

Report on Corporate Governance

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

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

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

The demands of corporate governance require professionals to raise their competency and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the board of directors, audit committee, accounting, corporate secretarial team, auditors and senior management - the CEO and CFO. At Reliance, our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity. Above all, we feel honoured to be an integral part of India's social development. Details of several such initiatives are available in the section on Corporate Social Responsibility.

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

management and fulfillment of stated goals and objectives.

Over the years governance processes and systems have been strengthened at Reliance and the corporate governance has always been an integral part of the way the business is done. At Reliance 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 emanates from our strong belief that sound governance is integral to creating value on an overall basis. Since our Initial Public Offer (IPO) we have an enviable track record of growth over 34 years. We have grown by a Compounded Annual Growth Rate (CAGR) of Revenues 27%, EBITDA 28% and Net Profit 29%. The financial markets have endorsed this sterling performance and the market capitalisation has increased by CAGR of 34% during the same period. In terms of distributing wealth to our shareholders, apart from having a track record of uninterrupted dividend payout, we have also delivered a consistent unmatched shareholder returns since listing. What epitomises the impact of all that we do is the fact that our shareholder base has grown from 52,000 after the IPO to around 3.4 million now.

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

Independent Board with defined role and responsibilities:

A majority of the Board, 7 out of 13, are independent directors. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably increasing the Company's value. The Audit Committee, Remuneration Committee and Corporate Governance and Stakeholders' Interface Committee comprise only independent directors. The Company has defined guidelines and established framework for the meetings of the Board and Board Committees. These guidelines seek to systematise the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner.

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

Ethics Policies: Reliance always strives to conduct its business and develop its relationships in a manner that is dignified, distinctive and responsible. In this direction, we have adopted various codes and policies which act as enablers to carry our duties in an ethical way. Some of these codes and policies are:

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

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

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

Best Corporate Governance practices: Reliance maintains the highest standards of Corporate Governance; it is the Company's constant endeavour to adopt the best Corporate Governance practices keeping in view the international codes of Corporate Governance and

practices of well-known global companies. Some of the best global governance norms put into practice include the following:

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

Corporate Social Responsibility (CSR): Social welfare and community development is at the core of the Reliance's CSR philosophy and this continues to be a top priority. Reliance embraces responsibility for impact of its operations and actions on all stakeholders including society and community at large. The CSR teams at Reliance's manufacturing divisions interact with the neighbouring community on regular basis. Reliance's contributions to the community are in the areas of health, education, infrastructure development (drinking water, improving village infrastructure, construction of schools, etc.), environment (effluent treatment, tree plantation, treatment of hazardous waste, etc.), relief and assistance in the event of a natural disaster and contributions to other social development organisations. Reliance also supports and partners with several NGOs in community development and health initiatives. Besides focusing primarily on the welfare of economically and socially deprived sections of society, Reliance also aims at developing techno-economically viable and environment-friendly products and services for the benefit of millions of its consumers, while at the same time ensuring the highest standards of safety and environment protection in its operations.

Reporting on triple bottom-line performance: Reliance commenced annual reporting on its *triple-bottom-line* performance from the Financial Year 2004-05. All its sustainability reports are externally assured and Global Reporting Initiative (GRI) application level checked. The

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

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

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

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

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

2. Board of Directors

Board composition and category of Directors

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

Category	Name of Directors
Promoter Director	Mukesh D. Ambani Chairman and Managing Director
Executive Directors	Nikhil R. Meswani Hital R. Meswani P.M.S. Prasad Pawan Kumar Kapil
Non-Executive Non-Independent Director	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

All the independent Directors of the Company furnished a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations were/are placed before the Board.

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

What constitutes independence of Directors

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

Lead Independent Director

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

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

Directors' Profile

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

Shri Mukesh D. Ambani is a Chemical Engineer from the 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, son of Shri Dhirubhai H. Ambani, Founder Chairman of the Company joined Reliance in 1981. He initiated Reliance's backward integration journey from textiles into polyester fibres and further into petrochemicals, petroleum refining and going up-stream into oil and gas exploration and production. He created several new world class manufacturing facilities involving diverse technologies that have raised Reliance's petrochemicals manufacturing capacities from less than a million tonnes to about twenty million tonnes per year.

Working hands-on, Shri Mukesh D. Ambani led the creation of the world's largest grassroots petroleum refinery at Jamnagar, India, with a current capacity of 660,000 barrels per day (33 million tonnes per year) integrated with petrochemicals, power generation, port and related infrastructure. Further, he steered the setting up of another 27 million tonnes refinery next to the existing one in Jamnagar. 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. Under his leadership, RIL is set to transform India's energy landscape from the oil & gas flowing from Dhirubhai 1 & 3 Natural gas - a low carbon, low polluting green fuel that will flow from oil fields which will create value and be beneficial to a large section of India's society.

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

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

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

- Awarded the Dean's Medal by University of Pennsylvania's Eduardo Glandt, Dean of the School of Engineering and Applied Science in 2010 for his leadership in the application of Engineering and Technology.
- Awarded the Indian Merchant's Chamber (IMC) 'Juran Quality Medal 2009' in 2010.
- Ranked the 5th best performing CEO in the world by the Harvard Business Review in its ranking of the top 50 global CEOs .
- Bestowed the US-India Business Council (USIBC) 'Global Vision 2007' Award for Leadership in 2007.
- Conferred 'ET Business Leader of the Year' Award by The Economic Times (India) in the year 2006.
- Conferred the Degree Honoris Causa, Honorary Doctorate by the Maharaja Sayajirao University in 2007.

- Conferred the India Business Leadership Award by CNBC-TV18 in 2007.
- Received the first NDTV-Profit 'Global Indian Leader Award' from Hon'ble Prime Minister of India, Shri Manmohan Singh in New Delhi in the year 2006.
- Had the distinction and honour of being the Co-chair at the World Economic Forum in Davos, Switzerland in 2006.
- Ranked 42nd among the 'World's Most Respected Business Leaders' and second among the four Indian CEOs featured in a survey conducted by Pricewaterhouse Coopers and published in Financial Times, London, in 2004.
- Conferred the World Communication Award for the 'Most Influential Person' in Telecommunications by Total Telecom, in 2004.
- Conferred the 'Asia Society Leadership Award' by the Asia Society, Washington D.C., USA, in 2004.

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

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.

On invitation to Shri Mukesh D. Ambani, Reliance Industries Limited, became a Council Member of World Business Council for Sustainable Development (WBCSD) in 2007. Shri Ambani has been elected as Vice Chairman of WBCSD Executive Committee in 2008 and re-elected in 2010.

Further, he is a member of the Indo-US CEOs Forum, International Advisory Board of the National Board of Kuwait, Advisory Council for the Graduate School of Business, Stanford University, International Advisory Board of Brookings, McKinsey Advisory Council, Member of The Business Council, Asia Business Council and London School of Economics India Advisory Group.

He is the Chairman, Board of Governors of the Indian Institute of Management, Bangalore, Chairman of Pandit Deendayal Petroleum University, Gandhinagar. Shri Ambani is Co-Chair of India-Russia CEO Council, Co-Chair of Japan-India Business Leader's Forum and a Member of the Governing Board of Public Health Foundation of India (PHFI).

He has been appointed as a Director by the Board of

Directors of the Bank of America Corporation on its Board. He is the first non-American to occupy such a position. He is the Chairman of Reliance Retail Limited, Infotel Broadband Services Limited and a Director of Reliance Foundation, Pratham Education Foundation, IMG Reliance Private Limited and Reliance Europe Limited.

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

He is Promoter of the Company and holds 36,15,846 shares of the Company in his name as on March 31, 2012.

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

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

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

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

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

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

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

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

He holds 2,78,374 shares of the Company in his name as on March 31, 2012.

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

the School of Engineering and Applied Sciences and a Bachelor of Science Degree in Economics from the Wharton Business School.

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

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

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

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

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

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

He holds 2,11,886 shares of the Company in his name as on March 31, 2012.

Shri P.M.S. Prasad has been appointed as a Whole-time Director designated as Executive Director of the Company with effect from August 21, 2009.

He has been with the Company for about 31 years. Currently, he spearheads the Upstream and Refining business, which comprises Exploration and Production and Refinery supply and trading. Over the years, he has held various positions in the fibres, petrochemicals and petroleum business of the Company. He was also the Project Director of the Jamnagar refinery and petrochemicals complex. Under his leadership, Reliance, in a span of 10 years since inception in the Exploration and Production business, made the largest gas discovery in 2002 and has since commissioned India's first and one of the world's largest deep water gas production facilities.

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

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

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

He is a Director of Reliance Commercial Dealers Limited, Mangal Deep Commercials Private Limited and Nandika Mercantile Private Limited. He is member of the Audit Committee of Reliance Commercial Dealers Limited.

He holds 36,666 shares of the Company in his name as on March 31, 2012.

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

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

He joined Reliance in 1996 and led the commissioning and start-up of the Jamnagar complex. He was associated with this project since conception right through Design, Engineering, Construction and Commissioning. He also led the commissioning of the manufacturing operations in the Special Economic Zone (SEZ) at Jamnagar by Reliance.

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

Then he moved to Mathura Refinery as the head of Refinery Operations. From Mathura he was picked up to become the Director (Technical) of Oil Coordination Committee (OCC) - the 'Think Tank' of the Ministry of Petroleum, the Government of India. He has travelled extensively and has been to USA, Russia, the Middle East,

Europe and the Far East in connection with refinery design, technology selection, crude sourcing, etc. Having served for 28 years in Indian Oil Corporation and OCC in various capacities, he rose to the position of Executive Director and spearheaded the setting up of Panipat Refinery for the Indian Oil Corporation.

He has been the Site President of the Jamnagar complex of the Company since 2001. 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 Health, Safety and Environment Committee of the Company.

He holds 16,776 shares of the Company in his name as on March 31, 2012.

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

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

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

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

In 1980, he was appointed as a Director of the Gujarat Industrial Investments Corporation Limited (GIIC) and continuing his services since last 30 years. He is also Chairman of Audit Committee in GIIC Ltd.

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

He holds 1,72,632 shares of the Company in his name as on March 31, 2012.

Shri Mansingh L. Bhakta is senior partner of Messers Kanga & Company, a leading firm of Advocates and Solicitors in Mumbai. He has been in practice for over 57 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 Ambuja Cements Limited, Micro Inks Limited, the Indian Merchant's Chamber, Mumbai, JCB India Limited and Abhijeet Power Limited. He is the Lead Independent Director of the Company. He is the Chairman of the Shareholders'/ Investors' Grievance Committee and the Remuneration Committee of the Company. He is the Chairman of the Share Allotment & Transfer Committee, the Compensation and Remuneration Committee and the Banking Matters Committee of Ambuja Cements Limited and a member of the Audit Committees of Micro Inks Limited, Ambuja Cements Limited, JCB India Limited and Abhijeet Power Limited. He is also a member of Share Transfer and Investors' Grievance Committee and IPO Committee of Abhijeet Power Limited.

He is 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 2010'. Last year was the fifth consecutive year in which he has been so nominated.

He holds 3,00,000 shares of the Company in his name as on March 31, 2012.

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

He is the Chairman of Sai Service Station Limited and Trivedi Consultants Private Limited. He is the Director of Colosseum Sports & Recreation International, The Supreme Industries Limited, Birla Power Solutions Limited,

Zodiac Clothing Company Limited, The Seksaria Biswan Sugar Factory Limited, New Consolidated Construction Company Limited, Emami Limited and several private limited companies.

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 All India Association of Industries, W.I.A.A. Club, B.C.A Club, Orient Club, the Yachting Association of India and Yacht Club. He is also the Chairman of the Audit Committee, the Corporate Governance and Stakeholders' Interface Committee and the Employees' Stock Compensation Committee of the Company. He is also a Member of the Shareholders'/Investors' Grievance Committee and the Remuneration Committee of the Company. Mr. Trivedi is the Chairman of the Audit Committee of Birla Power Solutions Limited. He is a Member of the Audit Committee of Zodiac Clothing Company Limited and the Seksaria Biswan Sugar Factory Limited.

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

He holds 27,984 shares of the Company in his name as on March 31, 2012.

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

He had an illustrious career in the government sector with a successful track record of building vibrant organisations and successful project implementation. He served Bharat Heavy Electricals Limited (BHEL) in various positions with distinction. Most remarkable achievement of his career was establishment of a fast growing systems oriented National Thermal Power Corporation (NTPC) of which he was the founder Chairman-cum-Managing Director. ENERTIA Awards 2010 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 for which he was described as a Model Manager by the Board of Executive Directors of World Bank.

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

Governors, IIT Bombay (1983-94); Member, the Board of Governors, IIM Lucknow and Chairman, the National Productivity Council.

In recognition of his services and significant contributions in the field of Technology, Management and Industrial Development, Jawaharlal Nehru Technological University, Hyderabad, conferred on him the degree of D.Sc. He is recipient of "India Power, Life Time Achievement Award" presented by the Council of Power Utilities, for his contributions to Energy and Industry sectors.

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

He holds 13,544 shares of the Company in his name as on March 31, 2012.

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

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

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

He holds 2,924 shares of the Company in his name as on March 31, 2012.

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

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

He is an Independent Director on the Board of Jubilant Industries Limited and a member of the Board of Governors of IIT Delhi. He was on the Board of National Thermal Power Corporation Limited for 6 years. He is/has been on the Boards or Councils of several national and international institutions. He has received several awards including the Distinguished Alumnus Awards from all his alma maters – IIT Kanpur, Tufts University and University of Massachusetts. He was awarded the Distinguished Service Award by IIT Delhi during its Golden Jubilee in 2011. He was awarded the Doctor of Science by Thapar University, Patiala. He has co-authored a book on Polymers, was awarded 6 patents and has over 150 international publications. He is on the editorial board of 4 scientific journals.

He holds 2,300 shares of the Company in his name as on March 31, 2012.

Prof. Dipak C. Jain is a M.S. in Mathematical Statistics from Guwahati University. He is a Ph.D. in Marketing and M.S. in Management Science from the University of Texas. Prof. Jain is a distinguished teacher and scholar. He had been Dean of the Kellogg School of Management, Northwestern University, Evanston, Illinois, USA from July, 2001 to March, 2011. He is the Dean of INSEAD, a leading business school with three campuses - Fontainebleau (Paris), France, Singapore and Abu Dhabi. He has more than 26 years' experience in management and education. He has published several articles in international journals on marketing and allied subjects.

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

He is a Director of Hindustan Media Ventures Limited and HT Global Education. He is also a Director of John Deere & Company, Global Logistic Properties and Northern Trust Bank (companies incorporated outside India). He is a member of the Employees' Stock Compensation Committee of the Company. He is a Director of Reliance Retail Limited and also a member of its Audit Committee.

He does not hold any shares of the Company in his name as on March 31, 2012.

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

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

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

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

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

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

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

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

He is a member of the Audit committees of Tata Motors Limited, Hindustan Unilever Limited and Piramal Healthcare Limited. He is a member of the Remuneration Committee of Hindustan Unilever Limited and KPIT Cummins Infosystems Ltd.

He does not hold any shares of the Company in his name as on March 31, 2012.

3. Board Meetings, Board Committee Meetings and Procedures

A. Institutionalised decision making process

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

The Board has constituted seven standing Committees, namely Audit Committee, Corporate Governance and Stakeholders' Interface Committee, Employees Stock Compensation Committee, Finance Committee, Health, Safety and Environment Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee. The Board is authorised to constitute additional functional Committees, from time to time, depending on the business needs.

During the year under review, the Board has constituted a Committee comprising four independent Directors, viz., Shri Y.P. Trivedi, Dr. D.V. Kapur, Shri M.P. Modi and Prof. Ashok Misra to oversee all matters pertaining to the Buy-back of equity shares of the Company, Shri Y.P. Trivedi being the Chairman of the Committee.

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

B. Scheduling and selection of agenda items for Board meetings

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

The information required to be placed before the Board includes:

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

- Minutes of meetings of Audit Committee and other Committees of the Board.
 - Declaration of independent directors at the time of appointment/annually.
 - Appointment or resignation of Chief Financial Officer and Company Secretary.
 - Annual operating plans of businesses, capital budgets and any updates.
 - Quarterly results for the Company and its operating divisions or business segments.
 - Annual Financial results of the Company, Auditors' Report and the Report of the Board of Directors'.
 - Quarterly Secretarial Audit reports submitted by the Secretarial Auditors.
 - Dividend declaration.
 - Quarterly summary of all long-term borrowings made, bank guarantees issued, loans and investments made.
 - Significant changes in accounting policies and internal controls.
 - Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.
 - Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies.
 - Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
 - Appointment of and the 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 investment, mergers and acquisitions.
 - Details of any joint venture, acquisitions of companies or collaboration agreement.
 - Status of business risk exposures, its management and related action plans.
 - Making of loans and investment of surplus funds.
 - Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer (if any), etc.
 - Show cause, demand, prosecution notices and penalty notices which are materially important.
 - Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
 - Any material default in financial obligations to and by the Company, or substantial non payment for goods sold by the Company.
 - Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
 - Significant labour problems and their proposed solutions. Any significant development in Human Resources/Industrial Relations front like implementation of Voluntary Retirement Scheme, etc.
 - Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
 - Brief on statutory developments, changes in government policies, etc. with impact thereof, directors' responsibilities arising out of any such developments.
 - Compliance Certificate certifying compliance with all Laws as applicable to the Company.
 - Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996.
 - Brief on information disseminated to the press.
- (v) The Chairman of the Board and the Company Secretary in consultation with other concerned members of the senior management, finalise the agenda for the Board meetings.
- C. Board material distributed in advance**
- The agenda and notes on agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.
- D. Recording Minutes of proceedings at Board and Committee meetings**
- The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board/ Board Committee for their comments. The minutes are entered in the Minutes Book within 30 days from conclusion of the meeting.

E. Post meeting follow-up mechanism

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

F. Compliance

The Company Secretary, while preparing the agenda, notes on agenda, minutes, etc. of the meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 read with the Rules issued thereunder and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

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

Six Board meetings were held during the year, as against the minimum requirement of four meetings. The Company has held at least one Board meeting in every three months.

The details of the Board meetings are as under:

Sl. No.	Date	Board Strength	No. of Directors Present
1	April 21, 2011	13	11
2	July 25, 2011	13	13
3	October 15, 2011	13	10
4	November 25, 2011	13	10
5	January 20, 2012	13	12
6	March 23, 2012	13	13

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

Name of the Director	Attendance of meetings during 2011-12		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	2 (as Chairman)
Nikhil R. Meswani	6	Yes	1	1 (as Chairman)
Hital R. Meswani	6	Yes	2	2 (including 1 as Chairman)
P.M.S. Prasad	4	No	1	1
Pawan Kumar Kapil	3	Yes	Nil	Nil
Ramnklal H. Ambani	6	Yes	2	1 (as Chairman)
Mansingh L. Bhakta	6	Yes	4	6 (including 1 as Chairman)
Yogendra P. Trivedi	6	Yes	8	3 (including 1 as Chairman)
Dr. Dharam Vir Kapur	6	Yes	5	6 (including 4 as Chairman)
Mahesh P. Modi	5	Yes	1	Nil
Prof. Ashok Misra	6	Yes	1	1
Prof. Dipak C. Jain	5	No	2	1
Dr. Raghunath A. Mashelkar	4	Yes	6	3

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

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

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

6. Board Committees:

A. Standing Committees

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

Composition of Board Level Committees

Audit Committee

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

Shareholders'/Investors' Grievance Committee

1. Mansingh L. Bhakta - Independent Director (Chairman of the Committee)
2. Yogendra P. Trivedi - Independent Director
3. Nikhil R. Meswani - Executive Director
4. Hital R. Meswani - Executive Director

Remuneration Committee

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

Corporate Governance and Stakeholders' Interface Committee

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

Employees' Stock Compensation Committee

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

Health, Safety & Environment Committee

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

Finance Committee

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

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

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

Name of the Committee	Meetings Held	Mukesh D. Ambani	Nikhil R. Meswani	Hital R. Meswani	P.M.S. Prasad	P.K. Kapil	Mansingh L. Bhakta	Yogendra P. Trivedi	Dr. Dharam Vir Kapur	Mahesh P. Modi	Prof. Dipak C. Jain	Dr. Raghunath A. Mashelkar
Audit Committee	6	NA	NA	NA	NA	NA	NA	6	NA	6	NA	4
Shareholders' / Investors' Grievance Committee	4	NA	4	3	NA	NA	4	4	NA	NA	NA	NA
Remuneration Committee	1	NA	NA	NA	NA	NA	1	1	1	NA	NA	NA
Corporate Governance and Stakeholders' Interface Committee	3	NA	NA	NA	NA	NA	NA	3	3	2	NA	NA
Employees' Stock Compensation Committee	1	1	NA	NA	NA	NA	NA	1	NA	1	1	NA
Health, Safety & Environment Committee	4	NA	NA	4	1*	2	NA	NA	4	NA	NA	NA
Finance Committee	7	7	7	7	NA	NA	NA	NA	NA	NA	NA	NA

NA – Not a member of the Committee

* Appointed w.e.f July 25, 2011. Two meetings held during his tenure.

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

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

Objective: The Audit Committee assists the Board in its

responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company's risk management policies.

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

A. Powers of Audit Committee

- 1 To investigate any activity within its terms of reference.
- 2 To seek information from any employee.
- 3 To obtain outside legal or other professional advice.
- 4 To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. The role of Audit Committee includes

- 1 Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2 Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of Statutory Auditors including Cost auditors and fixation of audit fees.
- 3 Approval of payment to Statutory Auditors including Cost auditors for any other services rendered by them.
- 4 Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of related party transactions.
 - Qualifications in draft audit report.
- 5 Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- 6 Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations

to the Board to take up steps in this matter.

- 7 Reviewing with the management, the performance of Statutory including Cost Auditors and Internal Auditors, adequacy of internal control systems.
- 8 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- 9 Discussion with Internal Auditors, any significant findings and follow up thereon.
- 10 Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 11 Discussion with Statutory Auditors including Cost Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- 12 To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- 13 To review the functioning of the Whistle Blower Mechanism.
- 14 Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- 15 Carrying out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.
- 16 To review the following information:
 - The management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of Internal Auditors.
- 17 Reviewing the financial statements and in particular the investments made by the unlisted subsidiaries of the Company.

General

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

The due date for filing the Cost Audit Reports for the financial year ended March 31, 2011 was September 30, 2011 and the Cost Audit Reports were filed by the Cost Auditors on September 26, 2011 and September 27, 2011. The due date for filing the Cost Audit Reports for the financial year ended March 31, 2012 is September 30, 2012.

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

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

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

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

Selection of Independent Directors:

Considering the requirement of the skill-sets on the Board, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Corporate Governance and Stakeholders' Interface Committee, which also acts as Nomination Committee, for appointment inter alia of

independent directors on the Board. The number of directorships and memberships held in various committees of other companies by such persons is also considered. The Board considers the recommendations of the Committee and takes appropriate decision.

(iii) Employees Stock Compensation Committee

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

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

(iv) Finance Committee

Terms of Reference: The Terms of Reference of the Finance Committee, inter-alia, include the following :

- 1 Review the Company's financial policies, risk assessment and minimisation procedures, strategies and capital structure, working capital and cash flow management and make such reports and recommendations to the Board with respect thereto as it may deem advisable.
- 2 Review banking arrangements and cash management.
- 3 Exercise all powers to borrow moneys (otherwise than by issue of debentures) within the limits approved by the Board and taking necessary actions connected therewith including refinancing for optimisation of borrowing costs.
- 4 Giving of guarantees/issuing letters of comfort/

- providing securities within the limits approved by the Board.
- 5 Borrow monies by way of loan and/or issuing and allotting bonds/notes denominated in one or more foreign currencies in international markets, for the purpose of refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments within the limits approved by the Board.
 - 6 Provide corporate guarantee/performance guarantee by the Company within the limits approved by the Board.
 - 7 Approve opening and operation of Investment Management Accounts with foreign banks and appoint them as agents, establishment of representative/sales offices in or outside India etc.
 - 8 Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.
 - 9 Other transactions or financial issues that the Board may desire to have them reviewed by the Finance Committee.
 - 10 Delegate authorities from time to time to the executives/authorised persons to implement the decisions of the Committee.
 - 11 Regularly review and make recommendations about changes to the charter of the Committee.

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

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

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

(vi) **Remuneration Committee**

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

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

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

Remuneration paid to the Chairman and Managing Director and the Whole-time Directors, including Stock Options granted during 2011-12:

₹ 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	0.78	9.46	-	15.00	Nil
Nikhil R. Meswani	1.04	1.45	0.18	8.32	-	10.99	Nil
Hital R. Meswani	1.04	1.45	0.18	8.32	-	10.99	Nil
P.M.S. Prasad	0.86	1.37	0.15	-	2.62	5.00	Nil
Pawan Kumar Kapil	0.50	0.75	0.09	-	0.65	1.99	Nil

The Chairman and Managing Director's compensation has been set at ₹ 15 crore as against ₹ 38.82 crore that he is eligible as per the shareholders' approval, reflecting his desire to continue to set a personal example for moderation in managerial compensation levels.

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

The tenure of office of the aforesaid Managing Director and Whole-time Directors is for a period of 5 years, except Shri Pawan Kumar Kapil, whose tenure is for a period of 3 years, from their respective dates of appointments and can be terminated by either party by giving three months' notice in writing. There is no separate provision for payment of severance fees.

The Non-Executive Directors are paid sitting fee at the

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

Sitting fee and commission to the Non-Executive Directors, for 2011-12 are as detailed below:

₹ in lakhs

Name of the Non-Executive Director	Sitting Fee	Commission	Total
Ramnijklal H. Ambani	1.20	21.00	22.20
Mansingh L. Bhakta	2.20	21.00	23.20
Yogendra P. Trivedi	4.20	21.00	25.20
Dr. Dharam Vir Kapur	2.80	21.00	23.80
Mahesh P. Modi	2.80	21.00	23.80
Prof. Ashok Misra	1.20	21.00	22.20
Prof. Dipak C. Jain	1.20	21.00	22.20
Dr. Raghunath A. Mashelkar	1.60	21.00	22.60
Total	17.20	168.00	185.20

During the year, the Company has paid ₹ 0.57crore as professional fees to M/s. Kanga & Co., a firm in which Shri Mansingh L. Bhakta, Director of the Company, is a partner. There were no other pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

(vii) Shareholders' / Investors' Grievance Committee

Terms of Reference: The Shareholders'/Investors' Grievance Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company. The Committee also looks into redressal of shareholders'/investors' complaints related to transfer of shares, non-receipt of annual reports, non-receipt of declared dividend, etc. The Committee oversees performance of the Registrars and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services. The Committee also monitors implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Compliance Officer

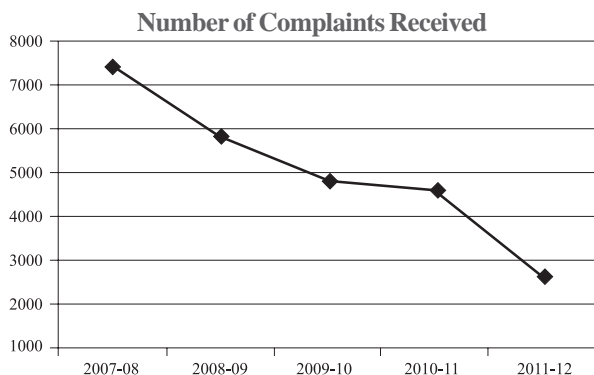
Shri K. Sethuraman, Group Company Secretary and Chief Compliance Officer, is the Compliance Officer for complying with the requirements of the Securities Laws and the Listing Agreements with the Stock Exchanges.

Investor Grievance Redressal

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

Type of Complaints	Number of Complaints
Non-Receipt of Annual Reports	201
Non-Receipt of Dividend Warrants	2023
Non-Receipt of Interest/ Redemption Warrants	202
Non-Receipt of Certificates	156
Total	2582

There were no outstanding complaints as on March 31, 2012. 108 requests for transfers and 256 requests for dematerialisation were pending for approval as on March 31, 2012, which were approved and dealt with by April 2, 2012. Given below is a chart showing reduction in investor's complaints.



B. Functional Committees:

The Board is authorised to constitute one or more Functional Committees delegating thereto powers and duties with respect to specific purposes. Meetings of such

Committees are held as and when the need arises. Time schedule for holding the meetings of such Functional Committees are finalised in consultation with the Committee Members.

Procedure at Committee Meetings

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

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

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

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

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

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

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct & Ethics for Directors/Management Personnel in respect of the financial year 2011-12.

Mukesh D. Ambani
Chairman and Managing Director

8. Subsidiary Monitoring Framework

All subsidiary companies of the Company are Board managed with their Boards having the rights and obligations to manage such companies in the best interest

of their stakeholders. The Company does not have any material unlisted subsidiary and hence is not required to nominate an independent director of the Company on the Board of any subsidiary. The Company monitors performance of subsidiary companies, inter alia, by the following means:

- (a) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.
- (b) All minutes of Board meetings of the unlisted subsidiary companies are placed before the Company's Board regularly.
- (c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

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

9. General Body Meetings

(i) Annual General Meetings

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

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

Year	Date	Time	Special Resolution Passed
2010-11	June 03, 2011	11.00 a.m.	Nil
2009-10	June 18, 2010	11.00 a.m.	Nil
2008-09	November 17, 2009	11.00 a.m.	Nil

(ii) Special Resolution passed through Postal Ballot

No special resolution was passed through Postal Ballot during the Financial Year 2011-12. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

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

None of the transactions with any of the related

parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 30 of Notes on Accounts, forming part of the Annual Report.

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

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

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority.

SEBI has issued Show Cause Notices in connection with (i) sale of shares of erstwhile Reliance Petroleum Limited and (ii) the allotment of equity shares of the Company to certain companies against detachable warrants attached to privately placed debentures issued by the Company. The Company has submitted its reply to the same.

11. Means of Communication

- (i) **Quarterly Results:** Quarterly Results of the Company are published in 'Financial Express'/'Indian Express' and 'Navshakti' and are displayed on the Company's website www.ril.com.
- (ii) **News Releases, Presentations, etc.:** Official news releases and Official Media Releases are sent to the Stock Exchanges.
- (iii) **Presentations to Institutional Investors / Analysts:** Detailed Presentations are made to Institutional Investors and Financial Analysts, on the unaudited quarterly financial results as well as the annual audited financial results of the Company. These presentations are also uploaded on the Company's website www.ril.com

- (iv) **Website:** The Company's website www.ril.com contains a separate dedicated section 'Investor Relations' where shareholders information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.
- (v) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website www.ril.com.
- (vi) **Chairman's Communique:** Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings. The same is also placed on the website of the Company and sent to Stock Exchange.
- (vii) **Reminder to Investors:** Reminders for unclaimed shares, unpaid dividend/unpaid interest or redemption amount on debentures are sent to the shareholders/debenture holders as per records every year.
- (viii) **Corporate Filing and Dissemination System (CFDS):** The CFDS portal jointly owned, managed and maintained by BSE and NSE is a single source to view information filed by listed companies. All disclosures and communications to BSE & NSE are filed electronically through the CFDS portal and hard copies of the said disclosures and correspondence are also filed with the stock exchanges.
- (ix) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web based application designed by NSE for corporates. The Shareholding Pattern and Corporate Governance Report are also filed electronically on NEAPS.
- (x) **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.
- (xi) **Designated Exclusive email-id:** The Company has designated the following email-ids exclusively for investor servicing.
 - (a) For queries on Annual Report - Investor_relations@ril.com
 - (b) For queries in respect of shares in physical mode-rilininvestor@karvy.com

(xii) **Shareholders' Feedback Survey:** The Company had sent feedback forms seeking shareholders' views on various matters relating to investor services and the Annual Report 2010-11. The feedback received from the shareholders was placed before the Shareholders'/ Investors' Grievance Committee.

12. General Shareholder Information

(i) Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17110MH1973PLC019786.

(ii) Annual General Meeting

(Day, Date, Time and Venue):

Thursday, June 07, 2012 at 11.00 a.m.

Birla Matushri Sabhagar,

19, New Marine Lines, Mumbai 400020

(iii) **Financial Year:** April 1, 2012 to March 31, 2013

(iv) Financial Calendar (tentative)

Results for the quarter ending:

June 30, 2012 - Fourth week of July, 2012

September 30, 2012 - Third week of October, 2012

December 31, 2012 - Third week of January, 2013

March 31, 2013 - Third week of April, 2013

Annual General Meeting - June, 2013

(v) Date of Book Closure

Saturday, June 02, 2012 to Thursday, June 07, 2012 (both days inclusive) for payment of dividend.

(vi) Dividend Payment Date

Credit/dispatch of dividend warrants between June 8, 2012 and June 14, 2012.

(vii) Listing on Stock Exchanges

A) Equity Shares

(i) BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai 400 001
Scrip Code 500325

(ii) National Stock Exchange of India Limited (NSE)

"Exchange Plaza", Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
Trading Symbol - RELIANCE EQ
ISIN : INE002A01018

B) Global Depository Receipts (GDRs)

(i) Listing

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

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

(ii) Overseas Depository

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

(iii) Domestic Custodian

ICICI Bank Limited, Empire Complex, E7/F7,
1st Floor, 414, Senapati Bapat Marg,
Lower Parel, Mumbai 400 013.

C) Debt Securities

(i) The Wholesale Debt Market (WDM) Segment of BSE & NSE.

(ii) Debenture Trustees

(a) Axis Bank Limited
Axis House, C-2,
Wadia International Centre,
Pandurang Budhkar Marg,
Worli, Mumbai 400 025.

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

(c) Axis Trustee Services Limited
2nd Floor, Axis House,
Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg,
Worli, Mumbai 400 025.

D) Payment of Listing Fees: Annual listing fee for the year 2012-13 has been paid by the Company to BSE and NSE. Annual maintenance and listing agency fee for the calendar year 2012 has been paid by the Company to the Luxembourg Stock Exchange.

E) Payment of Depository Fees : Annual Custody/ Issuer fee for the year 2012-13 has been paid by the Company to NSDL and CDSL.

(viii) Stock Market Price Data

Month	National Stock Exchange (NSE) (In ₹ per share)		Bombay Stock Exchange (BSE) (In ₹ per share)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April 2011	1065.90	970.00	1065.55	971.65
May 2011	986.80	898.35	987.00	899.25
June 2011	967.00	828.10	967.90	829.00
July 2011	907.00	823.15	906.00	824.00
August 2011	838.90	712.00	845.00	713.55
September 2011	859.00	747.55	859.00	748.50
October 2011	904.00	761.75	899.90	761.65
November 2011	905.00	751.00	902.00	751.15
December 2011	844.60	689.00	819.00	690.00
January 2012	827.90	687.15	825.00	687.55
February 2012	864.70	765.35	864.45	765.75
March 2012	830.00	718.00	829.45	719.40

(ix) Share Price Performance in comparison to broad based indices – BSE Sensex and NSE Nifty as on March 31, 2012

	BSE (% Change)		NSE (% Change)	
	RIL	Sensex	RIL	Nifty
FY 2011-12	-28.59%	-10.50%	-28.71%	-9.23%
2 years	-30.37%	-0.70%	-30.38%	0.88%
3 years	-1.75%	79.27%	-1.90%	75.29%
5 years	9.37%	33.14%	9.16%	38.57%

(x) Registrars and Transfer Agents

Karvy Computershare Private Limited
Plot No.17-24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081.
Tel:+91 40-44655070-5099
Toll Free No.18004258998
Fax +91 40-23114087
e-mail: rilinvestor@karvy.com
Website: www.karvy.com

List of Investor Service Centres of Karvy Computershare Private Limited is available on the website of the Company <http://www.ril.com>.

(xi) Share Transfer System

Share transfers are processed and share certificates

duly endorsed are returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to the Managing Director and/or Company Secretary. A summary of transfer/transmission of securities of the Company so approved by the Managing Director/ Company Secretary is placed at every Board meeting/ Shareholders'/Investors' Grievance Committee. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement and files a copy of the said certificate with the Stock Exchanges.

(xii) A) Distribution of Shareholding as on March 31, 2012

Category code	Category of shareholder	Number of shareholders	Total number of shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group¹			
(1)	Indian	62	146 39 23 383	44.75
(2)	Foreign	0	0	0.00
	Total Shareholding of Promoter and Promoter Group	62	146 39 23 383	44.75
(B)	Public Shareholding²			
(1)	Institutions	2 125	92 45 55 435	28.26
(2)	Non-institutions	34 03 919	76 99 61 726	23.54
	Total Public Shareholding	34 06 044	169 45 17 161	51.80
(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 26 18 796	3.44
	TOTAL (A) + (B) + (C)	34 06 107	327 10 59 340	100.00

¹For definitions of “Promoter Shareholding” and “Promoter Group” refer to Clause 40A of Listing Agreement.

²For definition of “Public Shareholding”, refer to Clause 40A of Listing Agreement.

B) Shareholding Pattern by Size as on March 31, 2012

Sl. No.	Category (Shares)	Holders	Shares	% of Total Shares
1	1 - 500	32 68 307	21 94 16 480	6.71
2	501 - 1000	81 813	5 74 41 833	1.76
3	1001 - 2000	34 661	4 81 07 740	1.47
4	2001 - 3000	9 044	2 20 21 552	0.67
5	3001 - 4000	3 773	1 31 01 763	0.40
6	4001 - 5000	2 141	96 46 413	0.29
7	5001 - 10000	3 374	2 32 30 285	0.71
8	10001 - 20000	1 206	1 66 80 336	0.51
9	Above 20000	1 788	286 14 12 938	87.48
	TOTAL	34 06 107	327 10 59 340	100.00

C) Build up of Equity Share Capital

Sl. No.	Particulars	Allotment Date	No. of Shares
1	Subscribers To Memorandum	October 19, 1975	1 100
2	Shareholders of Reliance Textile Industries Limited (Merged with the Company)	May 9, 1977	59 50 000
3	Conversion of Loan	September 28, 1979	9 40 000
4	Rights Issue - I	December 31, 1979	6 47 832
5	Bonus Issue - I	September 19, 1980	45 23 359
6	Debenture Series I Conversion	December 31, 1980	8 40 575

Sl. No.	Particulars	Allotment Date	No. of Shares
7	Consolidation of Fractional Coupon Shares	May 15, 1981	24 673
8	Conversion of Loan	June 23, 1981	2 43 200
9	Conversion of Loan	September 22, 1981	1 40 800
10	Rights Issue II	October 6, 1981	23 80 518
11	Debenture Series II Conversion	December 31, 1981	8 42 529
12	Debenture Series I Conversion Phase II	December 31, 1981	27 168
13	Shareholders of Sidhpur Mills Co Limited (Merged with the Company)	April 12, 1982	81 059
14	Rights Issue II NRI	June 15, 1982	774
15	Debenture Series III Conversion	August 31, 1982	19 20 000
16	Rights Issue II	September 9, 1982	41
17	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) II	December 29, 1982	1 942
18	Bonus Issue- II	September 30, 1983	1 11 39 564
19	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) III	September 30, 1983	371
20	Debenture Series IV Conversion	September 30, 1983	64 00 000
21	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) IV	April 5, 1984	617
22	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) V	June 20, 1984	50
23	Debenture Series I Conversion	October 1, 1984	97 66 783
24	Debenture Series II Conversion	December 31, 1984	2 16 571
25	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VI	January 31, 1985	91
26	Consolidation of Fractional Coupon Shares	April 30, 1985	45 005
27	Debenture Series E Conversion	April 30, 1985	53 33 333
28	Debenture Series III Conversion	July 5, 1985	52 835
29	Debenture Series IV Conversion	December 17, 1985	42 871
30	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VII	December 31, 1985	106
31	Consolidation of Fractional Coupon Shares	December 31, 1985	610
32	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) VIII	November 15, 1986	40 284
33	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) IX	April 1, 1987	169
34	Debenture Series G Conversion	August 1, 1987	6 60 30 100
35	Right Issue III	February 4, 1988	3 15 71 695
36	Debenture Series G Conversion	February 4, 1988	29 35 380
37	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) X	June 2, 1988	25

Sl. No.	Particulars	Allotment Date	No. of Shares
38	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XI	October 31, 1988	10
39	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XII	November 29, 1990	322
40	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XIII	May 22, 1991	46
41	Shareholders of Sidhpur Mills Co Limited (Merged with the Company) XIV	October 10, 1991	25
42	Euro Issue GDR-I	June 3, 1992	1 84 00 000
43	Shareholders of Sidhpur Mills Co Limited (Merged with the Company)		4 060
44	Shareholders of Reliance Petrochemicals Limited (Merged with the Company)	December 4, 1992	7 49 42 763
45	Loan Conversion	July 7, 1993	3 16 667
46	Debenture Series H Conversion	August 26, 1993	3 64 60 000
47	Warrant Conversion (Debenture Series F)	August 26, 1993	1 03 16 092
48	Euro Issue GDR II	February 23, 1994	2 55 32 000
49	Loan Conversion	March 1, 1994	18 38 950
50	Warrant Conversion (Debenture Series J)	August 3, 1994	87 40 000
51	Private Placement of Shares	October 21, 1994	2 45 45 450
52	Conversion of Reliance Petrochemicals Limited Debentures	December 22, 1994	75 472
53	Shareholders of Reliance Polypropylene Limited and Reliance Polyethylene Limited (Merged with the Company)	March 16, 1995	9 95 75 915
54	Warrants Conversion	March 10, 1995	74 80 000
55	Conversion of 3.5% ECB Due 1999 I	May 24, 1997	544
56	Conversion of 3.5% ECB Due 1999 II	July 11, 1997	13 31 042
57	Conversion of 3.5% ECB Due 1999 III	July 22, 1997	6 05 068
58	Conversion of 3.5% ECB Due 1999 IV	September 13, 1997	18 64 766
59	Conversion of 3.5% ECB Due 1999 V	October 22, 1997	18 15 755
60	Conversion of 3.5% ECB Due 1999 VI	November 4, 1997	1 03 475
61	Bonus Issue III	December 20, 1997	46 60 90 452
62	Conversion of 3.5% ECB Due 1999 VII	December 4, 1997	15 68 499
63	Conversion of 3.5% ECB Due 1999 VIII	September 27, 1999	7 624
64	Conversion of Warrants	January 12, 2000	12 00 00 000
65	Shareholders of Reliance Petroleum Limited (Merged with the Company)	October 23, 2002	34 26 20 509
66	Shareholders of Indian Petrochemicals Corporation Limited (Merged with the Company)	October 13, 2007	6 01 40 560
67	Exercise of Warrants	October 3, 2008	12 00 00 000
68	ESOS - Allotment	Various dates in 2008-09	1 49 632

Sl. No.	Particulars	Allotment Date	No. of Shares
69	Shareholders of Reliance Petroleum Limited (Merged with the Company)	September 30, 2009	6 92 52 623
70	Bonus Issue IV	November 28, 2009	1 62 67 93 078
71	ESOS - Allotment	Various dates in 2009-10	5 30 426
72	ESOS – Allotment	Various dates in 2010-11	29 99 648
73	ESOS - Allotment	Various dates in 2011-12	13 48 763
	Less: Shares Bought Back and extinguished on January 24, 2005		-28 69 495
	Less: Shares Bought Back and extinguished from February 08, 2012 to March 28, 2012		-36,63,431
	Total Equity as on March 31, 2012		327 10 59 340

(xiii) Corporate Benefits to Investors**a. Bonus Issues of Fully Paid-up Equity Shares**

Financial Year	Ratio
1980-81	3:5
1983-84	6:10
1997-98	1:1
2009-10	1:1

b. Dividend Declared for the last 10 Years

Financial Year	Dividend Declaration	Dividend per Share*
2001-02	October 31, 2002	4.75
2002-03	June 16, 2003	5.00
2003-04	June 24, 2004	5.25
2004-05	August 03, 2005	7.50
2005-06	June 27, 2006	10.00
2006-07	March 10, 2007	11.00
2007-08	June 12, 2008	13.00
2008-09	October 7, 2009	13.00
2009-10	June 18, 2010 (post bonus issue 1:1)	7.00
2010-11	June 03, 2011	8.00

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

Note: Dividend of ₹ 8.50 per share, recommended by the Directors on April 20, 2012, is subject to declaration by the shareholders at the ensuing Annual General Meeting.

c. Shares issued on Demerger

Consequent upon the demerger of the Coal based, Gas based, Financial services and Telecommunications undertakings/businesses of the Company in December, 2005, the shareholders of the Company were allotted equity shares of the four companies, namely, Reliance Energy Ventures Limited (REVL), Reliance Natural Resources Limited (RNRL), Reliance Capital Ventures Limited (RCVL) and Reliance Communication Ventures Limited (RCoVL) in the ratio of one equity share of each of the companies for every equity share held by the shareholders except specified shareholders, in Reliance Industries Limited, as on the record date fixed for the purpose.

Accordingly, 122,31,30,422 equity shares each of REVL, RNRL, RCVL and RCoVL were allotted on January 27, 2006.

(xiv) Dematerialisation of Shares

Sl. No.	Mode of Holding	% age
1	NSDL	94.98
2	CDSL	2.51
3	Physical	2.51
	TOTAL	100.00

97.49% of Company's paid-up Equity Share Capital has been dematerialised upto March 31, 2012 (97.14% up to March 31, 2011). Trading in Equity Shares of the Company is permitted only in dematerialised form.

(xv) Liquidity

The Company's Equity Shares are among the most liquid

and actively traded shares on the Indian Stock Exchanges. RIL shares consistently rank among the top few frequently traded shares, both in terms of the number of shares traded, as well as value. The highest trading activity is witnessed on the BSE and NSE.

Relevant data for the average daily turnover for the financial year 2011-12 is given below:

	BSE	NSE	Total
Shares (nos.)	7 19 755	43 06 074	50 25 829
Value (in ₹ crore)	59.21	356.67	415.88

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

(xvi) Outstanding GDRs / Warrants and Convertible Bonds, Conversion Date and likely impact on equity

(a) GDRs: Outstanding GDRs as on March 31, 2012 represent 11,26,18,796 equity shares constituting 3.44% of the paid-up Equity Share Capital of the Company. Each GDR represents two underlying equity shares in the Company. GDR is not a specific time-bound instrument and can be surrendered at any time and converted into the underlying equity shares in the Company. The shares so released in favor of the investors upon surrender of GDRs can either be held by the investors concerned in their name or sold off in the Indian secondary markets for cash. To the extent of the shares so sold in Indian markets, GDRs can be reissued under the available head room.

RIL GDR Program - Important Information

RIL GDRs are listed at Luxembourg Stock Exchange. GDRs are traded on International Order Book (IOB) of London Stock Exchange. GDRs are also traded amongst Qualified Institutional Investors in the Portal System of NASD, USA.

RIL GDRs are exempted securities under US Securities Law. RIL GDR program has been established under Rule 144A and Regulation S of the US Securities Act, 1933. Reporting is done under the exempted route of Rule 12g3-2(b) under the US Securities Exchange Act, 1934.

The Bank of New York Mellon is the Depository and ICICI Bank Limited is the Custodian of all the Equity Shares underlying the GDRs issued by the Company.

RIL GDR Price Movement over last 1 year



Source : Bank of New York Mellon website

(b) Employee Stock Options: 68,817 Options have been granted during the financial year 2011-12. Each Option, upon exercise of the same, would give rise to one equity share of ₹10/- each fully paid up. The exercise is made at the market price prevailing as on the dates of the grant plus applicable taxes as may be levied on the Company in this regard.

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

Members may refer to the disclosures set out under Annexure I to the Directors' Report with regard to particulars of Employees Stock Option.

(xvii) Plant Locations

Allahabad

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

Barabanki

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

Dahej

P. O. Dahej,
Taluka: Vagra, Dist: Bharuch - 392 130,
Gujarat, India

Gadimoga

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

Hazira

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

Hoshiarpur

Dharmshala Road, V.P.O. Chohal
District Hoshiarpur - 146 024, Punjab, India.

Jamnagar

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

Jamnagar SEZ Unit

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

Nagothane

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

Nagpur

Village Dahali, Mouda Ramtek Road
Tehsil Mouda – 441 104, District Nagpur
Maharashtra, India.

Naroda

103/106, Naroda Industrial Estate Naroda,
Ahmedabad - 382 330, Gujarat, India.

Patalganga

B-4, MIDC Industrial Area, P.O. Rasayani,
Patalganga – 410 220
Dist. Raigad
Maharashtra, India.

Silvassa

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

Vadodara

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

Oil & Gas Blocks

Panna Mukta, Tapti, NEC-OSN-97/2, KG -DWN-98/3, GS -
OSN - 2000/1, CY-PR-DWN-2001/3, KK-DWN-2001/1, KK-
DWN-2001/2, CYDWN-2001/2, KG-DWN-2003/1, MN-
DWN-2003/1, CB-ONN-2003/1, KG-DWN-2004/ 4, KG-
DWN-2004/7, MN-DWN-2004/1, MN-DWN 2004/2, MN-
DWN-2004/3, MN-DWN-2004/4, MN-DWN-2004/5 and
KG-DWN-2005/2.

CBM Blocks

SP (West) – CBM – 2001/1, SP (East) – CBM – 2001/1, SH
(North) – CBM - 2003/II

(xviii) Address for Correspondence**(a) 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.

(b) Any query on Annual Report

Shri S. Sudhakar
Vice President, Corporate Secretarial
Reliance Industries Limited,
3rd Floor, Maker Chambers IV,
222, Nariman Point,
Mumbai 400 021.
Email:investor_relations@ril.com

(xix) Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund

During the year under review, the Company has credited ₹ 4.45 crore, lying in the unpaid / unclaimed dividend account, to the Investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

The cumulative amount transferred to IEPF up to March 31, 2012 is ₹92.74 crore.

(xx) Equity Shares in the Suspense Account

- a) In terms of Clause 5A(I) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in demat form pursuant to the public issue of erstwhile Reliance Petroleum Limited (amalgamated with the Company):

	Number of share holders	Number of equity shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2011	99	1348
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	2	26
Number of shareholders to whom shares were transferred from the suspense account during the year	2	26
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2012	97	1322

- b) In terms of Clause 5A(II) of the Listing Agreement, the Company has dematerialised and transferred 64,13,975 equity shares of the Company issued in physical form to 1,64,437 shareholders and remaining unclaimed, to the 'Reliance Industries Limited - Unclaimed Suspense Account'. No shares were transferred from the suspense account to the shareholders' accounts, during the year.

The voting rights on the shares outstanding in the suspense account as on March 31, 2012 shall remain frozen till the rightful owner of such shares claims the shares.

13. Compliance Certificate of the Auditors

Certificate from the Auditors of the Company, M/s. Chaturvedi & Shah, M/s. Deloitte Haskins & Sells and M/s. Rajendra & Co., confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is attached to the Directors' Report forming part of the Annual Report.

This Certificate has also been forwarded to the Stock Exchanges where the securities of the Company are listed.

14. Adoption of Mandatory and Non-Mandatory Requirements of Clause 49

The Company has complied with all mandatory requirements and has adopted following non-mandatory requirements of Clause 49.

Remuneration Committee

The Company has constituted Remuneration Committee

to recommend/review remuneration of the Managing Director and Whole-time Directors based on their performance and defined assessment criteria.

Communication to Shareholders

Half yearly Reports covering financial results were sent to members at their registered addresses.

Audit Qualification

The Company is in the regime of unqualified financial statements.

Training of Board Members

The Board members are provided with the necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved.

Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Meetings of Independent Directors

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

Whistle Blower policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

15. CEO and CFO Certification

The Chairman and Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.