and "Minimum economic sizes" in industrial licensing. He was also associated with a number of National Institutions as Member, the Atomic Energy Commission; Member, Advisory Committee of the Cabinet for Science and Technology; Chairman, Board of Governors, IIT Bombay (1983-94); 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. He is recipient of "India Power, Life Time Achievement Award" presented by Council of Power Utilities, for his contributions to Energy and Industry sectors. ENERTIA Awards 2010 also conferred Life Time Achievement Award on Dr. Kapur for his "contribution to the Power and Energy Sector and for his leadership in the fledgling NTPC". Project Management Associates, India adopted Dr. D.V. Kapur as Mentor during its 20th International Conference in December 2013. Dr. Kapur is also recipient of "Meritorious Services Award" for "exemplary services to Indian Energy Sector" presented by India Energy Forum.

He is the Chairman (Emeritus) of Jacobs H&G (P) Limited. He is also a Director on the Boards of Honda Siel Power Products Limited, DLF Limited and other private limited companies. Earlier he was a Director on the Boards of Tata Chemicals Limited, Larsen & Toubro Limited, Ashok Leyland Limited and also Chairman of GKN Driveline Limited. He is a member of the Human Resources, Nomination and Remuneration Committee, the Corporate Social Responsibility and Governance Committee and the Health, Safety and Environment Committee of the Company. He

is Chairman Audit Committee, Shareholders'/Investors' Relations Committee and Remuneration Committee of Honda Siel Power Products Limited.

He is also a member Audit Committee and Chairman, Committees on Corporate Governance and Shareholders'/Investor Relations of DLF Limited.

He holds 13,544 shares of the Company in his name as on March 31, 2014.

Shri Mahesh Prasad Modi (DIN 00001604), M.Sc (Econ.) (London), Fellow, Economic Development Institute of the World Bank, held high positions in the Government of India as Chairman of Telecom Commission & Secretary, Telecommunications Department & Director General, Telecommunications; Secretary, the Ministry of Coal; Special Secretary (Insurance), Economic Affairs Department; and Joint Secretary, the Ministry of Petroleum, Chemicals and Fertilizers. He has served as Director on the Board of Directors of many public sector and private sector companies, including: GAIL (Founder Director), IPCL, BPCL, CRL, BRPL, Life Insurance Corporation of India, General Insurance Corporation, Mangalore Refinery & Petrochemicals, Essar Shipping, BSES, ICICI Prudential Life Insurance Co. and India Advisory Board of BHP Billiton. He has considerable management experience, particularly in the fields of energy, petrochemicals, telecom and insurance.

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

He holds 2,924 shares of the Company in his name as on March 31, 2014.

Prof. Ashok Misra (DIN 00006051) is a B.Tech. in Chemical Engineering from IIT Kanpur, M.S. in Chemical Engineering from the Tufts University and a Ph.D. in Polymer Science & Engineering from the University of Massachusetts. He has also completed the 'Executive Development Programme' and 'Strategies for Improving Directors' Effectiveness Programme' at the Kellogg School of Management, Northwestern University.

He was the Director at the Indian Institute of Technology, Bombay from 2000 to 2008, where he made significant contribution taking the Institute to greater heights. During his tenure the IIT Bombay was transformed into a leading Research & Development Institute, while at the same time maintaining its reputation as a leader in quality engineering education. Prior to this he was at IIT Delhi from 1977-2000 and at Monsanto Chemical Co. from 1974-1977. He

is currently the Chairman-India, Intellectual Ventures. He is a Fellow of the National Academy of Sciences, India (President from 2006 to 2008); the Indian National Academy of Engineering, the Indian Institute of Chemical Engineers, the Indian Plastics Institute and the Maharashtra Academy of Sciences. He is the Founder President of the Polymer Processing Academy and the former President of the Society of Polymer Science, India.

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

He holds 2,300 shares of the Company in his name as on March 31, 2014.

Prof. Dipak C. Jain (DIN 00228513) has a M.S. in Mathematical Statistics from Guwahati University, India and a Ph.D. in Marketing from the University of Texas at Dallas, United States of America. Prof. Jain is a distinguished teacher and scholar. He had been Dean of the Kellogg School of Management, Northwestern University, Evanston, Illinois, United States of America from 2001 to 2009 and an Associate Dean from 1996 to 2001. Currently, he is a Chaired Professor of Marketing at INSEAD, a leading business school with three campuses at Fontainebleau (Paris), France, Singapore and Abu Dhabi. He has served as the Dean of INSEAD from 2011-13. He has more than 30 years of experience in management education. He has published several articles in international journals on marketing and allied subjects.

Corporate Governance Report (Continued)

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

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

He does not hold any shares of the Company in his name as on March 31, 2014.

Dr. Raghunath A. Mashelkar, (DIN 00074119) National Research Professor, is presently also 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.

Dr. Mashelkar served as the Director General of Council of Scientific and Industrial Research (CSIR), with thirty-eight laboratories and about 20,000 employees for over eleven years. He was also the President of Indian National Science Academy and President of Institution of Chemical Engineers (UK).

Dr. Mashelkar is on the Board of Directors of several other reputed companies such as Tata Motors Limited, IKP Knowledge Park, Thermax Limited, Piramal Enterprises Limited, and KPIT Cummins Infosystems Limited and several other private limited companies. He is also a Director of Reliance Gene Medix Limited (company incorporated outside India). He is a member of the Scientific Advisory Board of the Microsoft.

He is a member of the Audit Committee, the Human Resources, Nomination and Remuneration Committee and the Corporate Social Responsibility and Governance Committee of the Company.

He is Chairman of the Safety, Health and Environment Committee of Tata Motors Limited. He is a member of the

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

Dr. Mashelkar is only the third Indian engineer to have been elected (1998) as Fellow of Royal Society (FRS), London in the twentieth century. He was elected Foreign Associate of National Academy of Science (USA) in 2005, Associate Foreign Member, American Academy of Arts & Sciences (2011); Foreign Fellow of US National Academy of Engineering (2003); Fellow of Royal Academy of Engineering, U.K. (1996), Foreign Fellow of Australian Technological Science and Engineering Academy (2008) and Fellow of World Academy of Art & Science, USA (2000).

In August 1997, Business India named Dr. Mashelkar as being among the 50 path-breakers in the post-Independent India. In 1998, Dr. Mashelkar won the JRD Tata Corporate Leadership Award, the first scientist to win it. In June, 1999, Business India did a cover story on Dr. Mashelkar as "CEO OF CSIR Inc.," a dream that he himself had articulated, when he took over as DG, CSIR in July 1995. On November 16, 2005, he received the Business Week (USA) award of 'Stars of Asia' at the hands of George Bush (Sr.), the former President of USA. He was the first Asian Scientist to receive it.

Deeply connected with the innovation movement in India, Dr. Mashelkar is currently the Chairman of India's National Innovation Foundation, Reliance Innovation Council, Thermax Innovation Council and Marico Innovation Foundation.

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

The President of India honoured Dr. Mashelkar with Padmashri (1991), with Padmabhushan (2000) and with Padma Vibhushan (2014), which are three of the highest civilian honours in recognition of his contribution to nation building.

When Dr. Mashelkar took over as the Director General of CSIR, he enunciated "CSIR 2001: Vision & Strategy". This was a bold attempt to draw out a corporate like R&D and business plan for a publicly funded R&D institution. This initiative has transformed CSIR into a user focused, performance driven and accountable organization. This process of transformation has been recently heralded as one of the ten most significant achievements of Indian Science and Technology in the twentieth century.

Dr. Mashelkar has been propagating a culture of innovation and balanced intellectual property rights regime for over a decade. It was through his sustained and visionary campaign that growing awareness of Intellectual Property Rights (IPR) has dawned on Indian academics, researchers and corporates. He spearheaded the successful challenge to the US patent on the use of turmeric for wound healing and also the patent on Basmati rice. These landmark cases have set up new paradigms in the protection of India's traditional knowledge base, besides leading to the setting up of India's first Traditional Knowledge Digital Library. In turn, at an international level, this has led to the initiation of the change of the International Patent Classification System to give traditional knowledge its rightful place. As Chairman of the Standing Committee on Information Technology of World Intellectual Property Organization (WIPO), as a member of the International Intellectual Property Rights Commission of UK Government and as Vice Chairman on Commission in Intellectual Property Rights, Innovation and Public Health (CIPIH) set up by World Health Organization (WHO), he brought new perspectives on the issue of IPR and the developing World concerns.

In the post-liberalized India, Dr. Mashelkar has played a critical role in shaping India's S&T policies. He was a member of the Scientific Advisory Council to the Prime Minister and also of the Scientific Advisory Committee to the Cabinet set up by successive governments. He has chaired twelve high powered committees set up to look into diverse issues of higher education, national auto fuel policy, overhauling the Indian drug regulatory system, dealing with the menace of spurious drugs, reforming Indian agriculture research system, etc. He has been a much sought after consultant for restructuring the publicly funded R&D institutions around the World; his contributions in South Africa, Indonesia and Croatia have been particularly notable.

Dr. Mashelkar has won over 50 awards and medals, which include S.S. Bhatnagar Prize (1982), Pandit Jawaharlal Nehru Technology Award (1991), G.D. Birla Scientific Research Award (1993), Material Scientist of Year Award (2000), IMC Juran Quality Medal (2002), HRD Excellence Award (2002), Lal Bahadur Shastri National Award for Excellence in Public Administration and Management Sciences (2002), World Federation of Engineering Organizations (WFEO) Medal of Engineering Excellence by WFEO, Paris (2003), Lifetime Achievement Award by Indian Science Congress (2004), the Science medal by the Academy of Science for the Developing World (2005), Ashutosh Mookherjee Memorial Award by Indian Science Congress (2005), etc.

He does not hold any shares of the Company in his name as on March 31, 2014.

Shri Adil Zainulbhai (DIN 06646490) is currently Senior Advisor to McKinsey. He retired as Chairman of McKinsey, India after 34 years at McKinsey. He spent the last 10 years in India. Prior to returning to India, he led the Washington office of McKinsey and founded the Minneapolis office.

Over the last 10 years in India, Shri Adil has worked directly with the CEOs and promoters of some of the major companies in India and globally – private companies, MNCs and PSUs. He has been focusing on 3 areas:

- Helping Indian companies meet their growth aspirations and become successful globally and developing their senior leadership.
- Helping Public Sector Undertakings (PSUs) become more efficient and effective.
- Helping MNCs enter India and build profitable, large and innovative businesses.

Shri Adil has also been working with several parts of the government and led efforts around urbanization, inclusive growth and energy.

Shri Adil has co-edited the book, 'Reimagining India' which featured 60 authors including prominent businessmen, academicians, economists, authors and journalists. The book has been #1 in non-fiction in India on its release and #2 on Amazon's International Business List in the US.

Shri Adil grew up in Bombay and graduated in Mechanical Engineering from the Indian Institute of Technology. He also has an M.B.A. from Harvard Business School.

Shri Adil is very active in community and social causes. He is a Board member of the American India Foundation, Saifee Hospital, Board of Trustees at Saifee Burhani Upliftment Trust (redeveloping Bhendi Bazaar in Mumbai), Advisory Board of the Indian Institute of Technology Bombay, Wockhardt Foundation, HMRI (Health Management Research Institute), Harvard Business School Alumni Association of India and on the Global Advisory Board of the Booth School of Business at University of Chicago.

Shri Adil Zainulbhai is also Chairman of the Human Resources, Nomination and Remuneration Committee and Member of the Audit Committee of the Company.

He does not hold any shares of the Company in his name as on March 31, 2014.

Secretarial Audit Report

The Board of Directors
Reliance Industries Limited
3rd Floor, Maker Chambers IV
222 Nariman Point
Mumbai 400 021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Reliance Industries Limited ("the Company"). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2014 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2014 according to the provisions of -
 - The Companies Act, 1956 and the Rules made under that Act and 98 sections of Companies Act, 2013 notified vide Ministry of Corporate Affairs Gazette Notification No. S.O. 2754(E) dated September 12, 2013;
 - The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under that Act;
 - The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
 - The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB);
 - The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - The Equity Listing Agreements with BSE Limited and National Stock Exchange of India Limited and GDR Listing Agreement with Luxembourg Stock Exchange and Debt Listing Agreements with National Stock Exchange of India Limited and BSE Limited; and
 - The Memorandum and Articles of Association.
2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and 98 sections of Companies Act, 2013 notified vide Ministry of Corporate Affairs Gazette Notification No. S.O. 2754(E) dated September 12, 2013 ("the Act") and the Memorandum and Articles of Association of the Company, with regard to:
 - (a) maintenance of various statutory registers and documents and making necessary entries therein;
 - (b) closure of the Register of Members / Debenture holders;
 - (c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
 - (d) service of documents by the Company on its Members, Debenture holders, Debenture Trustees, Auditors and the Registrar of Companies;
 - (e) notice of Board meetings and Committee meetings of Directors;
 - (f) the meetings of Directors and Committees of Directors including passing of resolutions by circulation;
 - (g) the 39th Annual General Meeting held on June 06, 2013;
 - (h) minutes of proceedings of General Meetings and of the Board and its Committee meetings;
 - (i) approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
 - (j) constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Directors;
 - (k) payment of remuneration to Directors including the Managing Director and Whole-time Directors;

- (l) appointment and remuneration of Auditors and Cost Auditors;
 - (m) transfers and transmissions of the Company's shares and debentures, and issue and dispatch of duplicate certificates of shares;
 - (n) payment of interest on debentures and redemption of debentures;
 - (o) declaration and payment of dividends;
 - (p) transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
 - (q) borrowings and registration, modification and satisfaction of charges wherever applicable;
 - (r) investment of the Company's funds including inter-corporate loans and investments and loans to others;
 - (s) giving guarantees in connection with loans taken by subsidiaries;
 - (t) form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
 - (u) allotment of equity shares of the Company pursuant to Employees Stock Option Scheme;
 - (v) Directors' report;
 - (w) contracts, common seal, registered office and publication of name of the Company; and
 - (x) generally, all other applicable provisions of the Act and the Rules made under the Act.
3. I further report that:
- (a) the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings / debenture holdings and directorships in other companies and interests in other entities;
 - (b) the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
 - (c) the Company has obtained all necessary approvals under the various provisions of the Act; and
 - (d) there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
5. 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.
6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable to ODI, FDI and ECB.
7. I further report that:
- (a) the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited and GDR Listing Agreement with Luxembourg Stock Exchange and the Debt Listing Agreements with National Stock Exchange of India Limited and BSE Limited;
 - (b) the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - (c) the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said 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; and
 - (e) the Company has complied with the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
8. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Dr K R Chandratre
Practising Company Secretary
Certificate of Practice No. 5144
April 18, 2014

Directors' Report

Dear Members,

Your Directors are pleased to present the 40th Annual Report and the Company's audited accounts for the financial year ended March 31, 2014.

Financial Results

The Company's financial performance, for the year ended March 31, 2014 is summarised below:

	2013-14		2012-13	
	₹ crore	\$ million*	₹ crore	\$ million*
Profit before Tax	27,818	4,643	26,284	4,842
Less: Current Tax	5,812	970	5,244	966
Deferred Tax	22	4	37	7
Profit for the year	21,984	3,669	21,003	3,869
Add: Balance in Profit and Loss Account	8,610	1,853	7,609	1,668
Add: On Amalgamation	-	-	1,116	206
	30,594	5,522	29,728	5,743
Less: Appropriation:				
Transferred to General Reserve	18,000	3,004	18,000	3,316
Transferred to Capital Redemption Reserve on buy back of Equity Shares	-	-	43	8
Proposed Dividend on Equity Shares	2,793	466	2,628	484
Tax on Dividend	475	79	447	82
Closing Balance	9,326	1,973	8,610	1,853

* 1 \$ = ₹ 59.915 Exchange Rate as on March 31, 2014 (1 \$ = ₹ 54.285 as on March 31, 2013)

Results of Operations

Operating in a volatile and uncertain environment, the Company demonstrated the resilience of its business model. The Company's best-in-class refining configuration and integrated petrochemical business enabled it to deliver robust profits in the financial year 2013-14. The highlights of the Company's performance are as under:

- Revenue from operations increased by 8.1% to ₹ 401,302 crore (\$ 67.0 billion)
- Exports increased by 15.3% to ₹ 275,825 crore (\$ 46.0 billion)
- PBDIT increased by 2.7% at ₹ 39,813 crore (\$ 6.6 billion)
- Profit Before Tax increased by 5.8% at ₹ 27,818 crore (\$ 4.6 billion)
- Cash Profit increased by 1.0% to ₹ 30,795 crore (\$ 5.1 billion)

- Net Profit increased by 4.7% to ₹ 21,984 crore (\$ 3.7 billion)
- Gross Refining Margin was \$ 8.1 / bbl for the year ended March 31, 2014

The consolidated revenue from operations of the Company for the year ended March 31, 2014 was ₹ 446,339 crore (\$ 74.5 billion), an increase of 9.3% on a year-on-year basis.

The Company is one of India's largest contributors to the national exchequer primarily by way of payment of taxes and duties to various government agencies. During the year, a total of ₹ 31,374 crore (\$ 5.2 billion) was paid in the form of various taxes and duties.

The Company featured in the Fortune Global 500 list of the world's largest corporations for the tenth consecutive year and was ranked 107th in terms of revenues and 128th in terms of profits.

Dividend

Your Directors have recommended a dividend of ₹ 9.50 per equity share (last year ₹ 9.00 per equity share) for the financial year ended March 31, 2014, amounting to ₹ 3,268 crore (inclusive of tax of ₹ 475 crore), one of the highest payout by any private sector domestic company. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

The dividend will be paid to members whose names appear in the Register of Members as on May 19, 2014; in respect of shares held in dematerialised form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.

The dividend payout for the year under review has been formulated in accordance with shareholders' aspirations and the Company's policy to pay sustainable dividend linked to long term growth objectives of the Company to be met by internal cash accruals.

Credit Rating

The Company continues to have the highest domestic credit ratings of AAA from CRISIL (S&P subsidiary) and India Ratings & Research (a Fitch Group Company). Moody's has reaffirmed investment grade rating for international debt, as Baa2 'positive outlook' (local currency issuer rating), which is one notch higher than the country's sovereign rating. During the year, S&P upgraded the Company's international debt rating to BBB+ 'negative outlook', which is now two notches above India's sovereign rating. Strong credit ratings by leading international agencies reflect the Company's financial discipline and prudence.

Employees' Stock Option Scheme

The Human Resources, Nomination and Remuneration Committee of the Board of Directors of the Company, *inter alia*, administers and monitors the Employees' Stock Option Scheme of the Company 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 applicable disclosures as stipulated under the SEBI Guidelines as on March 31, 2014 (cumulative position) with regard to the Employees' Stock Option Scheme are provided in Annexure I to this Report.

The issuance of equity shares pursuant to exercise of options does not affect the Statement of Profit and Loss of the Company, as the exercise is made at the market price prevailing as on the date of the grant plus taxes as applicable.

The Company has received a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the SEBI Guidelines and the resolution passed by the shareholders. The certificate would be placed at the Annual General Meeting for inspection by members.

Management's Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

The developments at our major subsidiaries are as below:

Shale Gas Business

The US shale gas business is now a material contributor to RIL's consolidated profits. The shale business delivered revenues of \$ 819 million and EBITDA of \$ 616 million in 2013 on the back of a 52% growth in volumes to 154 BCFe. Proved reserves of shale gas increased 43% to 2.66 TCFe.

Retail Business

Reliance Retail has become India's largest retailer by revenues. Financial Year (FY) 2013-14 Revenues grew 34% to ₹ 14,496 crore, while EBITDA was at ₹ 363 crore. The retail business also achieved two major milestones in FY 2013-14. It crossed 10 million square feet of retail space and broke even on a net profit basis during the year. The Company enhanced its presence across various format sectors. Reliance Retail now operates 1,691 stores across 146 cities.

Reliance Jio Infocomm

Reliance Jio Infocomm Limited (RJIL) successfully acquired the right to use spectrum in 14 key circles across India in the 1,800 MHz band in the spectrum auction conducted by Department of Telecommunications (DoT), Government of India (GoI). RJIL will use this spectrum in conjunction with its pan India 2,300 MHz spectrum acquired earlier to provide seamless 4G services using FDD-LTE on 1,800 MHz and TDD-LTE on 2,300 MHz through an integrated ecosystem. Following the acquisition, RJIL holds the largest quantum of liberalised spectrum, with the longest residual spectrum life.

Directors' Report (Continued)

Corporate Social Responsibility and Governance Committee

During the year, your directors have constituted the Corporate Social Responsibility and Governance Committee (CSR&G Committee) comprising Shri Yogendra P. Trivedi as the Chairman and Shri Nikhil R. Meswani, Dr. Dharam Vir Kapur and Dr. Raghunath A. Mashelkar as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

Consolidated Financial Statement

In accordance with the Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

Subsidiaries

Details of major subsidiaries of the Company and their business operations during the year under review are covered in the Management's Discussion and Analysis Report.

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However, the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will provide a copy of separate annual accounts in respect of each of its subsidiary to any shareholder of the Company who asks for it and the said annual accounts will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies.

Directors

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of

the Company, Shri Adil Zainulbhai was appointed as an Additional Director designated as an Independent Director w.e.f. December 20, 2013 and he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Shri Adil Zainulbhai for appointment as an Independent Director.

In terms of the Articles of Association of the Company, Shri Ramniklal H. Ambani, Shri Nikhil R. Meswani, Shri Yogendra P. Trivedi and Prof. Ashok Misra, Directors retire at the ensuing Annual General Meeting. The Company has received requisite notices in writing from members proposing Shri Yogendra P. Trivedi and Prof. Ashok Misra for appointment as Independent Directors.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

Auditors and Auditors' Report

M/s. Chaturvedi & Shah, Chartered Accountants, Deloitte Haskins & Sells LLP, Chartered Accountants and M/s. Rajendra & Co., Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letters from all of them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

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

Cost Auditors

The Company has appointed the following cost auditors for conducting the audit of cost records of the Company for the financial year 2013-14:

- (i) For the Textiles Business - M/s. Kiran J. Mehta & Co., Cost Accountants;
- (ii) For the Chemicals Business - M/s. Diwanji & Associates, Cost Accountants, M/s. K.G. Goyal & Associates, Cost Accountants, M/s. V.J. Talati & Co., Cost Accountants, M/s. Kiran J. Mehta & Co., Cost Accountants, M/s. Bandyopadhyaya Bhaumik & Co., Cost Accountants, M/s. Shome & Banerjee, Cost Accountants and M/s. Dilip M. Malkar & Co., Cost Accountants;
- (iii) For the Polyester Business - Shri Suresh D. Shenoy, Cost Accountant and M/s. V. Kumar & Associates, Cost Accountants;
- (iv) For Electricity Generation - M/s. Dilip M. Malkar & Co., Cost Accountants;
- (v) For Petroleum Business - M/s. V.J. Talati & Co., Cost Accountants; and
- (vi) For Oil & Gas Business - M/s. Kiran J. Mehta & Co., Cost Accountants, Shri Suresh D. Shenoy, Cost Accountant, M/s. Bandyopadhyaya Bhaumik & Co., Cost Accountants and M/s. Shome & Banerjee, Cost Accountants.

M/s. Shome & Banerjee, Cost Accountants, were nominated as the Company's Lead Cost Auditor.

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 the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2014, 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, the 98 sections of the Companies Act, 2013 notified vide Ministry of Corporate Affairs Gazette Notification No. S.O. 2754(E) dated September 12, 2013, the Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, the Foreign Exchange Management Act, 1999 to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB), all the Regulations and Guidelines of SEBI as applicable to the Company, including the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, Listing Agreements with the Stock Exchanges and the Memorandum and Articles of Association of the Company.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report. Having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such particulars may write to the Company Secretary 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

Directors' Report (Continued)

Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are provided in Annexure II to this Report.

Transfer of Amounts to Investor Education and Protection Fund

Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on June 06, 2013 (date of last Annual General Meeting) on the Company's website (www.ril.com), as also on the Ministry of Corporate Affairs' website.

Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally.

The Report on corporate governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as stipulated under the aforesaid Clause 49, is attached to the Report on corporate governance.

Business Responsibility Report

SEBI, vide its Circular CIR/CFD/DIL/8/2012 dated August 13, 2012, mandated the top 100 listed entities, based on market capitalisation at BSE and NSE, to include Business Responsibility Report (BRR) as part of the Annual Report describing the initiatives taken by the companies from Environmental, Social and Governance perspective. Pursuant to the above, the Stock Exchanges included in the Listing Agreement a suggested framework of a BRR. Accordingly, the BRR is attached which forms part of the Annual Report.

Acknowledgement

Your Directors would like to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors

Mukesh D. Ambani

Chairman and Managing Director

April 18, 2014

Annexure I

Disclosures required under the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

(a) Options granted - 5,98,02,083; (b) Exercise Price - 5,74,56,000 options granted at an exercise price of ₹ 642 per option (adjusted for bonus issue); 54,000 options granted at an exercise price of ₹ 842 per option (adjusted for bonus issue); 20,16,000 options granted at an exercise price of ₹ 1,146 per option (adjusted for bonus issue); 1,00,200 options granted at an exercise price of ₹ 644.50 per option (adjusted for bonus issue); 16,000 options granted at an exercise price of ₹ 995 per option; 19,200 options granted at an exercise price of ₹ 929 per option; 4,100 options granted at an exercise price of ₹ 972 per option; 18,000 options granted at an exercise price of ₹ 871 per option; 23,717 options granted at an exercise price of ₹ 847 per option; 15,000 options granted at an exercise price of ₹ 765 per option; 8,000 options granted at an exercise price of ₹ 715 per option; 60,866 options granted at an exercise price of ₹ 860 per option and 11,000 options granted at an exercise price of ₹ 880 per option. The above exercise prices exclude all applicable taxes, as may be levied in this regard; (c) Options vested - 3,61,53,770; (d) Options exercised - 84,53,836; (e) The total number of shares arising as a result of exercise of options - 84,53,836; (f) Options lapsed - 2,33,71,841; (g) Variation in terms of options - Nil; (h) Money realised by exercise of options - ₹ 567,89,37,690; (i) Total number of options in force [(a) - (d) - (f)] - 2,79,76,406; (j) Employee wise details of options granted to: (i) Senior Management Personnel: Shri Nikhil R. Meswani - 14,00,000, Shri Hital R. Meswani - 14,00,000, Shri P.M.S. Prasad - 10,00,000 and

Shri P.K. Kapil – 1,00,000 (ii) Any other employee who received a grant in any one year of options amounting to 5% or more of options granted – Nil (iii) Identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant – Nil and (k) Basic and Diluted Earnings Per Share (EPS) before exceptional items pursuant to issue of shares on exercise of options calculated in accordance with AS-20 'Earnings Per Share' - ₹ 68.05.

Annexure II

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

A. Conservation of Energy

a) Energy conservation measures taken

RIL continues to work towards development and implementation of climate change mitigation projects, mainly through energy efficiency and use of cleaner fuels. This year, the Company has taken up various initiatives for deployment of renewable energy like rooftop solar photovoltaic projects, biogas generation project and carrying out wind resource assessment for exploring possibility of installation of wind turbines.

A dedicated Energy Cell is focusing on energy management and close monitoring of energy consumption pattern. Periodic energy audits are conducted to improve energy performance and benchmark with other refineries.

The energy consumption of all Manufacturing sites are monitored constantly and corrective steps are immediately taken to utilise the energy in the most optimal manner.

Major energy conservation measures carried out during the FY 2013-14 are listed below:

Dahej Manufacturing Division

- Conversion of second generation electrolysers to energy efficient electrolysers in Chlor Alkali Plant
- Centrate Water Heat Recovery Scheme in Poly Vinyl Chloride Plant
- Application of energy efficient insulation wrap on VHP steam line from Captive Power Plant to Ethane Propane Recovery Unit leading to steam savings

- Evaporator Bypass in High Density Poly Ethylene II Plant leading to steam savings
- Stoppage of Ammonia Compressor via optimisation leading to power savings
- Usage of Hexane stream from distillation column bottom products to preheater in Hexane recovery section
- Steam saving by tube leak attending in surface condenser plant in Ethane Propane Recovery Unit

Hazira Manufacturing Division

- Power Import through Grid-Synchronisation based on Power Import cost in CPP&U Plant

Hoshiarpur Manufacturing Division

- Installing new Diesel Rotary UPS in Diesel Generation Plant
- Fuel change over from liquid fuel to pet coke by installing new pet coke based Thermic Fluid Heater

Jamnagar Manufacturing Division (DTA)

- Use of chiller-2 as first stage chilling for propane instead of chiller-3 in Marine Tank farm to improve efficiency
- Medium Pressure steam generation by pre-heating Boiler feed water in isomar train 1(271 unit) heater stack improving efficiency from 86% to 92%
- Internal Ceramic coating for heater in Parex train to reduce Radiation loss
- High pressure steam reduction in reboiler of stripper through process modification

Jamnagar Manufacturing Division (SEZ)

- Operating 2 Aux boiler instead of 3 to maximise efficient steam generation from Waste heat recovery boiler
- Crude Column Overhead vapor heat recovery in Crude Distillation unit to reduce steam consumption
- Medium Pressure Steam generation from Light Coker Naphtha Oil Product circuit in Vacuum hydrotreater units
- Internal ceramic coating in Crude Distillation unit furnaces to reduce radiation losses
- Velocity steam reduction in Coker heater
- Use of Low Pressure Steam in Deisohexaniser Reboiler in place of Medium Pressure steam
- Medium Pressure steam recovery from flashing hot condensate in Tail Gas Treating Unit

Directors' Report (Continued)

- Medium Pressure steam reduction in column reboiler of Coker unit

Nagothane Manufacturing Division

- Uprate of Gas Turbine Generating resulting to improved heat rate and higher efficiency
- Installing smaller air compressor for avoiding 4000 Nm³/hr air venting from existing bigger compressor
- Steam turbine overhauling
- Antisurge control system for gas cracker and compressor

Patalganga Manufacturing Division

- Reduced steam consumption by operating oxidation reactor of Pure Terephthalic Acid at lower pressure
- Reduced energy losses by Air PreHeater cleaning of Linear Alkyl Benzene Back End and Front End heaters
- Use of Pure Terephthalic Acid LP steam instead of MP steam in low temperature columns

Vadodara Manufacturing Division

- Improvement of Ethylene Di Chloride furnace performance by adding two coils
- Replacement of Waste Heat Boiler De-mineralised water bank

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

Dahej Manufacturing Division

- Installation of hydraulic Turbine in Ethane Propane Recovery Unit
- Ethylene to Vinyl Chloride Monomer directly from ethylene tower in Gas Cracker Unit
- IP steam supply to Vinyl Chloride Monomer Plant from CPP for stopping MP to IP letdown in Vinyl Chloride Monomer
- Revamp of condensate stripper in Gas Cracker Plant
- Increased steam generation and condensate recovery in Mono Ethylene Glycol Plant

- Increase the size of LP steam control valve
- Reducing steam consumption in Column by installing condensate Pot in place of steam trap
- Steam savings by Heat Recovery from Ethylene Di Chloride furnace stack
- Application of energy efficient insulation wrap in VHP steam header of Gas Cracker Unit

Hazira Manufacturing Division

- Cracker compressor to be uprated in Cracker
- Conversion of existing DH column to azeotropic type in PTA plants
- Installation of three new exchangers in quench water circuit to recover heat from GHU stream in Cracker plant
- Reduction in radiation heat losses from old SHHP header by applying high efficiency insulation in Cracker plant

Jamnagar Manufacturing Division (DTA)

- Vacuum Distillation Unit off gas recovery in DTA Crude Distillation Unit

Jamnagar Manufacturing Division (SEZ)

- Feed charge pump Impeller change of Diesel Hydro Desulphurisation 1
- Feed charge pump Impeller change of Diesel Hydro Desulphurisation 2
- Routing total Hot Heavy Coker Gas Oil to Vacuum Hydrotreater Unit

Nagothane Manufacturing Division

- Provision of fluid coupling in Boiler Feed Water feed pumps

Naroda Manufacturing Division

- Replacement of old Electric Motors with Energy Efficient Motors

Vadodara Manufacturing Division

- Installation of new footprint turbine for Cycle Gas Compressor and Propylene compressor for Cracker plant
- Power generation from SHP Steam let-down by 4.3 MW in Naphtha Cracker Plant

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

Sr. No.	Manufacturing Division	Energy conservation initiatives taken	Energy savings (Gcal/hr)	Financial savings (₹ crore per annum)
a) Energy conservation measures taken				
1	Dahej Manufacturing Division	Conversion of second generation electrolyzers to energy efficient electrolyzers in Chlor Alkali Plant	16.0	148.5
		Centrate Water Heat Recovery Scheme in Poly Vinyl Chloride Plant	0.6	2.3
		Application of energy efficient insulation wrap on VHP steam line from CPP 2 to Ethane Propane Recovery Unit leading to steam savings	1.12	4.6
		Evaporator Bypass in High Density Poly Ethylene II Plant leading to steam savings	1.87	7.7
		Stoppage of Ammonia Compressor via optimisation leading to power savings	0.24	1.0
		Usage of Hexane stream from distillation column bottom products to preheater in Hexane recovery section	0.75	3.1
		Steam saving by tube leak attending in surface condenser plant in Ethane Propane Recovery Unit	5.70	23.6
2	Hazira Manufacturing Division	Power Import through Grid-Synchronisation based on Power Import cost in CPP&U	5.98	24.7
3	Hoshiarpur Manufacturing Division	Installing new Diesel Rotary UPS in Diesel Generating plant	–	6.0
		Fuel change over from liquid fuel to pet coke by installing new pet coke based Thermic Fluid Heater	–	12.0
4	Jamnagar Manufacturing Division (DTA)	Use of chiller-2 as first stage chilling for propane instead of chiller-3 in Marine Tank farm to improve efficiency	3.00	12.0
		Medium Pressure steam generation by pre-heating Boiler feed water in isomar train 1(271 unit) heater stack improving efficiency from 86% to 92%	0.99	4.0
		Internal Ceramic coating for heater in Parex train to reduce Radiation loss	0.41	1.5
		High pressure steam reduction in stripper through process through modification	2.8	13.4
5	Jamnagar Manufacturing Division (SEZ)	Operating 2 Aux boiler instead of 3 to maximise efficient steam generation from Waste heat recovery boiler	10.00	48.0

Directors' Report (Continued)

Sr. No.	Manufacturing Division	Energy conservation initiatives taken	Energy savings (Gcal/hr)	Financial savings (₹ crore per annum)
		Crude Column Overhead vapor heat recovery in Crude Distillation unit to reduce steam consumption	11.72	47.4
		Medium Pressure Steam generation from Light Coker Naphtha Oil Product circuit in Vacuum hydrotreater units	4.80	18.5
		Internal ceramic coating in Crude Distillation unit furnaces to reduce radiation losses	2.06	6.5
		Velocity steam reduction in Coker heater	1.27	5.1
		Use of Low Pressure Steam in Deisohexaniser Reboiler in place of Medium Pressure steam	0.43	1.6
		Medium Pressure steam recovery from flashing hot condensate in Tail Gas Treating Unit	0.40	1.6
		Medium Pressure steam reduction in column reboiler of Coker unit	0.60	2.4
6	Nagothane Manufacturing Division	Uprate of Gas Turbine Generator	1.60	5.7
		Installing smaller air compressor for avoiding 4000 Nm ³ /hr air venting from existing bigger compressor	0.94	1.9
		Steam turbine overhauling	2.50	5.6
		Antisurge control system for gas cracker and compressor	6.49	3.7
7	Patalganga Manufacturing Division	Reduced energy losses by Air PreHeater cleaning of Linear Alkyl Benzene Back End and Front End heaters	4.80	13.9
		Reduced steam consumption by operating oxidation reactor of Pure Terephthalic Acid at lower pressure	2.10	9.7
		Use of Pure Terephthalic Acid LP steam instead of MP steam in low temperature columns	0.61	2.7
8	Vadodara Manufacturing Division	Improvement of Ethylene Di Chloride furnace performance by adding two coils	0.38	1.4
		Replacement of Waste Heat Boiler De mineralised water bank	1.54	5.5

Sr No.	Manufacturing Division	Energy conservation initiatives identified	Potential Energy savings (Gcal/hr)	Potential Financial saving (₹ crore per annum)
b) Additional investments / proposals being implemented				
1	Dahej Manufacturing Division	Installation of hydraulic Turbine in Ethane Propane Recovery Unit	0.54	2.4
		Ethylene to Vinyl Chloride Monomer directly from ethylene tower in Gas Cracker Unit	1.60	6.7
		IP steam supply to Vinyl Chloride Monomer Plant from CPP for stopping MP to IP let down in Vinyl Chloride Monomer	4.89	20.2
		Revamp of condensate stripper in Gas Cracker Plant	1.78	7.3
		Increased steam generation and condensate recovery in Mono Ethylene Glycol Plant	1.46	6.0
		Increase the size of LP steam control valve	0.49	2.0
		Reducing steam consumption in Column by installing condensate Pot in place of steam trap	0.35	1.4
		Steam savings by Heat Recovery from Ethylene Di Chloride furnace stack	1.34	5.5
		Application of energy efficient insulation wrap in VHP steam header of Gas Cracker Unit	0.81	3.4
2	Hazira Manufacturing Division	Cracker compressor to be uprated in Cracker	12.88	49.7
		Conversion of existing DH column to azeotropic type in PTA plants	14.48	19.0
		Installation of three new exchangers in quench water circuit to recover heat from GHU stream in Cracker plant	0.97	3.7
		Reduction in radiation heat losses from old SHHP header by applying high efficiency insulation in Cracker plant	0.54	2.1
3	Jamnagar Manufacturing Division (DTA)	Vacuum Distillation Unit off gas recovery in DTA Crude Distillation Unit	2.67	5.4
4	Jamnagar Manufacturing Division (SEZ)	Feed charge pump Impeller change of Diesel Hydro Desulphurisation 1	7.96	16.1
		Feed charge pump Impeller change of Diesel Hydro Desulphurisation 2	7.96	16.1

Directors' Report (Continued)

Sr No.	Manufacturing Division	Energy conservation initiatives identified	Potential Energy savings (Gcal/hr)	Potential Financial saving (₹ crore per annum)
		Routing total Hot Heavy Coker Gas Oil to Vacuum Hydrotreater Unit	2.16	4.4
5	Nagothane Manufacturing Division	Provision of fluid coupling in Boiler Feed Water feed pumps	0.42	1.5
6	Naroda Manufacturing Division	Replacement of old Electric Motors with Energy Efficient Motors	0.18	1.2
7	Vadodara Manufacturing Division	Installation of new footprint turbine for Cycle Gas Compressor and Propylene compressor for Cracker plant	4.24	15.3
		Power generation from SHP Steam let-down by 4.3 MW in Naphtha Cracker Plant	2.95	10.6

(d) Total energy consumption and energy consumption per unit of production as per Form 'A' attached hereto**B. Technology Absorption**

'Reliance Technology Group' (RTG), RIL's centre for research and technology activities, focuses on (i) new products, processes and catalyst development to support existing business, and create breakthrough technologies for new businesses, and (ii) advanced troubleshooting, support to capital projects, and profit and reliability improvements in manufacturing plants.

In the Refining area, RTG continues to pursue research in the areas of coking, hydro processing, fluidized catalytic cracking (FCC), and crude processing, molecule-based process optimisation & value addition from low value refinery streams.

In the Petrochemicals area, RTG is providing technology support to olefin crackers, polymers, fiber intermediates, linear alkyl benzene (LAB) and polyester. The focus areas include efficient asset utilisation, development of specialty product grades/materials/catalysts, value addition to by product streams and leveraging opportunities at the chemicals/oil interface.

(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
 - Coking research facilities to carry out research projects for upgrading refinery residue streams into value-added products
 - Development of a new coking additive to increase liquid product yields
 - A new process for total acid number (TAN) reduction in crude and kerosene products
 - Addition of facilities like desalter pilot plant and extractive distillation pilot unit to boost crude processing research capability
 - New analytical techniques for rapid crude characterisation and molecule-based modeling and optimisation of intra-refinery streams and processes
 - Carbon dioxide (CO₂) capture from refinery flue gases and its utilisation to make value added chemicals

- Development of catalyst and processes for gasification of petroleum coke/biomass at low temperature
- In fluid catalytic cracking (FCC), a new process technology for generating very high olefin yields from lower-value feedstock
- High stability catalyst additive for maximizing petrochemicals co-production in FCC
- Extraction of relatively hydrogen-rich stream from a low-quality refinery stream
- The use of feed properties and operating conditions to optimize petroleum coke quality
- Separation of olefins from coker gas oil for linear alkyl benzene (LAB) production
- Determination of crude corrosion potential and requisite mitigation
- Removal of heat stable salts and sodium from refinery streams
- Hydroisomerisation catalyst for diesel production and low pressure, ultra-low sulphur diesel hydrotreating catalyst
- Technology development to process low-cost, heavy crudes
- Computational fluid dynamics studies for trouble shooting plant operations
- In house research and external technology for converting abundantly available cellulosic biomass in India to fuels and chemicals
- Development of high yielding, waste land based non-edible crops for large scale cultivation for production of biofuels/chemicals
- Hydroprocessing kinetic model development including deactivation kinetics and mechanistic model with catalyst parameters
- Impact Copolymer (ICP) grades of gas phase Polypropylene (PP) through in house catalyst technology
- Biaxially Oriented Polypropylene (BOPP) grades of gas phase PP through in-house catalyst donor technology
- Homo grades of gas phase PP through in-house monoester catalyst technology
- High melt flow ICP grades of gas phase PP through advanced catalyst system
- Discovery of novel class of superacid catalyst
- Development of non-HF process for LAB production
- Synthesis and characterisation of noble metal nanoparticles and their deposition on commercial catalysts
- Lab-scale development of superabsorbent polymers
- Lab-scale development of microbial for effluent treatment in purified terephthalic acid (PTA) plant
- New product development from ultrahigh molecular weight polyethylene
- Value addition of sulphur from refineries
- Identification of novel materials for catalytic applications
- Catalyst development for removal of unsaturates from hydrocarbon streams
- Novel catalyst system for 1,3-butadiene
- Naphtha reforming catalyst development
- Identification of environment friendly process for PTA manufacture
- Development of catalyst and process for styrene
- Development of process for chlorinated polyvinylchloride
- Development of barrier polyethylene terephthalate (PET) resin for packaging oxygen sensitive foods and beverages
- Cobalt free PET resin commercialised on continuous PET plants
- PET resin with high Tg and high impact strength
- Catalyst for polyester productivity enhancement and colour improvement
- Development of UV blocking PET resin for packaging applications
- Development of PET resin for thin walled injection moulding applications
- Development of extrusion blow mouldable grade of PET having high melt strength
- Development of UV resistant fiber
- Asbestos fibre replacement with polyester fibres
- Development of fiber for filtration application
- Development of fiber for paper application
- Indigenous development of catalyst for heavy metal catalyst replacement

Directors' Report (Continued)

- Development of bi-shrinkage yarns for improved fabric feel
- Polyester recycling initiatives for diverse end uses & Polyester waste recycling to improve carbon foot print

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

- Potential benefit of ₹ 20 crore/annum by processing higher amount of paraffinic crudes
- Potential benefit of ₹ 30 crore/annum by replacing FCC catalyst with new advanced catalyst
- Potential benefit of ₹ 15 crore/annum from a new process technology for generating very high olefin yields from lower-value feedstock in FCC unit
- Potential benefit of around ₹ 6.71 crore/annum through research in polyester
- In-house technologies for polypropylene production
- Improved quality product with new catalyst systems

3. Future plan of action

- Creation of hydroprocessing and advanced separation related facilities and process development
- Process for widening of crude window through total acid number reduction and other methods
- Building MCC (Multizone Catalytic Cracking) demo plant for production of light olefins mainly Propylene and ethylene from low value refinery streams
- High-throughput facilities for catalyst development and new product evaluation
- Computational fluid dynamics studies of plant equipment for reliability improvement
- Molecular characterisation of crude and refinery streams
- Stream-wise value addition to low value refinery streams
- Improved catalyst system for producing ICP and BOPP
- Development of next generation PP catalyst systems for specialty products
- Development of multiphasic PP for automotive applications

- Development of high performance morphological catalyst system for slurry phase PP
- Improved high activity catalyst system for solution phase PP
- Lower silver content catalyst for ethylene oxidation
- Alternate routes for 1,3-butadiene production
- Value addition of sulphur from refineries
- Process for significant coke reduction during thermal cracking of hydrocarbons
- Specialty product development
- Development of adsorbent for separation of p-Xylene from C8 aromatic streams
- Manufacture of PDEB catalyst
- Alternate additives / catalyst for making specialty resins
- Process modifications for productivity enhancement in PET continuous plants
- Bottle to bottle Polyester recycling initiatives for use of recycled PET
- Development of fine denier hollow fiber for light weight fabric
- Increase in fiberfill products bulk
- Development of fibre for filling applications
- Development of fine Sewing thread application
- Development of fibre for Hygiene application
- Development of self-crimped yarn
- Import substitution of Spin finish for flat yarn and partially oriented yarn
- New generation technology Plant under construction for specialty filaments
- Development of new FDY technology with lower energy consumption

4. Expenditure on R & D

	₹ crore
a) Capital	810.23
b) Revenue	407.82
c) Total	1218.05

Total R & D expenditure is 0.31 % of Revenue from Operations.

Technology absorption, adoption and innovation

1. Efforts, in brief, made towards technology absorption, adoption and innovation

- New catalytic cracking technology for high light olefin yields from low value hydrocarbon streams
- Purification of normal olefins from coker gas oil for LAB production
- Improvement and innovation for in-house catalysts with higher efficiency (activity, and throughput) for producing polypropylene
- In-house production of 1-butene catalyst
- Selection and pilot plant studies for improved catalysts for transalkylation
- Development of reactor models in various refinery/ petrochemicals plants
- Comparative evaluation and benchmarking of various technologies
- Improvement and innovation in in-house developed catalyst system for higher efficiency in terms of activity and plant throughput for producing PP
- Chemical Composition Distribution (CCD) of Polyolefins using CRYSTAF-TREF is established
- Capacity augmentation of PP plants at Jamnagar & Hazira
- Flexible intermediate bulk container (FIBC) loading machines installation in Polyolefin plants
- Installation of Sea-Bulk loading facility in PP plant at Jamnagar
- Metallocene grade production
- High flow PP grades for melt blown applications
- Ultra-Pure PP homo-polymer grade for capacitance film applications with incumbent catalyst and donor system
- Commercial production of Ter-polymer based heat seal BOPP/cast PP film grade using diether catalyst first time in Spheripol technology plant
- Conversion of existing LDPE line at Vadodara to produce value added products like 18% EVA copolymers to enhance contribution to business
- HDPE extruder up gradation at Dahej for pipe grade quality improvement
- Productivity increase through new designed spinneret in Polyester
- Further development of spunlace fibre for wipes and wet wipes applications
- Development of super low boiling shrinkage yarn
- Development of specialty yarn for long pile applications as well as for sparkling effect

2. Benefits derived as a result of the above efforts

- Potential value of around ₹ 31 Crores/Annum from Polyester technology projects
- Higher productivity of catalyst system and improved production rate for PP
- Expansion of RIL polymer product portfolio

3. Information regarding Imported Technology

Product	Technology import from	Year of import	Status implementation / absorption
High Purity Iso-Butene (HPIB) Project at Jamnagar	CB&I (Lummus)	2013-14	Engineering in progress
Paraxylene (PX) Project at Jamnagar SEZ	Lummus	2012-13	Plant Under Construction
Isobutylene Isoprene Rubber (IIR)	Sibur, Russia	2012-13	Plant under design and construction
ROGC (Refinery Off-gas Cracker) for production of Ethylene & Propylene	Technip, France	2012-13	Plant under design and construction

Directors' Report (Continued)

Product	Technology import from	Year of import	Status implementation / absorption
Mono Ethylene Glycol (MEG)	DOW Process Technologies, USA	2012-13	Plant under design and construction
Linear Low Density Polyethylene Project at Jamnagar	Univation Technologies LLC, USA	2012-13	Plant under design and construction
Low Density Polyethylene Project at Jamnagar	LyondellBasell, Germany	2012-13	Plant under design and construction
Air Separation Unit for Oxygen production	Linde - Germany	2012-13	Plant under design and construction
Petcoke Gasification for Syngas	P66 – USA	2012-13	Plant under design and construction
Acid Gas Recovery for cleaning Syngas	Linde - Germany	2012-13	Plant under design and construction
Partially oriented yarn/Fully drawn yarn (POY/ FDY)	Invista/Chemtex/ Barmag/TMT	2011-13	Plant Commissioned
Polyethylene Terephthalate (PET)	Invista/Chemtex / Buhler	2011-13	Under pre-commissioning
Styrene butadiene rubber (SBR) Project at Hazira	Polimeri, Europa, Italy	2011-12	Plant under construction
Poly butadiene rubber (PBR) – III Project at Hazira	JSR Corporation, Japan	2011-12	Plant under start up
Purified Terephthalic Acid (PTA 5 and PTA 6 at Dahej)	INVISTA Performance Technologies, UK	2010-11 (PTA 5) 2011-12 (PTA 6)	Plant under construction
Recycled PET	OHL Engineering GMBH PET Recycling Technologies, Germany	2010-11	Successfully absorbed and implemented
Butene-1 Project at Hazira	Axens	2009-10	Plant commissioned

C. Foreign Exchange Earnings And Outgo**1. Activities relating to export, initiatives to increase exports, Developments of New export markets for Products and Services and Export Plan.**

The Company has continued to maintain focus and avail of export opportunities based on economic considerations. During the year, the Company has exports (FOB value) worth ₹ 2,61,118 crore (US\$ 43,581 million).

2. Total Foreign exchange earned and used

	₹ crore
a. Total Foreign Exchange Earned	261,366
b. Total savings in Foreign Exchange through products manufactured by the Company and deemed exports (US\$ 18,576 million)	111,299
SUBTOTAL (a+b)	372,665
c. Total Foreign Exchange used	322,894

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)	10,392.24	5,055.13
Total Cost (₹ in Crore) #	525.52	255.92
Rate/Unit (₹) #	5.06	5.06
b) Generation through captive power facilities		
1) Through Steam Turbine/Generator		
Units (Lacs)	53,170.68	53,679.73
KWH per unit of fuel	6.31	6.31
Total Cost (₹ in Crore)	4,686.18	4,057.95
Cost/Unit (₹)	8.81	7.56
c) Own Generation		
1) Through Diesel Generator		
Units (Lacs)	112.82	376.40
KWH per unit of fuel	3.71	3.88
Fuel Cost/Unit (₹)	12.49	11.08
2) Through Steam Turbine/Generator		
Units (Lacs)	45,695.89	50,761.34
KWH per unit of fuel	5.35	5.53
Fuel Cost/Unit (₹)	7.16	6.33
3) Through Wind Mill Turbine		
Units (Lacs)	15.72	23.81
Purchased Fuels consumed		
2 Furnace Oil		
Quantity (K.Ltrs)	52,272.28	36,304.06
Total Cost (₹ in crore)	212.01	150.27
Average rate per Ltr. (₹)	40.56	41.39
3 Diesel Oil		
Quantity (K. Ltrs)	4,021.20	5,266.93
Total Cost (₹ in crore)	24.55	25.37
Average rate per Ltr. (₹)	61.05	48.17
4 Others		
(a) Gas		
Quantity (1000 M3)	26,10,081.06	19,11,848.90
Total Cost (₹ in crore)	7,568.61	5,050.61
Average rate per 1000M3 (₹)	28,997.60	26,417.39

Directors' Report (Continued)

	Current Year	Previous Year
(b) Coal / Husk / Wood Fire		
Quantity (MT)	35,802.95	35,188.69
Total Cost (₹ in crore)	13.87	12.18
Average rate per MT (₹)	3,873.71	3,460.65
Internal Fuels consumed		
5 Gas		
Quantity (1000 M3)	44,83,297.65	58,11,841.76
6 GT fuels		
Quantity (K.Ltrs)	9,56,912.10	5,68,883.09

Excluding Demand Charges

B. Consumption per unit of Production

Product	Electricity (KWH)		Furnace Oil/ HSD/ HFHSD (Ltrs)		LSHS (Kgs)		Gas (SM3)	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Fabrics (Per 1000 mtrs)	4,407	4,469	2	2	-	-	505	446
PFY (per MT)	784	737	5	2	7	-	50	77
PSF (per MT)	367	362	10	17	-	-	53	73
PTA (per MT)	313	299	0	0	-	-	9	13
LAB (per MT)	606	624	354	-	-	1	140	481
MEG (per MT)	421	428	5	-	2	2	66	72
PVC (per MT)	407	418	3	-	1	1	57	31
HDPE (per MT)	534	523	-	-	0	0	12	9
PP (per MT)	290	294	7	3	0	0	37	46
FF (per MT)	577	544	53	89	-	-	38	44
PET (per MT)	244	237	-	1	-	-	68	66
PX (per MT)	197	206	83	55	-	-	229	270
Petro-products (per MT)	73	73	10	5	-	-	66	70
PBR (per MT)	666	645	137	-	-	8	373	482
Caustic Soda (per MT)	2,473	2621	-	-	4	5	87	92
Acrylonitrile (per MT)	510	493	66	-	-	6	-52	-23
Cyclohexane (per MT)	39	39	-	-	-	-	-	-

For and on behalf of the Board of Directors

Mukesh D. Ambani
Chairman and Managing Director

April 18, 2014

Independent Auditors' Report

TO THE MEMBERS OF RELIANCE INDUSTRIES LIMITED REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Reliance Industries Limited (the Company), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid

financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013
 - e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No. 101720W)

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No. 117366W/W-100018)

For **Rajendra & Co.**
Chartered Accountants
(Registration No. 108355W)

D. Chaturvedi
Partner
Membership No.: 5611

A. B. Jani
Partner
Membership No.: 46488

A. R. Shah
Partner
Membership No.: 47166

Mumbai

Date: April 18, 2014

Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a) The Company has given loans to two subsidiaries. In respect of the said loans, the maximum amount outstanding at any time during the year was ₹ 20,955 crore and the year-end balance is ₹ 18,941 crore (including interest free loan of ₹ 13,454 crore).
 - b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company.
 - c) The principal amounts are repayable over a period of three to five years, while the interest is payable annually, both at the discretion of the Company.
 - d) In respect of the said loans and interest thereon, there are no overdue amounts.
- e) The Company has not taken any loan during the year from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements of Clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie* the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
9. In respect of statutory dues:
 - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund,

Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess, and other material 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, 2014 for a period of more than six months from the date of becoming payable. Amounts due and outstanding for a period exceeding 6 months as at March 31, 2014 to be credited to Investor Education and Protection Fund of ₹ 12 crore, which are held in abeyance due to pending legal cases, have not been considered.

- b) Details of dues of Sale Tax, Custom Duty and Excise Duty which have not been deposited as on March 31, 2014 on account of disputes are given below:

Sr. No	Name of the Statute	Nature of the Dues	Amount (₹ in crore)	Period to which the amount relates	Forum where dispute is pending
1.	Central Excise Act, 1944	Excise Duty and Service Tax	17	Various years from 1990-91 to 2012-13	Commissioner of Central Excise (Appeals)
			132	Various years from 1991-92 to 2012-13	Central Excise & Service Tax Appellate Tribunal
			1	1982-83 to 1985-86	Supreme Court
2.	Central Sales Tax Act, 1956 and Sales Tax Acts of various states	Sales Tax/VAT and Entry Tax	60	Various years from 1991-92 to 2009-10	Joint/Deputy Commissioner/Commissioner (Appeals)
			488	Various years from 1993-94 to 2008-09	Sales Tax Appellate Tribunal
			125	Various years from 1994-95 to 2009-10	High Court
			1	2007-08 to 2008-09	Supreme Court
3.	Customs Act, 1962	Custom Duty	20	2007-08	Central Excise & Service Tax Appellate Tribunal
TOTAL			844		

10. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
15. The Company has given guarantees for loans taken by Others from banks and financial institutions. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not *prima facie* prejudicial to the interest of the Company.
16. The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has created securities / charges in respect of secured debentures issued.
20. The Company has not raised any monies by way of public issues during the year.
21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No. 101720W)

D. Chaturvedi
Partner
Membership No.: 5611

Mumbai
Date : April 18, 2014

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No. 117366W/W-100018)

A. B. Jani
Partner
Membership No.: 46488

For **Rajendra & Co.**
Chartered Accountants
(Registration No. 108355W)

A. R. Shah
Partner
Membership No.: 47166

Reliance Industries Limited Balance Sheet as at 31st March, 2014

(₹ in crore)

	Note	As at 31st March, 2014	As at 31st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	3,232	3,229
Reserves and Surplus	2	1,93,842	1,76,766
		1,97,074	1,79,995
Share Application Money Pending Allotment	1	17	25
Non-Current Liabilities			
Long Term Borrowings	3	62,711	43,012
Deferred Tax Liability (net)	4	12,215	12,193
		74,926	55,205
Current Liabilities			
Short Term Borrowings	5	22,770	11,511
Trade Payables	6	57,862	45,787
Other Current Liabilities	7	10,767	21,640
Short Term Provisions	8	4,167	4,348
		95,566	83,286
TOTAL		3,67,583	3,18,511
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	80,424	82,962
Intangible Assets	9	28,982	26,786
Capital Work-in-Progress	9	32,673	13,525
Intangible Assets under Development	9	9,043	5,591
Non-Current Investments	10	52,692	24,143
Long Term Loans and Advances	11	28,436	21,528
		2,32,250	1,74,535
Current Assets			
Current Investments	12	33,370	28,366
Inventories	13	42,932	42,729
Trade Receivables	14	10,664	11,880
Cash and Bank Balances	15	36,624	49,547
Short Term Loans and Advances	16	11,277	10,974
Other Current Assets	17	466	480
		1,35,333	1,43,976
TOTAL		3,67,583	3,18,511
Significant Accounting Policies			
Notes on Financial Statements	1 to 37		

As per our Report of even date

For **Chaturvedi & Shah** Chartered Accountants
For **Deloitte Haskins & Sells LLP** Chartered Accountants
For **Rajendra & Co.** Chartered Accountants

D. Chaturvedi
Partner

A. B. Jani
Partner

A.R. Shah
Partner

Mumbai
Date : April 18, 2014

Alok Agarwal
Chief Financial Officer

K. Sethuraman
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director
N.R. Meswani
H.R. Meswani } Executive Directors
P.M.S. Prasad
P. K. Kapil
M.L. Bhakta
Y.P. Trivedi }
Dr. D.V. Kapur } Directors
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar
Adil Zainulbhai

Reliance Industries Limited

Statement of Profit and Loss for the year ended 31st March, 2014

(₹ in crore)

	Note	2013-14	2012-13
INCOME :			
Revenue from Operations			
Sale of Products	18	4,01,200	3,71,021
Income from Services		102	98
		4,01,302	3,71,119
Less: Excise Duty / Service Tax Recovered		11,185	10,822
Net Revenue from Operations		3,90,117	3,60,297
Other Income	19	8,936	7,998
Total Revenue		3,99,053	3,68,295
EXPENDITURE :			
Cost of Materials Consumed	20	3,29,313	3,06,127
Purchases of Stock-in-Trade		524	502
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	21	412	(3,317)
Employee Benefits Expense	22	3,370	3,354
Finance Costs	23	3,206	3,036
Depreciation and Amortisation Expense	24	8,789	9,465
Other Expenses	25	25,621	22,844
Total Expenses		3,71,235	3,42,011
Profit Before Tax		27,818	26,284
Tax Expenses			
Current Tax		5,812	5,244
Deferred Tax		22	37
Profit for the year		21,984	21,003
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	30	68.05	64.82
Significant Accounting Policies			
Notes on Financial Statements	1 to 37		

As per our Report of even date

For **Chaturvedi & Shah** Chartered Accountants**D. Chaturvedi**
PartnerMumbai
Date : April 18, 2014For **Deloitte Haskins & Sells LLP** Chartered Accountants**A. B. Jani**
Partner**Alok Agarwal**
Chief Financial OfficerFor **Rajendra & Co.** Chartered Accountants**A.R. Shah**
Partner**K. Sethuraman**
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director
N.R. Meswani
H.R. Meswani } Executive Directors
P.M.S. Prasad
P. K. Kapil
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar
Adil Zainulbhai } Directors

Reliance Industries Limited

Cash Flow Statement for the year 2013-14

(₹ in crore)

	2013-14	2012-13
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss	27,818	26,284
Adjusted for:		
Net Prior Year Adjustments	-	3
Write off of investment	25	-
Loss on Sale / Discard of Assets (net)	44	34
Depreciation and Amortisation Expense	8,789	9,465
Effect of Exchange Rate Change	2,739	1,039
Net gain on Sale of Investments	(2,348)	(1,658)
Dividend Income	(91)	(77)
Interest Income	(6,472)	(6,245)
Finance Costs	3,206	3,036
	5,892	5,597
Operating Profit before Working Capital Changes	33,710	31,881
Adjusted for:		
Trade and Other Receivables	413	5,594
Inventories	(203)	(6,086)
Trade and Other Payables	14,305	6,274
	14,515	5,782
Cash Generated from Operations	48,225	37,663
Net Prior Year Adjustments	-	(3)
Taxes Paid (net)	(6,065)	(4,665)
Net Cash from Operating Activities	42,160	32,995
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(32,456)	(15,944)
Sale of Fixed Assets	57	33
Purchase of Investments	(7,78,343)	(4,79,071)
Sale / Redemption of Investments	7,47,111	4,81,203
Movement in Loans and Advances	(3,911)	(7,546)
Investment in fixed deposits	(3,400)	-
Interest Income	6,838	6,451
Dividend Income	91	77
Net Cash (used in) Investing Activities	(64,013)	(14,797)

Cash Flow Statement for the year 2013-14 (Continued)

	2013-14	2012-13
(₹ in crore)		
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital	183	12
Share Application Money	17	25
Buyback of Equity Shares	-	(3,087)
Proceeds from Long Term Borrowings	20,500	10,262
Repayment of Long Term Borrowings	(19,672)	(10,306)
Short Term Borrowings (net)	11,648	1,274
Dividends Paid (including dividend distribution tax)	(3,093)	(2,924)
Interest Paid	(4,053)	(3,505)
Net Cash Generated from / (used in) Financing Activities	5,530	(8,249)
Net (Decrease)/ Increase in Cash and Cash Equivalents	(16,323)	9,949
Opening Balance of Cash and Cash Equivalents	49,547	39,598
Add: On Amalgamation ₹ NIL (Previous Year ₹ 16,96,263) (Refer Note No. 33)	-	-
Closing Balance of Cash and Cash Equivalents (Refer Note No. 15)	33,224	49,547

As per our Report of even date

For **Chaturvedi & Shah** For **Deloitte Haskins & Sells LLP**
Chartered Accountants Chartered Accountants**D. Chaturvedi**
Partner**A. B. Jani**
PartnerMumbai
Date : April 18, 2014**Alok Agarwal**
Chief Financial OfficerFor **Rajendra & Co.**
Chartered Accountants**A.R. Shah**
Partner**K. Sethuraman**
Company Secretary

For and on behalf of the Board

M.D. Ambani	}	- Chairman & Managing Director
N.R. Meswani		} Executive Directors
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P.M.S. Prasad		
P. K. Kapil		
M.L. Bhakta		
Y.P. Trivedi		
Dr. D.V. Kapur		
M.P. Modi		
Prof. Ashok Misra		
Prof. Dipak C. Jain		
Dr. R.A. Mashelkar		
Adil Zainulbhai		

Significant Accounting Policies

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

The financial statements are prepared on accrual basis under the historical cost convention, except for certain fixed assets which are carried at revalued amounts. The financial statements are presented in Indian rupees rounded off to the nearest rupees in crore.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent 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. FIXED ASSETS

Tangible Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of tangible assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

D. LEASES

- a) Operating Leases: Rentals are expensed on a straight line basis 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 Statement of Profit and Loss.
- 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 asset 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 period 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. DEPRECIATION, AMORTISATION AND DEPLETION

Tangible Assets

Depreciation on fixed assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method except in case of assets pertaining to Refining segment and SEZ units / developer where depreciation is provided on Straight Line Method (SLM). Depreciation is provided at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following assets, where rates higher than those prescribed in Schedule XIV are used;

Significant Accounting Policies

Particular	Depreciation
Fixed bed catalyst (useful life:2 years or more)	Over its useful life as technically assessed
Fixed bed catalyst (useful life: up to 2 years)	100% depreciated in the year of addition
Assets acquired from 1 st April, 2001 under finance lease	Over the period of lease term
Premium on leasehold land	Over the period of lease term

In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of fixed assets, depreciation is provided as aforesaid over the residual life of the respective assets. In respect of amounts added on revaluation, depreciation is provided as aforesaid over the residual lives of the assets as certified by the valuers'.

Intangible Assets

These are amortised as under:

Particular	Amortisation / Depletion
Technical Know-how	Over the useful life of the underlying assets
Computer software	Over a period of 5 years
Development Rights	Depleted in proportion of oil and gas production achieved vis-a-vis the proved reserves (net of reserves to be retained to cover abandonment costs as per the production sharing contract and the Government of India's share in the reserves, where applicable) considering the estimated future expenditure on developing the reserves as per technical evaluation
Others	Over the period of agreement of right to use, provided that in case of jetty, the aggregate amount amortised to date is not less than the aggregate rebate availed by the Company.

F. IMPAIRMENT

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss 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.

G. FOREIGN CURRENCY TRANSACTIONS

- 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.
- 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.
- Non-monetary foreign currency items are carried at cost.
- 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.
- Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss, 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.

H. INVESTMENTS

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

Significant Accounting Policies

I. INVENTORIES

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

J. REVENUE RECOGNITION

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, service tax, excise duty and sales during trial run period, adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

EXCISE DUTY / SERVICE TAX

Excise duty / Service tax is accounted on the basis of both, payments made in respect of goods cleared / services provided and provisions made for goods lying in bonded warehouses.

K. EMPLOYEE BENEFITS

Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Statement of Profit and Loss.

Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is charged to the Statement of Profit and Loss in the year of exercise of option by the employee.

L. BORROWING COSTS

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

Significant Accounting Policies

M. RESEARCH AND DEVELOPMENT EXPENSES

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological feasibility has been established, in which case such expenditure is capitalised.

N. FINANCIAL DERIVATIVES AND COMMODITY HEDGING TRANSACTIONS

In respect of derivative contracts, premium paid, gains/losses on settlement and losses on restatement are recognised in the Statement of Profit and Loss 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.

O. INCOME TAXES

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

P. PREMIUM ON REDEMPTION OF BONDS / DEBENTURES

Premium on redemption of bonds/debentures, net of tax impact, are adjusted against the Securities Premium Reserve.

Q. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

R. ACCOUNTING FOR OIL AND GAS ACTIVITY

The Company has adopted Full Cost Method of accounting for its' Oil and Gas activities and all costs incurred are accumulated considering the country as a cost centre. Costs incurred on acquisition of interest in oil and gas blocks and on exploration and evaluation are accounted for as capital work-in-progress. Upon a reserve being either 'proved' or deemed to be 'dry', the costs accumulated in capital work-in-progress are capitalised to intangible assets. Development costs incurred thereafter in respect of 'proved' reserves are capitalised to the said intangible asset. All costs relating to production are charged to the Statement of Profit and Loss.

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 a line-by-line basis with similar items in the Company's financial statements, according to the participating interest of the Company.

Notes on Financial Statements for the Year ended 31st March, 2014

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

1. SHARE CAPITAL

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Authorised Share Capital:		
500,00,00,000 Equity Shares of ₹ 10 each (500,00,00,000)	5,000	5,000
100,00,00,000 Preference Shares of ₹ 10 each (100,00,00,000)	1,000	1,000
	6,000	6,000
Issued, Subscribed and Paid up:		
323,19,01,858 Equity Shares of ₹ 10 each fully paid up (322,86,63,382)	3,232	3,229
Less: Calls in arrears - by others [₹ 3,113 (Previous Year ₹ 3,653)]	-	-
	3,232	3,229
TOTAL	3,232	3,229

- 1.1 162,67,93,078 Shares were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium (162,67,93,078) and Reserves.
- 1.2 6,92,52,623 Shares were allotted in the last five years pursuant to the Scheme of amalgamation with Reliance (6,92,52,623) Petroleum Limited without payments being received in cash.
- 1.3 45,04,27,345 Shares were allotted on conversion / surrender of Debentures and Bonds, conversion of Term (45,04,27,345) Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception.
- 1.4 17,18,83,624 Shares held by Subsidiaries do not have Voting Rights and are not eligible for Bonus Shares (17,18,83,624)
- 1.5 4,62,46,280 Shares were bought back and extinguished in the last five years. (4,62,46,280)

1.6 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	% held	No. of Shares	% held
Life Insurance Corporation of India	26,35,20,679	8.15	25,77,59,467	7.98

1.7 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	322,86,63,382	327,10,59,340		
Add : Shares issued on exercise of Employee Stock Options	32,38,476	1,86,891		
Less : Shares cancelled on buy back of Equity Shares	-	4,25,82,849		
Equity Shares at the end of the year	323,19,01,858	322,86,63,382		

1.8 The Company has reserved issuance of 13,05,05,114 (Previous year 13,37,43,590) Equity Shares of ₹ 10 each for offering to eligible employees of the Company and its subsidiaries under Employees Stock Option Scheme (ESOS). During the year, the Company has granted 60,866 (Previous Year NIL) options to the eligible employees at a price of ₹ 860 per option plus all applicable taxes, as may be levied in this regard on the Company. The options would vest over a maximum period of 7 years or such other period as may be decided by the Human Resources, Nomination and Remuneration Committee from the date of grant based on specified criteria.

1.9 Share application money pending allotment represents application money received on account of Employees Stock Option Scheme.

Notes on Financial Statements for the Year ended 31st March, 2014

2. RESERVES AND SURPLUS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Capital Reserve		
As per last Balance Sheet	291	291
Capital Redemption Reserve		
As per last Balance Sheet	48	4
Add : On Amalgamation (Refer Note No. 33)	-	1
Add : Transferred from Profit and Loss Account on buy back of Equity Shares	-	43
	48	48
Securities Premium Reserve		
As per last Balance Sheet	47,645	50,677
Add : On issue of shares	205	12
	47,850	50,689
Less : On buy back of Equity Shares	-	3,044
	47,850	47,645
Less: Calls in arrears - by others [₹ 1,93,288 (Previous Year ₹ 2,21,548)]	-	-
	47,850	47,645
Debentures Redemption Reserve		
As per last Balance Sheet	1,117	1,117
Revaluation Reserve		
As per last Balance Sheet	1,055	3,127
Less: Transferred to Profit and Loss Account (Refer Note No. 9.7)	1,055	2,072
	-	1,055
General Reserve*		
As per last Balance Sheet	1,18,000	1,00,000
Add: Transferred from Profit and Loss Account	18,000	18,000
Less: Transferred to Profit and Loss Account (Refer Note No. 9.7)	790	-
	1,35,210	1,18,000
Profit and Loss Account		
As per last Balance Sheet	8,610	7,609
Add : On Amalgamation (Refer Note No. 33)	-	1,116
Add: Profit for the year	21,984	21,003
	30,594	29,728
Less: Appropriations		
Transferred to General Reserve	18,000	18,000
Transferred to Capital redemption reserve on buy back of Equity Shares	-	43
Proposed dividend on Equity Shares** [Dividend per Share ₹ 9.5/- (Previous year ₹ 9.0/-)]	2,793	2,628
Tax on dividend**	475	447
	9,326	8,610
TOTAL	1,93,842	1,76,766

* Cumulative amount withdrawn on account of Depreciation on Revaluation is ₹ 3,353 crore (Previous Year ₹ 2,563 crore).

Notes on Financial Statements for the Year ended 31st March, 2014

** Proposed Dividend on Equity Shares and Tax on Dividend are net of reversal of excess provision of previous year pertaining to Equity Shares bought back before the record date of Dividend, aggregating to ₹ NIL (Previous Year ₹ 17 crore).

3. LONG TERM BORROWINGS

(₹ in crore)

	As at 31st March, 2014		As at 31st March, 2013	
	Non Current	Current	Non Current	Current
Secured				
Non Convertible Debentures	1,434	434	1,842	4,182
Long Term Maturities of Finance Lease Obligations (Refer Note No. 9.10 and 31)	122	25	147	22
	1,556	459	1,989	4,204
Unsecured				
Bonds	9,941	-	9,066	-
Term Loans- from banks	51,211	4,025	31,951	13,697
Deferred payment liabilities	3	3	6	3
	61,155	4,028	41,023	13,700
TOTAL	62,711	4,487	43,012	17,904

3.1 Non Convertible Debentures referred above to the extent of:

- ₹ 370 crore are secured by way of first mortgage / charge on the immovable properties situated at Hazira Complex and at Jamnagar Complex (other than SEZ units) of the Company.
- ₹ 917 crore are secured by way of first mortgage / charge on all the properties situated at Hazira Complex and at Patalganga Complex of the Company.
- ₹ 30 crore are secured by way of first mortgage / charge on certain properties situated at Surat in the State of Gujarat and on fixed assets situated at Allahabad Complex of the Company.
- ₹ 51 crore are secured by way of first mortgage / charge on movable and immovable properties situated at Thane in the State of Maharashtra and on movable properties situated at Baulpur Complex of the Company.
- ₹ 500 crore are secured by way of first mortgage / charge on the immovable properties situated at Jamnagar Complex (SEZ unit) of the Company.

3.2 Maturity profile and Rate of interest of Non Convertible Debentures are as set out below :

(₹ in crore)

Rate of Interest	Non current					Current	
	2020-21	2018-19	2017-18	2016-17	2015-16	TOTAL	2014-15
6.25%	-	134	133	133	133	533	133
8.75%	500	-	-	-	-	500	-
9.25%	-	-	-	-	-	-	250
10.75%	-	370	-	-	-	370	-
Zero Coupon Debentures	-	-	-	-	31	31	51
TOTAL	500	504	133	133	164	1,434	434

3.3 Finance Lease Obligations are secured against leased assets.

Notes on Financial Statements for the Year ended 31st March, 2014

3.4 Maturity profile and Rate of interest of Bonds are as set out below : (₹ in crore)

Rate of Interest	Maturity Profile							TOTAL
	2096-97	2046-47	2027-28	2026-27	2018-19	2016-17	2015-16	
2.86%	-	-	-	-	-	-	964	964
6.21%	-	-	-	-	-	300	-	300
6.24%	-	-	-	-	-	971	-	971
6.34%	-	-	-	-	228	-	-	228
6.51%	-	-	-	-	-	779	-	779
6.61%	-	-	-	-	1,019	-	-	1,019
7.63%	-	-	30	-	-	-	-	30
8.25%	-	-	-	203	-	-	-	203
9.38%	-	-	-	132	-	-	-	132
10.25%	74	-	-	-	-	-	-	74
10.38%	-	-	-	-	-	391	-	391
10.50%	-	57	-	-	-	-	-	57
TOTAL	74	57	30	335	1,247	2,441	964	5,148

3.5 Bonds include, 5.875% Senior Perpetual Notes (the "Notes") of ₹ 4,793 crore. The Notes have no fixed maturity date and the Company will have an option, from time to time, to redeem the Notes, in whole or in part, on any semi-annual interest payment date on or after February 5, 2018 at 100% of the principal amount plus accrued interest.

3.6 Maturity Profile of Unsecured Term Loans are as set out below : (₹ in crore)

	Maturity Profile			1 year
	6-11 years	2-5 years	TOTAL	
Term Loans- from banks	9,602	41,609	51,211	4,025

4. DEFERRED TAX LIABILITY (Net) (₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Deferred Tax Liability		
Related to fixed assets	12,376	12,293
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961	161	100
TOTAL	12,215	12,193

5. SHORT TERM BORROWINGS (₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Secured		
Working Capital Loans		
From Banks		
Foreign Currency Loans	600	406
Rupee Loans	7,389	27
	7,989	433
From Others		
Rupee Loans	1,199	-
Unsecured		
Other Loans and Advances		
From Banks		
Foreign Currency Loans - Buyers/Packing Credit	13,582	10,978
Rupee Loans	-	100
	13,582	11,078
TOTAL	22,770	11,511

Notes on Financial Statements for the Year ended 31st March, 2014

5.1 Working Capital Loans from Banks referred above to the extent of:

- (a) ₹ 3,906 crore are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares (not relating to plant and machinery), book debts, outstanding monies, receivables, claims, bills, materials in transit, etc. save and except receivables of Oil and Gas Division.
- (b) ₹ 3,105 crore are secured by way of lien on fixed deposits and ₹ 978 crore are secured by lien on Government Securities.

5.2 Working Capital Loan from Others of ₹ 1,199 crore are secured by lien on Government Securities.

6. TRADE PAYABLES

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Micro, Small and Medium Enterprises	108	66
Others	57,754	45,721
TOTAL	57,862	45,787

6.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

Particulars	As at 31st March, 2014	As at 31st March, 2013
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

7. OTHER CURRENT LIABILITIES

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Current maturities of Long Term Debt	4,462	17,882
Current maturities of Finance Lease Obligations (Refer Note No. 3 and 9.10)	25	22
	4,487	17,904
Interest accrued but not due on borrowings	194	340
Unclaimed Dividends #	175	152
Application money received and due for refund #	1	1
Unpaid matured debentures and interest accrued thereon #	1	1
Other Payables *	5,909	3,242
TOTAL	10,767	21,640

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund except ₹ 12 crore (Previous Year ₹ 10 crore) which is held in abeyance due to legal cases pending.

* Includes statutory dues, security deposit, creditors for capital expenditure and advance from customers.

8. SHORT TERM PROVISIONS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Provisions for Employee Benefits (Refer Note No. 22.1)	190	126
Proposed Dividend	2,793	2,643
Tax on Dividend	475	449
Provision for Wealth Tax	60	44
Other Provisions #	649	1,086
TOTAL	4,167	4,348

Notes on Financial Statements for the Year ended 31st March, 2014

- # 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, 2013 of ₹ 336 crore as per the estimated pattern of despatches. During the year, ₹ 336 crore was utilised for clearance of goods. Provision recognised under this class for the year is ₹ 300 crore which is outstanding as on 31st March, 2014. Actual outflow is expected in the next financial year. The Company had recognised customs duty liability on goods imported of ₹ 747 crore as at 31st March, 2013. During the year, further provision of ₹ 38 crore was made and sum of ₹ 439 crore was reversed on fulfilment of export obligation. Closing balance on this account as at 31st March, 2014 is ₹ 346 crore. Other class of provisions where recognition is based on substantial degree of estimation relate to disputed customer / supplier / third party claims, rebates or demands against the Company. Any additional information in this regard can be expected to seriously prejudice the position of the Company.

9. FIXED ASSETS

(₹ in crore)

Description	Gross Block			Depreciation / Amortisation				Net Block		
	As at 01-04-2013	Additions / Adjustment	Deductions/ Adjustments	As at 31-03-2014	As at 01-04-2013	For the Year#	Deductions/ Adjustments	As at 31-03-2014	As at 31-03-2014	As at 31-03-2013
TANGIBLE ASSETS :										
OWN ASSETS :										
Leasehold Land	1,622	-	36	1,586	296	53	9	340	1,246	1,326
Freehold Land	1,309	196	1	1,504	-	-	-	-	1,504	1,309
Buildings	8,516	668	13	9,171	3,084	280	3	3,361	5,810	5,432
Plant & Machinery	1,37,573	4,481	1,024	1,41,030	69,834	7,609	977	76,466	64,564	67,739
Electrical Installations	3,591	107	5	3,693	1,728	163	2	1,889	1,804	1,863
Equipments \$	6,550	571	4	7,117	1,856	322	1	2,177	4,940	4,694
Furniture & Fixtures	522	14	7	529	352	29	5	376	153	170
Vehicles	377	73	30	420	200	54	21	233	187	177
Ships	387	-	-	387	268	13	-	281	106	119
Aircrafts & Helicopters	46	-	-	46	27	3	-	30	16	19
SUB-TOTAL	1,60,493	6,110	1,120	1,65,483	77,645	8,526	1,018	85,153	80,330	82,848
LEASED ASSETS :										
Plant & Machinery	318	-	-	318	204	20	-	224	94	114
Ships	10	-	-	10	10	-	-	10	-	-
SUB-TOTAL	328	-	-	328	214	20	-	234	94	114
TOTAL (A)	1,60,821	6,110	1,120	1,65,811	77,859	8,546	1,018	85,387	80,424	82,962
INTANGIBLE ASSETS:*										
Technical Knowhow fees	3,403	-	-	3,403	1,910	181	-	2,091	1,312	1,493
Software	481	127	-	608	426	38	-	464	144	55
Development Rights	39,270	4,294	-	43,564	22,267	1,951	-	24,218	19,346	17,003
Others	9,179	-	-	9,179	944	55	-	999	8,180	8,235
TOTAL (B)	52,333	4,421	-	56,754	25,547	2,225	-	27,772	28,982	26,786
TOTAL (A + B)	2,13,154	10,531	1,120	2,22,565	1,03,406	10,771	1,018	1,13,159	1,09,406	1,09,748
PREVIOUS YEAR	2,05,493	8,251	590	2,13,154	91,770	12,140	504	1,03,406	1,09,748	
Capital work-in-progress									32,673	13,525
Intangible Assets under Development									9,043	5,591

\$ Includes Office Equipments

* Other than internally generated

Depreciation for the year includes depreciation of ₹ 137 crore (Previous Year ₹ NIL) capitalised during the year.

9.1 Leasehold Land includes ₹ 203 crore (Previous Year ₹ 203 crore) in respect of which lease-deeds are pending execution.

9.2 Buildings include :

- Cost of shares in Co-operative Housing Societies ₹ 1 crore (Previous Year ₹ 1 crore).
- ₹ 5 crore (Previous Year ₹ 5 crore) in respect of which conveyance is pending.

Notes on Financial Statements for the Year ended 31st March, 2014

- iii) ₹ 93 crore (Previous Year ₹ 93 crore) in shares of Companies / Societies with right to hold and use certain area of Buildings.

9.3 Intangible Assets - Others include :

- i) Jetties amounting to ₹ 812 crore (Previous Year ₹ 812 crore), the Ownership of which vests with Gujarat Maritime Board. However, under an agreement with Gujarat Maritime Board, the Company has been permitted to use the same at a concessional rate.
- ii) ₹ 8,367 crore (Previous Year ₹ 8,367 crore) in preference shares of subsidiaries and lease premium paid with right to hold and use Land and Buildings.

9.4 Capital Work-in-Progress and Intangible Assets under development include :

- i) ₹ 4,204 crore (Previous Year ₹ 2,795 crore) on account of project development expenditure.
- ii) ₹ 10,951 crore (Previous Year ₹ 4,685 crore) on account of cost of construction materials at site.

9.5 Project Development Expenditure

(in respect of Projects up to 31st March, 2014, included under Capital work-in-progress and Intangible Assets under development)

	(₹ in crore)	
	2013-14	2012-13
Opening Balance	2,795	2,320
Add: Transferred from Profit and Loss Account (Refer Note no. 25)	715	98
Interest Capitalised (Refer Note no. 23)	701	385
	1,416	483
	4,211	2,803
Less: Project Development Expenses Capitalised during the year	7	8
Closing Balance	4,204	2,795

- 9.6 Gross Block includes ₹ 12,901 crore added on revaluation of Building, Plant & Machinery and Equipments as at 01.01.2009 based on reports issued by international valuers.

- 9.7 The Gross Block of Fixed Assets includes ₹ 38,122 crore (Previous Year ₹ 38,122 crore) on account of revaluation of Fixed Assets carried out since inception. Consequent to the said revaluation there is an additional charge of depreciation of ₹ 1,845 crore (Previous Year ₹ 2,072 crore) and an equivalent amount has been withdrawn from Revaluation Reserve/ General Reserve.

- 9.8 Additions in Plant and Machinery, Capital Work-in-Progress, Intangible Assets - Development Rights and Intangible Assets under development includes ₹ 8,678 crore (net loss) [Previous Year ₹ 5,070 crore (net loss)] on account of exchange difference during the year.

- 9.9 Additions for the previous year includes freehold land ₹ 56 crore, buildings ₹ 674 crore, plant and machinery ₹ 1,189 crore, furniture and fixtures ₹ 12 crore, vehicles ₹ 10 crore and software ₹ 1 crore on amalgamation of Reliance Jamnagar Infrastructure Limited with the Company. Accumulated depreciation of ₹ 603 crore on the above assets has been included in depreciation for the previous year.

- 9.10 i) In respect of Fixed Assets acquired on finance lease on or after 1st April, 2001, the minimum lease rentals outstanding as on 31st March, 2014 are as follows:

	(₹ 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	
	2014	2013	2013-14	2012-13	2014	2013
Within one year	37	37	12	15	25	22
Later than one year and not later than five years	146	147	24	35	122	112
Later than five years	-	36	-	1	-	35
TOTAL	183	220	36	51	147	169

Notes on Financial Statements for the Year ended 31st March, 2014

- ii) General Description of Lease terms:
Assets are taken on lease over a period of 5 to 10 years.
- iii) Fixed assets taken on finance lease prior to 1st April, 2001, amount to ₹ 444 crore (Previous Year ₹ 444 crore). Future obligations towards lease rentals under the lease agreements as on 31st March, 2014 amount to ₹ 2 crore (Previous Year ₹ 2 crore).

	(₹ in crore)	
	2013-14	2012-13
Within one year ₹ 44,00,000 (Previous Year ₹ 44,00,000)	-	-
Later than one year and not later than five years	2	2
TOTAL	2	2

10. NON-CURRENT INVESTMENTS

(Long Term Investments)

(Valued at Cost less other than temporary diminution in value, if any)

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Trade Investments		
In Equity Shares - Unquoted, fully paid up		
1,00,00,000 Petronet India Limited of ₹ 10 each (1,00,00,000)	10	10
	10	10
In Equity Shares of Associate Companies - Unquoted, fully paid up		
64,29,20,000 Gujarat Chemical Port Terminal Company (64,29,20,000) Limited of ₹ 1 each	64	64
62,63,125 Indian Vaccines Corporation Limited (62,63,125) of ₹ 10 each	1	1
11,08,500 Reliance Europe Limited of Sterling (11,08,500) Pound 1 each	4	4
52,00,000 Reliance Utilities and Power Private (52,00,000) Limited Class 'A' shares of ₹ 1 each [₹ 40,40,000 (Previous Year ₹ 40,40,000)]	-	-
	69	69
In Preference Shares of Associate Company - Unquoted, fully paid up		
50,00,00,000 9% Non-Cumulative Redeemable Preference (50,00,00,000) Shares of Reliance Gas Transportation Infrastructure Limited of ₹ 10 each	2,000	2,000
	2,000	2,000
Total Trade Investments (A)	2,079	2,079
Other Investments		
In Equity Shares of Associate Company - Quoted, fully paid up		
68,60,064 Reliance Industrial Infrastructure Limited (68,60,064) of ₹ 10 each	16	16
	16	16

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
In Equity Shares of Associate Company -		
Unquoted, fully paid up		
22,500 Reliance LNG Limited of ₹ 10 each (22,500) [₹ 2,25,000 (Previous Year ₹ 2,25,000)]	-	-
	-	-
In Equity Shares of Subsidiary Companies -		
Unquoted, fully paid up		
22,69,44,90,000 Reliance Jio Infocomm Limited (4,79,76,90,000) of ₹10 each	22,695	4,798
2,00,000 Reliance Global Business B.V. of Euro 0.01 each (2,00,000) [₹ 1,25,400 (Previous Year ₹ 1,25,400)]	-	-
14,75,04,400 Reliance Industrial Investments and (14,75,04,400) Holdings Limited of ₹10 each	148	148
42,450 Reliance Industries (Middle East) (42,450) DMCC of AED 1000 each	46	46
20,20,200 Reliance Strategic Investments Limited (20,20,200) of ₹ 10 each	2	2
26,91,150 Reliance Ventures Limited of ₹ 10 each (26,91,150)	2,351	2,351
- RIL (Australia) Pty Ltd of Aus \$ 1 each (65,50,001)	-	25
12,50,000 Reliance Energy Generation and Distribution (50,000) Limited of ₹ 10 each (Previous Year ₹ 5,00,000)]	1	-
5,66,70,00,000 Reliance Retail Ventures Limited of ₹ 10 each (5,66,70,00,000)	5,667	5,667
50,000 Reliance Gas Pipelines Limited of ₹ 10 each (50,000) [₹ 5,01,256 (Previous Year ₹ 5,01,256)]	-	-
	30,910	13,037
	30,926	13,053
In Preference Shares of Subsidiary Companies -		
Unquoted, fully paid up		
8,04,83,61,211 Reliance Global Business B.V. (5,92,70,31,111) 'A' Class Shares of Euro 0.01 each	572	382
4,02,800 9% Non Cumulative Compulsorily Convertible (4,02,800) Preference Shares of Reliance Strategic Investments Limited of ₹ 1 each	113	113
63,436 5% Non Cumulative Compulsorily Convertible (63,436) Preference Shares of Reliance Industries (Middle East) DMCC of AED 1000 each	85	85
- 9% Cumulative Redeemable Preference Shares of (2,64,70,00,000) Reliance Jio Infocomm Limited of ₹ 10 each	-	2,647
	770	3,227
In Debentures of Subsidiary Companies - Unquoted, Fully paid up		
2,79,90,000 0% Unsecured Convertible Debentures (2,79,90,000) of Reliance Industrial Investments and Holdings Limited of ₹ 100 each	280	280

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
8,83,143 0% Unsecured Convertible Redeemable (8,83,143) Debentures of Reliance Industrial Investments and Holdings Limited of ₹ 5,000 each	442	442
	722	722
In Government Securities-Unquoted		
6 Years National Savings Certificate (Deposited with Sales Tax Department and other Government Authorities) [₹ 1,37,420 (Previous Year ₹ 1,69,920)]	-	-
In Government Securities-Quoted		
8.33% GOI 2026	-	650
8.12% GOI 2020	3,111	-
7.16% GOI 2023	2,246	-
	5,357	650
In Fixed Maturity Plan - Quoted fully paid up		
25,90,00,000 Axis Fixed Maturity Plan - (2,50,00,000) (Series 34/47/49/52/55/59/60) - Growth	259	25
6,00,00,000 Baroda Pioneer Fixed Maturity Plan - (2,50,00,000) (Series C/M/N) - Growth	60	25
63,10,00,000 Birla Sun Life Fixed Term Plan - (Series GA/GB/GF/ (19,00,00,000) JR/JX/KA/KE/KJ/KM/KO/KP/KR/KT) - Growth	631	190
(3,00,00,000) - BNP Paribas Fixed Term Fund - (Series 24A) - Growth	-	30
15,50,00,000 DSP BlackRock Fixed Term Plan - (40,00,00,000) (Series 36/37/88/ 89/91/93/150/152) - Growth	155	400
22,80,00,000 DWS Fixed Maturity Plan - (17,00,00,000) (Series 26/28/30/45/49/ 52/53/47) - Growth	228	170
14,00,00,000 DWS Fixed Maturity Plan - Close ended debt fund - (-) (Series 54/57/63) - Growth	140	-
80,00,00,000 HDFC Fixed Maturity Plan - (35,20,00,000) (Series 23/28/29) - Growth	800	352
6,00,00,000 HSBC Fixed Term Plan - (1,50,00,000) (Series 90/105) - Growth	60	15
83,50,00,000 ICICI Fixed Maturity Plan - (86,50,00,000) (Series 65/66/67/71/72/73) - Growth	835	865
28,80,00,000 IDFC Fixed Maturity Plan - (Series 11/14/21/51/60/ (7,00,00,000) 64/66/70/72/75/79/84/86) - Growth	288	70
10,50,00,000 JP Morgan India Fixed Maturity Plan - (34,50,00,000) (Series 12/13/16/18/30/33) - Growth	105	345
40,00,00,000 Kotak Fixed Maturity Plan - (Series 97/98/99/101/ (29,50,00,000) 102/103/132/133/141/142/145/146/147/149) - Growth	400	295
19,50,00,000 L&T Fixed Maturity Plan - (12,50,00,000) (Series X/VII/IX) - (Plan B/H/J/M/Q/S/T) - Growth	195	125
12,00,00,000 LIC Nomura Mutual Fund Fixed Maturity Plan - (6,50,00,000) (Series 56/58/64/72/76/77/79) - Growth	120	65
2,50,00,000 Principal PNB Fixed Maturity Plan - (-) (Series B10) - Growth	25	-
30,00,00,000 Reliance Fixed Horizon Fund - (Series 2/5/9/27/33) - (45,00,00,000) (Plan - XXII/XXIII/XXV/XXVI) - Growth	300	450

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
3,50,00,000 Religare Fixed Maturity Plan - (12,00,00,000) (Series XVII/XVIII) - (Plan A/B/D/F/H) - Growth	35	120
57,50,00,000 SBI Debt Fund - (38,00,00,000) (Series A - 1/2/3/5/10/11/14/15/25) - Growth	575	380
7,00,00,000 SBI Debt Fund - Double Indexation Benefit - (-) (Series A-14) - Growth	70	-
8,80,00,000 Sundaram Fixed Term Plan - (10,00,00,000) (Series DC/DF/DH/EU/EX/FD/FI) Growth	88	100
17,00,00,000 Tata Fixed Maturity Plan - (Series 42/46) - (25,00,00,000) (Scheme B/C/G/H/K/M/N/Q/T) - Growth	170	250
13,50,00,000 UTI Fixed Term Income Fund - (Series XIII-III/ (14,00,00,000) XIV-VIII/XVII-VII/XVII-XIV/XVIII-I/XVII-IV) - Growth	135	140
	5,674	4,412
In Debentures or Bonds - Unquoted		
3,000 Tata Sons Limited (-)	300	-
	300	-
In Debentures or Bonds - Quoted		
6,350 LIC Housing Finance Limited (-)	635	-
650 Tata Steel Limited (-)	58	-
20 Power Grid Corporation of India Limited (-)	3	-
42,81,393 Power Finance Corporation Limited (-)	1,385	-
700 Rural Electrification Corporation Limited (-)	70	-
32,550 Housing Development Finance Corporation (-) Limited	3,293	-
3,500 Infrastructure Development Finance Company (-) Limited	350	-
550 National Bank for Agriculture and Rural (-) Development	55	-
49,44,752 National Highways Authority of India (-)	494	-
42,62,612 Indian Railway Finance Corporation Limited (-)	426	-
9,49,946 National Thermal Power Company Limited (-)	95	-
	6,864	-
Total Other Investments (B)	50,613	22,064
Total Non Current Investments (A + B)	52,692	24,143
Aggregate amount of quoted investments	17,911	5,078
Market Value of quoted investments	18,039	5,329
Aggregate amount of unquoted investments	34,781	19,065

Notes on Financial Statements for the Year ended 31st March, 2014

11. LONG TERM LOANS AND ADVANCES

(₹ in crore)

(Unsecured and Considered Good)

	As at 31st March, 2014	As at 31st March, 2013
Capital Advances #	4,407	1,208
Deposits with Related parties (Refer Note No. 31)	1,499	1,463
Loans and Advances to Related Parties (Refer Note No. 31)	21,740	18,314
Advance Income Tax (Net of Provision)	728	475
Other Loans and Advances*	62	68
TOTAL	28,436	21,528

Includes ₹ 5 crore (Previous Year ₹ NIL) to Reliance Utilities and Power Private Limited and ₹ 2 crore (Previous Year ₹ 2 crore) to Reliance Industrial Infrastructure Limited which are related parties.

* Includes Loans to Employees.

11.1 Loans and Advances in the nature of Loans given to Subsidiaries and Associates:

A) Loans and Advances in the nature of Loans (₹ in crore)

Sr No.	Name of the Company		As at 31st March, 2014	Maximum Balance during the year	As at 31st March, 2013	Maximum Balance during Previous year
1.	Reliance Industrial Investments and Holdings Limited*	Subsidiary	18,941	20,555	17,306	19,135
2.	Reliance Ventures Limited	Subsidiary	14	4,351	-	1,767
3.	Reliance Strategic Investments Limited	Subsidiary	471	1,158	-	2,421
4.	Reliance Retail Limited	Subsidiary	1,737	1,737	920	1,181
5.	Reliance Exploration & Production DMCC	Subsidiary	78	78	71	72
6.	Reliance Brands Limited	Subsidiary	-	32	11	11
7.	Reliance Corporate IT Park Limited	Subsidiary	945	1,290	-	-
8.	Reliance Gas Pipelines Limited	Subsidiary	33	33	-	-
9.	Reliance Jio Infocomm Limited	Subsidiary	-	400	-	-
10.	Gujarat Chemical Port Terminal Company Limited	Associate	6	6	6	6
	TOTAL		22,225		18,314	

* Excluding Debentures of ₹ 722 crore (Previous Year ₹ 722 crore)

- Loans and Advances shown above, fall under the category of 'Long Term Loans and Advances' in nature of Loans and are re-payable within 3 to 5 years except Short Term Loans and Advances to Reliance Ventures Limited and Reliance Strategic Investments Limited.
- All the above loans and advances are interest bearing except for an amount of ₹ 13,454 crore given to Reliance Industrial Investments and Holdings Limited and ₹ 33 crore paid to Reliance Gas Pipelines Limited.
- 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 (amalgamated in 2001-02) and Indian Petrochemicals Corporation Limited with the Company under the Schemes approved by the Hon'ble High Court of Judicature at Bombay and Gujarat and certain subsequent inter se transfer of shares.

Notes on Financial Statements for the Year ended 31st March, 2014

(₹ in crore)			
Sr No.	Name of the Company	No. of Shares held in RIL	Amount of Loan Given
1.	*Reliance Aromatics and Petrochemicals Limited	2,98,89,898	71
2.	*Reliance Energy and Project Development Limited	20,58,000	303

(ii) Investment by Reliance Industrial Investments and Holdings Limited in subsidiaries

In Equity Shares :

Sr No.	Name of the Company	No. of Shares
1	Reliance Commercial Land & Infrastructure Limited	4,30,10,000
2	Reliance Global Business B.V.	18,00,000
3	Reliance Gas Corporation Limited	50,000
4	Reliance Universal Enterprises Limited	64,25,000
5	Indiawin Sports Private Limited	26,50,000
6	Reliance Corporate Services Limited	10,000
7	Reliance Industries Investment and Holding Limited	50,000
8	Reliance Security Solutions Limited	50,000
9	Mark Project Services Private Limited	5,000
10	GenNext Innovation Ventures Limited	50,000
11	Kanhatech Solutions Limited	1,65,60,000
12	Reliance Sibur Elastomers Private Limited	8,83,86,308
13	Reliance Payment Solutions Limited	88,92,000
14	Reliance Exploration & Production DMCC	1,76,200
15	Reliance Jio Electronics Private Limited	25,500
16	Reliance Aromatics and Petrochemicals Limited	10,09,300
17	Reliance Energy and Project Development Limited	10,09,280
18	Reliance Chemicals Limited	10,10,600
19	Reliance Polyolefins Limited	10,10,000
20	Reliance Retail Finance Limited	20,20,000
21	Reliance Retail Insurance Broking Limited	40,00,000
22	Reliance World Trade Private Limited	1,000

In Preference Shares :

Sr No.	Name of the Company	No. of Shares
1	Reliance Industries Investment and Holding Limited	31,93,100
2	Reliance Jio Infocomm Limited	12,50,00,000
3	Reliance Exploration & Production DMCC	14,51,846
4	Reliance Corporate Services Limited	50,000
5	Mark Project Services Private Limited	1200

(iii) Investment by Reliance Exploration & Production DMCC in Subsidiaries

In Equity Shares :

Sr No.	Name of the Company	No. of Shares
1	Gulf Africa Petroleum Corporation	16,720
2	Central Park Enterprises DMCC	367

(iv) Investment by Reliance Retail Limited in Subsidiaries

In Equity Shares :

Sr No.	Name of the Company	No. of Shares
1	Reliance Review Cinema Limited	50,000
2	Reliance Trading Limited	10,50,000
3	Delight Proteins Limited	50,000
4	Reliance Financial Distribution and Advisory Services Limited	50,000
5	Reliance-GrandOptical Private Limited	50,000
6	Achman Commercial Private Limited	50,000

Notes on Financial Statements for the Year ended 31st March, 2014

Sr No.	Name of the Company	No. of Shares
7	Reliance F & B Services Limited	50,000
8	Reliance Petro Marketing Limited	50,000
9	Reliance Food Processing Solutions Limited	50,000
10	Reliance Dairy Foods Limited	50,000
11	Reliance Clothing India Private Limited	50,000
12	Reliance Agri Ventures Private Limited	50,000

In Preference Shares :

Sr No.	Name of the Company	No. of Shares
1	Reliance Petro Marketing Limited	39,95,800
2	Achman Commercial Private Limited	8,000
3	Delight Proteins Limited	64,000
4	Reliance Dairy Foods Limited	2,00,000
5	Reliance F & B Services Limited	8,000
6	Reliance Food Processing Solutions Limited	2,76,000
7	Reliance Financial Distribution and Advisory Services Limited	70,000
8	Reliance Agri Ventures Private Limited	2,820
9	Reliance Review Cinema Limited	2,000

(v) Investment by Reliance Ventures Limited in Subsidiaries in Equity Shares:

Sr No.	Name of the Company	No. of Shares
1	Reliance Haryana SEZ Limited	46,250

(vi) Investment by Reliance Strategic Investments Limited in Subsidiaries in Equity Shares:

Sr No.	Name of the Company	No. of Shares
1	Reliance Global Commercial Limited	25,500
2	Reliance Universal Commercial Limited	25,000

(vii) Investment by Reliance Corporate IT Park Limited in Subsidiaries

In Equity Shares:

Sr No.	Name of the Company	No. of Shares
1	Reliance Corporate Center Limited	50,000
2	Reliance Infrastructure Management Services Limited	50,000
3	Reliance People Serve Limited	50,000
4	Strategic Manpower Solutions Limited	50,000

In Preference Shares :

Sr No.	Name of the Company	No. of Shares
1	Reliance People Serve Limited	8,000

11.2 (i) Assets given on finance lease on or after 1st April, 2001

(₹ in crore)

Particulars	Total		Not later than one year		Later than one year and not later than five years		Later than five years	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Gross Investment	-	3	-	3	-	-	-	-
Less: Unearned Finance Income	-	-	-	-	-	-	-	-
Present Value of Minimum Lease Rental	-	3	-	3	-	-	-	-

(ii) General Description of Lease terms:

- Lease rentals are charged on the basis of agreed rate of interest.
- Assets are given on lease for a period of five years.

Notes on Financial Statements for the Year ended 31st March, 2014

12. CURRENT INVESTMENTS

(Carried at lower of cost and quoted / fair value, including current portion of long term investment)

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Investment in Government Securities - Quoted		
1.44% IIGS 2023	256	-
7.28% GOI 2019	509	-
7.59% GOI 2016	5	5
8.12% GOI 2020	72	-
8.20% GOI 2025	-	278
8.33% GOI 2026	-	102
8.83% GOI 2023	301	-
8.97% GOI 2030	-	149
9.47% GSEC 2024	100	-
9.48% GSEC 2024	75	-
	1,318	534
Collateral Borrowing and Lending Obligation - Unquoted	355	-
Investment in Debentures or Bonds - Quoted, Fully Paid up		
- Export Import Bank of India (300)	-	30
3,050 Housing Development Finance Corporation Limited (38,200)	303	3,828
- Infrastructure Development Finance Company Limited (6,500)	-	647
- India Infrastructure Finance Company Limited (15,095)	-	149
- Indian Railway Finance Corporation Limited (42,63,562)	-	521
- LIC Housing Finance Limited (5,150)	-	515
- National Bank for Agriculture and Rural Development (7,250)	-	726
- National Highways Authority of India (49,44,752)	-	494
100 Power Finance Corporation Limited (42,74,393)	10	688
20 Power Grid Corporation of India Limited (40)	3	5
- Rural Electrification Corporation Limited (595)	-	59
- Tata Steel Limited (650)	-	58
- Tata Power Company Limited (1,320)	-	133
	316	7,853
Investment in Debentures or Bonds - Unquoted, Fully Paid up		
- Tata Sons Limited (3,000)	-	300

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
Investment in Fixed Maturity Plan - Quoted, Fully Paid up		
2,50,00,000 Axis Fixed Term Plan - (5,00,00,000) (Series 21/22/34) - Growth	25	50
9,80,00,000 Baroda Pioneer Fixed Maturity Plan - (2,50,00,000) (Series A/C/E/G/J) - Growth	98	25
- Birla Sun Life Fixed Term Plan - (2,50,00,000) (Series FP) - Dividend	-	25
1,89,00,00,000 Birla Sun Life Fixed Term Plan - (Series ES/EV/EY/FC/FD/ (67,00,00,000) FM/FO/GA/GB/GF/GT/GV/HD/HI/HK/HL/HM/HQ/HS/ HV/HY/IA/JA/JE/JG/JI/JL/JN/JO/JQ/JT/JU/JY/JZ/KC/KD/ KF/KG/KH/KI/KN/KQ) - Growth	1,890	670
26,00,00,000 Birla Sunlife Interval Income Fund - (1,50,00,000) (Annual Plan V/VIII/IX/X) - Growth	260	15
13,50,00,000 BNP Paribas Fixed Term Fund - (5,00,00,000) (Series 24A/25A/26A/26C/29B) - Growth	135	50
1,67,00,00,000 DSP BlackRock Fixed Maturity Plan - (Series 37/38/43/ (53,00,00,000) 44/88/89/90/91/93/94/95/103/104/105/107/108/109/ 110/113/117/130/144/146/149/151/153/155) - Growth	1,670	530
47,50,00,000 DWS Fixed Maturity Plan - (Series 6/7/9/10/26/27/28/ (29,80,00,000) 29/30/32/34/36/42/43/46/48/50) - Growth	475	298
- DWS Fixed Maturity Plan - (Series 18) - Dividend (3,00,00,000)	-	30
7,50,00,000 DWS Fixed Maturity Plan - Close ended debt fund - (-) (Series 51/55/62) - Growth	75	-
5,00,00,000 DWS Interval Fund Annual Plan - Growth (-)	50	-
- HDFC Annual Interval Fund - (Series 1) - Growth (5,00,00,000)	-	50
2,13,70,00,000 HDFC Fixed Maturity Plan - (Series 366D/369D/370D/ (62,70,00,000) 371D/372D/384D/390D/391D/392D/398D/399D/400D/ 526D/566D) - Growth	2,137	627
13,50,00,000 HSBC Fixed Term Plan - (4,50,00,000) (Series 86/90/94/96/101-104) - Growth	135	45
19,99,03,904 ICICI Prudential Fixed Maturity Annual Interval Plan - (5,98,46,064) (Series VI/VII) - (Plan C/D/F/I) - Cumulative	208	62
1,75,00,00,000 ICICI Prudential Fixed Maturity Plan - (88,00,00,000) (Series 62/63/65/66/67/68/69/70/71) - (Plan A/B/C/D/E/ F/G/H/I/J/K/M) - Cumulative	1,750	880
92,40,00,000 ICICI Prudential Fixed Maturity Plan - (Series 72/73) - (-) (Plan A/B/C/D/G/H/I/K/M/P/R/T) - Growth	924	-
- ICICI Prudential Long Term Plan - Premium Plus - (9,96,19,002) Dividend	-	100
2,00,00,000 IDBI Fixed Maturity Plan - (-) (Series III) - Dividend	20	-
- IDBI Fixed Maturity Plan - (2,50,00,000) (Series III) - Growth	-	25

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
85,50,00,000 (34,70,00,000)	IDFC Fixed Maturity Plan - (Series 7/8/11/12/13/14/24/25/27/31/32/33/34/49/50/ 54/59/65/67/69/74/85/78/81/85) - Growth	855 347
(9,60,00,000)	- IDFC Fixed Maturity Plan - (Series 74/78/79) - Dividend	- 96
11,07,54,164 (12,00,00,000)	IDFC Yearly Interval Fund - (Series I/II/III) - Growth	113 120
(3,50,00,000)	- Indiabulls Fixed Maturity Plan - Growth	- 35
2,50,00,000 (-)	JM Fixed Maturity Plan - (Series FXXIV) - (Plan C)- Growth	25 -
50,00,00,000 (21,50,00,000)	JP Morgan India Fixed Maturity Plan - (Series 6/12/13/16/17/18/21/31/32) - Growth	500 215
1,14,00,00,000 (36,00,00,000)	Kotak Fixed Maturity Plan - (Series 76/80/82/97/98/99/ 100/101/102/104/105/106/107/110/111/112/114/116/ 118/119/136/137/138/139/143/144/152) - Growth	1,140 360
33,70,00,000 (4,00,00,000)	L & T Fixed Maturity Plan - (Series VII/VIII/IX/X) - (Plan A/D/G/I/J/L) - Growth	337 40
31,00,00,000 (14,50,00,000)	LIC Nomura Fixed Maturity Plan - (Series 52/53/54/55/ 56/58/60/61/62/63/66/68/73/75) - Growth	310 145
68,00,038 (-)	LIC Nomura Interval Fund - (Series 1) - Growth	10 -
4,95,01,683 (-)	Reliance Annual Interval Fund - (Series 1) - Growth	60 -
68,00,00,000 (11,00,00,000)	Reliance Fixed Horizon Fund - (Series XXII/XXIII/XXVI/XXV/XXIV) - Growth	680 110
24,78,28,132 (-)	Reliance Yearly Interval Fund - (Series 3/6/8) - Growth	250 -
15,50,00,000 (24,80,00,000)	Religare Fixed Maturity Plan - (Series XIII/XIV/XVII/XVIII/ XXII) - (Plan A/B/C/D/E/F) - Growth	155 248
19,50,00,000 (-)	Religare Invesco Fixed Maturity Plan - (Series XIX/XXI/XXII) - (Plan A/C/E/F/G) - Growth	195 -
62,00,00,000 (45,50,00,000)	SBI Debt Fund - (Series 1/2/12/13/14/15/23/24/25/28/29) - Growth	620 455
(14,00,00,000)	- SBI Debt Fund - (Series 5/7) - Dividend	- 140
1,10,00,00,000 (7,50,00,000)	SBI Debt Fund - (Series 9/12/13/16/18/32/33/34/36/37/ 38/39/41/47/48/49/51/52/53/54) - Growth	1,100 75
31,00,00,000 (6,50,00,000)	Sundaram Fixed Term Plan - (Series CQ/DC/DF/DG/DH/ DO/DQ/DR/EW/EY/FB/FF/FJ) - Growth	310 65
96,90,00,000 (13,50,00,000)	Tata Fixed Maturity Plan - (Series 39/40/42/43/44/45/46) - (Scheme A/B/C/D/E/G/H/I/L/O/P) - Growth	969 135
8,50,00,000 (-)	UTI Fixed Term Income Fund - (Series XVII-I/XVII-V) - Growth	85 -
3,04,93,690 (5,49,80,083)	UTI Fixed Income Interval Fund - Annual Interval Plan (Series - II/III/IV) - Growth	40 70
1,33,50,00,000 (22,50,00,000)	UTI Fixed Term Income Fund - (Series XIII-III/XIV-V/ XIV-VI/XIV-VII/XIV-VIII/XV-I/XV-II/XVI-IV/XVI-VII/XVII-X/ XVII-XVI/XVI-I/XV-III/XVII-II/XV-IV/XV-V/XV-VI/XV-VII/ XV-X/XVII-XX/XVIII-III/XVIII-IV/XVII-XIII) - Growth	1,335 225

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
- UTI Fixed Term Income Fund - (13,00,00,000) (Series - XII-IV/XIII) - Dividend	-	130
	18,941	6,493
Investment in Mutual Fund - Unquoted		
2,27,889 Axis Banking Debt Fund - Growth (-)	25	-
7,59,94,772 Axis Short Term Fund - Growth (11,08,67,422)	96	135
29,22,23,922 Birla Sunlife Dynamic Bond Fund - Retail - Growth (1,31,48,48,855)	549	2,418
22,34,01,784 Birla Sunlife Short Term Fund - Growth (5,56,20,512)	1,000	225
- Canara Robeco Short Term Fund - Regular Growth (2,31,91,812)	-	30
- Canara Robeco Short Term Institutional Growth Fund (4,59,45,325)	-	60
4,95,70,718 DSP Black Rock Banking & PSU Debt Fund - Regular (-) Plan - Growth	50	-
- DSP Black Rock Liquidity Fund - Institutional Plan (5,96,310) Growth	-	100
7,22,79,657 DSP Black Rock Short Term Fund - Growth (11,14,37,619)	147	210
- DSP Black Rock Strategic Bond Fund -Institutional Plan (48,23,954) - Growth	-	625
- DWS GILT Fund - Regular Plan - Growth (11,66,82,484)	-	150
3,61,86,149 DWS InstaCashPlus Fund Super Institutional Plan (-) Annual Bonus	600	-
- DWS InstaCashPlus Fund Super Institutional Plan Bonus (1,04,54,867)	-	-
- DWS Money Plus Fund - Regular Plan (Principle Units) (4,66,90,013) - Bonus	-	46
2,40,93,515 DWS Mutual Fund ICP-Bonus (-)	236	-
- DWS Premier Bond Fund - Premium Plus Plan - Growth (14,48,86,484)	-	150
- DWS Short Maturity Fund - Premium Plus Growth (12,93,69,261)	-	147
- DWS Treasury Fund - Cash - Regular Plan - Bonus (60,38,424)	-	59
1,84,06,566 DWS Treasury Fund - Investment - Regular Plan - Bonus (-)	18	-
11,79,24,798 DWS Treasury Fund - Investment - Regular Plan - (5,81,04,402) Growth	159	75
3,25,53,638 Franklin India Savings Plus Fund - Growth (-)	75	-
29,63,61,644 HDFC Short Term Opportunities Fund - Growth (19,73,54,869)	400	240

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
50,00,000	5	-
HDFC Debt Fund for Cancer Cure - 50% Regular Option (-) - Dividend Donation		
11,23,62,581	250	300
(14,69,19,109)		
HDFC Floating Rate Income Fund - Long Term Plan - Growth		
- HDFC High Interest Fund - Short Term Plan - Growth (22,67,48,577)	-	500
- HDFC Liquid Fund - Growth (86,58,009)	-	20
21,41,12,926	278	305
(25,68,76,110)		
HDFC Medium Term Opportunities Fund - Growth		
- HDFC Short Term Plan - Growth (22,68,83,560)	-	485
- HSBC Income Fund Short Term Institutional Plus Growth (16,70,54,915)	-	180
3,61,78,141	50	-
(-)		
ICICI Prudential Banking and PSU Debt Fund - Growth		
4,06,37,366	55	-
(-)		
ICICI Prudential Blended Plan A - Dividend		
11,08,46,926	200	-
(-)		
ICICI Prudential Blended Plan B - Growth		
3,98,32,730	55	-
(-)		
ICICI Prudential Equity Arbitrage Fund - Dividend		
2,41,47,124	25	-
(-)		
ICICI Prudential Gilt Fund Treasury Plan - Quarterly Dividend Reinvestment		
- ICICI Prudential Gilt Treasury Plan - Regular Growth (3,46,29,245)	-	100
- ICICI Prudential Institutional Short Term Plan - Cumulative (31,83,61,805)	-	725
- ICICI Prudential Liquid - Regular Plan - Growth (14,42,759)	-	25
- ICICI Prudential Short Term Plan - Regular Growth (10,86,67,777)	-	250
16,20,52,229	200	-
-		
ICICI Prudential Ultra Short Term - Direct Plan - Growth		
(4,39,26,695)	-	50
- IDBI Short Term Bond Fund - Growth		
10,88,83,711	275	-
-		
IDFC Super Saver Income Fund - Short Term-Direct Plan-Growth		
12,63,13,875	160	-
(-)		
IDFC Arbitrage Fund - Direct Plan - Dividend		
(2,33,10,265)	-	45
- IDFC - Super Saver Income Fund - Medium Term Growth		
(42,82,45,478)	-	625
- IDFC - Super Saver Income Fund - Short Term - Growth		
29,82,16,282	319	100
(9,99,03,094)		
IDFC Banking Debt Fund - Regular Plan - Growth		
(1,75,479)	-	25
- IDFC Cash Fund - Growth - (Regular Plan)		

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
21,48,65,792 IDFC Money Manager Fund- Investment Plan-Growth- (-) Direct Plan	400	-
- IDFC Super Saver Income Fund -Medium Term - Plan (23,42,26,669) B - Growth	-	285
8,15,59,748 IDFC Super Saver Income Fund Short Term Plan - (-) Growth-(Regular Plan)	200	-
2,50,000 Indiabulls Short Term Fund - Direct Plan - Growth (-) Option	25	-
- J P Morgan India Short term Income Fund - Growth (10,38,13,700)	-	125
61,49,62,892 J P Morgan India Treasury Fund - Bonus (46,01,17,659)	629	700
- JM High Liquidity Fund - Bonus (11,10,88,159)	-	109
4,50,68,027 JM Money Manager Fund - Super Plan - Bonus (-)	44	-
19,71,60,883 JM Money Manager Fund - Super Plus Plan - Bonus (-)	199	-
1,36,85,132 JM Money Manager Fund Super Plan - Growth (-)	25	-
13,40,05,771 Kotak Bond Short Term Plan - Growth (8,84,33,460)	304	185
10,68,70,464 Kotak Equity Arbitrage Fund - Dividend (-)	115	-
- L & T - Short Term Opportunities Fund - Growth (7,51,00,293)	-	80
16,54,740 L&T Cash Bonus Liquid Fund (-)	169	-
7,21,37,997 L&T Floating Rate Fund - Growth (-)	83	-
10,75,21,101 L&T Triple Ace Bond Fund - Bonus (-)	133	-
10,76,394 LIC Nomura MF Liquid Fund - Growth (1,17,585)	250	25
- Morgan Stanley Short Term Bond Fund - Institutional (4,70,53,586) Plus - Growth	-	60
1,62,107 Principal Bank CD Fund - Growth (-)	25	-
- Reliance Income Fund - Growth Plan - Bonus (12,02,16,390)	-	131
- Religare Active Income Fund - Growth (13,27,54,784)	-	175
10,68,81,070 Religare Invesco Arbitrage - Bonus (-)	115	-
17,98,180 Religare Invesco Short Term Fund - Growth (18,67,562)	295	285
- SBI Dynamic Bond Fund - Growth (52,63,28,065)	-	725
- SBI Premier Liquid Fund - Growth (1,90,032)	-	35

Notes on Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
36,08,46,691 SBI Short Term Debt Fund - Growth (18,37,26,275)	487	235
6,20,51,677 Sundaram Flexible Fund Short - Term Plan - Growth (4,32,75,524)	121	80
17,81,54,863 Sundaram Flexible Fund Short Term Plan - Bonus (-)	175	-
17,58,87,636 Sundaram Money Fund Direct Plan - Bonus (-)	272	-
- Sundaram Monthly Income Plan Bonus (3,02,49,315)	-	34
9,57,31,798 Sundaram Select Debt Short Term Asset Plan - Bonus (-)	100	-
- Tata Income Fund Plan A - Appreciation - Bonus (9,21,73,180)	-	97
- Tata Short Term Bond Fund Plan A - Growth (1,94,65,573)	-	40
36,10,159 UTI Floating Rate Fund - Growth (37,23,783)	715	700
- UTI Money Market Fund - Growth (1,90,537)	-	25
35,25,25,179 UTI Short Term Income Fund - Institutional Plan - (30,35,68,335) Growth	518	400
- UTI Treasury Advantage Fund - Institutional Plan (20,30,859)	-	250
	10,626	13,186
Investments in Treasury Bills - Quoted	15	-
Investments in Commercial Paper - Unquoted		
Housing Development Finance Corporation Limited	369	-
Investment in Certificate of Deposits - Unquoted		
Andhra Bank	9	-
Canara Bank	44	-
Central Bank of India	187	-
Indian Bank	287	-
Oriental Bank of Commerce	263	-
State Bank of Patiala	71	-
UCO Bank	478	-
Union Bank of India	91	-
	1,430	-
Total Current Investments	33,370	28,366
Aggregate amount of quoted investments	20,590	14,880
Market Value of quoted investments	21,655	15,460
Aggregate amount of unquoted investments	12,780	13,486

Notes on Financial Statements for the Year ended 31st March, 2014

13. INVENTORIES

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Raw Materials	7,309	7,882
Raw Materials in Transit	16,145	13,820
Stock-in-Process	6,546	6,361
Finished Goods	10,071	10,819
Stores, Chemicals and Packing Materials	2,789	3,794
Stock-in-Trade	72	53
TOTAL	42,932	42,729

14. TRADE RECEIVABLES

(₹ in crore)

(Unsecured and Considered Good)

	As at 31st March, 2014	As at 31st March, 2013
Outstanding for a period exceeding six months	65	41
Others	10,599	11,839
TOTAL	10,664	11,880

15. CASH AND BANK BALANCES

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Cash and cash equivalents:		
Cash on hand	21	15
Bank Balances:		
In current accounts*	996	740
In deposit **	32,207	48,792
Sub-total	33,224	49,547
Other bank balances		
In deposit #	3,400	-
Sub-total	3,400	-
TOTAL	36,624	49,547

* Includes unclaimed dividend of ₹ 175 crore (Previous Year ₹ 152 crore).

** Includes deposits of ₹ 1 crore (Previous Year ₹ 13,173 crore) with maturity of more than 12 months.

Deposits of ₹ 3,400 crore (Previous Year ₹ NIL) are given as lien against Short Term Borrowings.

15.1 Cash and cash equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

16. SHORT TERM LOANS AND ADVANCES

(₹ in crore)

(Unsecured and Considered Good)

	As at 31st March, 2014	As at 31st March, 2013
Loans and Advances to Related Parties (Refer Note No. 31)	4,366	3,674
Balance with Customs, Central Excise Authorities	2,727	2,549
Deposits	681	399
Others#	3,503	4,352
TOTAL	11,277	10,974

Includes primarily Interest Receivable on Fixed Deposits with Banks, Advance to sundry creditors.

Notes on Financial Statements for the Year ended 31st March, 2014

17. OTHER CURRENT ASSETS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Interest accrued on Investment	466	480
TOTAL	466	480

18. SALE OF PRODUCTS

(₹ in crore)

Particulars of Sale of products	2013-14	2012-13
Petroleum Products	2,97,746	2,73,790
Petrochemicals Products	96,383	88,108
Oil & Gas	6,055	8,173
Others	1,016	950
TOTAL	4,01,200	3,71,021

19. OTHER INCOME

(₹ in crore)

	2013-14	2012-13
Interest		
From Current Investments	442	892
From Long Term Investments	1,025	460
From Others	5,005	4,893
	6,472	6,245
Dividend		
From Current Investments	88	74
From Long Term Investments	3	3
	91	77
Net gain on sale of Investments		
From Current Investments	1,716	1,234
From Long Term Investments	632	424
	2,348	1,658
Other non operating income *	25	18
TOTAL	8,936	7,998

* Other non operating income includes income from finance lease of ₹ 6,85,777 (Previous Year ₹ 1 crore).

20. COST OF MATERIALS CONSUMED

(₹ in crore)

	(₹ in crore)	2013-14 % of Consumption	(₹ in crore)	2012-13 % of Consumption
Imported	2,95,338	89.68	2,77,824	90.75
Indigenous	33,975	10.32	28,303	9.25
TOTAL	3,29,313	100.00	3,06,127	100.00

20.1 Particulars of Materials Consumed

(₹ in crore)

Particulars	2013-14	2012-13
Crude Oil	2,98,950	2,79,316
Others	30,363	26,811
TOTAL	3,29,313	3,06,127

Notes on Financial Statements for the Year ended 31st March, 2014

21. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE

	(₹ in crore)	
	2013-14	2012-13
Inventories (at close)		
Finished Goods / Stock-in-Trade	10,143	10,872
Stock-in-Process	6,546	6,361
	16,689	17,233
Inventories (at commencement)		
Finished Goods / Stock-in-Trade	10,872	7,998
Stock-in-Process	6,361	5,274
	17,233	13,272
Less: Capitalised during the year	132	-
Add: On Amalgamation (Refer Note No. 33)	-	644
	17,101	13,916
TOTAL	412	(3,317)

22. EMPLOYEE BENEFITS EXPENSE

	(₹ in crore)	
Particulars	2013-14	2012-13
Salaries and wages	2,877	2,925
Contribution to provident and other funds	233	218
Staff welfare expenses	260	211
TOTAL	3,370	3,354

22.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

Particulars	2013-14	2012-13
Employer's Contribution to Provident Fund	100	91
Employer's Contribution to Superannuation Fund	15	15
Employer's Contribution to Pension Scheme	21	19

The Company's Provident Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the trust vis-a-vis statutory rate.

Defined Benefit Plan

The employees' gratuity fund scheme managed by a Trust (Life Insurance Corporation of India for SEZ unit of the Company) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for Compensated Absences is recognised in the same manner as gratuity.

Notes on Financial Statements for the Year ended 31st March, 2014

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

(₹ in crore)

	Gratuity (Funded)		Compensated Absences (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
Defined Benefit obligation at beginning of the year	500	436	128	137
On Amalgamation (Refer Note No. 33)	-	2	-	1
Current Service Cost	33	31	10	9
Interest Cost	39	34	9	9
Actuarial (gain) / loss	(16)	26	60	25
Benefits paid	(35)	(29)	(18)	(53)
Defined Benefit obligation at year end	521	500	189	128

II) Reconciliation of opening and closing balances of fair value of Plan Assets

(₹ in crore)

	Gratuity (Funded)	
	2013-14	2012-13
Fair value of Plan assets at beginning of year	503	394
On Amalgamation (Refer Note No. 33)	-	2
Expected return on plan assets	39	34
Actuarial gain / (loss)	3	10
Employer contribution	11	92
Benefits paid	(35)	(29)
Fair value of Plan assets at year end	521	503
Actual return on plan assets	42	44

III) Reconciliation of fair value of assets and obligations

(₹ in crore)

	Gratuity (Funded)		Compensated Absences (Unfunded)	
	As at 31st March		As at 31st March	
	2014	2013	2014	2013
Fair value of Plan assets	521	503	-	-
Present value of obligation	521	500	189	128
Amount recognised in Balance Sheet	-	(3)	189	128

IV) Expenses recognised during the year

(₹ in crore)

	Gratuity (Funded)		Compensated Absences (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
Current Service Cost	33	31	10	9
Interest Cost	39	34	9	9
Expected return on Plan assets	(39)	(34)	-	-
Actuarial (gain) / loss	(19)	16	60	25
Net Cost	14	47	79	43

Notes on Financial Statements for the Year ended 31st March, 2014

V) Investment Details :

	As at 31st March, 2014		As at 31st March, 2013	
	₹ in crore	% Invested	₹ in crore	% Invested
GOI Securities	24	4.64	29	5.70
Public Securities	21	4.08	23	4.60
State Government Securities	8	1.52	8	1.68
Insurance Policies	464	89.0	442	87.84
Others (including bank balances)	4	0.76	1	0.18
	521	100.00	503	100.00

VI) Actuarial assumptions

	Gratuity (Funded)		Compensated Absences (Unfunded)	
	2013-14 2006-08 (Ultimate)	2012-13 1994-96 (Ultimate)	2013-14 2006-08 (Ultimate)	2012-13 1994-96 (Ultimate)
Mortality Table				
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)	6%	6%	6%	6%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

VII) Amounts recognised in current year and previous four years

(₹ in crore)

Particular	As at 31st March				
	2014	2013	2012	2011	2010
Gratuity					
Defined benefit obligation	521	500	436	383	301
Fair value of plan assets	521	503	394	327	269
(Surplus) / Deficit in the plan	-	(3)	42	56	32
Actuarial (gain) / loss on plan obligation	(16)	26	17	40	28
Actuarial gain / (loss) on plan assets	3	10	2	2	6

VIII) The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2013-14.

22.2 The Company had announced Voluntary Separation Scheme (VSS) for the employees of Silvassa manufacturing division during the year. A sum of ₹ 31 crore (Previous Year ₹ NIL) has been paid during the year and debited to Statement of Profit and Loss under the head "Employee Benefits Expense".

23. FINANCE COSTS

(₹ in crore)

	2013-14	2012-13
Interest Expenses*	1,867	2,152
Other borrowing costs	14	16
Applicable loss on foreign currency transactions and translation	1,325	868
TOTAL	3,206	3,036

* Interest Expenses are net of Interest Capitalised of ₹ 701 crore (Previous Year ₹ 385 crore) (Refer Note No.9.5)

Notes on Financial Statements for the Year ended 31st March, 2014

24. DEPRECIATION AND AMORTISATION EXPENSE

	(₹ in crore)	
	2013-14	2012-13
Depreciation and Amortisation (Refer Note No. 9)	10,634	11,537
Less: Transferred from revaluation reserve (Refer Note No. 9.7)	1,055	2,072
Less: Transferred from general reserve (Refer Note No. 9.7)	790	-
TOTAL	8,789	9,465

25. OTHER EXPENSES

	(₹ in crore)	
	2013-14	2012-13
Manufacturing Expenses		
Stores, Chemicals and Packing Materials	4,446	3,799
Electric Power, Fuel and Water	10,153	7,166
Labour Processing, Production Royalty and Machinery Hire Charges	1,288	1,569
Repairs to Building	23	28
Repairs to Machinery	786	698
Exchange Difference (Net)	(111)	(73)
Excise Duty #	(2)	36
Lease Rent (Previous Year ₹ 44,00,000)	1	-
	16,584	13,223
Selling and Distribution Expenses		
Warehousing and Distribution Expenses	5,119	4,935
Sales tax / VAT	939	1,102
Other Selling and Distribution Expenses	724	635
	6,782	6,672
Establishment Expenses		
Professional fees	787	1,090
General Expenses*	316	404
Rent	74	97
Insurance	647	611
Rates & Taxes	108	145
Other Repairs	237	229
Travelling Expenses	131	122
Payment to Auditors	18	18
Loss on Sale /Discard of Fixed Assets	57	48
Charity and Donations	595	283
	2,970	3,047
Less: Transferred to Project Development Expenditure	715	98
TOTAL	25,621	22,844

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 write off of Investments of ₹ 25 crore (Previous Year ₹ NIL).

Notes on Financial Statements for the Year ended 31st March, 2014

25.1 Value of Stores, Chemicals and Packing Materials Consumed :

	2013-14		2012-13	
	₹ in crore	% of Consumption	₹ in crore	% of Consumption
Imported	1,843	41.46	1,725	45.41
Indigenous	2,603	58.54	2,074	54.59
TOTAL	4,446	100.00	3,799	100.00

25.2 Payment to Auditors as :

	2013-14		2012-13	
	(₹ in crore)			
(a) Auditor:				
Statutory Audit Fees	8		7	
Tax Audit Fees	1		1	
(b) Certification and Consultation Fees	8		9	
(c) Cost Audit Fees	1		1	
TOTAL	18		18	

26. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

	2013-14		2012-13	
	(₹ in crore)			
Raw Materials and Stock-in-Trade	3,02,630		2,81,719	
Stores, Chemicals and Packing Materials	3,719		3,260	
Capital goods	4,218		2,204	

27. EXPENDITURE IN FOREIGN CURRENCY :

	2013-14		2012-13	
	(₹ in crore)			
Oil and Gas Activity	3,308		1,565	
Repairs to Machinery (Includes ₹ 4 crore for SEZ units)	33		42	
Repairs to Building ₹ 8,45,220 (Previous Year ₹ 8,41,593)	-		-	
Employee Benefits Expense (Includes ₹ 22,76,702 for SEZ units)	19		24	
Sales Promotion Expenses (Includes ₹ 1 crore for SEZ units)	44		34	
Brokerage and Commission (Includes ₹ 4 crore for SEZ units)	220		46	
Ocean Freight (Includes ₹ 558 crore for SEZ units)	1,234		1,328	
Warehousing and Distribution Expenses (Includes ₹ 1,255 crore for SEZ units)	1,598		1,487	
Insurance (Includes ₹ 17,64,247 for SEZ units)	2		2	
Rent	5		6	
Rates & Taxes	1		1	
Other Repairs (Includes ₹ 8 crore for SEZ units)	17		13	

Notes on Financial Statements for the Year ended 31st March, 2014

	(₹ in crore)	
	2013-14	2012-13
Travelling Expenses (Includes ₹ 35,87,730 for SEZ units)	28	13
Professional Fees (Includes ₹ 27 crore for SEZ units)	144	179
Charity and Donations	15	12
Labour Processing, Production Royalty and Hire Charges (Includes ₹ 17,08,131 for SEZ units)	1	11
Bank Charges (Includes ₹ 8 crore for SEZ units)	19	19
General Expenses (Includes ₹ 55 crore for SEZ units)	153	114
Interest Expenses (Includes ₹ 373 crore for SEZ units)	1,380	1,501

28. EARNINGS IN FOREIGN EXCHANGE

	(₹ in crore)	
	2013-14	2012-13
FOB value of exports [Excluding captive transfers to Special Economic Zone of ₹ 16,861 crore (Previous Year ₹ 21,480 crore)]	2,61,118	2,27,883
Interest	5	2
Others	243	207

29. 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:

	2013-14 (Final Dividend)	2012-13 (Final Dividend)
a) Number of Non Resident Shareholders	37,150	40,266
b) Number of Equity Shares held by them	58,20,62,860	57,01,32,298
c) (i) Amount of Dividend Paid (Gross) (₹ in Crore)	524	485
(ii) Tax Deducted at Source	-	-
(iii) Year to which dividend relates	2012-13	2011-12

30. EARNINGS PER SHARE (EPS)

	2013-14	2012-13
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in crore)	21,984	21,003
ii) Weighted Average number of equity shares used as denominator for calculating EPS	3,23,06,12,815	3,23,99,64,480
iii) Basic and Diluted Earnings per share (₹)	68.05	64.82
iv) Face Value per equity share (₹)	10.00	10.00

Notes on Financial Statements for the Year ended 31st March, 2014

31. RELATED PARTY DISCLOSURES :

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

- (i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industrial Investments and Holdings Limited	
2	Reliance Ventures Limited	
3	Reliance Strategic Investments Limited	
4	Reliance Industries (Middle East) DMCC	
5	Reliance Retail Limited (Erstwhile, amalgamated with Reliance Fresh Limited w.e.f. 01.04.2012)	
6	Reliance Retail Limited (Formerly known as Reliance Fresh Limited)	
7	Reliance Haryana SEZ Limited	
8	Retail Concepts and Services (India) Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
9	Reliance Retail Insurance Broking Limited	
10	Reliance Dairy Foods Limited	
11	Reliance Exploration & Production DMCC	
12	Reliance Retail Finance Limited	
13	RESQ Limited (amalgamated with Erstwhile Reliance Fresh Limited w.e.f. 01.04.2012)	
14	Reliance Retail Ventures Limited #	
15	Reliancedigital Retail Limited (amalgamated with Erstwhile Reliance Trends Limited w.e.f. 01.04.2012)	
16	Reliance Financial Distribution and Advisory Services Limited	
17	RIL (Australia) Pty Ltd	Subsidiary Companies
18	Gapco Kenya Limited	
19	Gapco Rwanda Limited	
20	Gapco Tanzania Limited	
21	Gapco Uganda Limited	
22	Gapoil (Zanzibar) Limited	
23	Gulf Africa Petroleum Corporation	
24	Transenergy Kenya Limited	
25	Recron (Malaysia) Sdn Bhd	
26	Reliance Payment Solutions Limited	
27	Reliance Brands Limited	
28	Reliance Footprint Limited (amalgamated with Erstwhile Reliance Trends Limited w.e.f. 01.04.2012)	
29	Reliance Trading Limited ##	
30	Reliance Lifestyle Holdings Limited	
31	Reliance Universal Ventures Limited (amalgamated with Reliance Industrial Investments and Holdings Limited w.e.f. 01.10.2013)	
32	Delight Proteins Limited	
33	Reliance Autozone Limited (amalgamated with Erstwhile Reliance Fresh Limited w.e.f. 01.04.2012)	
34	Reliance F&B Services Limited	

Formerly knows as Reliance Commercial Associates Limited
Formerly knows as Reliance Trends Limited

Notes on Financial Statements for the Year ended 31st March, 2014

Sr. No.	Name of the Related Party	Relationship
35	Reliance Gems and Jewels Limited (amalgamated with Erstwhile Reliance Trends Limited w.e.f. 01.04.2012)	
36	Reliance Integrated Agri Solutions Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
37	Strategic Manpower Solutions Limited	
38	Reliance Agri Products Distribution Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
39	Reliance Digital Media Limited (amalgamated with Erstwhile Reliance Fresh Limited w.e.f. 01.04.2012)	
40	Reliance Food Processing Solutions Limited	
41	Reliance Home Store Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
42	Reliance Leisures Limited (amalgamated with Erstwhile Reliance Trends Limited w.e.f. 01.04.2012)	
43	Reliance Loyalty & Analytics Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
44	Reliance Retail Securities and Broking Company Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
45	Reliance Supply Chain Solutions Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	Subsidiary Companies
46	Reliance Trade Services Centre Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
47	Reliance Vantage Retail Limited	
48	Wave Land Developers Limited	
49	Reliance-GrandOptical Private Limited	
50	Reliance Universal Commercial Limited	
51	Reliance Petroinvestments Limited	
52	Reliance Global Commercial Limited	
53	Reliance People Serve Limited	
54	Reliance Infrastructure Management Services Limited	
55	Reliance Global Business B.V.	
56	Reliance Gas Corporation Limited	
57	Reliance Global Energy Services Limited	
58	Kanhatech Solutions Limited	
59	Reliance Global Energy Services (Singapore) Pte. Limited	
60	Reliance Personal Electronics Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
61	Reliance Polymers (India) Limited (amalgamated with Reliance Industrial Investments and Holdings Limited w.e.f. 01.10.2013)	
62	Reliance Polyolefins Limited	

Notes on Financial Statements for the Year ended 31st March, 2014

Sr. No.	Name of the Related Party	Relationship
63	Reliance Aromatics and Petrochemicals Limited	
64	Reliance Energy and Project Development Limited	
65	Reliance Chemicals Limited	
66	Reliance Universal Enterprises Limited	
67	Reliance Review Cinema Limited	
68	Reliance Replay Gaming Limited (amalgamated with Erstwhile Reliance Fresh Limited w.e.f. 01.04.2012)	
69	Reliance Nutritious Food Products Limited*	
70	RIL USA Inc.	
71	Reliance Commercial Land & Infrastructure Limited	
72	Reliance Corporate IT Park Limited	
73	Reliance Eminent Trading & Commercial Private Limited	
74	Reliance Progressive Traders Private Limited	
75	Reliance Prolific Traders Private Limited	
76	Reliance Universal Traders Private Limited	
77	Reliance Prolific Commercial Private Limited	
78	Reliance Comtrade Private Limited	
79	Reliance Ambit Trade Private Limited	
80	Reliance Petro Marketing Limited	
81	LPG Infrastructure (India) Limited	
82	Reliance Corporate Centre Limited	
83	Reliance Convention and Exhibition Centre Limited	
84	Central Park Enterprises DMCC	Subsidiary Companies
85	Reliance International B. V. (Liquidated w.e.f. 18.03.2014)	
86	Reliance Corporate Services Limited	
87	Indiawin Sports Private Limited	
88	Reliance Holding USA Inc.	
89	Reliance Marcellus LLC	
90	Reliance Jio Infocomm Limited	
91	Reliance Strategic (Mauritius) Limited	
92	Reliance Eagleford Midstream LLC	
93	Reliance Eagleford Upstream LLC	
94	Reliance Eagleford Upstream GP LLC	
95	Reliance Eagleford Upstream Holding LP	
96	Mark Project Services Private Limited	
97	Reliance Energy Generation and Distribution Limited	
98	Reliance Marcellus II LLC	
99	Reliance Security Solutions Limited	
100	Reliance Industries Investment and Holding Limited	
101	Reliance Office Solutions Private Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
102	Reliance Style Fashion India Private Limited	
103	GenNext Innovation Ventures Limited	

* Formerly known as Two Sisters Foods India Limited

Notes on Financial Statements for the Year ended 31st March, 2014

Sr. No.	Name of the Related Party	Relationship
104	Reliance Home Products Limited (amalgamated with Reliance Financial Distribution and Advisory Services Limited w.e.f. 01.04.2012)	
105	Infotel Telecom Limited	
106	Reliance Styles India Limited	
107	Rancore Technologies Private Limited	
108	Omni Symmetry LLC (amalgamated with Reliance Jio Infocomm USA Inc w.e.f. 31.03.2014)	
109	Reliance Sibur Elastomers Private Limited	
110	Surela Investment and Trading Private Limited	
111	Model Economic Township Limited	
112	Delta Corp East Africa Limited	
113	Delta Square Limited (Desubsidiarized w.e.f. 20.08.2013)	
114	Kaizen Capital LLP	Subsidiary Companies
115	Affinity Names Inc	
116	Reliance USA Gas Marketing LLC	
117	Reliance Aerospace Technologies Limited	
118	Reliance Gas Pipelines Limited	
119	Achman Commercial Private Limited	
120	Reliance Jio Infocomm Pte Limited	
121	Reliance do Brasil Industria e Comercio de Produtos Texteis, Quimicos, Petroquimicos e Derivados Ltda.	
122	Reliance Jio Electronics Private Limited	
123	Reliance Jio Infocomm USA Inc	
124	Reliance Jio Infocomm UK Limited	
125	Reliance Clothing India Private Limited	
126	Reliance Agri Ventures Private Limited	
127	Reliance World Trade Private Limited	
128	Reliance Marcellus Holding LLC	
129	Reliance Industrial Infrastructure Limited	
130	Reliance Europe Limited	
131	Reliance LNG Limited	
132	Indian Vaccines Corporation Limited	
133	Gujarat Chemical Port Terminal Company Limited	Associates
134	Reliance Utilities and Power Private Limited	
135	Reliance Ports and Terminals Limited	
136	Reliance Gas Transportation Infrastructure Limited	
137	Reliance Commercial Dealers Limited	
138	Shri Mukesh D. Ambani	Key Managerial Personnel
139	Shri Nikhil R. Meswani	
140	Shri Hital R. Meswani	
141	Shri P. M. S. Prasad	
142	Shri P. K. Kapil	
143	Dhirubhai Ambani Foundation	Enterprises over which Key Managerial Personnel are able to exercise significant influence
144	Jamnaben Hirachand Ambani Foundation	
145	Hirachand Govardhandas Ambani Public Charitable Trust	
146	HNH Trust and HNH Research Society	
147	Reliance Foundation	

Notes on Financial Statements for the Year ended 31st March, 2014

ii) Transactions during the year with related parties :

					(₹ in crore)	
Sr. No.	Nature of Transactions (Excluding reimbursements)	Subsidiaries	Associates	Key Managerial Personnel	Others	TOTAL
1.	Purchase of Fixed Assets	2,063 917	44 43	- -	- -	2,107 960
2.	Purchase / Subscription of Investments	22,620 8,317	- -	- -	- -	22,620 8,317
3.	Sale / Transfer / Redemption of Investments	7,179 11,498	- -	- -	- -	7,179 11,498
4.	Capital Advance given	- -	7 2	- -	- -	7 2
5.	Net Loans and advances, Deposits given / (returned)	3,910 7,546	36 27	- -	- -	3,946 7,573
6.	Revenue from Operations	28,394 26,166	403 336	- -	- -	28,797 26,502
7.	Other Income	1,068 842	8 9	- -	- -	1,076 851
8.	Purchases / Material Consumed	2,575 2,319	184 167	- -	- -	2,759 2,486
9.	Electric Power, Fuel and Water	- -	1,466 1,325	- -	- -	1,466 1,325
10.	Hire Charges	- -	523 408	- -	- -	523 408
11.	Employee Benefits Expense	16 6	- -	- -	- -	16 6
12.	Payment to Key Managerial Personnel	- -	- -	47 44	- -	47 44
13.	Sales and Distribution Expenses	171 21	2,885 2,845	- -	- -	3,056 2,866
14.	Rent	- -	8 -	- -	- -	8 -
15.	Professional Fees	592 760	51 56	- -	- -	643 816
16.	General Expenses	29 41	274 258	- -	- -	303 299
17.	Donations	- -	- -	- -	529 218	529 218
18.	Finance Cost	14 16	- -	- -	- -	14 16
19.	Investment written off	25 -	- -	- -	- -	25 -
Balance as at 31st March, 2014						
20.	Investments	32,402 16,986	2,085 2,085	- -	- -	34,487 19,071
21.	Trade Receivables	4,620 5,977	39 30	- -	- -	4,659 6,007

Notes on Financial Statements for the Year ended 31st March, 2014

						(₹ in crore)
Sr. No.	Nature of Transactions (Excluding reimbursements)	Subsidiaries	Associates	Key Managerial Personnel	Others	TOTAL
22.	Capital Advance	-	8	-	-	8
		-	2	-	-	2
23.	Loans & Advances	26,092	14	-	-	26,106
		<i>21,973</i>	<i>15</i>	-	-	<i>21,988</i>
24.	Deposits	-	1,499	-	-	1,499
		-	<i>1,463</i>	-	-	<i>1,463</i>
25.	Trade and other payables	380	309	-	-	689
		<i>540</i>	<i>252</i>	-	-	<i>792</i>
26.	Finance Lease Obligations	146	1	-	-	147
		<i>167</i>	<i>2</i>	-	-	<i>169</i>
27.	Financial Guarantees	30,993	1,315	-	-	32,308
		<i>29,867</i>	<i>1,213</i>	-	-	<i>31,080</i>
28.	Performance Guarantees	159	114	-	-	273
		<i>134</i>	<i>1</i>	-	-	<i>135</i>

Note :

Figures in italic represents Previous Year's amount.

Disclosure in Respect of Material Related Party Transactions during the year :

			(₹ in crore)	
Particulars	Relationship	2013-14	2012-13	
1 Purchase of Fixed Assets				
Reliancedigital Retail Limited	Subsidiary	-	4	
Reliance Corporate IT Park Limited	Subsidiary	2,031	865	
Reliance Footprint Limited	Subsidiary	-	1	
Reliance Haryana SEZ Limited	Subsidiary	-	43	
Reliance Gas Transportation Infrastructure Limited	Associate	4	-	
Reliance Industrial Infrastructure Limited	Associate	3	2	
Reliance Ports and Terminals Limited	Associate	36	41	
Reliance Retail Limited (Formerly known as Reliance Fresh Limited)	Subsidiary	31	1	
Reliance Security Solutions Limited	Subsidiary	-	3	
Gujarat Chemical Port Terminal Company Limited	Associate	1	-	
2 Purchase / Subscription of Investments				
RIL (Australia) Pty Ltd	Subsidiary	-	3	
Reliance Energy Generation and Distribution Limited	Subsidiary	1	-	
Reliance Global Business B.V.	Subsidiary	222	-	
Reliance Jio Infocomm Limited	Subsidiary	22,397	2,647	
Reliance Retail Ventures Limited (Formerly known as Reliance Commercial Associates Limited)	Subsidiary	-	5,667	
3 Sale / Transfer of Investments				
Reliance Industrial Investments and Holdings Limited	Subsidiary	-	1,544	
Reliance Universal Ventures Limited	Subsidiary	-	7,800	

Notes on Financial Statements for the Year ended 31st March, 2014

		(₹ in crore)	
Particulars	Relationship	2013-14	2012-13
4 Redemption of Investments			
Reliance Exploration & Production DMCC	Subsidiary	-	1,673
Reliance Global Business B.V.	Subsidiary	32	49
Reliance Industries (Middle East) DMCC	Subsidiary	-	431
Reliance Jio Infocomm Limited	Subsidiary	7,147	-
Reliance Netherlands B.V.	Subsidiary	-	1
5 Capital Advance Given			
Reliance Industrial Infrastructure Limited	Associate	2	2
Reliance Utilities and Power Private Limited	Associate	5	-
6 Net Loans and Advances, Deposits Given/ (Returned)			
Reliance Brands Limited	Subsidiary	(11)	11
Reliance Corporate IT Park Limited	Subsidiary	945	-
Reliance Energy Generation and Distribution Limited	Subsidiary	(1)	-
Reliance Exploration & Production DMCC	Subsidiary	7	71
Reliance Gas Pipelines Limited	Subsidiary	33	-
Reliance Industrial Investments and Holdings Limited	Subsidiary	1,635	7,684
Reliance Prolific Traders Private Limited	Subsidiary	-	(523)
Reliance Retail Limited	Subsidiary	-	303
Reliance Retail Limited (Formerly known as Reliance Fresh Limited)	Subsidiary	817	-
Reliance Strategic Investments Limited	Subsidiary	471	-
Reliance Ventures Limited	Subsidiary	14	-
Gujarat Chemicals Port Terminal Company Limited	Associate	36	27
7 Revenue from Operations			
Gapco Kenya Limited	Subsidiary	9,898	6,559
Gapco Tanzania Limited	Subsidiary	1,972	2,937
LPG Infrastructure (India) Limited	Subsidiary	458	392
Recron (Malaysia) Sdn Bhd	Subsidiary	2,685	367
Reliance Commercial Land & Infrastructure Limited	Subsidiary	1	-
Reliance Commercial Dealers Limited	Associate	12	-
Reliance Corporate IT Park Limited	Subsidiary	12	2
Reliancedigital Retail Limited	Subsidiary	-	4
Reliance Eminent Trading & Commercial Private Limited	Subsidiary	-	2
Reliance Gems and Jewels Limited	Subsidiary	-	475
Reliance Gas Transportation Infrastructure Limited	Associate	69	86
Reliance Industrial Investments and Holdings Limited	Subsidiary	948	679
Reliance Jio Infocomm Limited	Subsidiary	546	408
Reliance Petro Marketing Limited	Subsidiary	156	77
Reliance Ports and Terminals Limited	Associate	2	6
Reliance Progressive Traders Private Limited	Subsidiary	-	5
Reliance Prolific Traders Private Limited	Subsidiary	-	1

Notes on Financial Statements for the Year ended 31st March, 2014

		(₹ in crore)	
Particulars	Relationship	2013-14	2012-13
Reliance Retail Limited (Formerly known as Reliance Fresh Limited)	Subsidiary	567	9
Reliance Trading Limited (Formerly known as Reliance Trends Limited)	Subsidiary	-	6
Reliance Utilities and Power Private Limited	Associate	320	243
RIL USA Inc.	Subsidiary	11,149	14,242
Gujarat Chemical Port Terminal Company Limited	Associate	-	1
8 Other Income			
Gapco Kenya Limited	Subsidiary	2	2
Gapco Tanzania Limited	Subsidiary	6	2
Gapco Uganda Limited	Subsidiary	1	1
Recron (Malaysia) Sdn Bhd	Subsidiary	5	6
Reliance Corporate IT Park Limited	Subsidiary	26	1
Reliance Europe Limited	Associate	4	5
Reliance Exploration & Production DMCC	Subsidiary	5	2
Reliance Holding USA Inc.	Subsidiary	204	122
Reliance Industrial Investments and Holdings Limited	Subsidiary	557	371
Reliance Jio Infocomm Limited	Subsidiary	48	41
Reliance Marcellus LLC	Subsidiary	-	3
Reliance Ports and Terminals Limited	Associate	1	1
Reliance Retail Limited (Formerly known as Reliance Fresh Limited)	Subsidiary	66	-
Reliance Retail Limited	Subsidiary	-	72
Reliance Strategic Investments Limited	Subsidiary	35	86
Reliance Utilities and Power Private Limited	Associate	3	3
RIL USA Inc.	Subsidiary	12	25
Reliance Ventures Limited	Subsidiary	98	108
9 Purchases / Material Consumed			
Recron (Malaysia) Sdn Bhd	Subsidiary	-	1
Reliance Footprint Limited	Subsidiary	-	2
Reliance Industries (Middle East) DMCC	Subsidiary	2,550	2,314
Reliance Industrial Infrastructure Limited	Associate	13	12
Reliance Petro Marketing Limited	Subsidiary	25	2
Reliance Ports and Terminals Limited	Associate	167	154
Gujarat Chemical Port Terminal Company Limited	Associate	4	1
10 Electric Power, Fuel and Water			
Reliance Utilities and Power Private Limited	Associate	1,466	1,325
11 Hire Charges			
Gujarat Chemical Port Terminal Company Limited	Associate	86	57
Reliance Industrial Infrastructure Limited	Associate	26	30
Reliance Gas Transportation Infrastructure Limited	Associate	185	196
Reliance Ports and Terminals Limited	Associate	226	125

Notes on Financial Statements for the Year ended 31st March, 2014

		(₹ in crore)	
Particulars	Relationship	2013-14	2012-13
12 Employee Benefit Expense			
Reliance F&B Services Limited	Subsidiary	1	-
Reliance People Serve Limited	Subsidiary	4	3
Reliance Retail Limited (Formerly known as Reliance Fresh Limited)	Subsidiary	11	3
13 Payment To Key Managerial Personnel			
Shri. Mukesh D Ambani	Key Managerial Personnel	15	15
Shri. Nikhil R. Meswani	Key Managerial Personnel	12	11
Shri. Hital R. Meswani	Key Managerial Personnel	12	11
Shri PMS Prasad	Key Managerial Personnel	6	5
Shri P.K.Kapil	Key Managerial Personnel	2	2
14 Sales & Distribution Expenses			
Recron (Malaysia) Sdn Bhd	Subsidiary	171	-
Reliance Commercial Land & Infrastructure Limited	Subsidiary	-	5
Reliance Polyolefins Limited	Subsidiary	-	16
Reliance Ports and Terminals Limited	Associate	2,869	2,835
Gujarat Chemical Port Terminal Company Limited	Associate	16	10
15 Rent			
Reliance Industrial Infrastructure Limited	Associate	8	-
16 Professional Fees			
Indiawin Sports Private Limited	Subsidiary	25	23
Reliance Corporate IT Park Limited	Subsidiary	567	736
Reliance Europe Limited	Associate	32	37
Reliance Industrial Infrastructure Limited	Associate	19	19
Reliance Security Solutions Limited	Subsidiary	-	1
17 General Expenses			
Indiawin Sports Private Limited	Subsidiary	12	12
Reliance Commercial Dealers Limited	Associate	274	258
Reliancedigital Retail Limited	Subsidiary	-	1
Reliance Gems and Jewels Limited	Subsidiary	-	7
Reliance Retail Limited (Formerly known as Reliance Fresh Limited)	Subsidiary	17	14
Reliance Trading Limited (Formerly known as Reliance Trends Limited)	Subsidiary	-	6
18 Donations			
Dhirubhai Ambani Foundation	Others	-	1
Hirachand Govardhandas Ambani Public Charitable Trust	Others	1	1
Jamnaben Hirachand Ambani Foundation	Others	8	8
HNH Trust and HNH Research Society	Others	-	2
Reliance Foundation	Others	520	206

Notes on Financial Statements for the Year ended 31st March, 2014

		(₹ in crore)	
Particulars	Relationship	2013-14	2012-13
19 Finance Cost			
Reliance Corporate IT Park Limited	Subsidiary	14	16
20 Investment Written Off			
RIL (Australia) Pty Ltd	Subsidiary	25	-
Balances as at 31st March, 2014			
21 Loans & Advances			
Gapco Kenya Limited	Subsidiary	2	2
Gapco Tanzania Limited	Subsidiary	2	2
Gapco Uganda Limited	Subsidiary	1	1
Recron (Malaysia) Sdn Bhd	Subsidiary	1	6
Reliance Brands Limited	Subsidiary	-	11
Reliance Corporate IT Park Limited	Subsidiary	969	3
Reliance Energy Generation and Distribution Limited	Subsidiary	3,263	3,265
Reliance Europe Limited	Associate	8	8
Reliance Exploration & Production DMCC	Subsidiary	80	72
Reliance Gas Pipelines Limited	Subsidiary	33	-
Reliance Industrial Investments and Holdings Limited	Subsidiary	19,443	17,642
Reliance Holding USA Inc.	Subsidiary	35	-
Reliance Retail Limited	Subsidiary	-	928
Reliance Retail Limited (Formerly known as Reliance Fresh Limited)	Subsidiary	1,745	-
Reliance Strategic Investments Limited	Subsidiary	503	-
Reliance Ventures Limited	Subsidiary	14	42
Gujarat Chemical Port Terminal Company Limited	Associate	6	6
22 Deposits			
Gujarat Chemical Port Terminal Company Limited	Associate	99	63
Reliance Ports and Terminals Limited	Associate	1,050	1,050
Reliance Utilities and Power Private Limited	Associate	350	350

32.1 (a) Disclosure of the Company's Interest in Oil and Gas Joint Ventures (Jointly Controlled Assets):

Sr. No.	Name of the Fields in the Joint Ventures	Company's % Interest	Partners and their Participating Interest (PI)
1	Panna Mukta	30% (30%)	BG Exploration & Production India Limited - 30% ; Oil and Natural Gas Corporation Limited - 40%
2	Tapti	30% (30%)	BG Exploration & Production India Limited - 30% ; Oil and Natural Gas Corporation Limited - 40%
3	NEC - OSN - 97/2	60% (60%)	Niko (NELPIO) Limited - 10% ; BP Exploration (Alpha) Limited - 30%
4	KG - DWN - 98/3	60% (60%)	Niko (NECO) Limited - 10% ; BP Exploration (Alpha) Limited - 30%
5	GS - OSN - 2000/1	90% (90%)	Hardy Exploration and Production (India) Inc - 10%
6	KG-DWN-2003/1	60% (60%)	Hardy Exploration and Production (India) Inc - 10% ; BP Exploration (Alpha) Limited - 30%

Notes on Financial Statements for the Year ended 31st March, 2014

Sr. No.	Name of the Fields in the Joint Ventures	Company's % Interest	Partners and their Participating Interest (PI)
7	CY-PR-DWN-2001/3	70% (70%)	BP Exploration (Alpha) Limited - 30%
8	CY-DWN-2001/2	70% (70%)	BP Exploration (Alpha) Limited - 30%
9	CB-ONN-2003/1	70% (70%)	BP Exploration (Alpha) Limited - 30%

Figures in bracket represent Previous Year's (%) Interest.

(b) **Disclosure of the blocks surrendered during the year:**

Sr. No.	Name of the Fields	% Interest	Sr. No.	Name of the Fields	% Interest
1	KG-DWN-2004/4	70%	3	MN-DWN-2004/2	70%
2	MN-DWN-2004/1	70%	4	KG-DWN-2005/2	50%

32.2 (a) **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)	
	2013-14	2012-13	2013-14	2012-13
Oil:				
Beginning of the year	2.46	3.06	1.82	2.42
Revision of estimates	0.47	-	0.73	-
Production	(0.46)	(0.60)	(0.46)	(0.60)
Closing balance for the year	2.47	2.46	2.09	1.82

	Proved Reserves (Million M ³)		Proved Developed Reserves (Million M ³)	
	2013-14	2012-13	2013-14	2012-13
Gas:				
Beginning of the year	97,285	1,03,958	18,470	25,159
Revision of estimates	(7,195)	59	834	43
Production	(3,860)	(6,732)	(3,860)	(6,732)
Closing balance for the year	86,230	97,285	15,444	18,470

* 1 cubic meter (M3) = 35.315 cubic feet, 1 cubic feet = 1000 BTU and 1 MT = 7.5 bbl

- (b) In case of producing field and fields where development of drilling activities is in progress, the geological and reservoir simulation are updated as and when new well information is available. In all cases, Reserve evaluation is carried out at least once in a year.
- (c) The Government of India, by its letters dated 2nd May 2012 and 14th November 2013 has communicated that it proposes to disallow certain costs which the Production Sharing Contract (PSC), relating to Block KG-DWN-98/3 entitles the Company to recover. Based on legal advice received, the Company continues to maintain that a Contractor is entitled to recover all of its costs under the terms of the PSC and there are no provisions that entitle the Government to disallow the recovery of any Contract Cost as defined in the PSC. The Company has already referred the issue to arbitration and already communicated the same to Gol for the resolution of dispute.

33. The figures for the previous year include figures of Reliance Jamnagar Infrastructure Limited, the wholly owned subsidiary company engaged in infrastructure development and maintenance developer of the operating Special Economic Zone, which was amalgamated with the Company with effect from 1st April, 2011 as per the Scheme of Amalgamation (the Scheme) sanctioned by the Hon'ble High Court of Gujarat at Ahmedabad.

The Scheme became effective on 22nd October, 2012, the appointed date of the Scheme being 1st April, 2011.

In accordance with the scheme and as per approval of the High Court:

Notes on Financial Statements for the Year ended 31st March, 2014

- a) The assets, liabilities, reserves, rights and obligations of erstwhile Reliance Jamnagar Infrastructure Limited have been transferred to and vested with the Company with effect from 1st April, 2011 and have been recorded at their respective book values, under the pooling of interest method of accounting for amalgamation as prescribed in Accounting Standard 14 on Accounting for Amalgamations.
- b) Being a wholly owned subsidiary company, 10,00,00,000 equity shares & 18,50,000, 10% non-cumulative optionally convertible preference shares of erstwhile Reliance Jamnagar Infrastructure Limited held by the Company have been cancelled against Share Capital of the amalgamating company and no shares have been issued in pursuance to the scheme of amalgamation.
- c) Amount added on amalgamation to profit and loss account of previous year is inclusive of profit for the period 1st April 2011 till 31st March 2012 and is net of stamp duty paid on amalgamation.

34. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
(I) Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts		
(a) In respect of Joint Ventures	414	-
(b) In respect of others	1,433	1,663
(B) Guarantees		
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties		
(a) In respect of Joint Ventures	-	-
(b) In respect of others	32,308	31,080
(ii) Performance Guarantees		
(a) In respect of Joint Ventures	-	-
(b) In respect of others	290	258
(iii) Outstanding guarantees furnished to Banks and Financial Institutions including in respect of Letters of Credits		
(a) In respect of Joint Ventures	700	160
(b) In respect of others	4,843	5,099
(C) Other Money for which the company is contingently liable		
(i) Liability in respect of bills discounted with Banks (Including third party bills discounting)		
(a) In respect of Joint Ventures	-	-
(b) In respect of others	4,970	3,961
(II) Commitments		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
(a) In respect of Joint Ventures	1,168	441
(b) In respect of others	25,349	7,948
(B) Other commitments		
(a) Sales tax deferral liability assigned	1,563	2,345
(b) Guarantee against future cash calls *	2,917	1,645

* The Company has issued guarantees against future cash calls to be made by JV Partners of its wholly owned subsidiary Reliance Marcellus LLC.

- (III) The Income-Tax assessments of the Company have been completed up to Assessment Year 2010-11. The disputed demand outstanding up to the said Assessment Year is ₹ 1,207 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 is considered necessary.

Notes on Financial Statements for the Year ended 31st March, 2014

35. FINANCIAL AND DERIVATIVE INSTRUMENTS

a) Derivative contracts entered into by the Company and outstanding as on 31st March, 2014

(i) For Hedging Currency and Interest Rate Related Risks:

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March amount to ₹ 1,03,772 crore (Previous Year ₹ 1,27,469 crore). Category wise break up is given below:

Sr. No.	Particulars	(₹ in crore)	
		As at 31st March, 2014 Amount (₹ in Crore)	As at 31st March, 2013 Amount (₹ in Crore)
1	Forward Contract	66,733	89,412
2	Currency Swap	1,772	3,319
3	Interest rate swap	32,851	32,431
4	Option	2,416	2,307

(ii) For Hedging Commodity related risks :

Category wise break up is given below :

Sr. No.	Particulars	(in Kbbbl)			
		As at 31st March, 2014		As at 31st March, 2013	
		Petroleum product sales	Crude Oil purchases	Petroleum product sales	Crude oil purchases
1	Forward swaps	16,544	21,321	7,334	16,575
2	Futures	6,308	7,066	3,794	5,488
3	Spreads	35,456	86,016	44,900	50,366
4	Option	-	36,550	-	23,895

In addition the Company has net margin hedges outstanding for contracts relating to petroleum product sales of 1,05,627 kbbbl (Previous Year 85,168 kbbbl).

b) Foreign Currency exposures that are not hedged by derivative instruments as on 31st March 2014 amounting to ₹ 64,918 crore (Previous Year ₹ 71,627 crore). The unhedged exposures are naturally hedged by future foreign currency earnings and earnings linked to foreign currency.

36. As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.

37. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively read with General Circular No. 08/2014 dated 4th April 2014 has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

As per our Report of even date

For **Chaturvedi & Shah** Chartered Accountants
For **Deloitte Haskins & Sells LLP** Chartered Accountants

D. Chaturvedi
Partner

A. B. Jani
Partner

Mumbai
Date : April 18, 2014

Alok Agarwal
Chief Financial Officer

For **Rajendra & Co.** Chartered Accountants

A.R. Shah
Partner

K. Sethuraman
Company Secretary

For and on behalf of the Board

M.D. Ambani
N.R. Meswani
H.R. Meswani
P.M.S. Prasad
P. K. Kapil
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar
Adil Zainulbhai

- Chairman & Managing Director
} Executive Directors
} Directors

Consolidated Financial Statements & Notes

Independent Auditors' Report

TO THE BOARD OF DIRECTORS OF RELIANCE INDUSTRIES LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited the accompanying consolidated financial statements of RELIANCE INDUSTRIES LIMITED (the Company), its subsidiaries and jointly controlled entities (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence

we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

5. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
 - (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

OTHER MATTERS

6. Financial statements / consolidated financial statements of certain subsidiaries which reflect total assets (net) of ₹ 81,533 crore as at March 31, 2014, total revenue (net) of ₹ 52,452 crore and net cash flows amounting to ₹ 67 crore for the year then ended, have been audited by one or jointly by two of us or one of us with other and financial statements of an associate in which the share of profit of the Group is ₹ 11 crore have been audited by one of us.
7. We did not audit the financial statements / consolidated financial statements of certain subsidiaries whose financial statements / consolidated financial statements reflect total assets (net) of ₹ 48,602 crore as at March 31, 2014/ December 31, 2013, total revenues (net) of ₹ 19,065 crore and net cash flows amounting to ₹ 384 Crore for the year ended on that date and financial statements of an associate in which the share of profit of the Group is ₹ 1 crore. These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.
8. We have relied on the unaudited financial statements of certain associates wherein the Group's share of profit aggregate ₹ 15 crore. These unaudited financial statements as approved by the respective Boards of Directors of these companies have been furnished to us by the Management and our report insofar as it relates to the amounts included in respect of associates is based solely on such approved unaudited financial statements.

Our opinion is not qualified in respect of other matters.

For **Chaturvedi & Shah**
Chartered Accountants
(Registration No. 101720W)

D. Chaturvedi
Partner
Membership No.: 5611

Mumbai
Date : April 18, 2014

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No. 117366W/W-100018)

A. B. Jani
Partner
Membership No.: 46488

For **Rajendra & Co.**
Chartered Accountants
(Registration No. 108355W)

A. R. Shah
Partner
Membership No.: 47166

Reliance Industries Limited Consolidated Balance Sheet as at 31st March, 2014

(₹ in crore)

	Note	As at 31st March, 2014	As at 31st March, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	2,940	2,936
Reserves and Surplus	2	1,95,730	1,79,094
		1,98,670	1,82,030
Share Application Money Pending Allotment	1	17	25
Minority Interest		959	949
Non-Current Liabilities			
Long Term Borrowings	3	1,01,019	70,960
Deferred Tax Liability (net)	4	11,925	11,588
Other Long Term Liabilities	5	807	-
Long Term Provisions	6	290	531
		1,14,041	83,079
Current Liabilities			
Short Term Borrowings	7	32,792	18,362
Trade Payables	8	60,860	49,700
Other Current Liabilities	9	17,058	23,655
Short Term Provisions	10	4,446	4,557
		1,15,156	96,274
TOTAL		4,28,843	3,62,357
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	11	97,256	98,715
Intangible Assets	11	44,161	34,772
Capital Work-in-Progress	11	48,646	17,191
Intangible Assets under Development	11	42,848	32,761
Non-Current Investments	12	26,867	13,979
Long Term Loans and Advances	13	17,996	9,025
Other Non-Current Assets	14	-	-
		2,77,774	2,06,443
Current Assets			
Current Investments	15	34,458	28,869
Inventories	16	55,997	54,601
Trade Receivables	17	9,411	9,750
Cash and Bank Balances	18	37,984	50,456
Short Term Loans and Advances	19	9,965	10,455
Other Current Assets	20	3,254	1,783
		1,51,069	1,55,914
TOTAL		4,28,843	3,62,357
Significant Accounting Policies			
Notes on Financial Statements	1 to 36		

As per our Report of even date

For **Chaturvedi & Shah** Chartered Accountants
For **Deloitte Haskins & Sells LLP** Chartered Accountants
For **Rajendra & Co.** Chartered Accountants

D. Chaturvedi
Partner

A. B. Jani
Partner

A.R. Shah
Partner

Mumbai
Date : April 18, 2014

Alok Agarwal
Chief Financial Officer

K. Sethuraman
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director
N.R. Meswani
H.R. Meswani
P.M.S. Prasad } Executive Directors
P. K. Kapil
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi } Directors
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar
Adil Zainulbhai

Reliance Industries Limited

Consolidated Statement of Profit and Loss for the year ended 31st March, 2014

(₹ in crore)

	Note	2013-14	2012-13
INCOME			
Revenue from Operations			
Sale of Products		4,42,581	4,06,427
Income from Services		3,758	1,965
		4,46,339	4,08,392
Less: Excise Duty / Service Tax Recovered		11,879	11,330
Net Revenue from Operations		4,34,460	3,97,062
Other Income	21	9,001	7,867
Total Revenue		4,43,461	4,04,929
EXPENDITURE :			
Cost of Materials Consumed		3,46,491	3,26,779
Purchases of Stock-in-Trade		17,091	10,425
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	22	(560)	(4,954)
Employee Benefits Expense	23	5,572	5,179
Finance Costs	24	3,836	3,463
Depreciation and Amortisation Expense	25	11,201	11,232
Other Expenses	26	31,067	26,588
Total Expenses		4,14,698	3,78,712
Profit before Tax		28,763	26,217
Tax Expenses			
Current Tax		5,929	5,327
Deferred Tax		286	4
Profit for the year (before adjustment for Minority Interest)		22,548	20,886
Add: Share of (Profit) transferred to Minority Interest		(55)	(7)
Profit for the year (after adjustment for Minority Interest)		22,493	20,879
Earnings per equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	27	76.55	70.65
Significant Accounting Policies			
Notes on Financial Statements	1 to 36		

As per our Report of even date

For **Chaturvedi & Shah** Chartered AccountantsFor **Deloitte Haskins & Sells LLP** Chartered AccountantsFor **Rajendra & Co.** Chartered Accountants**D. Chaturvedi**
Partner**A. B. Jani**
Partner**A.R. Shah**
PartnerMumbai
Date : April 18, 2014**Alok Agarwal**
Chief Financial Officer**K. Sethuraman**
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director**N.R. Meswani**
H.R. Meswani } Executive Directors**P.M.S. Prasad**
P. K. Kapil
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar
Adil Zainulbhai } Directors

Reliance Industries Limited Consolidated Cash Flow Statement for the year 2013-14

(₹ in crore)

	2013-14	2012-13
A: CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss	28,763	26,217
Adjusted for:		
Miscellaneous Expenditure written off	32	16
Share in Income of Associates	(90)	(67)
Net Prior Year Adjustments	-	3
Investment written off (net)	3	-
Loss on Sale / Discard of Assets (net)	2	95
Depreciation and Amortisation Expense	11,201	11,232
Effect of Exchange Rate Change	3,272	1,129
Net gain on Sale of Investments	(2,493)	(1,768)
Dividend Income	(175)	(131)
Interest Income	(5,907)	(5,816)
Finance Costs	3,836	3,463
	9,681	8,156
Operating Profit before Working Capital Changes	38,444	34,373
Adjusted for:		
Trade and Other Receivables	(1,913)	7,289
Inventories	(1,396)	(7,525)
Trade and Other Payables	14,339	7,608
	11,030	7,372
Cash Generated from Operations	49,474	41,745
Net Prior Year Adjustments	-	(3)
Taxes Paid (net)	(6,213)	(4,824)
Net Cash from Operating Activities	43,261	36,918
B: CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(60,087)	(30,726)
Sale of Fixed Assets	148	2,138
Purchase of Investments	(7,65,659)	(4,84,826)
Sale / Redemption of Investments	7,49,849	4,82,102
Movement in Loans and Advances	(426)	(2,610)
Investments in fixed deposits	(3,624)	-
Interest Income	6,413	6,144
Dividend Income	316	128
Net Cash (used in) Investing Activities	(73,070)	(27,650)

Consolidated Cash Flow Statement for the year 2013-14 (Continued)

(₹ in crore)

	2013-14	2012-13
C: CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital	183	12
Proceeds from Issue of Share Capital to Minority	5	390
Redemption of Preference Share Capital of Minority	(67)	(10)
Share Application Money	17	25
Buyback of Equity Shares	-	(3,087)
Proceeds from Long Term Borrowings	28,215	19,182
Repayment of Long Term Borrowings	(19,835)	(10,532)
Short Term Borrowings (net)	13,937	2,004
Dividends Paid (including dividend distribution tax)	(3,123)	(2,949)
Interest Paid	(5,619)	(4,626)
Miscellaneous Expenditure / Issue expenses	-	(1)
Net Cash from Financing Activities	13,713	408
Net Increase / (Decrease) in Cash and Cash Equivalents	(16,096)	9,676
Opening Balance of Cash and Cash Equivalents	50,456	40,731
Add: Upon addition of Subsidiaries (₹ 12,00,000)	-	49
	50,456	40,780
Closing Balance of Cash and Cash Equivalents (Refer Note No. 18)	34,360	50,456

As per our Report of even date

For **Chaturvedi & Shah** For **Deloitte Haskins & Sells LLP**
Chartered Accountants Chartered Accountants**D. Chaturvedi**
Partner**A. B. Jani**
PartnerMumbai
Date : April 18, 2014**Alok Agarwal**
Chief Financial OfficerFor **Rajendra & Co.**
Chartered Accountants**A.R. Shah**
Partner**K. Sethuraman**
Company Secretary

For and on behalf of the Board

M.D. Ambani
N.R. Meswani
H.R. Meswani
P.M.S. Prasad
P. K. Kapil
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Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar
Adil Zainulbhai

- Chairman & Managing Director
} Executive Directors
} Directors

Significant Accounting Policies On Consolidated Accounts

A. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Reliance Industries Limited ('the Company') and its subsidiary companies, associates and joint ventures. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
 - b) Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of Interest in Joint Ventures".
 - c) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.
 - d) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
 - e) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.
 - f) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
 - g) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
 - h) Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
 - i) The Company accounts for its share in change in net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Profit or Loss through its reserves for the balance, based on available information.
 - j) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
 - k) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- B.** Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".
- C.** Other significant accounting policies
- These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

1. SHARE CAPITAL

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Authorised Share Capital:		
500,00,00,000 Equity Shares of ₹ 10 each (500,00,00,000)	5,000	5,000
100,00,00,000 Preference Shares of ₹ 10 each (100,00,00,000)	1,000	1,000
	6,000	6,000
Issued, Subscribed and Paid up:		
293,95,47,231 Equity Shares of ₹ 10 each fully paid up (293,63,08,755)	2,940	2,936
Less: Calls in arrears - by others [₹ 3,113 (Previous Year ₹ 3,653)]	-	-
	2940	2,936
TOTAL	2,940	2,936

- 1.1 1,45,94,41,214 Shares were allotted as Bonus Shares in the last five years by capitalisation of Securities Premium (1,45,94,41,214) and Reserves.
- 1.2 6,92,52,419 Shares were allotted in the last five years pursuant to the Scheme of amalgamation with Reliance (6,92,52,419) Petroleum Limited without payments being received in cash.
- 1.3 45,04,27,345 Shares were allotted on conversion / surrender of Debentures and Bonds, conversion of Term (45,04,27,345) Loans, exercise of warrants, against Global Depository Shares (GDS) and re-issue of forfeited equity shares, since inception.
- 1.4 4,62,46,280 Shares were bought back and extinguished in the last five years. (4,62,46,280)
- 1.5 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2014	As at 31st March, 2013
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	293,63,08,755	297,87,04,713
Add : Shares issued on exercise of Employee Stock Options	32,38,476	1,86,891
Less : Shares cancelled on buy back of Equity Shares	-	4,25,82,849
Equity Shares at the end of the year	293,95,47,231	293,63,08,755

- 1.6 The Company has reserved issuance of 13,05,05,114 (Previous year 13,37,43,590) Equity Shares of ₹ 10 each for offering to eligible employees of the Company and its subsidiaries under Employees Stock Option Scheme (ESOS). During the year, the Company has granted 60,866 (Previous Year NIL) options to the eligible employees at a price of ₹ 860 per option plus all applicable taxes, as may be levied in this regard on the Company. The options would vest over a maximum period of 7 years or such other period as may be decided by the Human Resources, Nomination and Remuneration Committee from the date of grant based on specified criteria.
- 1.7 Issued, Subscribed and paid up capital excludes 29,23,54,627 (Previous Year 29,23,54,627) equity shares directly held by subsidiaries/trust, before their becoming subsidiaries of the Company, which have been eliminated.
- 1.8 Share application money pending allotment represents application money received on account of employees stock option scheme.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

2. RESERVES AND SURPLUS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Capital Reserve		
As per last Balance Sheet	572	603
Add: On Consolidation of Subsidiaries (Net)	(280)	49
	292	652
Less: Transferred to Profit and Loss Account (Refer Note No. 11.7)	85	80
	207	572
Exchange Fluctuation Reserve		
As per last Balance Sheet	1,097	1,069
Add : During the year	706	28
	1,803	1,097
Capital Redemption Reserve		
As per last Balance Sheet	56	13
Add : Transferred from Profit and Loss Account on buy back / redemption of Shares	38	43
	94	56
Securities Premium Reserve		
As per last Balance Sheet	42,226	45,258
Add : On issue of shares	205	12
	42,431	45,270
Less : On buy back of Equity Shares	-	3,044
	42,431	42,226
Less : Calls in arrears - by others [₹ 1,93,288 (Previous Year ₹ 2,21,548)]	-	-
	42,431	42,226
Debentures Redemption Reserve		
As per last Balance Sheet	1,117	1,117
Statutory Reserve		
As per last Balance Sheet	86	78
Add : Transferred from Minority Interest	-	2
Add : Transferred from Profit and Loss Account	14	6
	100	86
Revaluation Reserve		
As per last Balance Sheet	1,661	3,740
Add: On Revaluation	346	-
	2,007	3,740
Less: Transferred to Profit and Loss Account (Refer Note No. 11.7)	1,083	2,081
Add: Transferred from / (to) Minority Interest	(76)	2
	848	1,661
General Reserve*		
As per last Balance Sheet	1,18,004	1,00,004
Add: Transferred from Profit and Loss Account	18,000	18,000
Less: Transferred to Profit and Loss Account (Refer Note No. 11.7)	790	-
	1,35,214	1,18,004

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
Share in Reserves of Associates		
Revaluation Reserve		
As per last Balance Sheet	10	10
Profit and Loss Account		
As per last Balance Sheet	14,265	14,574
Less: Adjustment arising out of Scheme of Arrangement and Amalgamation#	1,532	-
(Short) Provision of Tax for earlier years (net) (₹ 8,26,209)	-	(54)
(Short) Provision of Tax for earlier years (net) - Minority Interest [(₹ 781), Previous Year (₹ 43,379)]	-	-
Less: Expenses on Amalgamation	-	10
Add: Profit for the year	22,493	20,879
	35,226	35,389
Less: Appropriations		
Transferred to Statutory Reserve	14	6
Transferred to General Reserve	18,000	18,000
Transferred to Capital Redemption Reserve on buy back / redemption of Shares	38	43
Proposed Dividend on Equity Shares** [Dividend per Share ₹ 9.5/- ; (Previous Year ₹ 9.0/-)]	2,793	2,628
Tax on Dividend**	475	447
Proposed Dividend on preference shares (Minority Interest ₹ 9,749/- ; Previous Year ₹ 19,880/-)	-	-
Tax on Dividend on Preference Shares (Minority Interest ₹ 1,657/- ; Previous Year ₹ 3,379/-)	-	-
	13,906	14,265
TOTAL	1,95,730	1,79,094

* Cumulative amount withdrawn on account of Depreciation on Revaluation is ₹ 3,353 crore (Previous Year ₹ 2,563 crore).

** Proposed Dividend on Equity Shares and Tax on Dividend are net of reversal of excess provision of previous year pertaining to Equity Shares bought back before the record date of Dividend, aggregating to ₹ NIL (Previous Year ₹ 17 crore).

Net effect of the various Scheme of Arrangement and Amalgamation ('the Scheme') filed by the subsidiary Companies under the sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Judicature at Bombay.

2.1 In view of the loss for the year, the subsidiary Company Reliance Jio Infocomm Limited has not created the Debenture Redemption Reserve for a cumulative amount of ₹ 352 crore (Previous Year ₹ 252 crore) in terms of section 117C of the Companies Act, 1956. The Company shall create the Debenture Redemption Reserve out of profits, if any, in the future years.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

3. LONG TERM BORROWINGS

(₹ in crore)

	As at 31st March, 2014		As at 31st March, 2013	
	Non Current	Current	Non Current	Current
Secured				
Non Convertible Debentures	1,434	434	1,842	4,182
Term Loans from Banks	3,138	-	7	4
Long Term Maturities of Finance Lease Obligations	21	13	32	11
	4,593	447	1,881	4,197
Unsecured				
Bonds / Debentures	32,407	-	28,347	-
Term Loans- from Banks	63,775	4,500	40,726	13,697
Term Loans- from Others	241	-		
Deferred Payment Liabilities	3	3	6	3
	96,426	4,503	69,079	13,700
TOTAL	1,01,019	4,950	70,960	17,897

3.1 Non Convertible Debentures referred above to the extent of:

- ₹ 370 crore are secured by way of first mortgage / charge on the immovable properties situated at Hazira Complex and at Jamnagar Complex (other than SEZ units) of the Company.
- ₹ 917 crore are secured by way of first mortgage / charge on all the properties situated at Hazira Complex and at Patalganga Complex of the Company.
- ₹ 30 crore are secured by way of first mortgage / charge on certain properties situated at Surat in the State of Gujarat and on fixed assets situated at Allahabad Complex of the Company.
- ₹ 51 crore are secured by way of first mortgage / charge on movable and immovable properties situated at Thane in the State of Maharashtra and on movable properties situated at Baulpur Complex of the Company.
- ₹ 500 crore are secured by way of first mortgage / charge on the immovable properties situated at Jamnagar Complex (SEZ unit) of the Company.

3.2 Secured Term Loans from banks referred above to the extent of:

- ₹ 3127 crore are secured by way of mortgage on Oil and Gas properties outside India and related assets.
- ₹ 11 crore are secured by way of hypothecation of vehicles and are repayable over a period of 2 to 5 years.

3.3 Finance Lease Obligations are secured against leased assets.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

4. DEFERRED TAX LIABILITY (Net)

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Deferred Tax Liability		
Related to fixed assets	16,282	14,682
Deferred Tax Assets		
Related to fixed assets	27	38
Disallowances under the Income Tax Act	176	109
Carried forward loss of subsidiaries	4,154	2,947
	4,357	3,094
TOTAL	11,925	11,588

5. OTHER LONG TERM LIABILITIES

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Others #	807	-
TOTAL	807	-

Includes Premium payable on forward contracts, Liability on revaluation of forward contracts and exchange loss.

6. LONG TERM PROVISIONS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Provisions for Annuities	226	231
Others #	64	300
TOTAL	290	531

Includes provision for Decommissioning and Liability for derivative transactions.

7. SHORT TERM BORROWINGS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Secured		
Working Capital Loans		
From Banks		
Foreign Currency Loans	828	601
Rupee Loans	7,566	27
	8,394	628
From Others		
Rupee Loans	1,199	-
Unsecured		
A. Other Loans and Advances		
From Banks		
Foreign Currency Loans *	23,128	17,569
Rupee Loans	9	110
	23,137	17,679
B. Loans from related parties (Refer Note No. 28)	62	55
TOTAL	32,792	18,362

* Includes Buyers Credit/Packing Credit

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

7.1 Working Capital Loans from Banks referred above to the extent of:

- ₹ 3,906 crore are secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares (not relating to plant and machinery), book debts, outstanding monies, receivables, claims, bills, materials in transit, etc. save and except receivables of Oil and Gas Division.
- ₹ 3,281 crore are secured by way of lien on fixed deposits and ₹ 978 crore are secured by lien on Government Securities.
- ₹ 229 crore is secured by hypothecation of Plant and Machinery.

7.2 Working Capital Loan from Others of ₹ 1,199 crore are secured by lien on Government Securities.

8. TRADE PAYABLES

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Micro, Small and Medium Enterprises	109	66
Others	60,751	49,634
TOTAL	60,860	49,700

9. OTHER CURRENT LIABILITIES

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Current maturities of long term debt	4,937	17,886
Current maturities of finance lease obligations	13	11
(Refer Note No. 3)	4,950	17,897
Interest accrued but not due on borrowings	612	690
Unclaimed Dividend #	175	152
Application money received and due for refund #	1	1
Unpaid matured debentures and interest accrued thereon #	1	1
Other Payables *	11,319	4,914
TOTAL	17,058	23,655

* Includes statutory dues, security deposit, Creditors for Capital expenditure, advance from customers and Income received in advance.

These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund except ₹ 12 crore (Previous Year ₹ 10 crore) which is held in abeyance due to legal cases pending.

10. SHORT TERM PROVISIONS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Provisions for Employee Benefits	244	194
Proposed Dividend	2,793	2,643
Tax on Dividend	475	449
Provision for Wealth Tax	61	46
Provision for Income Tax (Net of advance tax)	25	7
Other Provisions *	848	1,218
TOTAL	4,446	4,557

* Includes primarily provision for Customs duty, Excise Duty on Finished Goods, Other duties and taxes.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

11. FIXED ASSETS

(₹ in crore)

Description	Gross Block			Depreciation / Amortisation				Net Block		
	As at 01-04-2013	Additions/ Adjustments	Deductions/ Adjustments	As at 31-03-2014	As at 01-04-2013	For the Year#	Deductions/ Adjustments	As at 31-03-2014	As at 31-03-2014	As at 31-03-2013
TANGIBLE ASSETS :										
OWN ASSETS :										
Leasehold Land	2,809	245	394	2,660	500	108	20	588	2,072	2,309
Freehold Land	6,482	238	2	6,718	-	-	-	-	6,718	6,482
Buildings	11,939	1,324	22	13,241	3,432	365	32	3,765	9,476	8,507
Plant & Machinery	1,42,713	5,874	1,329	1,47,258	71,166	8,030	1,120	78,076	69,182	71,547
Electrical Installations	4,390	263	340	4,313	1,832	189	4	2,017	2,296	2,558
Equipments \$	8,475	1,460	779	9,156	2,197	431	12	2,616	6,540	6,278
Furniture & Fixtures	1,070	139	126	1,083	480	76	11	545	538	590
Vehicles	452	116	40	528	227	65	25	267	261	225
Ships	387	-	-	387	268	13	-	281	106	119
Aircrafts & Helicopters	45	-	-	45	27	3	-	30	15	18
Sub-Total	1,78,762	9,659	3,032	1,85,389	80,129	9,280	1,224	88,185	97,204	98,633
LEASED ASSETS :										
Plant & Machinery	278	1	4	275	196	31	4	223	52	82
Ships	10	-	-	10	10	-	-	10	-	-
SUB-TOTAL	288	1	4	285	206	31	4	233	52	82
TOTAL (A)	1,79,050	9,660	3,036	1,85,674	80,335	9,311	1,228	88,418	97,256	98,715
INTANGIBLE ASSETS* :										
Technical Knowhow fees	3,492	8	21	3,479	1,910	181	-	2,091	1,388	1,582
Software	669	303	-	972	531	96	-	627	345	138
Development Rights	54,003	13,140	-	67,143	23,758	3,706	-	27,464	39,679	30,245
Others	3,757	1	7	3,751	950	58	6	1,002	2,749	2,807
TOTAL (B)	61,921	13,452	28	75,345	27,149	4,041	6	31,184	44,161	34,772
TOTAL (A+B)	2,40,971	23,112	3,064	2,61,019	1,07,484	13,352	1,234	1,19,602	1,41,417	1,33,487
PREVIOUS YEAR	2,33,475	8,953	1,457	2,40,971	94,661	13,399	576	1,07,484	1,33,487	1,38,814
Capital Work-in-Progress									48,646	17,191
Intangible Assets under Development									42,848	32,761

\$ Includes Office Equipments

* Other than internally generated

Depreciation for the year includes depreciation of ₹ 193 crore (Previous Year ₹ 6 crore) capitalised during the year.

11.1 Leasehold Land includes ₹ 203 crore (Previous Year ₹ 203 crore) in respect of which lease-deeds are pending execution.

11.2 Buildings include :

- i) Cost of shares in Co-operative Housing Societies ₹ 1 crore (Previous Year ₹ 1 crore).
- ii) ₹ 5 crore (Previous Year ₹ 5 crore) in respect of which conveyance is pending.
- iii) ₹ 93 crore (Previous Year ₹ 93 crore) in shares of Companies / Societies with right to hold and use certain area of Buildings.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

11.3 Intangible assets - Others include :

- i) Jetties amounting to ₹ 812 crore (Previous Year ₹ 812 crore), the Ownership of which vests with Gujarat Maritime Board. However, under an agreement with Gujarat Maritime Board, the Company has been permitted to use the same at a concessional rate.
- ii) ₹ 2,899 crore (Previous Year ₹ 2,899 crore) in shares of companies and lease premium paid with right to hold and use Land and Buildings.

11.4 Capital Work-in-Progress and Intangible Assets under development include:

- i) ₹ 9,982 crore (Previous Year ₹ 5,849 crore) on account of project development expenditure.
- ii) ₹ 17,346 crore (Previous Year ₹ 5,804 crore) on account of cost of construction materials at site.

11.5 Project Development Expenditure:

(in respect of Projects upto 31st March, 2014, included under Capital Work-in-Progress and Intangible Assets under Development)

	(₹ in crore)	
	2013-14	2012-13
Opening Balance	5,849	3,948
Add: Transferred from Profit and Loss Account (Refer Note No. 26)	736	128
Expenses on Project under Construction	1,712	485
Interest Capitalised	1,758	1,296
	4,206	1,909
Less: Project Development Expenses Capitalised / Transferred during the year	73	8
Closing Balance	9,982	5,849

11.6 Gross Block includes ₹ 346 crore added on revaluation of Buildings, Plant & Machinery and Storage Tanks as at 31.12.2013, ₹ 11 crore added on revaluation of Buildings, Plant & Machinery and Storage Tanks as at 31.12.2010, ₹ 12,901 crore added on revaluation of Buildings, Plant & Machinery and Equipments as at 01.01.2009 ₹ 238 crore added on revaluation of Buildings, Plant & Machinery and Storage Tanks as at 31.12.2009, based on reports issued by international valuers.

11.7 The Gross Block of Fixed Assets includes ₹ 38,872 crore (Previous Year ₹ 38,517 crore) on account of revaluation of Fixed Assets carried out since inception. Consequent to the said revaluation there is an additional charge of depreciation of ₹ 1,958 crore (Previous Year ₹ 2,161 crore) and an equivalent amount has been withdrawn from Revaluation Reserve/ General Reserve / Capital Reserve.

11.8 Additions in Plant and Machinery, Capital Work-in-Progress , Intangible Assets - Development Rights and Intangible Assets under Development include ₹ 10,675 crore (net loss) [Previous Year ₹ 5,948 crore (net loss)] on account of exchange difference during the year.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

12. NON-CURRENT INVESTMENTS

(Long Term Investments)

(Valued at Cost less other than temporary diminution in value, if any)

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
A. Investments in Associates		
In Equity Shares - Quoted, fully paid up		
68,60,064 Reliance Industrial Infrastructure Limited of ₹ 10 each (68,60,064)	147	136
	147	136
In Equity Shares - Unquoted, fully paid up		
11,08,500 Reliance Europe Limited of Sterling Pound 1 each (11,08,500)	31	30
22,500 Reliance LNG Limited of ₹ 10 each (22,500) [₹ 2,14,493 ; (Previous Year ₹ 2,22,012)]	-	-
5,000 Reliance Commercial Trading Private Limited of ₹ 10 each (5,000)	-	-
74,99,990 Reliance Commercial Dealers Limited of ₹10 each (74,99,990)	10	10
62,63,125 Indian Vaccines Corporation Limited of ₹10 each (62,63,125)	1	1
64,29,20,000 Gujarat Chemical Port Terminal Company Limited (64,29,20,000) of ₹ 1 each	85	70
52,00,000 Reliance Utilities and Power Private (52,00,000) Limited Class 'A' shares of ₹ 1 each [₹ 40,40,000 ; (Previous Year ₹ 40,40,000)]	-	-
5,000 Gaurav Overseas Private Limited of ₹ 10 each (5,000)	-	-
- Deccan Cargo & Express Logistics Private Limited (37,24,971) of ₹ 100 each	-	-
EFS Midstream LLC	1,662	1,372
51,54,872 Algenol LLC (51,54,872)	413	451
6,31,42,865 Aurora Algae Inc (3,72,38,095)	227	157
52,49,344 Matrix Genetics LLC (-)	14	-
46,87,500 Extramarks Education Private Limited of ₹ 10 each (46,87,500)	125	125
5,000 Reliance Jio Infratel Private Limited of ₹ 10 each (5,000) [₹ 50,000 ; (Previous Year ₹ 50,000)]	-	-
5,000 Reliance Jio Digital Services Private Limited of ₹ 10 each (5,000) [₹ 50,000 ; (Previous Year ₹ 50,000)]	-	-
- Reliance Jio Electronics Private Limited of ₹ 10 each (5,000) [₹ NIL ; (Previous Year ₹ 50,000)]	-	-
5,000 Reliance Jio Media Private Limited of ₹ 10 each (5,000) [₹ 50,000 ; (Previous Year ₹ 50,000)]	-	-
	2,568	2,216

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
In Preference Shares - Unquoted, Fully paid up		
50,00,00,000 9% Non Cumulative Redeemable Preference Shares of Reliance (50,00,00,000) Gas Transportation Infrastructure Limited of ₹ 10 each	2,000	2,000
	2,000	2,000
In Debentures - Unquoted, Fully Paid Up		
4,22,335 Zero Coupon Secured Optionally Convertible Redeemable (4,22,335) Debentures of Reliance Commercial Trading Private Limited - Series B of ₹ 1000 each	42	42
- Compulsorily Convertible Debentures of Deccan Cargo & (30,47,704) Express Logistics Private Limited of ₹ 100 each	-	3
1,00,000 9% Optionally Fully Convertible Debentures of (1,00,000) Extramarks Education Private Limited of ₹ 10,000 each	100	100
	142	145
In Limited Liability Partnership		
GenNext Ventures Investment Advisers LLP [₹ 12,50,000 ; (Previous Year ₹ 2,00,000)]	-	-
	-	-
Total Investment in Associates (A)	4,857	4,497
B. Investments in others		
In Government Securities-Unquoted		
6 Years National Savings Certificate (Deposited with Sales Tax Department and other Government Authorities) [₹ 16,57,020 ; (Previous Year ₹ 23,49,560)]	-	-
	-	-
In Government Securities-Quoted		
8.33% GOI 2026	-	650
8.12% GOI 2020	3,111	-
7.16% GOI 2023	2,246	-
	5,357	650
Trade Investments		
In Equity Shares-Unquoted, fully paid up		
1,00,00,000 Petronet India Limited of ₹ 10 each (1,00,00,000)	10	10
5,000 Retailers Association's Skill Council of India of ₹ 10 each (5,000) [₹ 1,00,000 ; (Previous Year ₹ 1,00,000)]	-	-
25 The Colaba Central Co-operative Consumer's Wholesale (25) and Retail Stores Limited (Sahakari Bhandar) of ₹ 200 each. [₹ 5,000 ; (Previous Year ₹ 5,000)]	-	-
	10	10
Other Investments		
In Equity Shares-Quoted, fully paid up		
10,59,07,273 EIH Limited of ₹ 2 each (10,59,07,273)	1,433	1,433

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
4,85,32,764 Himachal Futuristic Communications Limited of ₹ 1 each (4,85,32,764)	57	57
- ICICI Bank Limited of ₹ 10 each (17,50,954)	-	174
97,25,000 NMDC Limited of ₹ 1 each (97,25,000)	142	142
89,82,030 NTPC Limited of ₹ 10 each (89,82,030)	134	134
7,69,000 Oil India Limited of ₹ 10 each (7,69,000)	42	42
41,73,123 Oil and Natural Gas Corporation Limited of ₹ 5 each (41,73,123)	136	136
9,33,011 State Bank of India of ₹ 10 each (9,33,011)	199	199
848639 HDFC Bank Limited of ₹ 2 each (-)	70	-
65,43,657 Housing Development Finance Corporation Limited of ₹ (1,44,00,000) 2 each	431	949
19,48,680 Den Networks Limited of ₹ 10 each (19,48,680)	19	19
91,68,704 Algae. Tech Limited of AU\$ 0.1636 each (-)	8	-
	2671	3,285
In Equity Shares-Unquoted, fully paid up		
85,000 National Stock Exchange of India Limited of ₹ 10 each (85,000)	28	28
2,53,800 Shinano Retail Private Limited of ₹10 each (2,53,800) (₹ 25,38,000 ; Previous Year ₹ 25,38,000)	-	-
- Reliance Fresh Private Limited of ₹ 10 each (5,000) (₹ NIL ; Previous Year ₹ 1,00,000)	-	-
34,53,378 Terra Power LLC (33,78,378)	93	83
1,000 Air Controls and Chemical Engineering Company Limited (1,000) of ₹ 1 each (₹ 1,500 ; Previous Year ₹ 1,500)	-	-
1,500 Reliance Research and Development Services Private (1,500) Limited of ₹ 10 each (₹ 15,000; Previous Year ₹ 15,000)	-	-
1,800 Teesta Retail Private Limited of ₹ 10 each (1,800) (₹ 18,125 ; Previous Year ₹ 18,000)	-	-
400 Sonali Land Private Limited of ₹ 10 each (400) [₹ 4,000 ; (Previous Year ₹ 4,000)]	-	-
- Reliance First Private Limited of ₹ 10 each (910) [₹ NIL ; (Previous Year ₹ 9,114)]	-	-
- Reliance Tankages Private Limited of ₹ 10 each (860) [₹ NIL ; (Previous Year ₹ 8,600)]	-	-
400 Eshwar Land Private Limited of ₹ 10 each (-)	80	-
	201	111

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
In Fixed Maturity Plan - Quoted fully paid up		
25,90,00,000 Axis Fixed Maturity Plan - (2,50,00,000) (Series 34/47/49/52/55/59/60) - Growth	259	25
6,00,00,000 Baroda Pioneer Fixed Maturity Plan - (2,50,00,000) (Series C/M/N) - Growth	60	25
63,10,00,000 Birla Sun Life Fixed Term Plan - (Series GA/GB/GF/JR/JX/ (19,00,00,000) KA/KE/KJ/KM/KO/KP/KR/KT) - Growth	631	190
- BNP Paribas Fixed Term Fund - (Series 24A) - Growth (3,00,00,000)	-	30
1,55,00,00,000 DSP BlackRock Fixed Term Plan - (40,00,00,000) (Series 36/37/88/ 89/91/93/150/152) - Growth	155	400
22,80,00,000 DWS Fixed Maturity Plan - (17,00,00,000) (Series 26/28/30/45/49/ 52/53/47) - Growth	228	170
14,00,00,000 DWS Fixed Maturity Plan - Close ended debt fund - (-) (Series 54/57/63) - Growth	140	-
80,00,00,000 HDFC Fixed Maturity Plan - (35,20,00,000) (Series 23/28/29) - Growth	800	352
60,00,00,000 HSBC Fixed Term Plan - (1,50,00,000) (Series 90/105) - Growth	60	15
83,50,00,000 ICICI Fixed Maturity Plan - (86,50,00,000) (Series 65/66/67/71/72/73) - Growth	835	865
28,80,00,000 IDFC Fixed Maturity Plan - (Series 11/14/21/51/60/ (7,00,00,000) 64/66/70/72/75/79/84/86) - Growth	288	70
10,50,00,000 JP Morgan India Fixed Maturity Plan - (34,50,00,000) (Series 12/13/16/18/30/33) - Growth	105	345
40,00,00,000 Kotak Fixed Maturity Plan - (Series 97/98/99/101/ (29,50,00,000) 102/103/132/133/141/142/145/146/147/149) - Growth	400	295
19,50,00,000 L&T Fixed Maturity Plan - (12,50,00,000) (Series X/VII/IX) - (Plan B/H/J/M/Q/S/T) - Growth	195	125
12,00,00,000 LIC Nomura Mutual Fund Fixed Maturity Plan - (Series (6,50,00,000) 56/58/64/72/76/77/79) - Growth	120	65
2,50,00,000 Principal PNB Fixed Maturity Plan - (-) (Series B10) - Growth	25	-
30,00,00,000 Reliance Fixed Horizon Fund - (Series 2/5/9/27/33) - (Plan (45,00,00,000) - XXII/XXIII/XXV/XXVI) - Growth	300	450
3,50,00,000 Religare Fixed Maturity Plan - (12,00,00,000) (Series XVII/XVIII) - (Plan A/B/D/F/H) - Growth	35	120
57,50,00,000 SBI Debt Fund - (38,00,00,000) (Series A - 1/2/3/5/10/11/14/15/25) - Growth	575	380
70,00,00,000 SBI Debt Fund - Double Indexation Benefit - (-) (Series A-14) - Growth	70	-
8,80,00,000 Sundaram Fixed Term Plan - (10,00,00,000) (Series DC/DF/DH/EU/EX/FD/FI) Growth	88	100
17,00,00,000 Tata Fixed Maturity Plan - (Series 42/46) - (25,00,00,000) (Scheme B/C/G/H/K/M/N/Q/T) - Growth	170	250
13,50,00,000 UTI Fixed Term Income Fund - (Series XIII-III/ (14,00,00,000) XIV-VIII/XVII-VII/XVII-XIV/XVIII-I/XVII-IV) - Growth	135	140

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
	5,674	4,412
In Debentures or Bonds - Unquoted		
3,000 Tata Sons Limited (-)	300	-
1,74,73,143 D. E. Shaw India Securities Private Limited - 7.90% (44,05,550) Optionally Convertible Debentures of ₹ 100 each	175	72
- Indiabulls Housing Finance Limited - 10.60% (2,000) Secured Redeemable Non Convertible Debentures of ₹ 10,00,000 each	-	200
	475	272
In Debentures or Bonds - Quoted		
6,350 LIC Housing Finance Limited (-)	635	-
650 Tata Steel Limited (-)	58	-
20 Power Grid Corporation of India Limited (-)	3	-
42,81,393 Power Finance Corporation Limited (-)	1,385	-
700 Rural Electrification Corporation Limited (-)	70	-
32,550 Housing Development Finance Corporation Limited (-)	3,293	-
3,500 Infrastructure Development Finance Company Limited (-)	350	-
550 National Bank for Agriculture and Rural Development (-)	55	-
49,44,752 National Highways Authority of India (-)	494	-
42,62,612 Indian Railway Finance Corporation Limited (-)	426	-
9,49,946 National Thermal Power Company Limited (-)	95	-
1,500 HDB Financial Services Limited - 9.43% (1,500) Secured Redeemable Non Convertible Debentures of ₹ 5,00,000 each	75	75
	6,939	75
In Others		
17,05,638 Faering Capital India Evolving Fund of ₹ 1,000 each (11,53,511)	171	115
2,73,770 HDFC India Real Estate of ₹ 1,000 per unit (3,79,028)	29	40
50,000 JM Financial Property Fund - I of ₹ 7,551.28 per unit; (50,000) (Previous Year ₹ 9,547.42 per unit)	38	48
MPM Bioventure IV-QP, LP, USA	95	99

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
5,000 Multiples Private Equity Fund - Scheme 1 (5,000) of ₹ 1,00,000 each, ₹ 69,940 paid up (Previous Year ₹ 46,350 paid up)	34	24
2,000 Peninsula Realty Fund of ₹ 1,00,000 each (2,000)	25	26
21,600 Urban Infrastructure Opportunities Fund (21,600) of ₹ 86,750 per unit (Previous Year ₹ 87,500 per unit)	191	192
25,000 LICHFL Urban Development Fund (25,000) of ₹ 10,000 each, ₹ 2,870 paid up (Previous Year ₹ 2,000 paid up)	7	5
8,70,000 KKR India Debt Fund I of ₹ 1000 each (-)	87	-
62,00,000 GenNext Ventures Fund - Class A Units (-)	6	-
	683	549
In ETF - Quoted, fully paid up		
- Kotak Gold Exchange Traded Fund of ₹ 100 each (3,99,000)	-	118
	-	118
Total Investments in Others (B)	22,010	9,482
Total Long Term Investments (A + B)	26,867	13,979

13. LONG-TERM LOANS AND ADVANCES

	As at 31st March, 2014	As at 31st March, 2013
(Unsecured and Considered Good)		
Capital Advances#	9,954	2,467
Deposits##	3,504	2,727
Loans and Advances to Related Parties (Refer Note No. 28)	17	92
Advance Income Tax (Net of Provision)	1,008	693
Other Loans and Advances*	3,513	3,046
TOTAL	17,996	9,025

Includes ₹ 5 crore (Previous Year ₹ NIL) to Reliance Utilities & Power Private Limited, ₹ 3 crore (Previous Year ₹ 2 crore) to Reliance Industrial Infrastructure Limited which are related parties.

Includes ₹ 2,006 crore (Previous Year ₹ 1,971 crore) relating to Deposits with related parties (Refer Note No. 28).

* Includes claims receivable from statutory authorities, loans to employees etc.

14. OTHER NON CURRENT ASSETS

	As at 31st March, 2014	As at 31st March, 2013
Miscellaneous Expenditure (to the extent not written off or adjusted) ₹ 61,510 (Previous Year ₹ 7,61,510)	-	-
TOTAL	-	-

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

15. CURRENT INVESTMENTS

(Carried at lower of cost and quoted / fair value, including current portion of long term investment)

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Investment in Equity Shares - Quoted, Fully Paid up		
74,62,500 NTPC Limited (74,62,500)	89	106
18,88,171 Oil and Natural Gas Corporation Limited (18,88,171)	60	58
13,65,000 Coal India Limited (-)	40	-
11,34,790 IndusInd Bank Limited (-)	48	-
1,49,500 Infosys Limited (-)	49	-
23,96,000 ITC Limited (-)	77	-
5,25,525 Larsen & Toubro Limited (-)	56	-
5,35,983 Mahindra & Mahindra Limited (-)	49	-
1,02,600 Maruti Suzuki India Limited (-)	20	-
29,000 State Bank of India (-)	5	-
9,60,000 Sun Pharmaceuticals Industries Limited (-)	55	-
4,96,300 Tata Consultancy Services Limited (-)	105	-
13,04,535 United Phosphorus Limited (-)	24	-
2,47,400 Tata Motors Limited (-)	10	-
69,000 Axis Bank Limited (-)	10	-
83,000 Hindustan Unilever Limited (-)	5	-
1,30,000 Tata Steel Limited (-)	5	-
	707	164
Investment in Government Securities - Quoted		
1.44% IIGS 2023	256	-
6.35% GOI 2020	1	1
7.16% GOI 2023	2	-
7.28% GOI 2019	509	-
7.59% GOI 2016	5	5
7.80% GOI 2020 (₹ NIL; Previous Year ₹ 7,91,120)	-	-

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
8.12% GOI 2020	72	-
8.13% GOI 2022	-	22
8.20% GOI 2025	-	278
8.33% GOI 2026	-	102
8.53% MAHA SDL 2020 (₹ 30,264 ; Previous Year ₹ 30,264)	-	-
8.65% Karnataka SDL 2022	4	-
8.78% GUJ SDL 2021 (₹ 20,22,524; Previous Year ₹ NIL)	-	-
8.79% GOI 2021	2	16
8.83% GOI 2023	301	-
8.85% MAHA SDL 2022 (₹ 13,01,040 ; Previous Year ₹ 19,01,520)	-	-
8.88% Gujarat 2022 (₹ NIL ; Previous Year ₹ 20,13,200)	-	-
8.97% GOI 2030	-	149
9.12% Gujarat 2022	-	2
9.24% Punjab 2022 (₹ NIL ; Previous Year ₹ 4,03,620)	-	-
9.47% GSEC 2024	100	-
9.48% GSEC 2024	75	-
9.53% Madhya Pradesh 2023	2	-
	1,329	575
Collateral Borrowing and Lending Obligation - Unquoted	355	-
Investment in Debentures or Bonds - Quoted, Fully Paid up		
8 Export Import Bank of India (349)	1	35
3,050 Housing Development Finance Corporation Limited (38,307)	303	3,839
- Infrastructure Development Finance Company Limited (6,500)	-	647
- India Infrastructure Finance Company Limited (15,095)	-	149
1 Indian Railway Finance Corporation Limited (₹ 10,08,203) (42,63,562)	-	521
- LIC Housing Finance Limited (5,153)	-	515
- National Bank for Agriculture and Rural Development (7,250)	-	726
- National Highways Authority of India (49,44,752)	-	494
109 Power Finance Corporation Limited (42,74,393)	11	688
20 Power Grid Corporation of India Limited (120)	3	15

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
- Rural Electrification Corporation Limited (595)	-	59
- Tata Steel Limited (650)	-	58
- Tata Power Company Limited (1,320)	-	133
25 Nuclear Power Corporation of India Limited (-)	2	-
2,000 Indiabulls Housing Finance Limited - 10.60% Secured (-) Redeemable Non Convertible Debentures of ₹ 10,00,000 each	200	-
	520	7,879
Investment in Debentures or Bonds - Unquoted, Fully Paid up		
- Tata Sons Limited (3,000)	-	300
Investment in Fixed Maturity Plan - Quoted, Fully Paid up		
2,50,00,000 Axis Fixed Term Plan - (5,00,00,000) (Series 21/22/34) - Growth	25	50
9,80,00,000 Baroda Pioneer Fixed Maturity Plan - (2,50,00,000) (Series A/C/E/G/J) - Growth	98	25
- Birla Sun Life Fixed Term Plan - (2,50,00,000) (Series FP) - Dividend	-	25
1,89,00,00,000 Birla Sun Life Fixed Term Plan - (Series ES/EV/EY/FC/FD/ (67,00,00,000) FM/FO/GA/GB/GF/GT/GV/HD/HI/HK/HL/HM/HQ/HS/HV/ HY/IA/JA/JE/JG/JI/JL/JN/JO/JQ/JT/JU/JY/JZ/KC/KD/KF/ KG/KH/KI/KK/KN/KQ) - Growth	1,890	670
26,00,00,000 Birla Sunlife Interval Income Fund - (1,50,00,000) (Annual Plan V/VIII/IX/X) - Growth	260	15
13,50,00,000 BNP Paribas Fixed Term Fund - (5,00,00,000) (Series 24A/25A/26A/26C/29B) - Growth	135	50
1,67,00,00,000 DSP BlackRock Fixed Maturity Plan - (Series 37/38/43/ (53,00,00,000) 44/88/89/90/91/93/94/95/103/104/105/107/108/109/ 110/113/117/130/144/146/149/151/153/155) - Growth	1,670	530
47,50,00,000 DWS Fixed Maturity Plan - (Series 6/7/9/10/26/27/28/ (29,80,00,000) 29/30/32/34/36/42/43/46/48/50) - Growth	475	298
- DWS Fixed Maturity Plan - (Series 18) - Dividend (3,00,00,000)	-	30
7,50,00,000 DWS Fixed Maturity Plan - Close ended debt fund - (-) (Series 51/55/62) - Growth	75	-
5,00,00,000 DWS Interval Fund Annual Plan - Growth (-)	50	-
- HDFC Annual Interval Fund - (Series 1) - Growth (5,00,00,000)	-	50
2,13,70,00,000 HDFC Fixed Maturity Plan - (Series 366D/369D/370D/ (62,70,00,000) 371D/372D/384D/390D/391D/392D/398D/399D/400D/ 526D/566D) - Growth	2,137	627
13,50,00,000 HSBC Fixed Term Plan - (4,50,00,000) (Series 86/90/94/96/101-104) - Growth	135	45

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
19,99,03,904 (5,98,46,064) ICICI Prudential Fixed Maturity Annual Interval Plan - (Series VI/VII) - (Plan C/D/F/I) - Cumulative	208	62
1,75,00,00,000 (88,00,00,000) ICICI Prudential Fixed Maturity Plan - (Series 62/63/65/66/67/68/69/70/71) - (Plan A/B/C/D/E/F/ G/H/I/J/K/M) - Cumulative	1,750	880
92,40,00,000 ICICI Prudential Fixed Maturity Plan - (Series 72/73) - (-) (Plan A/B/C/D/G/H/I/K/M/P/R/T) - Growth	924	-
(9,96,19,002) - ICICI Prudential Long Term Plan - Premium Plus - Dividend	-	100
2,00,00,000 IDBI Fixed Maturity Plan - (-) (Series III) - Dividend	20	-
(2,50,00,000) - IDBI Fixed Maturity Plan - (Series III) - Growth	-	25
85,50,00,000 IDFC Fixed Maturity Plan - (34,70,00,000) (Series 7/8/11/12/13/14/24/25/27/31/32/33/34/49/50/ 54/59/65/67/69/74/85/78/81/85) - Growth	855	347
(9,60,00,000) - IDFC Fixed Maturity Plan - (Series 74/78/79) - Dividend	-	96
11,07,54,164 IDFC Yearly Interval Fund - (12,00,00,000) (Series I/II/III) - Growth	113	120
(3,50,00,000) - Indiabulls Fixed Maturity Plan - Growth	-	35
2,50,00,000 JM Fixed Maturity Plan - (-) (Series FXXIV) - (Plan C) - Growth	25	-
50,00,00,000 JP Morgan India Fixed Maturity Plan - (21,50,00,000) (Series 6/12/13/16/17/18/21/31/32) - Growth	500	215
1,14,00,00,000 Kotak Fixed Maturity Plan - (Series 76/80/82/97/98/99/ (36,00,00,000) 100/101/102/104/105/106/107/110/111/112/114/116/ 118/119/136/137/138/139/143/144/152) - Growth	1,140	360
33,70,00,000 L & T Fixed Maturity Plan - (4,00,00,000) (Series VII/VIII/IX/X) - (Plan A/D/G/I/J/L) - Growth	337	40
31,00,00,000 LIC Nomura Fixed Maturity Plan - (Series 52/53/54/55/ (14,50,00,000) 56/58/60/61/62/63/66/68/73/75) - Growth	310	145
68,00,038 LIC Nomura Interval Fund - (-) (Series 1) - Growth	10	-
4,95,01,683 Reliance Annual Interval Fund - (-) (Series 1) - Growth	60	-
68,00,00,000 Reliance Fixed Horizon Fund - (11,00,00,000) (Series XXII/XXIII/XXVI/XXV/XXIV) - Growth	680	110
24,78,28,132 Reliance Yearly Interval Fund - (-) (Series 3/6/8) - Growth	250	-
15,50,00,000 Religare Fixed Maturity Plan - (Series XIII/XIV/XVII/XVIII/ (24,80,00,000) XXII) - (Plan A/B/C/D/E/F) - Growth	155	248
19,50,00,000 Religare Invesco Fixed Maturity Plan - (-) (Series XIX/XXI/XXII) - (Plan A/C/E/F/G) - Growth	195	-
62,00,00,000 SBI Debt Fund - (45,50,00,000) (Series 1/2/12/13/14/15/23/24/25/28/29) - Growth	620	455
(14,00,00,000) - SBI Debt Fund - (Series 5/7) - Dividend	-	140

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

		As at 31st March, 2014	As at 31st March, 2013
1,10,00,00,000 (7,50,00,000)	SBI Debt Fund - (Series 9/12/13/16/18/32/33/34/36/37/3 8/39/41/47/48/49/51/52/53/54) - Growth	1,100	75
31,00,00,000 (6,50,00,000)	Sundaram Fixed Term Plan - (Series CQ/DC/DF/DG/DH/ DO/DQ/DR/EW/EY/FB/FF/FJ) - Growth	310	65
96,90,00,000 (13,50,00,000)	Tata Fixed Maturity Plan - (Series 39/40/42/43/44/45/46) - (Scheme A/B/C/D/E/G/H/I/L/O/P) - Growth	969	135
8,50,00,000 (-)	UTI Fixed Term Income Fund - (Series XVII-I/XVII-V) - Growth	85	-
3,04,93,690 (5,49,80,083)	UTI Fixed Income Interval Fund - Annual Interval Plan (Series - II/III/IV) - Growth	40	70
1,33,50,00,000 (22,50,00,000)	UTI Fixed Term Income Fund - (Series XIII-III/XIV-V/ XIV-VI/XIV-VII/XIV-VIII/XV-I/XV-II/XVI-IV/XVI-VII/XVII-X/ XVII-XVI/XVI-I/XV-III/XVII-II/XV-IV/XV-V/XV-VI/XV-VII/XV-X/ XVII-XX/XVIII-III/XVIII-IV/XVII-XIII) - Growth	1,335	225
(13,00,00,000)	- UTI Fixed Term Income Fund - (Series - XII-IV/XIII) - Dividend	-	130
		18,941	6,493
Investment in Mutual Fund - Unquoted			
2,27,889 (-)	Axis Banking Debt Fund - Growth	25	-
7,59,94,772 (11,08,67,422)	Axis Short Term Fund - Growth	96	135
29,22,23,922 (1,31,48,48,855)	Birla Sunlife Dynamic Bond Fund - Retail - Growth	549	2,418
22,34,01,784 (5,56,20,512)	Birla Sunlife Short Term Fund - Growth	1,000	225
(2,31,91,812)	- Canara Robeco Short Term Fund - Regular Growth	-	30
(4,59,45,325)	- Canara Robeco Short Term Institutional Growth Fund	-	60
4,95,70,718 (-)	DSP Black Rock Banking & PSU Debt Fund - Regular Plan - Growth	50	-
(5,96,310)	- DSP Black Rock Liquidity Fund - Institutional Plan Growth	-	100
7,22,79,657 (11,14,37,619)	DSP Black Rock Short Term Fund - Growth	147	210
(48,23,954)	- DSP Black Rock Strategic Bond Fund - Institutional Plan - Growth	-	625
(11,66,82,484)	- DWS GILT Fund - Regular Plan - Growth	-	150
3,61,86,149 (-)	DWS InstaCashPlus Fund Super Institutional Plan Annual Bonus	600	-
(1,04,54,867)	- DWS InstaCashPlus Fund Super Institutional Plan Bonus	-	-
(4,66,90,013)	- DWS Money Plus Fund - Regular Plan (Principle Units) - Bonus	-	46
2,40,93,515 (-)	DWS Mutual Fund ICP-Bonus	236	-

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
- DWS Premier Bond Fund - Premium Plus Plan - Growth (14,48,86,484)	-	150
- DWS Short Maturity Fund - Premium Plus Growth (12,93,69,261)	-	147
- DWS Treasury Fund - Cash - Regular Plan - Bonus (60,38,424)	-	59
1,84,06,566 DWS Treasury Fund - Investment - Regular Plan - Bonus (-)	18	-
11,79,24,798 DWS Treasury Fund - Investment - Regular Plan - Growth (5,81,04,402)	159	75
3,25,53,638 Franklin India Savings Plus Fund - Growth (-)	75	-
29,63,61,644 HDFC Short Term Opportunities Fund - Growth (19,73,54,869)	400	240
50,00,000 HDFC Debt Fund for Cancer Cure - 50% Regular Option - (-) Dividend Donation	5	-
11,23,62,581 HDFC Floating Rate Income Fund - Long Term Plan - (14,69,19,109) Growth	250	300
- HDFC High Interest Fund - Short Term Plan - Growth (22,67,48,577)	-	500
- HDFC Liquid Fund - Growth (86,58,009)	-	20
21,41,12,926 HDFC Medium Term Opportunities Fund - Growth (25,68,76,110)	278	305
- HDFC Short Term Plan - Growth (22,68,83,560)	-	485
- HSBC Income Fund Short Term Institutional Plus Growth (16,70,54,915)	-	180
3,61,78,141 ICICI Prudential Banking and PSU Debt Fund - Growth (-)	50	-
4,06,37,366 ICICI Prudential Blended Plan A - Dividend (-)	55	-
11,08,46,926 ICICI Prudential Blended Plan B - Growth (-)	200	-
3,98,32,730 ICICI Prudential Equity Arbitrage Fund - Dividend (-)	55	-
2,41,47,124 ICICI Prudential Gilt Fund Treasury Plan - Quarterly (-) Dividend Reinvestment	25	-
- ICICI Prudential Liquid Fund - Growth (27,12,060)	-	47
- ICICI Prudential Gilt Treasury Plan - Regular Growth (3,46,29,245)	-	100
- ICICI Prudential Institutional Short Term Plan - (31,83,61,805) Cumulative	-	725
- ICICI Prudential Liquid - Regular Plan - Growth (14,42,759)	-	25
- ICICI Prudential Short Term Plan - Regular Growth (10,86,67,777)	-	250

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
16,20,52,229 ICICI Prudential Ultra Short Term - Direct Plan - Growth	200	-
-		
- IDBI Short Term Bond Fund - Growth (4,39,26,695)	-	50
10,88,83,711 IDFC Super Saver Income Fund - Short Term-Direct Plan- - Growth	275	-
12,63,13,875 IDFC Arbitrage Fund - Direct Plan - Dividend (-)	160	-
- IDFC - Super Saver Income Fund - Medium Term Growth (2,33,10,265)	-	45
- IDFC - Super Saver Income Fund - Short Term - Growth (42,82,45,478)	-	625
29,82,16,282 IDFC Banking Debt Fund - Regular Plan - Growth (9,99,03,094)	319	100
- IDFC Cash Fund - Growth - (Regular Plan) (1,75,479)	-	25
21,48,65,792 IDFC Money Manager Fund- Investment Plan-Growth- (-) Direct Plan	400	-
- IDFC Super Saver Income Fund -Medium Term - Plan B - (23,42,26,669) Growth	-	285
8,15,59,748 IDFC Super Saver Income Fund Short Term Plan - Growth- (-) (Regular Plan)	200	-
2,50,000 Indiabulls Short Term Fund - Direct Plan - Growth Option (-)	25	-
- J P Morgan India Short term Income Fund - Growth (10,38,13,700)	-	125
61,49,62,892 J P Morgan India Treasury Fund - Bonus (46,01,17,659)	629	700
- JM High Liquidity Fund - Bonus (11,10,88,159)	-	109
4,50,68,027 JM Money Manager Fund - Super Plan - Bonus (-)	44	-
19,71,60,883 JM Money Manager Fund - Super Plus Plan - Bonus (-)	199	-
1,36,85,132 JM Money Manager Fund Super Plan - Growth (-)	25	-
13,40,05,771 Kotak Bond Short Term Plan - Growth (8,84,33,460)	304	185
10,68,70,464 Kotak Equity Arbitrage Fund - Dividend (-)	115	-
- L & T - Short Term Opportunities Fund - Growth (7,51,00,293)	-	80
16,54,740 L&T Cash Bonus Liquid Fund (-)	169	-
7,21,37,997 L&T Floating Rate Fund - Growth (-)	83	-
10,75,21,101 L&T Triple Ace Bond Fund - Bonus (-)	133	-
10,76,394 LIC Nomura MF Liquid Fund - Growth (1,17,585)	250	25

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
- Morgan Stanley Short Term Bond Fund - Institutional (4,70,53,586) Plus - Growth	-	60
1,62,107 Principal Bank CD Fund - Growth (-)	25	-
- Reliance Income Fund - Growth Plan - Bonus (12,02,16,390)	-	131
- Religare Active Income Fund - Growth (13,27,54,784)	-	175
10,68,81,070 Religare Invesco Arbitrage - Bonus (-)	115	-
17,98,180 Religare Invesco Short Term Fund - Growth (18,67,562)	295	285
- SBI Dynamic Bond Fund - Growth (52,63,28,065)	-	725
- SBI Premier Liquid Fund - Growth (1,90,032)	-	35
36,08,46,691 SBI Short Term Debt Fund - Growth (18,37,26,275)	487	235
6,20,51,677 Sundaram Flexible Fund Short - Term Plan - Growth (4,32,75,524)	121	80
17,81,54,863 Sundaram Flexible Fund Short Term Plan - Bonus (-)	175	-
17,58,87,636 Sundaram Money Fund Direct Plan - Bonus (-)	272	-
- Sundaram Monthly Income Plan Bonus (3,02,49,315)	-	34
9,57,31,798 Sundaram Select Debt Short Term Asset Plan - Bonus (-)	100	-
- Tata Income Fund Plan A - Appreciation - Bonus (9,21,73,180)	-	97
- Tata Short Term Bond Fund Plan A - Growth (1,94,65,573)	-	40
36,10,159 UTI Floating Rate Fund - Growth (37,23,783)	715	700
- UTI Money Market Fund - Growth (1,90,537)	-	25
35,25,25,179 UTI Short Term Income Fund - Institutional Plan - Growth (30,35,68,335)	518	400
- UTI Treasury Advantage Fund - Institutional Plan (20,30,859)	-	250
79,225 Birla Sunlife Floating Rate Fund Short Term Growth (49,784)	1	1
65,694 Birla Sunlife Cash Plus - Direct Plan - Growth (-)	1	-
- HDFC Liquid Fund Premium Plan - Daily Dividend (2,70,06,021)	-	33
- HDFC Liquid Fund - Dividend (8,38,534)	-	1

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	As at 31st March, 2014	As at 31st March, 2013
1,11,74,438 (28,13,853) HDFC Liquid Fund - Growth	27	6
1,73,378 (24,599) HDFC Cash Management Fund-Savings Plan-Direct Plan - Dividend (₹ 18,44,123 ; Previous Year ₹ 3,00,000)	-	-
5,55,857 (6,04,758) HDFC Cash Management Fund-Savings Plan - Dividend	1	1
- (37,41,132) ICICI Prudential Liquid Super Institutional - Dividend	-	37
1,45,545 (1,43,956) ICICI Prudential Liquid Plan - Direct - Growth	3	3
61,05,501 (35,24,215) ICICI Prudential Institutional Liquid Plan-Super Institutional Daily Dividend	61	36
1,30,51,222 (-) ICICI Prudential Blended - Plan A - Direct Plan - Growth	26	-
71,180 (-) ICICI Pru Liquid Plan - Direct Plan - Growth	2	-
- (9,61,89,785) IDFC Banking Debt Fund - Regular Plan - Growth Fund	-	97
1,13,125 (-) IDFC Cash Fund - Regular Plan - Growth	18	-
2,29,27,832 (-) IDFC Banking Debt Fund - Direct Plan - Growth	25	-
- (1,90,639) JM High Liquidity Fund	-	1
3,197 (47,494) SBI - Premier Liquid Fund Regular Plan - Growth	1	9
	10,792	13,458
Investments in Treasury Bills - Quoted	15	-
Investments in Commercial Paper - Quoted		
Housing Development Finance Corporation Limited	369	-
Investment in certificate of deposits - Unquoted		
Andhra Bank	9	-
Canara Bank	44	-
Central Bank of India	187	-
Indian Bank	287	-
Oriental Bank of Commerce	263	-
State Bank of Patiala	71	-
UCO Bank	478	-
Union Bank of India	91	-
	1,430	-
Total Current Investments	34,458	28,869

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

16. INVENTORIES

	(₹ in crore)	
	As at 31st March, 2014	As at 31st March, 2013
Raw Materials	7,573	7,938
Raw Materials in Transit	16,145	13,820
Stock-in-Process	12,012	11,537
Stock-in-Trade	5,347	3,428
Finished Goods	11,947	13,913
Stores, Chemicals and Packing Materials	2,973	3,965
TOTAL	55,997	54,601

17. TRADE RECEIVABLES

	(₹ in crore)	
(Unsecured and Considered Good)	As at 31st March, 2014	As at 31st March, 2013
Outstanding for a period exceeding six months	78	60
Others	9,333	9,690
TOTAL	9,411	9,750

18. CASH AND BANK BALANCES

	(₹ in crore)	
	As at 31st March, 2014	As at 31st March, 2013
Cash and cash equivalents:		
Cash on hand	63	59
Bank Balances:		
In current accounts*	1,430	1,205
In deposit **	32,867	49,192
Sub-total	34,360	50,456
Other bank balances		
In deposit #	3,624	-
Sub-total	3,624	-
TOTAL	37,984	50,456

* Includes unclaimed dividend of ₹ 175 crore (Previous Year ₹ 152 crore).

** Include deposits of ₹ 75 crore (Previous Year ₹ 13,189 crore) with maturity of more than 12 months.

Deposits of ₹ 3,624 crore (Previous Year ₹ NIL) are given as lien against Short Term Borrowings.

19. SHORT-TERM LOANS AND ADVANCES

	(₹ in crore)	
(Unsecured and Considered Good)	As at 31st March, 2014	As at 31st March, 2013
Loans and Advances to Related Parties (Refer Note No. 28)	186	84
Balance with Customs, Central Excise Authorities	3,573	2,809
Deposits	696	421
Others#	5,510	7,141
TOTAL	9,965	10,455

Includes primarily Interest Receivable on Fixed Deposits with banks, Share Application Money, Advance to sundry creditors and advance to employees.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

20. OTHER CURRENT ASSETS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
Interest accrued on Investment	535	510
Share Application Money	2,572	955
Others *	147	318
TOTAL	3,254	1,783

* Includes Interest Receivables.

21. OTHER INCOME

(₹ in crore)

	2013-14	2012-13
Interest		
From Current Investments	471	922
From Long Term Investments	1,085	489
From Others	4,351	4,405
	5,907	5,816
Dividend		
From Current Investments	138	95
From Long Term Investments	37	36
	175	131
Net Gain on sale of Investments		
From Current Investments	1,685	1,303
From Long Term Investments	808	465
	2,493	1,768
Share in income of Associates	90	67
Other non operating income	336	85
TOTAL	9,001	7,867

22. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE

(₹ in crore)

	2013-14	2012-13
Inventories (at close)		
Finished Goods / Stock-in-Trade	17,294	17,341
Stock-in-Process	12,012	11,537
	29,306	28,878
Inventories (at commencement)		
Finished Goods / Stock-in-Trade	17,341	13,153
Stock-in-Process	11,537	10,535
	28,878	23,688
Less: Capitalised during the year	132	-
Add: Opening Stock of Subsidiaries acquired during the year	-	236
	28,746	23,924
TOTAL	(560)	(4,954)

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

23. EMPLOYEE BENEFITS EXPENSE

	(₹ in crore)	
	2013-14	2012-13
Salaries and Wages	4,814	4,529
Contribution to Provident and Other Funds	362	329
Staff Welfare Expenses	396	321
TOTAL	5,572	5,179

24. FINANCE COSTS

	(₹ in crore)	
	2013-14	2012-13
Interest Expenses	2,507	2,574
Other borrowing costs	4	21
Applicable loss on foreign currency transactions and translation	1,325	868
TOTAL	3,836	3,463

25. DEPRECIATION AND AMORTISATION EXPENSE

	(₹ in crore)	
	2013-14	2012-13
Depreciation and Amortisation (Refer Note No. 11)	13,159	13,393
Less: Transferred from Revaluation Reserve (Refer Note No. 11.7)	1,083	2,081
Less: Transferred from General Reserve (Refer Note No. 11.7)	790	-
Less: Transferred from Capital Reserve (Refer Note No. 11.7)	85	80
TOTAL	11,201	11,232

26. OTHER EXPENSES

	(₹ in crore)	
	2013-14	2012-13
Manufacturing expenses		
Stores, Chemicals and Packing Materials	4,935	4,285
Electric Power, Fuel and Water	10,855	7,993
Labour Processing, Production Royalty and Machinery Hire Charges	1,372	1,651
Repairs to Building	49	86
Repairs to Machinery	922	837
Exchange Difference (Net)	231	(57)
Excise Duty #	(1)	50
Lease Rent	2	3
	18,365	14,848
Land development and construction expenditure	30	49

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

	(₹ in crore)	
	2013-14	2012-13
Selling and distribution expenses		
Warehousing and Distribution Expenses	5,536	5,364
Sales Tax /VAT	939	1,105
Other Selling and Distribution Expenses	935	956
	7,410	7,425
Establishment expenses		
Professional Fees	1,184	876
General Expenses	1,579	987
Rent	896	762
Insurance	693	652
Rates & Taxes	202	212
Other Repairs	414	260
Travelling Expenses	272	226
Payment to Auditors	24	24
Loss on Sale / Discard of Assets	136	110
Investments Written Off	3	-
Charity and Donations	595	285
	5,998	4,394
Less: Transfer to project development Expenditure (Net)	736	128
TOTAL	31,067	26,588

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.

27. EARNINGS PER SHARE (EPS)

	2013-14	2012-13
i) Net Profit after tax (after adjusting Minority Interest) as per Statement of Profit and Loss (₹ in crore)	22,493	20,879
ii) (Short) provision of tax for earlier years (net) (₹ in crore) (₹ 8,26,209)	-	(54)
iii) (Short) Provision of Tax for earlier years (net) - Minority Interest [(₹ 781), Previous Year (₹ 43,379)]	-	-
iv) Net profit attributable to equity shareholders (₹ in crore)	22,493	20,825
v) Weighted Average number of equity shares used as denominator for calculating EPS	2,93,82,58,188	294,76,09,853
vi) Basic and Diluted Earnings per share (₹)	76.55	70.65
vii) Face Value per equity share (₹)	10.00	10.00

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

28. RELATED PARTY DISCLOSURES :

(i) List of related parties and relationships:

Sr. No.	Name of the Related Party	Relationship
1.	Reliance Industrial Infrastructure Limited	
2.	Reliance Europe Limited	
3.	Reliance LNG Limited	
4.	Indian Vaccines Corporation Limited	
5.	Gujarat Chemical Port Terminal Company Limited	
6.	Reliance Utilities and Power Private Limited	
7.	Reliance Ports and Terminals Limited	
8.	Reliance Gas Transportation Infrastructure Limited	
9.	Reliance Commercial Dealers Limited	
10.	Reliance Commercial Trading Private Limited	
11.	Diesel Fashion India Reliance Private Limited	
12.	Atri Exports Private Limited	
13.	Shree Salasar Bricks Private Limited	
14.	N.C. Trading Company Private Limited	
15.	KCIPI Trading Company Private Limited	
16.	Prakhar Commercials Private Limited	
17.	Pepino Farms Private Limited	
18.	Marugandha Land Developers Private Limited	Associate Companies / Joint Ventures
19.	Jaipur Enclave Private Limited	
20.	Einsten Commercials Private Limited	
21.	Ashwani Commercials Private Limited	
22.	Vishnumaya Commercials Private Limited	
23.	Carin Commercials Private Limited	
24.	Netravati Commercials Private Limited	
25.	Rakshita Commercials Private Limited	
26.	Kaniska Commercials Private Limited	
27.	Rocky Farms Private Limited	
28.	Centura Agro Private Limited	
29.	Fame Agro Private Limited	
30.	Noveltech Agro Private Limited	
31.	Honeywell Properties Private Limited	
32.	Parinita Commercials Private Limited	
33.	Chander Commercials Private Limited	
34.	Creative Agrotech Private Limited	
35.	Reliance-Vision Express Private Limited	

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

Sr. No.	Name of the Related Party	Relationship
36.	Marks and Spencer Reliance India Private Limited	
37.	Reliance-GrandVision India Supply Private Limited	
38.	Office Depot Reliance Supply Solutions Private Limited	
39.	Supreme Tradelinks Private Limited	
40.	Reliance Paul & Shark Fashions Private Limited	
41.	Gaurav Overseas Private Limited	
42.	Reliance Innovative Building Solutions Private Limited	
43.	IMG Reliance Limited	
44.	EFS Midstream LLC	
45.	Zegna South Asia Private Limited	
46.	D.E. Shaw India Securities Private Limited	
47.	India Gas Solutions Private Limited	
48.	Algenol LLC	Associate Companies / Joint Ventures
49.	Aurora Algae Inc.	
50.	Extramarks Education Private Limited	
51.	GenNext Ventures Investment Advisers LLP *	
52.	Iconix Lifestyle India Private Limited	
53.	Brooks Brothers India Private Limited **	
54.	Reliance Jio Digital Services Private Limited #	
55.	Reliance Jio Media Private Limited	
56.	Reliance Jio Infratel Private Limited ##	
57.	Football Sports Development Private Limited	
58.	R P Chemicals (Malaysia) Sdn. Bhd.	
59.	Matrix Genetics LLC	
60.	Shri Mukesh D. Ambani	
61.	Shri Nikhil R. Meswani	
62.	Shri Hital R. Meswani	Key Managerial Personnel
63.	Shri P.M.S. Prasad	
64.	Shri P. K. Kapil	
65.	Dhirubhai Ambani Foundation	
66.	Jamnaben Hirachand Ambani Foundation	
67.	Hirachand Govardhandas Ambani Public Charitable Trust	Enterprises over which Key Managerial Personnel are able to exercise significant influence
68.	HNH Trust and HNH Research Society	
69.	Reliance Foundation	

* Formerly known as GenNext Ventures LLP

** Formerly known as In Vogue Brand Solutions Private Limited

Formerly known as Reliance Jio Cloudworks Private Limited

Formerly known as Reliance Jio Private Limited

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

(ii) Transactions during the year with related parties :

(₹ in crore)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Associates	Key Managerial Personnel	Others	TOTAL
1.	Purchase of Fixed Assets	44	-	-	44
		48	-	-	48
2.	Purchase / Subscription of Investments	179	-	-	179
		210	-	-	210
3.	Sale / Transfer / Redemption of Investments	-	-	-	-
		1	-	-	1
4.	Capital Advance given	7	-	-	7
		2	-	-	2
5.	Net Loans and advances, Deposits given / (returned)	137	-	-	137
		(22)	-	-	(22)
6.	Revenue from Operations	435	-	-	435
		385	-	-	385
7.	Other Income	17	-	-	17
		12	-	-	12
8.	Purchases / Material Consumed	1,763	-	-	1,763
		167	-	-	167
9.	Electric Power, Fuel and Water	1,466	-	-	1,466
		1,325	-	-	1,325
10.	Hire Charges	523	-	-	523
		423	-	-	423
11.	Payment to Key Managerial Personnel	-	47	-	47
		-	44	-	44
12.	Sales and Distribution Expenses	2,885	-	-	2,885
		2,845	-	-	2,845
13.	Rent	8	-	-	8
		1	-	-	1
14.	Professional Fees	55	-	-	55
		56	-	-	56
15.	General Expenses	274	-	-	274
		275	-	-	275
16.	Donations	-	-	529	529
		-	-	218	218
17.	Finance Cost	2	-	-	2
		5	-	-	5
18.	Investment written off	3	-	-	3
		-	-	-	-
Balance as at 31st March, 2014					
19.	Investments	4,671	-	-	4,671
		4,264	-	-	4,264
20.	Trade Receivables	56	-	-	56
		33	-	-	33
21.	Capital Advance	8	-	-	8
		2	-	-	2
22.	Loans and Advances	203	-	-	203
		101	-	-	101
23.	Deposits	2,006	-	-	2,006
		1,971	-	-	1,971
24.	Unsecured Loans	62	-	-	62
		55	-	-	55

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

(₹ in crore)

Sr. No.	Nature of Transactions (Excluding reimbursements)	Associates	Key Managerial Personnel	Others	TOTAL
25.	Trade and Other Payables	553 <i>257</i>	- -	- -	553 <i>257</i>
26.	Finance Lease Obligations	4 <i>13</i>	- -	- -	4 <i>13</i>
27.	Financial Guarantees	1,315 <i>1,213</i>	- -	- -	1,315 <i>1,213</i>
28.	Performance Guarantees	114 <i>1</i>	- -	- -	114 <i>1</i>

Note :

Figures in italic represents Previous Year's amount.

Disclosure in respect of Material Related Party Transactions during the year :

Particulars	Relationship	2013-14	2012-13
Purchase of Fixed Assets			
Reliance Industrial Infrastructure Limited	Associate	3	2
Reliance Ports and Terminals Limited	Associate	36	46
Reliance Gas Transportation and Infrastructure Limited	Associate	4	-
Gujarat Chemical Port Terminal Company Limited	Associate	1	-
Purchase / Subscription of Investments			
Algenol LLC	Associate	-	26
Aurora Algae LLC	Associate	160	84
Matrix Genetics LLC	Associate	19	-
Extramarks Educations Private Limited	Associate	-	100
Sale / Transfer/ Redemption of Investments			
Reliance Investments Holdings B. V.	Associate	-	1
Capital Advance Given			
Reliance Utilities and Power Private Limited	Associate	5	-
Reliance Industrial Infrastructure Limited	Associate	2	2
Net Loans and Advances, Deposits given/ (returned)			
Reliance Commercial Trading Private Limited	Associate	1	1
Reliance Commercial Dealers Limited	Associate	102	(69)
Gujarat Chemical Port Terminal Company Limited	Associate	36	27
Atri Exports Private Limited	Associate	-	1
Shree Salasar Bricks Private Limited	Associate	-	2
Ashwani Commercials Private Limited	Associate	13	17
Vishnumaya Commercials Private Limited	Associate	1	-
Centura Agro Private Limited	Associate	2	-
Carin Commercials Private Limited	Associate	(18)	-
Kaniska Commercials Private Limited	Associate	-	(1)

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

Particulars	Relationship	2013-14	2012-13
Revenue from Operations			
Reliance Ports and Terminals Limited	Associate	4	7
Reliance Gas Transportation Infrastructure Limited	Associate	97	134
Reliance Utilities and Power Private Limited	Associate	320	243
Reliance Industrial Infrastructure Limited	Associate	1	-
Reliance Commercial Dealers Limited	Associate	12	-
Gujarat Chemical Port Terminal Company Limited	Associate	-	1
Reliance Foundation	Others	1	-
Other Income			
Reliance Europe Limited	Associate	4	5
Reliance Utilities and Power Private Limited	Associate	3	3
Reliance Ports and Terminals Limited	Associate	1	1
Extramarks Education Private Limited	Associate	9	3
Purchases / Material Consumed			
Reliance Ports and Terminals Limited	Associate	167	154
Reliance Industrial Infrastructure Limited	Associate	13	12
Gujarat Chemical Port Terminal Company Limited	Associate	4	1
R P Chemicals (Malaysia) Sdn. Bhd.	Associate	1,579	-
Electric Power, Fuel and Water			
Reliance Utilities and Power Private Limited	Associate	1,466	1,325
Hire Charges			
Gujarat Chemical Port Terminal Company Limited	Associate	86	57
Reliance Industrial Infrastructure Limited	Associate	26	30
Reliance Ports and Terminals Limited	Associate	226	140
Reliance Gas Transportation Infrastructure Limited	Associate	185	196
Payment To Key Managerial Personnel			
Shri. Mukesh D Ambani	Key Managerial Personnel	15	15
Shri. Nikhil R. Meswani	Key Managerial Personnel	12	11
Shri. Hital R. Meswani	Key Managerial Personnel	12	11
Shri PMS Prasad	Key Managerial Personnel	6	5
Shri P.K.Kapil	Key Managerial Personnel	2	2
Sales & Distribution Expenses			
Reliance Ports and Terminals Limited	Associate	2,869	2,835
Gujarat Chemical Port Terminal Company Limited	Associate	16	10
Rent			
Reliance Industrial Infrastructure Limited	Associate	8	1

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

Particulars	Relationship	2013-14	2012-13
Professional Fees			
Reliance Europe Limited	Associate	32	37
Reliance Industrial Infrastructure Limited	Associate	19	19
GenNext Ventures Investment Advisers LLP	Associate	4	-
General Expenses			
Reliance Commercial Dealers Limited	Associate	274	258
Reliance Ports and Terminals Limited	Associate	-	17
Donations			
Dhirubhai Ambani Foundation	Others	-	1
Hirachand Govardhandas Ambani Public Charitable Trust	Others	1	1
Jamnaben Hirachand Ambani Foundation	Others	8	8
HNH Trust and HNH Research Society	Others	-	2
Reliance Foundation	Others	520	206
Finance Cost			
Reliance Industrial Infrastructure Limited	Associate	1	4
Reliance Europe Limited	Associate	1	1
Investment written off			
Deccan Cargo and Express Logistics Private Limited	Associate	3	-
Loans & Advances			
Gujarat Chemical Port Terminal Company Limited	Associate	6	6
Reliance Europe Limited	Associate	8	8
Reliance Commercial Dealers Limited	Associate	178	76
Reliance Commercial Trading Private Limited	Associate	11	10
Deposits			
Reliance Utilities and Power Private Limited	Associate	350	350
Reliance Ports and Terminals Limited	Associate	1,050	1,050
Rocky Farms Private Limited	Associate	29	29
Chander Commercials Private Limited	Associate	33	33
Honeywell Properties Private Limited	Associate	50	50
Parinita Commercials Private Limited	Associate	6	6
Creative Agrotech Private Limited	Associate	15	15
Ashwani Commercials Private Limited	Associate	66	53
Einsten Commercials Private Limited	Associate	43	43
Vishnumaya Commercials Private Limited	Associate	10	9
Netravati Commercials Private Limited	Associate	6	6
Fame Agro Private Limited	Associate	3	3
Centura Agro Private Limited	Associate	10	8

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

Particulars	Relationship	2013-14	2012-13
Noveltech Agro Private Limited	Associate	3	3
Rakshita Commercials Private Limited	Associate	6	6
Carin Commercials Private Limited	Associate	77	95
Prakhar Commercials Private Limited	Associate	48	48
Pepino Farms Private Limited	Associate	1	1
Kaniska Commercials Private Limited	Associate	22	22
Gaurav Overseas Private Limited	Associate	17	17
Gujarat Chemical Port Terminal Company Limited	Associate	99	63
Shree Salasar Bricks Private Limited	Associate	33	33
Atri Exports Private Limited	Associate	19	19
Jaipur Enclave Private Limited	Associate	4	4
Marugandha Land Developers Private Limited	Associate	5	5

29. (a) Net Quantities of Company's interest (on gross basis) in proved reserves and proved developed reserves :

	Reserves in India				Reserves outside India (North America)			
	Proved Reserves (Million MT)		Proved Developed Reserves (Million MT)		Proved Reserves (Million MT)		Proved Developed Reserves (Million MT)	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Oil:								
Beginning of the year	2.46	3.06	1.82	2.42	14.63	7.85	3.62	2.16
Revision of estimates	0.47	-	0.73	-	7.02	7.59	3.60	2.27
Production	(0.46)	(0.60)	(0.46)	(0.60)	(1.14)	(0.81)	(1.14)	(0.81)
Closing balance for the year	2.47	2.46	2.09	1.82	20.51	14.63	6.08	3.62

	Reserves in India				Reserves outside India (North America)			
	Proved Reserves (Million M ³)		Proved Developed Reserves (Million M ³)		Proved Reserves (Million M ³)		Proved Developed Reserves (Million M ³)	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Gas:								
Beginning of the year	97,285	1,03,958	18,470	25,159	33,904	12,323	10,583	5,837
Revision of estimates	(7,195)	59	834	43	17,436	22,952	9,027	6,116
Production	(3,860)	(6,732)	(3,860)	(6,732)	(2,265)	(1,371)	(2,265)	(1,371)
Closing balance for the year	86,230	97,285	15,444	18,470	49,075	33,904	17,345	10,582

* 1 cubic meter (M3) = 35.315 cubic feet, 1 cubic feet = 1000 BTU and 1 MT = 7.5 bbl

- (b) In case of producing field and fields where development of drilling activities is in progress, the geological and reservoir simulation are updated as and when new well information is available. In all cases, Reserve evaluation is carried out at least once in a year.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

30. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in crore)

	As at 31st March, 2014	As at 31st March, 2013
(I) Contingent Liabilities		
(A) Claims against the company / disputed liabilities not acknowledged as debts		
(a) In respect of joint ventures	414	-
(b) In respect of others	1,532	1,734
(B) Guarantees		
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to third parties		
(a) In respect of joint ventures	-	-
(b) In respect of others	1,390	3,159
(ii) Performance Guarantees		
(a) In respect of joint ventures	-	-
(b) In respect of others	239	229
(iii) Outstanding guarantees furnished to Banks and Financial Institutions including in respect of Letters of Credits		
(a) In respect of joint ventures	700	160
(b) In respect of others	7,273	5,309
(C) Other Money for which the company is contingently liable		
(i) Liability in respect of bills discounted with Banks (Including third party bills discounting)		
(a) In respect of joint ventures	-	-
(b) In respect of others	4,970	3,961
(II) Commitments		
(A) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
(a) In respect of Joint Ventures	1,174	448
(b) In respect of others	44,069	15,547
(B) Uncalled Liability on Shares and Other Investments Partly paid	388	243
(C) Other commitments		
Sales tax deferral liability assigned	1,563	2,345

(III) The Income-Tax assessments of the Company have been completed up to Assessment Year 2010-11. The disputed demand outstanding up to the said Assessment Year is ₹ 1,207 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.

31. FINANCIAL AND DERIVATIVE INSTRUMENTS

a) Derivative contracts entered into by the Company and outstanding as on 31st March, 2014

(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, 2014 amount to ₹ 1,15,654 crore (Previous Year ₹ 1,29,553 crore).

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

Category wise break up is given below :

Sr. No.	Particulars	(₹ in crore)	
		As at 31st March, 2014	As at 31st March, 2013
		Amount	Amount
		(₹ in crore)	(₹ in crore)
1	Forward Contracts	76,715	89,621
2	Currency Swaps	2,797	4,444
3	Interest Rate Swaps	33,726	33,181
4	Option	2,416	2,307

(ii) For hedging commodity related risks :

Category wise break up is given below :

Sr. No.	Particulars	As at 31st March, 2014			As at 31st March, 2013		
		Petroleum product sales	Crude Oil purchases	Other products	Petroleum product sales	Crude oil purchases	Other products
		(in Kbbl)	(in Kbbl)	(in kg)	(in Kbbl)	(in Kbbl)	(in Kg)
1	Forward swaps	16,944	21,321	2,225	7,334	16,575	1,101
2	Futures	6,737	7,066	-	6,259	5,488	-
3	Spreads	35,456	86,016	-	44,900	50,366	-
4	Option	-	36,550	-	-	23,895	-

In addition, the Company has net margin hedges outstanding for contracts relating to petroleum product sales of 1,05,627 kbbl (Previous Year 85,168 kbbl).

- b) Foreign Currency exposures that are not hedged by derivative instruments as on 31st March 2014 amount to ₹ 65,612 crore (Previous Year ₹ 79,912 crore). The unhedged exposures are naturally hedged by future foreign currency earnings and earnings linked to foreign currency.

32. 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	(₹ in crore)	
	As at 31st March, 2014	As at 31st March, 2013
(i) Assets		
Fixed Assets	170	144
Non-Current Investments	-	-
Non-Current Assets	59	47
Current Investments	10	9
Current Assets	373	197
(ii) Liabilities		
Long Term Borrowings	-	-
Non-Current Liabilities and Provisions	29	19
Short Term Borrowings	4	10
Current Liabilities and Provisions	111	77
(iii) Income	459	333
(iv) Expenses	530	406

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

33. The audited/unaudited financial statements of foreign subsidiaries / associates have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or International Financial Reporting Standards. The differences in accounting policies of the Company and its subsidiaries / associates are not material and there are no material transactions from 1st January, 2014 to 31st March, 2014 in respect of subsidiaries / associates having financial year ended 31st December, 2013.

34. 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".

(i) Primary Segment Information :

(₹ in crore)

Particulars	Petrochemicals		Refining		Oil and Gas		Others		Unallocable		TOTAL	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
1 Segment Revenue												
External Turnover	1,01,562	94,137	3,15,574	2,90,427	10,888	11,100	18,315	12,728	-	-	4,46,339	4,08,392
Inter Segment Turnover	2,456	40	90,278	82,496	14	108	2,512	1,850	-	-	-	-
GROSS TURNOVER	1,04,018	94,177	4,05,852	3,72,923	10,902	11,208	20,827	14,578	-	-	4,46,339	4,08,392*
Less: Excise duty / Service Tax recovered	7,479	6,807	3,703	4,012	199	198	498	313	-	-	11,879	11,330
NET TURNOVER	96,539	87,370	4,02,149	3,68,911	10,703	11,010	20,329	14,265	-	-	4,34,460	3,97,062
2 Segment Result before Interest and Taxes	8,403	7,159	13,392	12,815	2,811	3,668	1,178	323	908	(101)	26,692	23,864
Less: Interest Expense	-	-	-	-	-	-	-	-	3,836	3,463	3,836	3,463
Add: Interest Income	-	-	-	-	-	-	-	-	5,907	5,816	5,907	5,816
Profit Before Tax	8,403	7,159	13,392	12,815	2,811	3,668	1,178	323	2,979	2,252	28,763	26,217
Current Tax	-	-	-	-	-	-	-	-	5,929	5,327	5,929	5,327
Deferred Tax	-	-	-	-	-	-	-	-	286	4	286	4
Profit after Tax (before adjustment for Minority Interest)	8,403	7,159	13,392	12,815	2,811	3,668	1,178	323	(3,236)	(3,079)	22,548	20,886
Add: Share of (Profit) / Loss transferred to Minority	-	-	(19)	(14)	-	-	(36)	7	-	-	(55)	(7)
Profit after Tax (after adjustment for Minority Interest)	8,403	7,159	13,373	12,801	2,811	3,668	1,142	330	(3,236)	(3,079)	22,493	20,879
3 Other Information												
Segment Assets	57,596	48,889	1,19,030	1,08,419	67,318	53,067	58,372	35,091	1,26,527	1,16,891	4,28,843	3,62,357
Segment Liabilities	9,843	6,929	51,283	40,998	4,219	3,748	6,102	2,571	3,796	3,208	75,243	57,454
Capital Expenditure	8,690	8,134	17,572	3,778	17,954	13,739	23,634	5,835	1,227	806	69,077	32,292
Depreciation and Amortisation	2,262	2,058	4,404	4,434	3,881	4,028	379	454	275	258	11,201	11,232
Non Cash Expenses other than depreciation and Amortisation	-	-	-	-	9	34	-	-	-	-	9	34

*Total Gross Turnover is after elimination of inter segment turnover of ₹ 95,260 crore (Previous Year ₹ 84,494 crore).

(ii) Inter segment pricing are at Arm's length basis.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

(iii) As per Accounting Standard on Segment Reporting (AS-17), the Company has reported segment information on consolidated basis including businesses conducted through its subsidiaries.

(iv) The reportable Segments are further described below :

- The petrochemicals segment includes production and marketing operations of petrochemical products namely, High and Low density Polyethylene, Polypropylene, Polyvinyl Chloride, Poly Butadiene Rubber, Polyester Yarn, Polyester Fibre, Purified Terephthalic Acid, Paraxylene, Ethylene Glycol, Olefins, Aromatics, Linear Alkyl Benzene, Butadiene, Acrylonitrile, Caustic Soda and Polyethylene Terephthalate.
- The refining segment includes production and marketing operations of the petroleum products.
- The oil and gas segment includes exploration, development and production of crude oil and natural gas.
- The businesses, which were not reportable segments during the year, have been grouped under the "Others" segment. This mainly comprises of:
 - Textile
 - Retail Business
 - SEZ development
 - Telecom / Broadband Business

(vi) **Secondary Segment Information:**

	(₹ in crore)	
	2013-14	2012-13
1. Segment Revenue – External Turnover		
- Within India	1,41,880	1,42,299
- Outside India	3,04,459	2,66,093
Total Revenue	4,46,339	4,08,392
2. Segment Assets		
- Within India	3,77,905	3,21,946
- Outside India	50,938	40,411
Total Assets	4,28,843	3,62,357
3. Segment Liability		
- Within India	71,841	53,602
- Outside India	3,402	3,852
Total Liability	75,243	57,454
4. Capital Expenditure		
- Within India	56,521	21,931
- Outside India	12,556	10,361
Total Expenditure	69,077	32,292

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

35. The Subsidiary companies considered in the consolidated financial statements are:

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance Industrial Investments and Holdings Limited (including Petroleum Trust)	India	100.00%
Reliance Ventures Limited	India	100.00%
Reliance Strategic Investments Limited	India	100.00%
Reliance Industries (Middle East) DMCC *	U.A.E.	100.00%
Reliance Haryana SEZ Limited	India	92.50%
Reliance Retail Limited #	India	94.40%
Reliance Retail Insurance Broking Limited	India	100.00%
Reliance Dairy Foods Limited	India	94.40%
Reliance Exploration & Production DMCC *	U.A.E.	100.00%
Reliance Retail Finance Limited	India	100.00%
Reliance Retail Ventures Limited ##	India	94.45%
Reliance Financial Distribution and Advisory Services Limited	India	94.40%
RIL (Australia) Pty Limited	Australia	100.00%
Gapco Kenya Limited *	Kenya	76.00%
Gapco Rwanda Limited *	Rwanda	76.00%
Gapco Tanzania Limited *	Tanzania	76.00%
Gapco Uganda Limited *	Uganda	76.00%
Gapoil (Zanzibar) Limited *	Zanzibar	76.00%
Gulf Africa Petroleum Corporation *	Mauritius	76.00%
Transenergy Kenya Limited *	Kenya	76.00%
Recron (Malaysia) Sdn Bhd *	Malaysia	100.00%
Reliance Payment Solutions Limited	India	100.00%
Reliance Brands Limited	India	94.45%
Reliance Trading Limited **	India	94.40%
Reliance Lifestyle Holdings Limited	India	94.45%
Delight Proteins Limited	India	94.40%
Reliance F&B Services Limited	India	94.40%
Strategic Manpower Solutions Limited	India	100.00%
Reliance Food Processing Solutions Limited	India	94.40%
Reliance Vantage Retail Limited	India	100.00%
Wave Land Developers Limited	Kenya	100.00%
Reliance-GrandOptical Private Limited	India	94.40%
Reliance Universal Commercial Limited	India	100.00%
Reliance Petroinvestments Limited	India	100.00%
Reliance Global Commercial Limited	India	100.00%

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance People Serve Limited	India	100.00%
Reliance Infrastructure Management Services Limited	India	100.00%
Reliance Global Business B.V.	Netherlands	100.00%
Reliance Gas Corporation Limited	India	100.00%
Reliance Global Energy Services Limited	U.K.	100.00%
Kanhatech Solutions Limited	India	72.00%
Reliance Global Energy Services (Singapore) Pte. Limited	Singapore	100.00%
Reliance Polyolefins Limited	India	100.00%
Reliance Aromatics and Petrochemicals Limited	India	100.00%
Reliance Energy and Project Development Limited	India	100.00%
Reliance Chemicals Limited	India	100.00%
Reliance Universal Enterprises Limited	India	100.00%
Reliance Review Cinema Limited	India	94.40%
Reliance Nutritious Food Products Limited^	India	94.40%
RIL USA Inc.*	U.S.A	100.00%
Reliance Commercial Land & Infrastructure Limited	India	100.00%
Reliance Corporate IT Park Limited	India	100.00%
Reliance Eminent Trading & Commercial Private Limited	India	100.00%
Reliance Progressive Traders Private Limited	India	100.00%
Reliance Prolific Traders Private Limited	India	100.00%
Reliance Universal Traders Private Limited	India	100.00%
Reliance Prolific Commercial Private Limited	India	100.00%
Reliance Comtrade Private Limited	India	100.00%
Reliance Ambit Trade Private Limited	India	100.00%
Reliance Petro Marketing Limited	India	94.40%
LPG Infrastructure (India) Limited	India	94.40%
Reliance Corporate Centre Limited	India	100.00%
Reliance Convention and Exhibition Centre Limited	India	100.00%
Central Park Enterprises DMCC *	U.A.E	100.00%
Reliance International B. V. (Liquidated as on 18th March, 2014)	Netherlands	100.00%
Reliance Corporate Services Limited	India	100.00%
Indiawin Sports Private Limited	India	100.00%
Reliance Holding USA Inc.*	U.S.A	100.00%
Reliance Marcellus LLC*	U.S.A	100.00%
Reliance Jio Infocomm Limited	India	98.90%
Reliance Strategic (Mauritius) Limited	Mauritius	100.00%
Reliance Eagleford Midstream LLC*	U.S.A	100.00%

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

Name of the Subsidiaries	Country of Incorporation	Proportion of ownership interest
Reliance Eagleford Upstream LLC*	U.S.A	100.00%
Reliance Eagleford Upstream GP LLC*	U.S.A	100.00%
Reliance Eagleford Upstream Holding LP*	U.S.A	100.00%
Mark Project Services Private Limited	India	100.00%
Reliance Energy Generation and Distribution Limited	India	100.00%
Reliance Marcellus II LLC*	U.S.A	100.00%
Reliance Security Solutions Limited	India	100.00%
Reliance Industries Investment and Holding Limited	India	100.00%
Reliance Style Fashion India Private Limited	India	94.45%
GenNext Innovation Ventures Limited	India	100.00%
Infotel Telecom Limited	India	98.90%
Reliance Styles India Limited	India	94.45%
Rancore Technologies Private Limited	India	98.90%
Reliance Sibur Elastomers Private Limited	India	74.90%
Surela Investment and Trading Private Limited	India	100.00%
Model Economic Township Limited	India	92.50%
Delta Corp East Africa Limited	Kenya	58.80%
Kaizen Capital LLP	U.K.	49.98%
Affinity Names Inc. *	U.S.A.	100.00%
Reliance USA Gas Marketing LLC *	U.S.A.	100.00%
Reliance Aerospace Technologies Limited	India	100.00%
Reliance Gas Pipelines Limited	India	100.00%
Achman Commercial Private Limited	India	94.40%
Reliance Jio Infocomm Pte. Limited *	Singapore	98.90%
Reliance do Brasil Indústria e Comércio de Produtos Têxteis, Químicos, Petroquímicos e Derivados Ltda.*	Brazil	100.00%
Reliance Jio Electronics Private Limited	India	51.00%
Reliance Jio Infocomm USA Inc. *	U.S.A.	98.90%
Reliance Jio Infocomm UK Limited *	U.K.	98.90%
Reliance Clothing India Private Limited	India	94.40%
Reliance Marcellus Holding LLC *	U.S.A.	100.00%
Reliance Agri Ventures Private Limited	India	94.40%
Reliance World Trade Private Limited	India	100.00%

- # Formerly known as Reliance Fresh Limited
Formerly known as Reliance Commercial Associates Limited
** Formerly known as Reliance Trends Limited
^ Formerly known as Two Sisters Foods India Limited
* Subsidiary Company having 31st December as a reporting date.

Notes on Consolidated Financial Statements for the Year ended 31st March, 2014

36. The significant Associates / Joint Ventures considered in the consolidated financial statements are:

Name of the Associates / Joint Ventures	Country of Incorporation	Proportion of ownership interest
Reliance Industrial Infrastructure Limited	India	45.43%
Reliance Europe Limited #	U.K.	50.00%
Reliance LNG Limited	India	45.00%
Gujarat Chemical Port Terminal Company Limited	India	41.80%
Indian Vaccines Corporation Limited	India	33.33%
Reliance Commercial Dealers Limited	India	50.00%
Reliance-Vision Express Private Limited	India	47.20%
Reliance-Grandvision India Supply Private Limited	India	47.20%
Marks and Spencer Reliance India Private Limited	India	46.25%
Reliance Innovative Building Solutions Private Limited	India	50.00%
Diesel Fashion India Reliance Private Limited	India	46.28%
Office Depot Reliance Supply Solutions Private Limited	India	50.00%
Zegna South Asia Private Limited	India	46.28%
Reliance Paul & Shark Fashions Private Limited	India	47.23%
IMG Reliance Limited	India	50.00%
EFS Midstream LLC #	U.S.A	49.90%
D. E. Shaw India Securities Private Limited	India	50.00%
India Gas Solutions Private Limited	India	50.00%
Extramarks Education Private Limited	India	38.46%
Supreme Tradelinks Private Limited	India	46.25%
Gaurav Overseas Private Limited	India	50.00%
Reliance Commercial Trading Private Limited	India	50.00%
GenNext Ventures Investment Advisers LLP ^	India	50.00%
Algenol LLC #	U.S.A.	42.18%
Aurora Algea Inc. #	U.S.A.	44.58%
Iconix Lifestyle India Private Limited	India	47.23%
Brooks Brothers India Private Limited *	India	46.28%
Reliance Jio Digital Services Private Limited**	India	50.00%
Reliance Jio Media Private Limited	India	50.00%
Reliance Jio Infratel Private Limited***	India	50.00%
Matrix Genetics LLC #	U.S.A.	30.63%
Football Sports Development Private Limited	India	50.00%

^ Formerly known as GenNext Ventures LLP

* Formerly known as In Vogue Brand Solutions Private Limited

** Formerly known as Reliance Jio Cloudworks Private Limited

*** Formerly known as Reliance Jio Private Limited

Associate Company having 31st December as a reporting date.

As per our Report of even date

For **Chaturvedi & Shah** Chartered Accountants
For **Deloitte Haskins & Sells LLP** Chartered Accountants
For **Rajendra & Co.** Chartered Accountants

D. Chaturvedi
Partner

A. B. Jani
Partner

A.R. Shah
Partner

Mumbai
Date : April 18, 2014

Alok Agarwal
Chief Financial Officer

K. Sethuraman
Company Secretary

For and on behalf of the Board

M.D. Ambani - Chairman & Managing Director
N.R. Meswani
H.R. Meswani
P.M.S. Prasad
P. K. Kapil
M.L. Bhakta
Y.P. Trivedi
Dr. D.V. Kapur
M.P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. R.A. Mashelkar
Adil Zainulbhai

} Executive Directors
} Directors

Financial Information of Subsidiary Companies

													₹ in crore
Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
1	Reliance Industrial Investments and Holdings Limited	INR	149.06	1,070.95	22,420.37	22,420.37	2,686.52	955.59	8.27	-	8.27	-	India
2	Reliance Ventures Limited	INR	2.69	2,423.03	2,461.23	2,461.23	1,282.12	164.56	66.04	10.49	55.55	-	India
3	Reliance Strategic Investments Limited	INR	2.33	1,183.78	1,715.97	1,715.97	631.26	54.44	18.14	2.50	15.64	-	India
4	Reliance Industries (Middle East) DMCC	INR	177.81	(151.11)	276.95	276.95	-	2,911.02	(39.25)	-	(39.25)	-	U.A.E
		USD MN	28.77	(24.45)	44.81	44.81	-	471.00	(6.35)	-	(6.35)	-	
5	Reliance Retail Limited (Formerly Reliance Fresh Limited)	INR	4,989.54	263.79	8,657.09	8,657.09	426.89	12,751.95	395.85	123.78	272.07	-	India
6	Reliance Haryana SEZ Limited	INR	0.05	(50.17)	5,411.11	5,411.11	-	6.12	(0.64)	-	(0.64)	-	India
7	Reliance Retail Insurance Broking Limited	INR	4.00	3.90	8.63	8.63	2.45	18.67	1.27	0.20	1.07	-	India
8	Reliance Dairy Foods Limited *	INR	0.25	9.61	268.23	268.23	0.01	535.71	(42.18)	(14.34)	(27.84)	-	India
9	Reliance Exploration & Production DMCC	INR	2,707.37	(2141.91)	730.91	730.91	-	-	(60.88)	-	(60.88)	-	U.A.E
		USD MN	438.05	(346.56)	118.26	118.26	-	-	(9.85)	-	(9.85)	-	
10	Reliance Retail Finance Limited	INR	2.02	99.80	101.82	101.82	101.80	0.05	(0.00)	-	(0.00)	-	India
11	Reliance Retail Ventures Limited	INR	6,000.00	(2.26)	5,997.75	5,997.75	-	-	(0.04)	-	(0.04)	-	India
12	Reliance Financial Distribution and Advisory Services Limited *	INR	0.12	1.27	24.90	24.90	-	9.49	(1.05)	-	(1.05)	-	India
13	RIL (Australia) Pty Limited	INR	36.22	(36.44)	0.17	0.17	-	-	(0.22)	-	(0.22)	-	Australia
		AUD MN	6.55	(6.59)	0.03	0.03	-	-	(0.04)	-	(0.04)	-	
14	Gapco Kenya Limited	INR	104.34	401.47	2,463.51	2,463.51	-	9,877.23	5.50	1.88	3.62	-	Kenya
		KSH MN	1,459.54	5,615.75	34,459.56	34,459.56	-	1,38,162.37	76.88	26.30	50.58	-	
15	Gapco Rwanda Limited	INR	4.16	(4.03)	11.76	11.76	-	50.28	(4.75)	0.93	(5.68)	-	Rwanda
		FRW MN	448.50	(434.72)	1,268.42	1,268.42	-	5,423.44	(512.34)	100.05	(612.39)	-	
16	Gapco Tanzania Limited	INR	110.97	496.60	994.27	994.27	-	6,494.76	88.63	32.46	56.18	-	Tanzania
		TZS MN	29,910.00	1,33,855.00	2,67,998	2,67,998	-	17,50,609.00	23,890.00	8,748.00	15,142.00	-	
17	Gapco Uganda Limited	INR	21.61	115.93	172.74	172.74	-	511.17	11.12	3.18	7.94	-	Uganda
		USH MN	8,750.10	46,937.19	69,935.86	69,935.86	-	2,06,949.60	4,501.67	1,287.12	3,214.55	-	
18	Gapoil (Zanzibar) Limited	INR	1.86	(1.54)	8.10	8.10	-	0.07	(0.27)	-	(0.27)	-	Zanzibar
		TZS MN	500.00	(415.35)	2,182.85	2,182.85	-	19.12	(71.84)	-	(71.84)	-	
19	Gulf Africa Petroleum Corporation	INR	135.97	(63.97)	338.20	338.20	-	-	(7.11)	-	(7.11)	-	Mauritius
		USD MN	22.00	(10.35)	54.72	54.72	-	-	(1.15)	-	(1.15)	-	
20	Transenergy Kenya Limited	INR	8.58	(6.66)	1.96	1.96	-	-	(0.13)	-	(0.13)	-	Kenya
		KSH MN	120.00	(93.14)	27.46	27.46	-	-	(1.85)	-	(1.85)	-	
21	Recron (Malaysia) Sdn Bhd	INR	213.39	1,326.59	4,018.73	4,018.73	-	6,713.47	(245.25)	(85.23)	(160.02)	-	Malaysia
		RM MN	113.19	703.67	2,131.67	2,131.67	-	3,561.05	(130.09)	(45.21)	(84.88)	-	
22	Reliance Payment Solutions Limited	INR	8.89	(1.39)	13.18	13.18	0.51	0.06	(0.06)	0.00	(0.06)	-	India
23	Reliance Brands Limited	INR	80.86	(71.93)	445.37	445.37	163.11	101.82	(36.04)	(12.49)	(23.55)	-	India
24	Reliance Trading Limited (Formerly Reliance Trends Limited)	INR	1.05	1.09	6.61	6.61	-	156.78	0.23	0.04	0.19	-	India
25	Reliance Lifestyle Holdings Limited	INR	0.05	(19.23)	83.60	83.60	-	94.60	(8.24)	-	(8.24)	-	India

As on 31.12.2013: 1 EUR = ₹85.1025, 1 US \$ = ₹61.8050, 1 RM = ₹18.8525, 1 KSH = ₹0.7149, 1 FRW = ₹0.0927, 1 TZS = ₹0.0371, 1 USH = ₹0.0247, 1 BRL = ₹26.3898, 1 GBP = ₹102.14; Exchange Rate as on 31.3.2014, 1 EUR = ₹82.6850, 1 US \$ = ₹59.9150, 1 Aus \$ = ₹55.2975, 1 KSH = ₹0.6931, 1 SGD = ₹47.5825, 1 GBP = ₹99.7650.
* Financial Information is based on Unaudited Results.

Financial Information of Subsidiary Companies

₹ in crore

Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
26	Delight Proteins Limited *	INR	0.11	6.21	13.76	13.76	0.01	49.70	(3.85)	7.36	(11.21)	-	India
27	Reliance F&B Services Limited *	INR	0.06	0.00	11.97	11.97	0.00	25.28	(0.26)	-	(0.26)	-	India
28	Strategic Manpower Solutions Limited	INR	0.05	(26.05)	42.36	42.36	-	367.10	0.01	0.00	0.01	-	India
29	Reliance Food Processing Solutions Limited *	INR	0.33	1.18	4.21	4.21	0.01	1.57	(17.61)	-	(17.61)	-	India
30	Reliance Vantage Retail Limited	INR	0.56	(43.01)	83.65	83.65	-	0.03	(2.14)	-	(2.14)	-	India
31	Wave Land Developers Limited	INR	123.59	74.08	198.24	198.24	-	38.52	37.62	1.82	35.80	-	India
		KSH MN	1,783.21	1,068.89	2,860.13	2,860.13	-	555.82	542.80	26.33	516.47	-	Kenya
32	Reliance-Grand Optical Limited	Private INR	0.05	(0.02)	0.04	0.04	-	-	(0.00)	-	(0.00)	-	India
33	Reliance Universal Commercial Limited	INR	0.05	0.00	4.49	4.49	4.47	0.00	(0.00)	(0.00)	(0.00)	-	India
34	Reliance Petroinvestments Limited	INR	8.88	174.77	195.90	195.90	184.47	0.02	(0.39)	-	(0.39)	-	India
35	Reliance Global Commercial Limited	INR	0.05	0.01	4.49	4.49	4.47	0.00	(0.00)	(0.00)	(0.00)	-	India
36	Reliance People Serve Limited *	INR	0.06	1.61	2.24	2.24	-	4.33	(0.02)	-	(0.02)	-	India
37	Reliance Infrastructure Management Services Limited *	INR	0.05	(0.01)	1.98	1.98	-	15.01	0.01	0.00	0.00	-	India
38	Reliance Global Business B. V.	INR	665.61	14.64	680.66	680.66	-	0.83	(6.04)	-	(6.04)	-	India
		EUR MN	80.50	1.77	82.32	82.32	-	0.10	(0.73)	-	(0.73)	-	Netherlands
39	Reliance Gas Corporation Limited *	INR	0.05	(0.01)	10.64	10.64	4.51	-	(0.00)	-	(0.00)	-	India
40	Reliance Global Energy Services (Singapore) Pte. Ltd.	INR	7.14	1.09	9.99	9.99	-	10.28	0.95	0.05	0.90	0.86	India
		SGD MN	1.50	0.23	2.10	2.10	-	2.16	0.20	0.01	0.19	0.18	Singapore
41	Kanhatech Solutions Limited	INR	23.00	(1.49)	23.47	23.47	0.02	0.02	(0.60)	-	(0.60)	-	India
42	Reliance Global Energy Services Limited	INR	4.99	3.39	15.86	15.86	-	26.44	2.00	0.50	1.50	-	India
		GBP MN	0.50	0.34	1.59	1.59	-	2.65	0.20	0.05	0.15	-	U K
43	Reliance Polyolefins Limited	INR	13.26	2,583.50	2,601.99	2,601.99	2,601.92	30.66	2.78	0.93	1.85	-	India
44	Reliance Aromatics and Petrochemicals Limited	INR	4.52	2,705.83	2,781.37	2,781.37	2,781.36	0.02	(0.01)	(0.00)	(0.01)	-	India
45	Reliance Energy and Project Development Limited	INR	1.01	951.80	1,256.24	1,256.24	1,255.99	0.02	(0.00)	0.00	(0.01)	-	India
46	Reliance Chemicals Limited	INR	7.58	2,598.64	2,606.22	2,606.22	2,604.91	0.02	(0.00)	(0.00)	(0.00)	-	India
47	Reliance Universal Enterprises Limited	INR	13.26	3,403.43	3,416.69	3,416.69	3,416.56	0.02	0.01	0.00	0.01	-	India
48	Reliance Review Cinema Limited *	INR	0.05	(0.05)	0.36	0.36	0.01	1.64	(0.03)	-	(0.03)	-	India
49	Reliance Nutritious Food Products Limited * (Formerly Two Sisters Foods India Limited)	INR	12.16	(11.22)	1.00	1.00	0.08	0.01	(1.19)	-	(1.19)	-	India
50	Reliance Commercial Land & Infrastructure Limited	INR	51.26	4,122.25	5,561.15	5,561.15	79.72	1.02	0.29	0.01	0.28	-	India
51	Reliance Corporate IT Park Limited	INR	2,976.32	(112.25)	4,425.52	4,425.52	4.26	4,038.97	8.43	1.68	6.75	-	India
52	Reliance Eminent Trading & Commercial Private Limited	INR	14.67	2,044.81	2,282.32	2,282.32	-	0.32	(6.49)	-	(6.49)	-	India

As on 31.12.2013: 1 EUR = ₹85.1025, 1 US \$ = ₹61.8050, 1 RM = ₹18.8525, 1 KSH = ₹0.7149, 1 FRW = ₹0.0927, 1 TZS = ₹0.0371, 1 USH = ₹0.0247, 1 BRL = ₹26.3898, 1 GBP = ₹102.14; Exchange Rate as on 31.3.2014, 1 EUR = ₹82.6850, 1 US \$ = ₹59.9150, 1 Aus \$ = ₹55.2975, 1 KSH = ₹0.6931, 1 SGD = ₹47.5825, 1 GBP = ₹99.7650. * Financial Information is based on Unaudited Results.

Financial Information of Subsidiary Companies

													₹ in crore
Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
53	Reliance Progressive Traders Private Limited	INR	13.96	1,726.21	2,310.22	2,310.22	0.00	3.71	(16.21)	-	(16.21)	-	India
54	Reliance Universal Traders Private Limited	INR	10.12	39.26	127.18	127.18	-	-	(2.23)	-	(2.23)	-	India
55	Reliance Prolific Traders Private Limited	INR	12.87	1,430.23	2,519.95	2,519.95	-	0.03	11.72	3.87	7.85	-	India
56	Reliance Prolific Commercial Private Limited	INR	1.66	330.60	398.83	398.83	-	0.10	(0.66)	0.01	(0.67)	-	India
57	Reliance Comtrade Private Limited	INR	1.48	241.39	243.07	243.07	-	-	(0.01)	-	(0.01)	-	India
58	Reliance Ambit Trade Private Limited	INR	1.93	465.63	507.12	507.12	-	0.05	(0.20)	0.00	(0.20)	-	India
59	Reliance Petro Marketing Limited	INR	4.05	8.16	51.52	51.52	0.00	252.68	0.79	0.25	0.54	-	India
60	LPG Infrastructure (India) Limited *	INR	0.05	10.98	155.90	155.90	0.00	479.22	3.61	0.65	2.96	-	India
61	RIL USA Inc.	INR	18.54	44.31	1,465.46	1,465.46	-	26,690.61	75.96	26.39	49.63	-	USA
		USD MN	3.00	7.17	237.11	237.11	-	4,318.52	12.29	4.27	8.03	-	
62	Central Park Enterprises DMCC	INR	0.62	(0.99)	0.19	0.19	-	-	(0.25)	-	(0.25)	-	U.A.E
		USD MN	0.10	(0.16)	0.03	0.03	-	-	(0.04)	-	(0.04)	-	
63	Reliance Corporate Services Limited *	INR	0.06	(0.01)	120.36	120.36	111.07	-	(0.00)	-	(0.00)	-	India
64	Reliance Corporate Centre Limited *	INR	0.05	(0.00)	0.07	0.07	-	-	(0.00)	-	(0.00)	-	India
65	Reliance Convention and Exhibition Centre Limited *	INR	0.05	(0.00)	111.90	111.90	-	-	(0.00)	-	(0.00)	-	India
66	Indiawin Sports Private Limited	INR	2.65	(101.05)	140.55	140.55	27.45	220.87	(5.04)	-	(5.04)	-	India
67	Reliance Holding USA, Inc.	INR	0.31	3,239.69	30,990.57	30,990.57	746.36	-	(44.69)	249.57	(294.25)	-	USA
		USD MN	0.05	524.18	5,014.25	5,014.25	120.76	-	(7.23)	40.38	(47.61)	-	
68	Reliance Marcellus LLC	INR	1,140.61	(517.62)	13,717.19	13,717.19	-	706.25	(283.01)	-	(283.01)	-	USA
		USD MN	184.55	(83.75)	2,219.43	2,219.43	-	114.27	(45.79)	-	(45.79)	-	
69	Reliance Jio Infocomm Limited	INR	23,072.00	(27.39)	41,910.98	41,910.98	0.06	0.04	(10.51)	-	(10.51)	-	India
70	Reliance Strategic (Mauritius) Limited *	INR	0.00	0.00	-	-	-	-	(0.12)	-	(0.12)	-	Mauritius
		USD MN	0.00	0.00	-	-	-	-	(0.02)	-	(0.02)	-	
71	Reliance Eagleford Midstream LLC	INR	289.25	323.43	1,662.43	1,662.43	1,661.87	-	199.01	-	199.01	-	USA
		USD MN	46.80	52.33	268.98	268.98	268.89	-	32.20	-	32.20	-	
72	Reliance Eagleford Upstream LLC	INR	1,411.50	(0.25)	13,377.88	13,377.88	1,411.19	-	(0.06)	-	(0.06)	-	USA
		USD MN	228.38	(0.04)	2,164.53	2,164.53	228.33	-	(0.01)	-	(0.01)	-	
73	Reliance Eagleford Upstream GP LLC	INR	0.25	(0.02)	0.19	0.19	0.12	-	(0.00)	-	(0.00)	-	USA
		USD MN	0.04	(0.00)	0.03	0.03	0.02	-	(0.00)	-	(0.00)	-	
74	Reliance Eagleford Upstream Holding LP	INR	1,411.32	2,449.52	18,830.13	18,830.13	-	4,013.18	1,073.80	-	1,073.80	-	USA
		USD MN	228.35	396.33	3,046.70	3,046.70	-	649.33	173.74	-	173.74	-	
75	Mark Project Services Private Limited *	INR	0.05	(0.03)	0.09	0.09	-	-	(0.17)	-	(0.17)	-	India
76	Reliance Energy Generation and Distribution Limited	INR	1.25	371.75	3,636.38	3,636.38	-	0.02	(0.04)	-	(0.04)	-	India
77	Reliance Marcellus II LLC	INR	621.82	(162.67)	4,790.94	4,790.94	-	339.68	(96.23)	-	(96.23)	-	USA
		USD MN	100.61	(26.32)	775.17	775.17	-	54.96	(15.57)	-	(15.57)	-	
78	Reliance Security Solutions Limited *	INR	0.05	0.20	8.34	8.34	-	12.68	0.06	0.02	0.04	-	India
79	Reliance Industries Investment and Holding Limited *	INR	3.24	1,430.17	1,433.41	1,433.41	1,433.38	18.09	9.57	0.01	9.56	-	India
80	Reliance Style Fashion India Private Limited *	INR	1.01	(11.06)	15.16	15.16	-	14.04	(2.68)	-	(2.68)	-	India
81	GenNext Innovation Ventures Limited *	INR	0.05	(0.01)	0.05	0.05	-	0.00	(0.00)	-	(0.00)	-	India

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Financial Information of Subsidiary Companies

₹ in crore

Sr. No.	Name of Subsidiary Company	Reporting Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	Country
82	Reliance Styles India Limited *	INR	0.05	(0.01)	0.04	0.04	-	-	(0.00)	-	(0.00)	-	India
83	Infotel Telecom Limited	INR	6.05	(0.15)	1,186.92	1,186.92	0.04	0.11	0.02	0.01	0.01	-	India
84	Rancore Technologies Private Limited	INR	0.05	(0.04)	0.02	0.02	-	0.04	0.04	0.02	0.02	-	India
85	Achman Commercial Private Limited *	INR	0.06	1.07	7.97	7.97	-	1.17	(1.64)	-	(1.64)	-	India
86	Reliance Sibur Elastomers Private Limited	INR	118.01	7.43	130.04	130.04	68.53	5.90	5.49	-	5.49	-	India
87	Model Economic Township Limited	INR	0.05	(0.01)	0.05	0.05	-	0.00	(0.00)	(0.00)	(0.00)	-	India
88	Affinity Names Inc *	INR	1.48	(0.31)	1.24	1.24	-	-	(0.31)	-	(0.31)	-	
		USD MN	0.24	(0.05)	0.20	0.20	-	-	(0.05)	-	(0.05)	-	USA
89	Reliance Aerospace Technologies Limited	INR	0.05	(1.36)	0.09	0.09	-	-	(1.36)	-	(1.36)	-	India
90	Reliance Gas Pipelines Limited	INR	0.05	(0.00)	35.37	35.37	-	-	(0.00)	-	(0.00)	-	India
91	Surela Investment and Trading Private Limited	INR	0.05	(0.51)	21.60	21.60	2.52	0.00	(0.22)	0.19	(0.40)	-	India
92	Delta Corp East Africa Limited	INR	52.98	16.26	83.16	83.16	-	278.49	94.85	24.04	70.81	69.31	
		KSH MN	764.44	234.63	1,199.83	1,199.83	-	4,018.00	1,368.43	346.81	1,021.62	1,000.00	Kenya
93	Kaizen Capital LLP	INR	0.01	-	0.01	0.01	-	-	(0.01)	-	(0.01)	-	
		GBP MN	0.00	-	0.00	0.00	-	-	(0.00)	-	(0.00)	-	UK
94	Reliance USA Gas Marketing LLC *	INR	0.00	-	0.00	0.00	-	-	(0.00)	-	(0.00)	-	
		USD MN	0.00	-	0.00	0.00	-	-	(0.00)	-	(0.00)	-	U.S.A.
95	Reliance Jio Infocomm Pte. Ltd.	INR	133.50	(0.43)	192.15	192.15	-	-	(0.43)	-	(0.43)	-	
		USD MN	21.60	(0.07)	31.09	31.09	-	-	(0.07)	-	(0.07)	-	Singapore
96	Reliance do Brasil Indústria e Comércio de Produtos Têxteis, Químicos, Petroquímicos e Derivados Ltda.	INR	3.91	(3.72)	0.21	0.21	-	0.84	0.05	0.00	0.05	-	
		BRL MN	1.48	(1.41)	0.08	0.08	-	0.32	0.02	0.00	0.02	-	Brazil
97	Reliance Jio Electronics Private Limited	INR	0.05	(0.01)	0.05	0.05	-	0.00	(0.01)	-	(0.01)	-	India
98	Reliance Jio Infocomm USA Inc.	INR	0.00	15.02	16.01	16.01	-	-	(1.36)	-	(1.36)	-	
		USD MN	0.00	2.43	2.59	2.59	-	-	(0.22)	-	(0.22)	-	U.S.A.
99	Reliance Jio Infocomm UK Limited #	INR	0.10	(0.10)	0.10	0.10	-	-	(0.10)	-	(0.10)	-	
		GBP MN	0.01	(0.01)	0.01	0.01	-	-	(0.01)	-	(0.01)	-	U.K.
100	Reliance Clothing India Private Limited	INR	0.05	(0.02)	0.03	0.03	-	-	(0.01)	-	(0.01)	-	India
101	Reliance Agri Ventures Private Limited *	INR	0.05	(0.05)	0.01	0.01	-	0.00	(0.00)	-	(0.00)	-	India
102	Reliance World Trade Private Limited	INR	12.28	6,121.21	6,133.51	6,133.51	6,133.50	0.00	(0.00)	(0.00)	(0.00)	-	India
103	Reliance Marcellus Holdings LLC	INR	-	-	-	-	-	-	-	-	-	-	
		USD MN	-	-	-	-	-	-	-	-	-	-	U.S.A.

The first accounting year of the company will be ending on 31st December 2014

As on 31.12.2013: 1 EUR = ₹ 85.1025, 1 US \$ = ₹ 61.8050, 1 RM = ₹ 18.8525, 1 KSH = ₹ 0.7149, 1 FRW = ₹ 0.0927, 1 TZS = ₹ 0.0371, 1 USH = ₹ 0.0247, 1 BRL = ₹ 26.3898, 1 GBP = ₹ 102.14; Exchange Rate as on 31.3.2014, 1 EUR = ₹ 82.6850, 1 US \$ = ₹ 59.9150, 1 Aus \$ = ₹ 55.2975, 1 KSH = ₹ 0.6931, 1 SGD = ₹ 47.5825, 1 GBP = ₹ 99.7650. * Financial Information is based on Unaudited Results.

Shareholders' Referencer

Shareholders' Referencer

AN OVERVIEW

- The Company has currently around 3 million shareholders holding Equity Shares.
- The Company's Equity Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Global Depository Receipts (GDRs) of the Company are listed on the Luxembourg Stock Exchange and traded on International Order Book (London Stock Exchange) and PORTAL System (NASD, USA).
- The Company's Equity Shares are the most actively traded security on both BSE and NSE.
- The Company's Equity Shares are under compulsory trading in demat form only.
- 97.70% 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, the largest Registrar in the country with a large number of Investor Service Centres across the country, who discharges investor service functions effectively, efficiently and expeditiously.
- The Company has appointed a firm of Chartered Accountants as Internal Auditors to concurrently audit the securities related transactions being handled at Karvy.
- The Company has prescribed service standards for the various investor related activities. These standards are periodically reviewed by the Company.

The service standards set by the Company for various investor related transactions / activities are as follows :

Sl. No.	Particulars	Service Standards (No. of working days)
(A) Registration Items		
1	Transfers	3
2	Transmission	3
3	Transposition	3
4	Deletion of Name	3
5	Folio Consolidation	3
6	Change of Name	3

Sl. No.	Particulars	Service Standards (No. of working days)
7	Demat	3
8	Remat	3
9	Issue of Duplicate Certificate	15
10	Replacement of Certificate	3
11	Certificate Consolidation	3
12	Certificate Split	3
13	Change of Address	2
14	Bank Mandate / Details	2
15	Nomination by security holders	2
16	Power of Attorney by security holders	2
(B) Correspondence		
1	Non-receipt of Annual Reports	2
2	Non-receipt of Dividend Warrants	3
3	Non-receipt of Interest/ Redemption Warrants	3
4	Non-receipt of Certificate	2
5	Revalidation of Dividend Warrants	3
6	Revalidation of Redemption Warrants	3
7	Multiple Queries	4
8	IEPF Letters	3

1. DEALING IN SECURITIES

1.1 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 (DP) in the name of investor for holding and transferring securities.

Trading Account: An account opened by the broker in the name of the investor for buying and selling of securities.

Bank Account: A bank account opened in the name of the investor for debiting or crediting money with respect to transactions in the securities market.

1.2 What is Delivery Instruction Slip (DIS) and what precautions one should observe with respect to DIS?

To give delivery of the securities, the beneficial owner 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 that DIS numbers are pre-printed and DP takes acknowledgment for the DIS booklet issued to the investor.
- Ensure that the account number [client id] is pre-stamped.
- If the account is a joint account, all the joint holders have to sign the instruction slips. Instruction cannot be executed if all joint holders have not signed.
- Avoid using loose slips.
- Do not leave signed blank DIS with anyone viz., broker/sub-broker, DPs or any other person/entity.
- Keep the DIS book under lock and key when not in use.
- If only one entry is made in the DIS book, strike out remaining space to prevent misuse.
- Personally fill in target account-id and all details in the DIS.
- If the DIS booklet is lost / stolen / not traceable, the same must be intimated to the DP, immediately, in writing. On receipt of such intimation, the DP will cancel the unused DIS of the said booklet.

1.3 What is online trading in securities?

Online trading in securities refers to the facility available to an investor for placing his own orders using the internet trading platform offered by the trading member viz., the broker. The orders so placed by the investor using internet would be routed through the trading member.

1.4 What precautions an online investor must take?

Investor trading online must take the following precautions:

- Default password provided by the broker must be changed before placing the order.
- The password should not be shared with others and password must be changed at periodic intervals.
- Proper understanding of the manner in which the online trading software has to be operated.
- Adequate training on usage of software.
- The online trading system has facility for order and trade confirmation after placing the orders.

1.5 What are the other safety measures an online client must observe?

- Avoid placing order from shared PCs / through cyber cafés.
- Log out after having finished trading to avoid misuse.
- Do not click "remember me" option while signing in from shared PCs / through cyber cafes.

- Do not leave the terminal unattended while "signed-in" on the trading system.
- Protect your personal computer against viruses by placing a firewall and an anti-virus solution.
- Do not open email attachments from people you do not know.

1.6 What are the do's and don'ts while dealing in securities market?

DO'S

- Transact only through Stock Exchanges.
- Deal only through SEBI registered intermediaries.
- Complete all the required formalities of opening an account properly (Client registration, Client agreement forms etc).
- Ask for and sign "Know Your Client Agreement".
- Read and properly understand the risks associated with investing in securities / derivatives before undertaking transactions.
- Assess the risk - return profile of the investment as well as the liquidity and safety aspects before making your investment decision.
- Ask all relevant questions and clear your doubts with your broker before transacting.
- Invest based on sound reasoning after taking into account all publicly available information and on fundamentals.
- Beware of the false promises and to note that there are no guaranteed returns on investments in the Stock Market.
- Give clear and unambiguous instructions to your broker/sub-broker / DP.
- Be vigilant in your transactions.
- Insist on a contract note for your transaction.
- Verify all details in the contract note, immediately on receipt.
- Always settle dues through the normal banking channels with the market intermediaries.
- Crosscheck details of your trade with details as available on the exchange website.
- Scrutinize minutely both the transaction and the holding statements that you receive from your DP.
- Keep copies of all your investment documentation.
- Handle DIS Book issued by DP's carefully.
- Insist that the DIS numbers are pre-printed and your account number (client id) be pre-stamped.
- In case you are not transacting frequently make use of the freezing facilities provided for your demat account.

Shareholders' Referencer (Continued)

- Pay the margins required to be paid in the time prescribed.
- Deliver the shares in case of sale or pay the money in case of purchase within the time prescribed.
- Participate and vote in general meetings either personally or through proxy.
- Be aware of your rights and responsibilities.
- In case of complaints, approach the right authorities for redressal in a timely manner.

DON'TS

- Don't undertake off-market transactions in securities.
- Don't deal with unregistered intermediaries.
- Don't fall prey to promises of unrealistic returns.
- Don't invest on the basis of hearsay and rumours; verify before investment.
- Don't forget to take note of risks involved in the investment.
- Don't be misled by rumours circulating in the market.
- Don't blindly follow media reports on corporate developments, as some of these could be misleading.
- Don't follow the herd or play on momentum - it could turn against you.
- Don't be misled by so called hot tips.
- Don't try to time the market.
- Don't hesitate to approach the proper authorities for redressal of your doubts / grievances.
- Don't leave signed blank DISs of your demat account lying around carelessly or with anyone.
- Do not sign blank DIS and keep them with DP or broker to save time. Remember your carelessness can be your peril.
- Do not keep any signed blank transfer deeds.

COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS / INVESTORS

Deal with Registered Intermediaries

Investors should transact through a registered intermediary who is subject to regulatory discipline of SEBI, as it will be responsible for its activities, and in case the intermediary does not act professionally, investors may take up the matter with SEBI/Stock Exchanges.

Obtain documents relating to purchase and sale of securities

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker, within 24 hours of execution of purchase or sale of securities and it should

be ensured that the Contract Note/Confirmation Memo contains order number, order time, trade number, trade time, security descriptions, bought and/or sold quantity, price, brokerage, service tax and securities transaction tax. In case the investors have any doubt about the details contained in the contract note, they can avail the facility provided by BSE / NSE to verify the trades on BSE / NSE websites. It is recommended that this facility be availed in respect of a few trades on random basis, even if there is no doubt as to the authenticity of the trade/transaction.

Transfer securities before Book Closure/Record Date

The corporate benefits on the securities lying in the clearing account of the brokers cannot be made available to the members directly by the Company. In case an investor has bought any securities, he must ensure that the securities are transferred to his demat account before the book closure / record date.

2. DIVIDEND

2.1 What are the modes by which the dividend is paid?

Dividend is paid under four modes viz:

- National Electronic Clearing Services (NECS)
- National Electronic Fund Transfer (NEFT)
- Direct Credit to shareholders' account by bank
- Physical dispatch of Dividend Warrant

2.2 What is payment of dividend through NECS Facility and how does it operate?

NECS facility is a centralised version of ECS facility. The NECS system takes advantage of the centralised accounting system in banks. Accordingly, the account of a bank that is submitting or receiving payment instructions is debited or credited centrally at Mumbai. The branches participating in NECS can, however, be located anywhere across the length and breadth of the country.

2.3 What are the benefits of NECS (payment through electronic facilities)?

Some of the major benefits are :

- Investor need not make frequent visits to his bank for depositing the physical paper instruments.
- Prompt credit is given to the bank account of the investor through electronic clearing.
- Fraudulent encashment of warrants is avoided.
- Exposure to delays / loss in postal service are avoided.
- Issue of duplicate warrants is avoided as there can be no loss in transit of warrants.

2.4 How to avail of NECS Facility?

Investors holding shares in physical form may send their NECS Mandate Form, duly filled in, to the Company's R&TA. The Form may be downloaded from the Company's website www.ril.com under the section "Investor Relations".

However, if shares are held in dematerialised form, NECS mandate has to be sent to the concerned DP directly, in the format prescribed by the DP.

Investors must note that NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.

In this regard, shareholders are requested to furnish the new bank account number allotted by the banks post implementation of CBS, along with a copy of cheque pertaining to the concerned account:

- to the R&TA of the Company in case the shareholders hold shares in physical form; and
- to the concerned DP in case the shareholders hold shares in demat form.

2.5 Can investors opt out of NECS Facility?

Investors have a right to opt out from this mode of payment by giving an advance notice of four weeks, prior to payment of dividend, either to the Company's R&TA or to the concerned DP, as the case may be.

2.6 What is payment of dividend through NEFT Facility and how does it operate?

NEFT is a nation-wide payment system facilitating electronic transfer of funds from one account to another. Dividend payment through NEFT denotes payment of dividend electronically through RBI clearing to selected bank branches which have implemented Core Banking Solutions (CBS). This extends to all over the country, and is not necessarily restricted to the 91 designated centres where payment can be handled through ECS. To facilitate payment through NEFT, the shareholder is required to ensure that the bank branch where his/her account is operated, is under CBS and also records the particulars of the new bank account with the DP with whom the demat account is maintained.

2.7 What is payment of dividend through Direct Credit and how does it operate?

The Company will be appointing a bank as its Dividend banker for distribution of dividend. The said banker will carry out direct credit to those investors who are maintaining accounts with the said bank, provided the bank account details are registered with the DP for dematerialised shares and / or registered with the Company's R&TA prior to the payment of dividend for shares held in physical form.

2.8 What should a shareholder do in case of non-receipt of dividend?

Shareholders may write to the Company's R&TA, furnishing the particulars of the dividend not received, and quoting the folio number /DPID and Client ID particulars (in case of dematerialised shares). On expiry of the validity period, if the dividend warrant is still shown as unpaid in the records of the Company, duplicate warrant will be issued. The R&TA would request the concerned shareholder to execute an indemnity before issuing the duplicate warrant.

No duplicate warrants will 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.

2.9 Why do the shareholders have to wait till the expiry of the validity period of the original warrant for issue of duplicate warrant?

Since the dividend warrants are payable at par at several centres across the country, banks do not accept 'stop payment' instructions. Hence, shareholders have to wait till the expiry of the validity of the original warrant for issue of duplicate warrant. Validity of Dividend warrant is three months from the date of issue of the warrant.

2.10 Why shares should be transferred before the Book Closure/ Record Date fixed for dividend payment?

The dividend on shares lying in the clearing account of the brokers cannot be made available to the members directly by the Company. In case an investor has bought any shares, he must ensure that the shares are transferred to his demat account before the book closure / record date.

2.11 What are the Statutory provisions governing unpaid dividend?

As per the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years shall be transferred to the Investor Education and Protection Fund (IEPF).

Further, all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF shall also be transferred by the Company in the name of IEPF.

The shareholders whose amounts and shares have been transferred to IEPF, shall be entitled to get refund of the dividend and claim the transfer of shares from IEPF after complying with the prescribed procedure under the Companies Act, 2013.

2.12 Where can the status of unclaimed dividend not transferred to IEPF account be verified?

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as

Shareholders' Referencer (Continued)

on June 06, 2013 (date of last Annual General Meeting) on the website of the Company (www.ril.com), as also on the Ministry of Corporate Affairs website which can be accessed by the shareholders.

2.13 What is the status of unclaimed and unpaid dividend for different years?

The status of unclaimed and unpaid dividend of the Company is captured in Chart 1 below:

Chart 1: Status of unclaimed and unpaid dividend for different years:

	Unclaimed Dividend upto 1994-95	Unclaimed Dividend for 1995-96 to 2006-07	Unclaimed Dividend for 2007-08 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*	Can be claimed from IEPF	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) (i) 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 and (ii) from 1995-96 to 2006-07, from IEPF after complying with the prescribed procedure under the Act.

Chart 2: Information in respect of unclaimed and unpaid dividends declared for 2007-08 and thereafter

Financial year ended	Date of declaration of dividend	Last date for claiming unpaid dividend
31.03.2008	12.06.2008	11.06.2015
31.03.2009	07.10.2009	06.10.2016
31.03.2010	18.06.2010	17.06.2017
31.03.2011	03.06.2011	02.06.2018
31.03.2012	07.06.2012	06.06.2019
31.03.2013	06.06.2013	05.06.2020

2.14 What are the provisions relating to 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 secondary higher education cess @ 1%;

- Short Term Capital Gains (STCG) tax is payable in case the shares are sold within 12 months from the date of purchase @ 15% in case of 'individuals' together with education cess @ 2% and secondary higher education cess @ 1%; Surcharge @ 10% is payable for income exceeding ₹ 1 crore in the case of individuals also;
- No Long Term Capital Gains (LTCG) tax is payable on sale of shares through a recognised stock exchange, provided Securities Transaction Tax (STT) has been paid and shares are sold after 12 months from the date of purchase. In any other case, lower of the following is payable as long term capital gain tax:
 - 20% of the capital gain computed after substituting 'cost of acquisition' with 'indexed cost of acquisition' together with education cess @ 2% and secondary higher education cess @ 1% in the case of 'individuals'. Surcharge @ 10% is payable for income exceeding ₹ 1 crore in the case of individuals also.
 - 10% of the capital gain computed before substituting 'cost of acquisition' with 'indexed cost of acquisition' together with education cess @ 2% and secondary higher education cess @ 1% in the case of 'individuals'. Surcharge @ 10% is payable for income exceeding ₹ 1 crore in the case of individuals also.

INITIATIVES TAKEN BY THE COMPANY

Reminder letters to Investors

The Company gives an opportunity to investors by sending reminder letters on yearly basis for claiming their outstanding dividend amount which is due for transfer to Investor Education and Protection Fund.

COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS / INVESTORS

Register NECS Mandate and furnish correct bank account particulars with Company/Depository Participant(DP)

Investors holding the shares in physical form should provide the National Electronic Clearing Service (NECS) mandate to the Company's R&TA and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solutions (CBS) to the Company's R&TA in case of shares held in physical form and to the DP in case of shares held in demat form.

3. DEMATERIALISATION/ REMATERIALISATION OF SHARES

3.1 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 retained in fungible form in a depository by way of electronic balances.

3.2 Why dematerialise shares? Is Trading Compulsory in Demat Form?

SEBI has notified various companies whose shares shall be traded in demat form only. By virtue of such notification, the shares of the Company are also subject to compulsory trading only in demat form on the Stock Exchanges.

3.3 What are the benefits of Dematerialisation?

- 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

3.4 What is the procedure for dematerialisation of shares?

- Shareholders should submit the duly filled in Demat Request Form (DRF) along with physical certificate(s) to the concerned DP.
- DP intimates the relevant Depository of such requests through the system.
- DP submits the DRF and the Certificate(s) to the Company's R&TA.
- The Company's R&TA confirms the dematerialisation request from Depository.
- The Company's R&TA, after dematerialising the certificate(s), updates accounts and informs concerned depository regarding completion of dematerialisation.
- Depository updates its accounts and informs the DP.
- DP updates the demat account of the shareholder.
- The entire process should be completed within 21 days.

3.5 Can shares held jointly in physical form be dematerialised, if the sequence of names mentioned in certificate differs from sequence of names as per beneficiary account?

Depositories provide "Transposition cum Demat facility" to help joint holders to dematerialise securities in different sequence of names. For this purpose, DRF and Transposition Form should be submitted to the DP.

3.6 What is SMS alert facility?

NSDL and CDSL have launched SMS Alert facility for demat account holders whereby the investors can receive alerts for debits and credits in their demat accounts. Under this facility, investors can receive alerts, a day after such debits (transfers) / credits take place. These alerts are sent to those account holders who have provided their mobile numbers to their DPs. Alerts for debits are sent, if the debits (transfers) are up to five ISINs in a day. In case debits (transfers) are for more than five ISINs, alerts are sent with a message that debits for more than five ISINs have taken place and that the investor can check the details with the DP.

Shareholders' Referencer (Continued)

3.7 Why the Company cannot take on record bank details in case of dematerialised shares?

As per the Depository Regulations, the Company is obliged to pay dividend on dematerialised shares as per the bank account details furnished by the concerned Depository. Therefore, investors are requested to keep their bank particulars updated with their concerned DP.

3.8 What is rematerialisation of shares?

It is the process through which shares held in electronic form are converted into physical form by issuance of share certificate(s).

3.9 What is the procedure for rematerialisation of shares?

- Shareholders should submit the duly filled in Rematerialisation Request Form (RRF) to the concerned DP.
- DP intimates the relevant Depository of such requests.
- DP submits RRF to the Company's R&TA.
- Depository confirms rematerialisation request to the Company's R&TA.
- The Company's R&TA updates accounts and prints certificate(s) and informs the Depository.
- Depository updates the Beneficiary Account of the shareholder by deleting the shares so rematerialised.
- Share certificate(s) is despatched to the shareholder by Company's R&TA.

COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS / INVESTORS

Open Demat Account and Dematerialise your shares

Investors should convert their physical holdings of securities into demat holdings to reap the benefits of dematerialisation set out under para 3.3 of this referencer.

Monitor holdings regularly

Demat account should not be kept dormant for long period of time. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified. Where the investor is likely to be away for a long period of time and where the securities are held in electronic form, the investor can make a request to the DP to keep the account frozen so that there can be no debit to the account till the instruction for freezing the account is countermanded by the investor.

Register for SMS alert facility

Investors should register their mobile numbers with DPs for SMS alert facility. National Securities Depository Limited

and Central Depository Services (India) Limited proactively inform the investors of transaction in the demat account by sending SMS. Investors will be informed about debits and credits to their demat account without having to call-up their DPs and investors need not wait for receiving Transaction Statements from DPs to know about the debits and credits.

4. NOMINATION FACILITY

4.1 What is nomination facility and to whom is it more useful?

Section 72 of the Companies Act, 2013 provides the facility of nomination to shareholders. This facility is mainly useful for individuals holding shares in sole name. In the case of joint holding of shares by individuals, nomination will be effective only in the event of death of all joint holders.

4.2 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 SH-13 for initial registration of nomination and Form SH-14 for cancellation and variation of nomination as per Companies Act, 2013 to the Company's R&TA. The said forms 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.

4.3 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. An individual having capacity to contract only can be appointed as a nominee. Minor(s) can, however, be appointed as a nominee.

4.4 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.

4.5 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. Surviving joint holder(s) may appoint a nominee.

4.6 Is nomination form required to be witnessed?

A nomination form must be witnessed.

4.7 What rights are conferred on the nominee and how can he exercise the same?

The nominee is entitled to all the rights of the deceased shareholder to the exclusion of all other persons. In the event of death of the shareholder, all the rights of the shareholder shall vest in the nominee. In case of joint holding, all the rights shall vest in the nominee only in the event of death of all the joint holders. The nominee is required to apply to the Company or to the DP as may be applicable by reporting death of the nominator along with the attested copy of the death certificate.

4.8 What are the rights of a nominee vis-a-vis legal heirs of the deceased shareholder?

As per the provisions of Section 72 of the Companies Act, 2013 and as held by Hon'ble Delhi and Mumbai High Courts, the securities would vest on the nominee upon the death of the registered holder notwithstanding the rights of the legal heirs of the deceased.

COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS / INVESTORS

Submit Nomination Form

Investors should register their nominations in case of physical shares with the Company's R&TA and in case of dematerialised shares with their DP. Nomination would help the nominees to get the shares transmitted in their favour without any hassles. Investors must ensure that nomination made is in the prescribed Form and must be witnessed in order to be effective. The Form may be downloaded from the Company's website www.ril.com under the section "Investor Relations".

5. TRANSFER / TRANSMISSION / TRANSDUPLICATION / DUPLICATE CERTIFICATES ETC.

5.1 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 SH-4 as per Companies Act, 2013, duly filled in, executed and share transfer stamps affixed, to the Company's R&TA. It takes

about 3 working days for the Company's R&TA to process the transfer from the date of lodgement, although the statutory time limit fixed for completing a transfer is 15 days under the Listing Agreement and one month under the Companies Act, 2013.

5.2 Is submission of Permanent Account Number (PAN) mandatory for transfer / transmission / transposition of shares in physical form?

SEBI has made it mandatory to furnish a copy of the PAN to the Company / R&TA in the following cases, viz., (a) for securities market transactions and off-market transactions involving transfer of shares in physical form; (b) Deletion of name of the deceased holder(s), where the shares are held in the name of two or more shareholders; (c) Transmission of shares to legal heir(s), where deceased shareholder was the sole holder of the shares; and (d) Transposition of shares - where there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

5.3 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 should be resubmitted for effecting transfer. In case the errors are non-rectifiable, purchaser has recourse to the seller and/or 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.

5.4 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, the procedure for a normal transfer as mentioned above needs to be followed.

5.5 How to get shares registered which are received by way of gift? Does it attract stamp duty?

The procedure for registration of shares gifted (held in physical form) is same as the procedure for a normal transfer. The stamp duty payable for registration of gifted shares would be @ 25 paise for every ₹ 100 or part thereof,

Shareholders' Referencer (Continued)

of 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. In case the shares held in demat form are gifted no stamp duty is payable.

5.6 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.

5.7 What is the procedure for getting physical shares in the name of legal heir(s), in case of single holding and nomination is not registered, in the event of death of sole shareholder?

If the value of shares of the company as on the date of application is up to ₹ 2,00,000, the legal heir(s) should submit the following documents along with a request letter, transmission form, attested copy of the death certificate of the deceased shareholder and the share certificate(s) in original, to the Company's R&TA for transmission of the shares in his / their name(s):

- No objection certificate [NOC] from all legal heir(s) who do not object to such transmission (or) copy of Family Settlement Deed duly notarized or attested by a Gazetted Officer and executed by all the legal heirs of the deceased holder.
- Indemnity made on appropriate non judicial stamp paper – indemnifying the R&TA/Company.

If the value of shares of the company as on the date of application is more than ₹ 2,00,000, the legal heir(s) should submit the following documents along with a request letter, transmission form, attested copy of the death certificate of the deceased shareholder and the share certificate(s) in original, to the Company's R&TA for transmission of the shares in his / their name(s):

- Succession certificate (or) Probate of will (or) Letter of Administration (or) Court decree.

5.8 What is the procedure for getting demat shares in the name of legal heir(s), in case of single holding and nomination is not registered, in the event of death of sole shareholder?

If the value of shares of the company as on the date of application is up to ₹ 5,00,000, the legal heir(s) should submit the following documents to the DP:

- Notarized copy of the death certificate
- Transmission Request Form (TRF)
- Affidavit – to the effect of the claim of legal ownership to the shares
- Deed of indemnity – Indemnifying the depository and Depository Participants (DP)
- NOC from legal heir(s), if applicable or family settlement deed duly executed by all legal heirs of the deceased beneficial owner

If the value of shares of the company as on the date of application is more than ₹ 5,00,000, the legal heir(s) should additionally submit one of the following documents to the DP:

- Surety form
- Succession certificate
- Probated will
- Letter of Administration

Note:

As per SEBI Circular dated October 28, 2013, the timeline for processing the transmission requests by the DP for securities held in dematerialised mode shall be 7 days and by the Company/R&TA for the securities held in physical mode shall be 21 days, after receipt of the prescribed documents from the claimants/legal heirs.

5.9 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 names.

5.10 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 police station 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.

5.11 What is the procedure to get the share certificates issued in various denominations consolidated into a single certificate?

Consolidation of share certificates helps in saving costs in the event of dematerialising shares and also provides convenience in holding the shares physically. Shareholders having certificates in various denominations under the same folio should send all the certificates to the Company's R&TA for consolidation of all the shares into a single certificate.

If the shares are not under the same folio but have the same order of names, the shareholder should write to the Company's R&TA for the prescribed form for consolidation of folios. This will help the investors to efficiently monitor the holding and the corporate benefits receivable thereon.

INITIATIVES TAKEN BY THE COMPANY

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, Company's Founder Chairman Shri Dhirubhai H. Ambani, announced, for the benefit of small shareholders, a scheme for disposal of 'Odd Lot' shares (the Scheme) to facilitate such shareholders to realise the full market value without having to suffer a discount for odd lots.

In order to assist small shareholders in disposal of such odd lot shares held in physical form, the Company has formed a Trust known as 'Reliance Odd Lot Shares Trust' which will dispose off the odd lot shares on behalf of the shareholders.

The salient features of the Scheme in force from July 1, 1998, are as under :

- This Scheme is available to Indian national residents in respect of any master folio having holdings up to 49 shares;
- The holders of Equity Shares in odd lot (less than 50 shares) may avail of the Scheme by lodging duly filled in application form and a duly executed transfer deed along with the relevant share certificate(s);
- The odd lot shares offered under the Scheme are sold through designated brokers in the BSE / NSE;
- All costs of implementing the Scheme will be borne by the Company.

COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS / INVESTORS

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.

Opt for Corporate Benefits in Electronic Form

In case of non cash corporate benefits like split of shares / bonus shares, the holders of shares in physical form must opt to get the shares in electronic form by providing the details of demat account to the R&TA.

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 should be updated on any change of address or contact details. Similarly, information of death of shareholder should also be communicated.

Mode of Postage

Share certificates and high value dividend / interest warrants / cheques / demand drafts should not be sent by ordinary post. It is recommended that investors should send such instruments by registered post or courier.

6. UNCLAIMED SHARES

6.1 What are the Regulatory provisions and procedure governing unclaimed shares lying in physical form with the Company or its R&TA ?

Shareholders' Referencer (Continued)

As per Clause 5A of the Listing Agreement with the Stock Exchanges:

- Shares issued in dematerialised form pursuant to a public issue or any other issue, which remain unclaimed and are lying in the escrow account, shall be credited to unclaimed shares suspense account in demat form, opened by the Company with one of the depository participants, for this purpose.
- Shares issued in physical form pursuant to a public issue or any other issue, which remain unclaimed, the Company, after complying with the procedure prescribed therein, shall transfer all such unclaimed shares into one folio in the name of "Unclaimed Suspense Account" and shall dematerialise such shares with one of the depository participants.

6.2 What is the status of compliance by the Company with regard to these provisions?

In terms of Clause 5A of the Listing Agreement, details relating to unclaimed shares lying in the suspense account at the beginning of the year, number of shareholders who had approached the Company claiming for the unclaimed shares, number of shareholders, to whom the said unclaimed shares were transferred from the suspense accounts during the year and the aggregate number of shareholders along with number of unclaimed shares lying in the suspense account at the end of the year, have been set out under Para "Equity Shares in Suspense Account" in the Corporate Governance Report.

As per Section 124(6) of the Companies Act, 2013, all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF shall also be transferred by the company in the name of IEPF. However, the shares can be claimed by the investor after following the prescribed procedure under the Act.

INVESTOR SERVICING AND GRIEVANCE REDRESSAL - EXTERNAL AGENCIES

1. Ministry of Corporate Affairs

Ministry of Corporate Affairs (MCA) e-Governance initiative christened as "MCA 21" on the MCA portal (www.mca.gov.in): One of the key benefits of this initiative includes timely redressal of investor grievances. MCA 21 system accepts complaints under the eForm prescribed, which has to be filed online.

The status of complaint can be viewed by quoting the Service Request Number (SRN) provided at the time of filing the complaint.

2. 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.

3. SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints. Online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

All companies against whom complaints are pending on SCORES, will have to take necessary steps within 4 days of receipt of complaint through SCORES and resolve the complaint within 30 days of receipt of complaint and also keep the complainant duly informed of the action taken.

SEBI has issued guidance to general public about effective ways to redress their grievances. The guidance lists down the matters which are considered as complaints and handled by SEBI, the matters which are not considered as complaints, how the investor complaints' are handled by SEBI, the arbitration mechanism, etc.

4. Stock Exchanges

National Stock Exchange of India Limited (NSE) - NSE has formed an Investor Grievance Cell (IGC) to redress investors' grievances electronically. The investors have to log on to the website of NSE i.e. www.nseindia.com and go to the link "Investors Service".

BSE Limited (BSE) - BSE provides an opportunity to the investors to file their complaints electronically through its website www.bseindia.com under the "Investor Grievances".

5. Depositories

National Securities Depository Limited (NSDL) - In order to help its clients resolve their doubts, queries, complaints, NSDL has provided an opportunity wherein they can raise their queries by logging on to www.nsdl.co.in under the "Investors" section or an email can be marked mentioning the query to relations@nsdl.co.in.

Central Depository Services (India) Limited (CDSL) - Investors who wish to seek general information on depository services may mail their queries to investors@cdslindia.com. With respect to the complaints / grievances of the demat account holders relating to the services of the DP, mails may be addressed to complaints@cdslindia.com

MISCELLANEOUS

Change of address

What is the procedure to get change of address registered in the Company's records?

Shareholders holding shares in physical form, may send a request letter, duly signed by all the holders, giving the new address along with Pin Code, to the Company's R&TA. Shareholders are also requested to quote their folio number and furnish proof of address such as attested copies of Ration Card / PAN Card / Passport / Latest Electricity or Telephone Bill / Lease Agreement, Aadhaar Card, etc. If shares are held in dematerialised form, information about change in address needs to be sent to the DP concerned.

Change of name

What is the procedure for registering change of name of shareholders?

Shareholders may request the Company's R&TA for effecting change of name in the share certificate(s) and records of the Company. Original share certificate(s) along with the supporting documents like marriage certificate, court order etc. should be enclosed. The Company's R&TA, after verification, will effect the change of name and send the share certificate(s) in the new name of the shareholders. Shareholders holding shares in demat form, may request the concerned DP in the format prescribed by DP.

Authority to another person to deal with shares

What is the procedure for authorising any other person to deal with the shares of the Company?

Shareholder needs to execute a Power of Attorney in favour of the concerned person and submit a notarised copy of the same to the Company's R&TA. After scrutiny of the documents, the R&TA shall register the Power of Attorney and inform the shareholders concerned about the registration number of the same. Whenever a transaction is done by the Power of Attorney holder, this registration number should be quoted in the communication.

Permanent Account Number (PAN)

It has become mandatory to quote PAN before entering into any transaction in the securities market. The Income Tax Department of India has highlighted the importance of PAN on its website: www.incometaxindia.gov.in wherein lot of queries with respect to PAN have been replied to in the FAQ section.

Insider Trading

In order to prohibit insider trading and protect the rights of innocent investors, SEBI has enacted the SEBI (Prohibition of Insider Trading) Regulations, 1992. As per Regulation 13 of the said Regulations initial and continual disclosures are required to be made by investors as under:

Initial Disclosure

As per sub-regulation (1), any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form A, the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of: (a) the receipt of intimation of allotment of shares; or (b) the acquisition of shares or voting rights, as the case may be.

Continual Disclosure

As per sub-regulation (3), any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form C, the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the company.

Takeover Regulations

SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 cast obligation on the investor (acquirer) to make disclosure w.r.t. acquisition and disposal of shares. The relevant provisions as contained in the Regulations 29 (1), (2) and (3) are given below:

Disclosure of acquisition

Any acquirer who acquires shares (including convertible securities) or voting rights in a target company which taken together with shares or voting rights, if any, held by him and by persons acting in concert with him in such target company, aggregating to five per cent or more of the shares of such target company, should disclose their aggregate shareholding and voting rights in such target company, to target company and Stock Exchanges within 2 working days of the receipt of intimation of the allotment / acquisition, as the case may be.

Disclosure, in case of change in holding

Any person, who together with persons acting in concert with him, holds shares or voting rights entitling them to five per cent or more of the shares or voting rights in a target

Shareholders' Referencer (Continued)

company, should disclose the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below five per cent, if there has been change in such holdings from the last disclosure made; and such change exceeds two per cent of total shareholding or voting rights in such target company, to target company and Stock Exchanges within 2 working days of such change.

E-voting

To widen the participation of shareholders in company decisions, the Securities and Exchange Board of India has directed top 500 listed companies to provide e-voting facility to their shareholders from October, 2012 onwards, in respect of those businesses which are transacted through postal ballot.

Further, the Companies Act, 2013 and Clause 35B of the Listing Agreement also requires a listed Company to provide e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings.

Register e-mail address

To contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors are requested to register their e-mail addresses with Karvy, if shares are held in physical mode or with their DP, if the holding is in electronic mode.

Intimate mobile number

Intimate your mobile number and changes therein if any to Karvy, if shares are held in physical mode or to your DP if the holding is in electronic mode, to receive communications on corporate actions and other information of the Company.

SHAREHOLDERS' GENERAL RIGHTS

- To receive not less than 21 clear days notice of general meetings.
- To receive notice and forms for Postal Ballots in terms of the provisions of the Companies Act, 2013 and the relevant Rules issued thereunder.
- To receive copies of Balance Sheet and Statement of Profit and Loss along with all annexures / attachments (Generally known as Annual Report) not less than 21 days before the date of the Annual General Meeting.

- 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, 2013.
- 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, 2013.

DUTIES / RESPONSIBILITIES OF INVESTORS

- To remain abreast of corporate developments, company specific information and take informed investment decision(s).
- To be aware of relevant statutory provisions and ensure effective compliance therewith.
- To deal with only SEBI registered intermediaries while dealing in the securities.
- Not to indulge in fraudulent and unfair trading in securities nor to act upon any unpublished price sensitive information.
- To participate effectively in the proceedings of shareholders' meetings.
- To contribute to the Greener Environment and accordingly register email addresses to enable the Company to send all documents / notices including Annual Reports electronically.
- To register nominations, which would help the nominees to get the shares transmitted in their favour without any hassles.
- To respond to communications seeking shareholders' approval through Postal Ballot.
- To respond to communications of SEBI / Depository/DP / Brokers / Sub-brokers / Other Intermediaries/ Company, seeking investor feedback / comments

NOTE

The contents of this Referencer are for the purpose of general information. Readers are advised to refer to the relevant Acts / Rules / Regulations / Guidelines / Clarifications.



Industries Limited
CIN: L17110MH1973PLC019786

**Members
Feedback Form
2013-2014**

Name : **e-mail id :**

Address :

DP ID : Client ID :

Folio No. :
(in case of physical holding)

No. of equity shares held :

Signature of member

		Excellent	Very Good	Good	Satisfactory	Unsatisfactory
Management's Discussion and Analysis Report	Contents					
	Presentation					
Business Responsibility Report	Contents					
	Presentation					
Report on Corporate Social Responsibility	Contents					
	Presentation					
Corporate Governance Report	Contents					
	Presentation					
Directors' Report	Contents					
	Presentation					
Shareholders' Referencer	Contents					
	Presentation					
Quality of Financial and non- financial information in the Annual Report	Contents					
	Presentation					
Information on Company's Website	Contents					
	Presentation					
INVESTOR SERVICES						
Turnaround time for response to shareholder query						
Quality of response						
Timely receipt of Annual Report						
Conduct of Annual General Meeting						
Timely receipt of dividend warrants / payment through ECS						
Promptness in confirming demat / remat requests						
Overall rating						

Views/Suggestions for improvement, if any

.....

.....



Members are requested to send this feedback form to the address given overleaf.

BUSINESS REPLY INLAND LETTER

Postage
will be
paid by the
Addressee

Business Reply Permit No.
MBI-S-1363
Nariman Point
Mumbai - 400 021

No postage
stamp
necessary if
posted in
INDIA

To,
Shri S. Sudhakar
Vice President - Corporate Secretarial
Reliance Industries Limited
Registered Office: 3rd Floor, Maker Chambers IV
222, Nariman Point
Mumbai 400 021

Fold



Reliance

Industries Limited

CIN: L17110MH1973PLC019786

Registered Office: 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021.

ATTENDANCE SLIP

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*	
Client Id*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **40TH ANNUAL GENERAL MEETING** of the Company held on Wednesday, June 18, 2014 at 11:00 a.m. at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020.

* Applicable for investors holding shares in electronic form.

Signature of Shareholder / proxy



Reliance

Industries Limited

CIN: L17110MH1973PLC019786

Registered Office: 3rd Floor, Maker Chambers IV, 222, Nariman Point, Mumbai 400 021.

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		e-mail Id:	
Registered address:		Folio No/ *Client Id:	
		*DP Id:	

I/We, being the member(s) of _____ shares of Reliance Industries Limited, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **40th Annual General Meeting** of the Company, to be held on Wednesday, June 18, 2014 at 11:00 a.m. at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt:		
a) Audited Financial Statement, Reports of the Board of Directors and Auditors		
b) Audited Consolidated Financial Statement		
2. Declaration of Dividend on Equity Shares		
3. Re-appointment of Shri Nikhil R. Meswani who retires by rotation		
4. Appointment of Auditors and fixing their remuneration		
5. Appointment of Smt. Nita M. Ambani to fill up the vacancy of the retiring director Shri Ramniklal H. Ambani		
6. Appointment of Shri Adil Zainulbhai as an Independent Director		
7. Appointment of Shri Yogendra P. Trivedi as an Independent Director		
8. Appointment of Prof. Ashok Misra as an Independent Director		
9. Re-appointment of Shri Mukesh D. Ambani as Managing Director		
10. Re-appointment of Shri P.M.S. Prasad as a Whole-time Director		
11. Payment of Remuneration to Non-Executive Directors		

* Applicable for investors holding shares in electronic form.

P.T.O.



Resolutions	For	Against
12. Payment of Remuneration to Executive Directors		
13. Approval of the Remuneration of the Cost Auditors		
14. Approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement		
15. Adoption of new Articles of Association of the Company		

Signed this..... day of.....2014

Signature of shareholder

Affix a
15 paise
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) **A Proxy need not be a member of the Company.**
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ** (4) 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.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

Reliance Foundation



Reliance Foundation (RF) focuses on five core pillars of rural transformation, education, health, urban renewal and arts, culture & heritage. RF has a comprehensive approach towards development with an overall aim to create and support meaningful and innovative activities that address some of India's most pressing developmental challenges.



- RF BIJ (Bharat India Jodo) programme supports small and marginal farmers. So far, the programme has catalysed the formation of farmers' institutions in more than 400 villages and has engaged with over 2,00,000 villagers. The programme has improved the nutritional intake of over 16,000 rural households through Reliance Nutrition Gardens.
- The Foundation's Information Services programme links knowledge seekers with knowledge providers to provide need-based, locale-specific information in local languages. The programme has reached out to over 5,000 villages.
- More than 12,800 cornea transplants have been undertaken under Reliance Foundation Drishti, the largest corporate-run cornea transplant drive. The initiative also launched India's first registered national Hindi newspaper in Braille. Over 3,500 visually impaired benefit from this fortnightly circulation.
- Sir HN Reliance Foundation Hospital and Research Centre is being revamped into a 19-storey, 800,000 square feet world-class tertiary health care facility.
- 'Health for All' initiative was launched under an outreach programme in December 2012 to provide primary and preventive health care to the poor and the vulnerable using state-of-the-art technology for service delivery. So far, over 3,50,000 individuals have enrolled under the family health card scheme and nearly 52,600 patients (of which 72% are women and children).
- Dhirubhai Ambani Scholarship programme has positively influenced the lives of more than 10,000 young scholars and their families so far. The scholarship programme supports the top scoring Higher Secondary students from financially weak backgrounds and physically challenged students from across all states and union territories of India to pursue education at college level.
- RF was one of the first organisations to respond to the disaster in Uttarakhand and to reach out to those who were cut off post the disaster. Through a team of doctors and development professionals, RF reached out to more than 100 villages. RF has also taken up reconstruction of some of the affected schools and building shelters in Uttarakhand.
- RF partnered with the National Basketball Association (NBA) to establish a comprehensive, school-based youth basketball programme in India. The programme seeks to reach one million youth in three years.

**GOLD
WINNERS**



Kishan Champaneriya
(Age Group: 8-10 years)



Shivang Lad
(Age Group: 11-13 years)



Srishti Jolly
(Age Group: 11-13 years)



Miloni Patel
(Age Group: 11-13 years)



Bhoomi Bishnoi
(Age Group: 5-7 years)



Punya Khambhata
(Age Group: 5-7 years)



Jiya Ramani
(Age Group: 5-7 years)



Ritika Jha
(Age Group: 5-7 years)



TV Sreevatsan
(Age Group: 8-10 years)



Sarth Patel
(Age Group: 8-10 years)



Adhya Mehta
(Age Group: 8-10 years)



Sharayu Billa
(Age Group: 8-10 years)



Anthony D'souza
(Age Group: 11-13 years)



Urja Patel
(Age Group: 11-13 years)



Kshitij Gangan
(Age Group: 11-13 years)