

D T S & Associates LLP

Chartered Accountants

The Board of Directors
Reliance Industries Limited
3rd floor, Maker Chambers IV,
222, Nariman Point,
Mumbai – 400021

INDEPENDENT AUDITOR'S CERTIFICATE IN RELATION TO NON-APPLICABILITY OF REQUIREMENTS GIVEN IN PARAGRAPH I(A)(9)(b) OF ANNEXURE I OF SEBI CIRCULAR NO. CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017 (AS AMENDED FROM TIME TO TIME) PERTAINING TO OBTAINING APPROVAL OF THE MAJORITY OF PUBLIC SHAREHOLDERS

1. We D T S & Associates LLP, Chartered Accountants, Statutory Auditor of Reliance Industries Limited ("RIL" or "the Company") have examined the accompanying undertaking ("the Undertaking") given by the Company regarding non-applicability of requirements given in paragraph I(A)(9)(b) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (as amended from time to time) ("SEBI Circular") pertaining to obtaining approval of the majority of public shareholders to the Scheme of Arrangement between (i) Reliance Industries Limited and its shareholders and creditors; and (ii) Reliance O2C Limited, a wholly-owned subsidiary of RIL, and its shareholders and creditors ("Scheme"). The Undertaking signed by Joint Company Secretary and Compliance Officer of the Company and initialled by us for the purpose of identification is attached to the certificate.

Management Responsibility

2. The compliances of the relevant laws and regulations is the responsibility of management of the Company, including the preparation and maintenance of all the accounting and other records supporting the contents of the Scheme. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Undertaking.

Auditor's Responsibility

3. It is our responsibility to provide reasonable assurance on whether requirements under the SEBI Circular pertaining to obtaining approval of the majority of public shareholders to the Scheme are applicable to the Company.
4. We conducted our examination of the Undertaking in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)(the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act 2013. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.



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5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. Based on our examination and according to the information and explanations given to us and considering the Opinion taken by the Company from Justice (Retd.) B.N. Srikrishna (attached with the Undertaking), we are of the opinion that the requirements of Paragraph I(A)(9)(b) of Annexure I of SEBI Circular pertaining to obtaining approval of majority of public shareholders to the Scheme are not applicable in this case.

Restrictions on Use

7. This certificate is issued at the request of the Company pursuant to the requirement of SEBI Circular for onward submission by the Company to Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited. This certificate should not be used for any other purposed without our prior written consent.

For D T S & Associates LLP
Firm Registration no. 142412W/W100595
Chartered Accountants



Saurabh Pamecha
Partner
Membership No. 126551
UDIN No. 20126551AAAAGR6625

Place: Mumbai
Date : September 05, 2020

Encl : a/a

UNDERTAKING IN RELATION TO NON-APPLICABILITY OF REQUIREMENTS GIVEN IN PARAGRAPH I(A)(9)(b) OF ANNEXURE I OF SEBI CIRCULAR NO. CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017 (AS AMENDED FROM TIME TO TIME) PERTAINING TO OBTAINING APPROVAL OF THE MAJORITY OF PUBLIC SHAREHOLDERS

1. Background

- 1.1. This is with reference to the Scheme of Arrangement between (i) Reliance Industries Limited (“RIL” or “Company”) and its shareholders and creditors; and (ii) Reliance O2C Limited (a wholly owned subsidiary of RIL) and its shareholders and creditors (“Scheme”) under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.
- 1.2. The Scheme, inter alia, provides as under:
 - 1.2.1. Transfer and vesting of the O2C Undertaking (as defined in the Scheme) from RIL as a going concern on a slump sale basis to Reliance O2C Limited.
 - 1.2.2. Reduction of capital of RIL consequent to adjustment of capital reserve and securities premium against the debit to the statement of profit and loss arising on transfer of O2C Undertaking to Reliance O2C Limited.

2. Requirement of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017

- 2.1. SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (“SEBI Circular”) mandates all the listed companies to ensure that the scheme submitted with National Company Law Tribunal for sanction, shall be acted upon in certain cases as mentioned in Paragraph I(A)(9)(b) of Annexure I of SEBI Circular if the votes cast by public shareholders in favour of the scheme are more than the votes cast by the public shareholders against the scheme.
- 2.2. SEBI Circular further provides that in cases where the scheme does not fall within the cases mentioned Paragraph I(A)(9)(b) of Annexure I of SEBI Circular, the listed entity shall furnish an undertaking certified by the auditor and duly approved by the Board of the company, clearly stating the reasons for non-applicability of the aforesaid requirement.
- 2.3. Thus, in terms of Paragraph I(A)(9)(c) of Annexure I of SEBI Circular, the Company hereby undertakes that the requirements under the SEBI Circular pertaining to obtaining approval of the majority of public shareholders to the Scheme are not applicable to the Company.

3. Reasons for non-applicability

The detailed reasons for non-applicability of obtaining approval of the majority of public shareholders to the Scheme are as follows

- 3.1. Paragraph I(A)(9)(b)(i) of Annexure I of the SEBI Circular:





“Where additional shares have been allotted to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the listed entity”

Reasons for non-applicability: There is no issue of shares involved in the Scheme. Therefore, the question of allotment of additional shares to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of RIL, does not arise.

3.2. Paragraph I(A)(9)(b)(ii) of Annexure I of the SEBI Circular:

“Where the Scheme of Arrangement involves the listed entity and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group”

Reasons for non-applicability: The Scheme involves RIL and its wholly owned subsidiary, Reliance O2C Limited. The Scheme does not involve any arrangement between RIL and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of RIL.

3.3. Paragraph I(A)(9)(b)(iii) of Annexure I of the SEBI Circular:

“Where the parent listed entity has acquired, either directly or indirectly, the equity shares of the subsidiary from any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of the parent listed entity, and if that subsidiary is being merged with the parent listed entity under the Scheme”

Reasons for non-applicability: RIL has not acquired, either directly or indirectly, the equity shares of Reliance O2C Limited from any person who belongs to Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/(s) of Promoter / Promoter Group of RIL. Further, the Scheme does not involve merger of Reliance O2C Limited with RIL.

3.4. Paragraph I(A)(9)(b)(iv) of Annexure I of the SEBI Circular:

“Where the scheme involving merger of an unlisted entity results in reduction in the voting share of pre-scheme public shareholders of listed entity in the transferee / resulting company by more than 5% of the total capital of the merged entity”

Reasons for non-applicability: The Scheme does not involve merger of unlisted entity into RIL.

3.5. Paragraph I(A)(9)(b)(v) of Annexure I of the SEBI Circular:

“Where the scheme involves transfer of whole or substantially the whole of the undertaking of the listed entity and the consideration for such transfer is not in the form of listed equity shares. For the purpose of this clause, the expression “substantially the whole of the undertaking” in any financial year shall mean twenty





per cent or more of value of the company in terms of consolidated net worth or consolidated total income during previous financial year as specified in Section 180(1)(a)(i) of the Companies Act, 2013. For the purpose of this clause, the term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957"

Reasons for non-applicability: The Scheme inter alia involves transfer of O2C Undertaking (as defined in the Scheme) by RIL to its wholly owned subsidiary, Reliance O2C Limited for cash consideration payable by Reliance O2C Limited to RIL. Since Reliance O2C Limited is 100% owned by RIL, the shareholders of RIL are in no way affected. The Company has been legally advised that it will be incorrect to interpret Paragraph I(A)(9)(b)(v) as being applicable in the present case. **An opinion of Justice (Retd.) B.N. Srikrishna, Former Judge, Supreme Court of India, opining that the provisions of Paragraph I(A)(9)(b)(v) are not applicable to this Scheme is enclosed with this Undertaking.**

In view of the aforesaid, the requirement of obtaining approval of majority of public shareholders, as stated at Paragraph I(A)(9)(b) of Annexure I of the SEBI Circular is not applicable to the Scheme.

For Reliance Industries Limited

A handwritten signature in blue ink that reads "Savithri".

**Savithri Parekh
Joint Company Secretary and
Compliance Officer**



Place: Mumbai

Date: September 05, 2020

Encl. as above