August 12, 2019

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East),
Mumbai 400 051

Scrip Code: 500325
Trading Symbol: "RELIANCE"

Dear Sirs,

Sub: Chairman's statement circulated at the 42nd Annual General Meeting (Post-IPO) of the Company

The Chairman's statement circulated at the 42nd Annual General Meeting (Post-IPO) of the Company held today, i.e. August 12, 2019 is enclosed for your information and records.

Thanking you,

Yours faithfully,
For Reliance Industries Limited

Savitri Parekh
Joint Company Secretary and
Compliance Officer

Encl.: as above

Copy to:
The Luxembourg Stock Exchange
Societe de la Bourse de Luxembourg
SA 11, Avenue de la Porte-Neuve
B P 165, L – 2011
Luxembourg

Singapore Exchange (SGX)
11 North Buona Vista Drive,
#06-07 The Metropolis Tower 2,
Singapore 138589

Taipei Exchange
15F, No.100, Sec.2, Roosevelt Road,
Taipei, 10084

Regd. Office: Maker Chambers IV, 3rd Floor, 222, Nariman Point, Post Box: 11717, Mumbai - 400 021. India.
CIN: L17110MH1973PLC019786
New Reliance for a New India

CHAIRMAN’S STATEMENT

42nd Annual General Meeting
(Post-IPO)

Monday, August 12, 2019
My Dear Shareowners,

A very warm good morning to each and every one of you.

It gives me great pleasure to welcome you to the 42nd Annual General Meeting of Reliance Industries Limited.

The Company's accounts for the year ended March 31, 2019, along with the Directors' and Auditors' report, a Letter to the Shareholders, and Management's Discussion and Analysis, have already been circulated to you.

With your permission, I would like to take them as read.

1. Business and Financial Performance

Dear Shareholders,

In the Golden Decade of Reliance, I am proud to inform you that it was yet another year of robust and record performance.

Reliance became India’s largest and most profitable company - both in public and private sectors.

We are the only diversified multi-sector Indian enterprise with three major growth engines in one single corporate entity – Oils to Chemicals division, Jio and Retail.

All three have done exceedingly well in the past year.

We are also incubating newer growth engines.

Sceptics used to say that Reliance cannot succeed in consumer businesses.

Jio and Reliance Retail have proved them wrong.

If these two consumer businesses had been separately listed companies, each would be ranked among the top 10 in India today, in terms of value.

Jio crossed the 340 million subscriber mark to remain the world’s fastest growing digital services company.

Today, Jio is India’s largest telecom enterprise in terms of subscribers, revenues and profits.

Jio has truly become the DIGITAL GATEWAY OF INDIA.

Reliance Retail has crossed ₹ 130,000 crore turnover to cement its position as India’s largest retailer.

It is four times larger than the 2nd largest retail player.

It is larger than all the other major retailers put together.

Our two consumer businesses now collectively contribute nearly 32% to the consolidated EBITDA, up from 2% five years ago.

The day is not far when their share would be 50%.

The third growth engine is our Oils to Chemicals business.

Let me now highlight Reliance’s record contribution to the Indian economy:

Largest exporter -- ₹ 2,24,391 crore exports to 107 countries accounting for 9.8% of India’s total merchandise exports.

Highest payer of customs and excise duty in the private sector -- ₹ 26,379 crore.

Highest payer of GST amongst all public and private sector companies -- ₹ 67,320 crore.

Highest payer of Income tax in the private sector -- ₹ 12,191 crore

Dear Shareholders,

The coming year will mark the beginning of the most ambitious Value Creation strategy in the history of Reliance and in the history of India.
At the heart of our new value creation strategy is our innovative Philosophy of transforming relationships into partnerships.

Partnerships with leading global and Indian companies.
Partnerships with millions of local businesses, SMEs and micro-enterprises across India.
Partnerships with new tech-enabled businesses, platforms and social enterprises.

All these partnerships will form a new business coalition capable of creating exponential value for our five stakeholders: Indian economy, Indian people, our customers, employees and shareowners.

Dear Shareholders,

The future of India -- and also the future of Reliance -- has never looked brighter to me than now. As India is getting transformed into New India, Reliance will also transform itself into New Reliance.

Our Prime Minister Shri Narendra Modi has set the goal of making India a 5 trillion dollar economy by 2024. I fully endorse this ambitious goal.

Indeed, I can clearly see India becoming a 10 trillion dollar economy by 2030, with every Indian as a beneficiary. This is achievable. This is necessary. This is inevitable.

I say this because digital-driven GDP growth is not only **exponential** but can also be **inclusive**.

Our own value creation strategy will prove this.

The slowdown in some sectors of the economy is temporary.

The fundamentals of the Indian economy are very strong.

The opportunities will grow further with structural reforms.

India has political stability.

The government is laying the foundation of new institutions for business promotion and regulation.

New long-term measures are being taken to improve ease of living for all citizens, and reduce income inequality.

India is rising.

No power on earth can stop India from rising higher.

**2. Oils to Chemicals Business**

Dear Shareowners,

Let me focus on Reliance’s most valuable business today -- the Oils to Chemicals division.

It is formed by combining our petrochemicals and refining businesses.

Reliance has the most complex and integrated Oils to Chemicals business globally.

Our Oils to Chemicals business has the ability to convert oil into high-value chemicals and new materials that will significantly improve the quality of life of Indians.

As the world moves towards renewable energy sources and electric vehicles, Reliance has positioned itself far ahead of the curve to create new value.

At Jamnagar, we now operate with a Complexity Index of over 21.1, which is the highest globally for a refinery.

Higher complexity signifies a high degree of integration of units, feed flexibility, product manufacturing capability and, consequently, the ability to maximize margins.

Our Oils to Chemicals business achieved revenue of ₹ 5.7 lakh crore, exports of ₹ 2.2 lakh crore and EBITDA of ₹ 59,270 crore.
We processed 68.3 million tons of crude during the year maintaining our record of over 100% operating rate.

Despite a challenging global environment, we achieved a GRM of $9.2 per barrel, maintaining a margin of $4.2 per barrel over the Singapore complex.

We derived the full benefits of Refinery Off-Gas Cracker by increasing polymer production by 18% to 5.8 MMT.

The Ethane sourcing investment achieved superior returns as we capitalized on the feedstock flexibility in a volatile environment.

All units of the Gasification complex have been safely commissioned.

The Gasification complex is tightly integrated with the refinery and petrochemical complex at Jamnagar.

Our focus is now on completing this integration, capacity utilization and efficiency.

The Butyl Rubber project with equity and technology from SIBUR of Russia, one of the global leaders in this business, is nearing completion and will be commissioned this year.

This is a great example of India-Russia cooperation.

Reliance and BP signed a Joint-venture in the petroleum retailing business.

In a significant new initiative, BP is acquiring 49% stake in our petro-retail business.

Reliance will get ₹ 7,000 crore from BP for this transaction.

Dear Shareholders,

I am now delighted to make an announcement about the biggest foreign investment in the history of Reliance. It is also among the largest foreign investments in India.

Saudi Aramco and Reliance have agreed to form a long-term Partnership in our Oil to Chemicals division.

In terms of the understanding between the parties, Saudi Aramco will invest in Reliance for a 20% stake in O2C division at an Enterprise Value of US$ 75 Billion.

This investment by Saudi Aramco is subject to due diligence, definitive agreements, regulatory and other customary approvals.

This Partnership will cover all of RIL's Refining and Petrochemicals assets, including 51% of the Petroleum Retail JV.

Saudi Aramco will also supply upto 500 KBPD of Crude Oils on a long term basis to RIL's Jamnagar refinery.

This signifies perfect synergy between the world's largest oil producer and the world's largest integrated refinery and petrochemicals complex.

Since its inception, our Jamnagar refinery has been processing Saudi oil every single day for 20 years.

Now we have transformed our longstanding relationship of two decades, based on mutual trust, into a Partnership of growth potential for many more years.

I feel privileged to welcome Saudi Aramco, which is the largest business enterprise in the world.

I am grateful to the visionary leaders, Honourable Prime Minister Shri Narendra Modi and His Royal Highness Crown Prince Mohammad bin Salman Al Saud, who have laid the foundation for strategic cooperation between India and the Kingdom of Saudi Arabia.

3. Oil and Gas Exploration And Production

Dear Shareholders,

I am happy that the Natural Gas business will soon regain its place of pride in Reliance's value-creation strategy.

With Reliance de-emphasising its Shale Gas business in the USA, we are currently focused only on India.

In our coal bed methane blocks, we are focusing on augmenting production.

The Joint Venture with BP will play a major role as a producer of natural gas.
With world class deep-water infrastructure in the east coast of India, the JV is uniquely positioned to monetize over 3 trillion cubic feet of discovered resources in the KG D6 block.

Our JV has committed an investment of ₹ 35,000 crore in the three deep water fields in this block.

The projects to develop these gas-fields are amongst the most complex, being executed anywhere in the world.

These will commence production from the first half of 2020.

With an expected peak production of one billion cubic feet per day, equivalent to nearly 30% of India’s current indigenous gas production, the JV will emerge as a major contributor to India’s energy security.

4. Reliance Jio – Our Digital Services Initiative

Dear Friends,

Now, I turn to the youngest member of the Reliance family – JIO.

India is today a USD 2.5 Trillion economy.

Statistics from large economies show that nearly 3%-5% of their GDP is spent on digital services.

Even at 3% this translates to a potential Indian digital service spend of nearly 5 LAKH CRORES annually.

I believe that JIO is ideally placed to earn a significant proportion of this technology-driven value-addition to our economy.

Friends,

JIO was founded with a vision to bring DIGITAL LIFE to every Indian.

And this vision was built on TWO pillars:

The FIRST was DIGITAL CONNECTIVITY, where JIO would connect EVERY-ONE, EVERY-PLACE and EVERY-THING with the highest quality and affordability.

And the SECOND was to build DIGITAL PLATFORMS and SOLUTIONS built to suit the unique requirements of India and Indians spanning all walks of life like entertainment, ecommerce, financial services, education, healthcare, agriculture, eGovernance and everything beyond.

Let me begin with DIGITAL CONNECTIVITY.

On 5th September this year JIO turns THREE years old.

And what an incredible THREE YEARS it has been!

In the sacred Upanishads we have the famous mantra TAMASOMA JYOTHIR GAMAYA which means lead us from darkness to light.

In a manner of speaking, before JIO, India was DATA DARK.

And now with JIO, India is DATA SHINING BRIGHT!

Friends,

Today JIO’s customer base has crossed 340 million users.

And still we are signing up more than 10 million new customers EACH MONTH.

The potential for growth is immense, and HALF A BILLION customers is now well within our reach.

On behalf of the entire JIO family, thank you India for the ENORMOUS TRUST that you have placed in us.

Because of you, JIO has become NOT JUST the largest operator in India BUT ALSO the second largest single country operator in the world!

Dear Shareholders,

Your company has invested nearly ₹ 3.5 LAKH CRORE towards creating a state-of-the-art digital infrastructure across India, with the largest optical fiber footprint.
Recently we have divested about ₹ 1.25 lakh crore of hard infrastructure into separate infrastructure investment trusts or InvITs to better monetize and unlock value from these assets.

Through these investments we have created world-class, legacy-free, future-proof assets all of which are fixed-mobile converged.

The core and aggregation layers of our converged network have been 5G ready since day one.

And because of our early adoption of the ongoing enhancements to LTE technology our wireless network is already 4G PLUS.

And we can upgrade this to 5G at minimum incremental cost.

Thanks to JIO’s converged network architecture we can offer even faster fixedline broadband to homes and business establishments TODAY.

Friends,

Unlike other industry players your company had the foresight to PRE-INVEST in the network assets.

And for this reason, I can report to you today that the investment cycle for Jio is now complete.

Only marginal investments in access are now required to grow capacity to meet growing demand.

This gives us tremendous OPERATING LEVERAGE and SUPERIOR RETURNS on our INVESTMENTS for years to come.

Friends,

While most of our investments are complete, we have so far fired up JUST ONE of the engines of Revenue generation for Jio namely mobile broadband.

Even with one engine Jio has been profitable from its first quarter of commercial operations.

And now we are ready to kickstart FOUR more engines of CONNECTIVITY REVENUE for Jio.

INTERNET OF THINGS or IoT all over India.

HOME BROADBAND.

ENTERPRISE BROADBAND.

And BROADBAND for SMALL AND MEDIUM BUSINESSES.

And I am glad to report that the Revenues from each of these engines will kick-in within THIS FINANCIAL YEAR ITSELF.

Let me now describe these new growth engines.

FIRST Internet of Things.

JIO has developed an innovative service on its pan-India 4G network called Narrowband Internet-of-Things or NBIoT, for short.

Using NBIoT data from billions of smart sensors whether residential, industrial or public can be collected from across India with the highest reliability and lowest cost.

To take just one example there are over 300 million electricity meters which need to be connected digitally for real-time monitoring and for giving consumers full visibility and control of cost and quality.

And going forward each home and business premise will have dozens of connected devices.

Within another 2 years, it is estimated that there will be more than 2 Billion Connected IOT devices in our country.

Jio aims to connect at least 1 BILLION of these on JIO’s IoT platform.

This translates into a ₹ 20,000 CRORE PER YEAR revenue opportunity for JIO.
Jio’s IoT platform will be commercially available starting 1st January, 2020.

Now the SECOND engine Home broadband.

Last year I had shared with you JIO’s plans for optical-fiber-based FIXEDLINE BROADBAND service – called JIOFIBER.

Starting August 15th of last year, we invited registrations of interest from across India so that we could prioritize JIOFIBER rollout into localities with the highest interest.

The response was simply overwhelming.

**We received over 15 million registrations from nearly 1,600 towns.**

And based on these registrations, we have drawn up a plan to reach 20 million residences and 15 million business establishments in these 1,600 towns.

Over the past year, we have built significant momentum in our JIOFIBER rollout and we are confident that we will complete our network rollout within the next 12 months.

During the last year we also installed JIOFIBER – on a trial basis – in nearly HALF A MILLION homes to fine-tune our services based on actual customer feedback.

And we have found that these trial homes on average are consuming more than 100 GBs per month and this usage is increasing with each passing day.

Friends,

With JIOFIBER you get lightning fast broadband speeds of up to 1 GBPS.

You get a landline phone connection, at no additional cost.

And you get a DIGITAL SET-TOP-BOX that opens up unparalleled digital experiences within your home.

ULTRA HIGH DEFINITION ENTERTAINMENT

VIRTUAL REALITY content

MULTI-PARTY VIDEO CONFERENCING

VOICE-ENABLED VIRTUAL ASSISTANTS

INTERACTIVE GAMING

HOME SECURITY

and many other SMART-HOME SOLUTIONS

The digital possibilities are endless.

THEN THERE IS TELEVISION which is still at the heart of the Indian home.

Television services in India is a classic small-businesses success story, where Local Cable Operators or LCOs played a pioneering role.

In recent years competition from DTH operators have threatened the viability of nearly 1 lakh LCOs who still operate across India.

As firm supporters of local and small businesses JIO wanted to ensure that these LCOs continued to serve their communities.

Earlier this year RIL acquired controlling stakes in three leading Cable MSOs – Hathway, DEN and GTPL who have direct relationships with over 30,000 LCOs.

Over the past months we have worked with our MSOs to upgrade their infrastructure to world-class standards.

After these upgrades, our LCO partners will now be able to offer the largest bouquet of High-Definition channels to customers with better features, reliability and customer experience than even DTH.
But, now we have gone one step further.

We have designed our JIO SET-TOP-BOX to accept the broadcast cable TV signals from our LCO partners.

**So that with every JIOFIBER home all our LCO partners will continue to have a steady stream of revenue for their broadcast TV business.**

We look forward to extending this partnership to all LCOs across the country.

Now For SMALL AND MEDIUM BUSINESSES.

JIOFIBER enables a powerful combination of FIXED-LINE CONNECTIVITY and CLOUD APPLICATIONS leapfrogging them from NO TECHNOLOGY to having a complete line-up of cutting-edge, plug-and-play technology-enabled tools.

This will make them productive from day-one and empower them to succeed in the marketplace even against much larger enterprises.

I believe that in their success lies the recipe for sustainable growth and large-scale employment for the Indian economy.

And FINALLY, LARGE ENTERPRISES.

In the past, enterprises had no choice but to make large expenditures of time, money and effort to keep pace with technology.

Today cloud-based solutions provide out-of-the-box capabilities which are easier, faster and cheaper to adopt.

JIOFIBER and JIO’s cloud solutions level the playing field for Indian enterprises enabling them to accelerate their digital transformation and compete globally using the very same technologies that are used by global majors.

Friends

Now Let me turn to the obvious question.

When is JIOFIBER going to be available, and how much will it cost?

TODAY I want to ANNOUNCE that starting 5th SEPTEMBER of this year - on the THIRD anniversary of JIO’s launch - we are launching JIOFIBER services on a COMMERCIAL basis.

Let me now give you a PREVIEW of the JIOFIBER tariffs.

Jio tariffs are based on FOUR strong and powerful principles.

**First principle:**

**JioFiber will launch with a line-up of simple and easy to understand tariff plans.**

**On performance** - the average fixed-line download speed in the US which is the most developed economy is around 90 Mbps.

In India even the most basic JIOFIBER plan STARTS WITH 100 Mbps speed and we have plans all the way up to 1 Gbps or 1000 Mbps.

This will disproportionately improve the quality of fixed-line data in India.

**And on price** - we are pricing our plans at less than 1/10th the global rates, to make it accessible for all.

JioFiber plans will be priced between ₹ 700 to ₹ 10,000 per month to suit every budget and every need.

**Second:**

**Customers should pay for only one service, either voice or data. Not both.**

With this, I am pleased to announce that voice calls from HOME to any Indian operator - mobile or fixed - will be ABSOLUTELY FREE Forever.
On Fixed-Line International Voice Calling - we are today ending the era of high international calling rates on landline. By announcing the LOWEST FIXED LINE RATES for International Calling through 2 initiatives.

First, the default tariffs on your Jio HOME PHONE will be one-fifth to one-tenth of existing industry tariffs.

Second, we are announcing an unlimited international calling pack at ₹ 500 per month, to US and Canada, thereby making it easy for families to connect.

Third:

We are SUBSTANTIALLY simplifying the purchase and consumption of content.

Today many of us pay for and keep track of multiple subscriptions to multiple applications just to watch our favourite movies and shows.

This is both expensive and cumbersome.

Today, I am announcing that JIOFIBER plans will come BUNDLED with subscriptions to most leading premium OTT applications.

Also, for the first time in India, we are introducing a disruptive concept for watching NEW movies.

Premium JIOFIBER customers will be able to watch movies in their living rooms the same day these movies are released in theatres!

We call this JIO FIRST-DAY-FIRST-SHOW.

We plan to launch this service in the middle of 2020.

Fourth:

We are launching a special mobility service for our JioFiber users called JIO POSTPAID PLUS, to deliver a platinum-grade service and product experience.

Some of the unique features of this service are:

One, India's first priority SIM-setup service at home, where your connection will be moved to Jio by visiting your home.

Two, Seamless Data and Voice Connectivity across all your devices, both at home and outside.

Three, Unprecedented Family plans – one data plan for better control on GBs and sharing within your family.

Four, International roaming at a fraction of a cost with superior service experience.

Five, Phone upgrades at preferential rates.

And Six, all your home solutions on your phone.

The complete details of our tariffs will be available from 5th September 2019 on Jio.com and MyJio application.

BUT, there is ONE MORE THING.

The experience of JIOFIBER and JIO-SET-TOP-BOX really comes to life when combined with an LED TELEVISION.

So, JIOFIBER customers who opt for our annual plans which we call JIO-FOREVER plans, will get an HD OR 4K LED TELEVISION and a 4K SET-TOP-BOX ABSOLUTELY FREE.

We are calling this the JIOFIBER WELCOME OFFER.

I invite all of you to make the most of THE JIOFIBER WELCOME OFFER and sign-up for JIOFIBER as soon as it is available in your neighbourhoods.

Friends,

Let me now move to the SECOND PILLAR of JIO DIGITAL LIFE.

DIGITAL PLATFORMS and SOLUTIONS.
Today, JIO is already a software company.

JIO has over 6000 software engineers and we are continuing to attract technology talent from across India and the world.

JIO is also investing in a growing ecosystem of technology startups.

As on date we have invested in 14 startups that embody the JIO DNA and have developed unique capabilities in their respective fields with a total of 1500 talented engineers.

This is another way we are building talent.

And on the back of this talent we are now investing in scaling-up advanced technologies in our country even ahead of the rest of the world.

Let me describe our plans for a few of these.

FIRST, Blockchain technology all over India.

Using Blockchain we can deliver unprecedented security, trust, automation and efficiency to almost any type of transaction.

This is a vital capability for India especially for modernizing our supply chains for agricultural produce and other goods which form the lifeblood of our economy.

And using Blockchain, we also have an opportunity to invent a brand-new model for data privacy where Indian data especially customer data is owned and controlled through technology by the Indian people and not by corporates, especially global corporations.

Data is wealth and Indian wealth must remain in India.

**Over the next 12 months, JIO will install across India one of the largest blockchain networks in the world with tens of thousands of nodes operational on day one.**

SECOND, Edge computing and Virtual and Mixed Reality content.

As you saw in the demo, the next frontier of content is immersive.

This creates exciting new possibilities for entertainment, shopping, gaming and most importantly for education.

Delivering immersive content to hundreds of millions of users requires a well-integrated solution spanning connectivity, data storage and real-time computing.

And we need to deploy such solutions at the edge of the network or in other words, closer to where our users are.

Today, JIO is setting up a pan-India Edge Computing and Content Distribution network again starting with tens of thousands of nodes.

This means that your favourite content and applications will be even nearer to you.

So even faster downloads and faster response times.

And FINALLY, CLOUD INFRASTRUCTURE across India.

To leapfrog the world, it is a national imperative to develop a nation-wide cloud computing infrastructure that is both cutting-edge and affordable.

There are just a handful of companies in the world who can be considered at the cutting-edge of cloud technologies.

I want to talk to you about one such company MICROSOFT.

Today, MICROSOFT’s Cloud platform AZURE is one of the world’s leading cloud platforms.

Today, I am glad to announce that Jio and Microsoft have entered into a globally unique long-term alliance to accelerate the digital transformation of our country.
As part of this alliance, while Jio sets up a network of large world-class datacenters across India, Microsoft will bring its Azure cloud platform into Jio’s datacenters.

When we put these two pieces together, we now have the capability to develop truly India-native solutions including Speech Recognition and Natural language understanding for all major Indian languages and dialects.

All Indian businesses now have the capacity to accelerate their digital transformations and become globally competitive.

On this VERY IMPORTANT occasion I want to welcome in our midst a very special guest to talk about this partnership.

My dear friend and the CEO of MICROSOFT – India’s own Satya Nadella!

Script of Mr. Satya Nadella, CEO of Microsoft

“Thank you, Mukesh.

It is such an incredible time to embark upon this partnership together.

Today, digital technology is transforming every place, every industry, everything. This rapid change is being driven by massive technology shifts – across the intelligent cloud and intelligent edge:

Computing is becoming ubiquitous and distributed.

AI is being infused into every experience.

And the interaction model we have with computers is increasingly human-first, rather than device-first.

These advances are shaping the next phase of innovation, and they are creating new opportunity for people and organizations everywhere, especially in India.

At Microsoft, our mission is to empower every person and every organization on the planet to achieve more.

Core to this mission is deep partnerships, like the one we announced today with Jio.

Our ambition is to help millions of organizations across India thrive and grow in this era of rapid technological change.

Our long-term partnership combines the power of our technology – including Azure, Azure AI and Office 365 – with Jio’s connectivity and digital solutions – which as you know are among the most used and fastest-growing in the world.

Together, we will offer comprehensive technology solutions – from compute and storage, to connectivity and productivity – to SMBs everywhere in the country.

Jio and Microsoft will partner to launch new cloud datacenters in India, ensuring more organizations can access the tools and platforms they need to build their own digital capability.

Jio and Microsoft will jointly offer Office 365 so more organizations can empower their employees with a modern workplace.

And Jio and Microsoft will bring Azure Cognitive Services to more devices, creating new, breakthrough intelligent experiences, with support for 13 Indian languages and others to come.

At Microsoft, we don’t celebrate technology for technology’s sake, but rather we celebrate what others are empowered to do with that technology.

And our ambition is to make all of these solutions broadly accessible and affordable so they can reach as many people and organizations in India as possible.

I’m excited to see how customers will be able to achieve more because of this partnership and I’m excited about our collective opportunity ahead.

Thank you so much.”
Dear Friends

With Microsoft and JIO, Indian businesses can count on a partnership that will work shoulder-to-shoulder with them in their journey towards becoming digital enterprises of the future.

To further our connectivity vision of empowering digital enterprises of the future, today I want to make 2 special announcements for STARTUPS AND SMALL and MEDIUM BUSINESSES.

FIRST:

JIO is a startup built in India for India by Indians.

And we have a special place in our hearts for startups.

You may know that 80% of the cost of running a startup goes towards cloud and connectivity infrastructure.

I want to announce today that Jio is ready to take away this cost by making THE CONNECTIVITY AND CLOUD INFRASTRUCTURE ABSOLUTELY FREE FOR BUDDING STARTUPS.

I urge all startups to register for their custom-designed package on Jio.com from 1st Jan, 2020.

JIO will also invest and financially support those startups that have the potential to address India's big needs in agriculture, healthcare, education and skill development which will boost the creation of new livelihoods.

SECOND:

Micro, small and medium businesses are the bedrock of Indian economy.

To run their business, a bundle of connectivity, productivity and automation tools costs a micro and small business between ₹ 15,000 and ₹ 20,000 per month currently.

For a similar service, customers abroad pay over 1,000 Dollars per month.

Today we are taking the bold step of giving these applications along with our connectivity to small businesses for 1/10th the cost starting at ₹ 1,500 per month.

Now all small business will have access to unlimited enterprise-grade voice and data services, video conferencing, security solutions, marketing and sales solutions and many more productivity tools that will help them run their business efficiently and at par with larger enterprises.

The medium and larger businesses spend even higher between ₹ 3 – 5 Lacs per month for which we have custom-designed plans with similar value benefits.

With this step, I am certain that the two to five million micro, small and medium enterprises will propel towards prosperity and march towards creating a NEW DIGITAL INDIA.

Friends,

We are at what I call the end of the beginning of the JIO story.

We have built a robust connectivity business our first pillar with multiple growth engines that provide significant upsides.

And our second pillar digital platforms is JIO's contribution to transform India into an AI-first economy across all sectors and all walks of life.

It is my passion and conviction that New India will lead and not follow the advanced nations of the world in adopting, even creating disruptive technologies that will decide the winners and losers of the Fourth Industrial Revolution.

5. Reliance Retail

Dear Shareholders,

Let me now talk about our next consumer business – the retail business.

I am proud to say that Reliance Retail has well and truly brought the Retail Revolution to India.
We are able to deliver the highest value to our customers because we have the widest geographical footprint; nation-wide supply chain; technology expertise; design & product development; and the largest assortment of goods and services.

Reliance Retail provides us with a hyper-growth platform, as the Indian consumer demands products and services which are at par with the best in the world.

It is the best proxy for the consumption story of India.

We achieved a significant milestone with our turnover crossing ₹ 1,30,000 crore in the last year.

We have achieved this milestone faster than any other retail company in the world.

Our EBITDA margins are among the best globally.

The Retail business has grown phenomenally, registering a 7-fold increase in revenue and a 14-fold increase in profit in the last six years.

Our relentless focus on operating discipline has resulted in a 3-fold rise in per store productivity in the last 5 years.

We serve more than 1 lakh customers every hour, a feat no Indian retailer has been able to achieve.

Last year, we delighted over 15 crore unique customers.

We registered over 500 million footfalls last year, becoming India's preferred shopping destination.

We have expanded our footprint at a rate of 8 stores per day, opening a total of 3,000 new stores this year, higher than any other retailer globally.

Our spread of stores covers all corners of the country, with presence in nearly 7,000 towns and cities.

Over 2/3rd of our 10,415 stores are in Tier II, Tier III and Tier IV towns.

These towns are connected with a modern supply chain capable of delivering products from distribution centres spread across the country.

The unique customer insights can be leveraged to grow into a much bigger business in the next five years.

Dear Shareholders,

Here are a few more signposts of our spectacular achievements in retail.

Reliance Digital is the undisputed leader in India in consumer electronics retailing.

We sell more phones, laptops, refrigerators, TVs and ACs than any other retailer in the country.

We sold a TV every 24 seconds last year; and we sold a phone every 2 seconds.

In Grocery, we are India's largest modern trade retailer.

Reliance Retail sells nearly half of the fresh fruits and vegetables sold by the entire modern retail ecosystem in India.

We sold more than 6.4 lakh tonnes of groceries during the year.

In the fashion category, Reliance Trends is the undisputed leader.

Reliance Trends sold over four lakh garments every day last year.

With the acquisition of Hamleys, Reliance Retail has transformed into a global retailer with presence in 18 countries.

We are proud to own a global category leader in children’s premium toys that we can take to other parts of the world – and we will be the first Indian company to do so.

And we continue to be the preferred partner for several international marquee brands in India.

Today, we are the only Indian retailer to be ranked in the Global 100 top retailers.
Over the next 5 years, our aim is to be amongst the world’s top 20 retailers.

Dear Shareholders,

Now I want to update you on Reliance’s **New Commerce** initiative that I spoke about last year.

New Commerce is a massive new business opportunity of **USD 700 billion**.

However, for Reliance, it is the greatest opportunity to promote inclusive growth and shared wealth at the bottom of India’s commerce and retail pyramid.

The main purpose of New Commerce is to completely transform the unorganized retail market, which accounts for 90% of India’s retail industry.

The 3 crore merchants and kirana shop owners, who generate direct and indirect livelihoods for over 20 crore people, form the backbone of India’s commerce eco-system.

These highly energetic and self-motivated entrepreneurs have suffered in recent years because of their inability to invest in technology and infrastructure.

In the true Reliance ethos, we are working towards enriching and empowering them with our end-to-end digital and physical distribution stack.

For this, we are deploying blockchain, IOT, AI and other new technologies on a pan-India basis.

This tech-enabled partnership will link producers, traders, small merchants, consumer brands and consumers.

By removing inefficiencies and value destruction in today’s market ecosystem, New Commerce will transfer significant new value to consumers, producers and merchants.

Our merchant Point of Sale (POS) Solution – Jio Prime Partner POS – is integral to our plan to create an ecosystem around small merchants.

This user friendly digital platform is designed for inventory management, customer relationship management, financial services and other services.

This will modernise even the smallest neighbourhood kirana shop to become a future-ready digitized store.

During the last year, we have made significant progress in developing and testing our merchant technology platforms.

Our beta trials with thousands of merchants across multiple locations in the country established the premise of New Commerce with significant increase in sales and improvement in margins for the participating merchants.

We are now getting ready to roll out the platform at a larger scale.

Reliance’s New Commerce platform thus represents the **Digital Symbiosis of Big and Small Enterprises**.

I believe that the Small must not only survive, but also thrive in New India.

6. **Media and Entertainment**

Let me turn to our media and entertainment business.

We have created one of India’s largest broadcast portfolios and digital media offerings across platforms.

Our 72 television channels reach 800 million Indians, representing more than 95% of the TV-viewing universe.

Our News18-branded TV news platform is the largest by regional footprint, ratings or revenue.

Our entertainment portfolio, led by Colors, has grown in stature, with its mass and niche offerings.

Network 18 is among the top digital media players in the country, with one in four Indians on our websites or apps, across Moneycontrol, Firstpost, Voot, News18.com and many others.
7. Reliance Foundation

Dear Shareholders,

Reliance Foundation’s aim is to help change lives and empower India by providing the largest platform for development initiatives.

As the Foundation enters its 10th year, I am humbled that we have touched the lives of more than 29 million people across the country.

I would like to congratulate Nita for her leadership in building India’s largest philanthropic organisation.

Through our Rural Transformation programmes, we have improved the livelihoods of over 8 million people across 19,000 villages.

Our efforts in rural India support key national priorities like ensuring water security and doubling farmers’ income using technology innovations.

Last year, our Foundation provided relief and rehabilitation to people impacted by natural calamities in Kerala, Andhra Pradesh and Odisha.

As we speak our teams are involved in relief and rehabilitation efforts in Maharashtra, Karnataka and Kerala.

As a mark of respect to the Pulwama martyrs, we have assumed full responsibility for the education of their children, and the livelihood of their families.

Responding to Honourable PM’s appeal, we stand committed to support the people of Jammu & Kashmir and Ladakh in all their developmental needs.

Sir HN Reliance Foundation Hospital continues to deliver excellent results in patient care.

Last year, clinical capabilities in newer areas were developed in collaboration with doctors from Sloan Kettering, Gleneagles Hospital in Singapore and Guy’s Hospital in London.

Innovative new programmes in liver transplant and paediatric cardiovascular surgeries were also initiated for the first time in Mumbai.

Reliance has received Letter of Intent from the Government to set up Jio Institute under the Institute of Eminence framework.

We are committed to making this a world-class institution for higher-education and research.

Our Education and Sports for All (ESA) initiatives have reached more than 18 million youth across multiple sporting disciplines.

I will also like to congratulate Nita and Akash for their leadership to Mumbai Indians, who won their fourth IPL title this year – the only team to do so.

Our Foundation aspires to make a greater impact to the nation through partnerships, digital technology and direct action.

I seek your blessings to make this happen.

8. Value Creation Roadmap

Let me now summarise the value creation roadmap for your company, as we are coming to the end of our largest capital expenditure cycle.

Your company has invested ₹5.4 lakh crore in the last 5 years for:

A. Expanding and strengthening a world class Oil to Chemicals business which has a unique combination of scale, complexity and resilience to business cycles;

   Our Oil to Chemicals business, in partnership with Saudi Aramco, is best placed to pursue growth and value-creation, while adding substantial value to the feedstock provided by our strategic partner.
B. Creating the world’s largest, converged, greenfield, legacy-free data network company and digital services company;

Jio has grown into the proxy for tech and digital services for India.
It has strong operating leverage and is best placed to win in the emerging ₹5 lakh crore Indian digital opportunity.

C. Building the largest and fastest growing retail company in India.

Reliance Retail has created an unbeatable pole position in the US$ 80 billion organised retail market in India.
In addition, Reliance Retail has built the capabilities to address the US$ 700 billion unorganised retail opportunity, which we call New Commerce.

This is a unique business model we are building in partnership with millions of small merchants and kirana shops, so that they can be empowered to serve the Indian customers.

Together, Reliance Retail and New Commerce will become the proxy to India’s consumption story.

The India-centric upstream business in partnership with BP will bring over 3 tcf of gas resources to production starting next year.

This will generate EBITDA in excess of US$ 1 billion annually for over a decade.

We also have large and valuable real estate assets; and have a strong portfolio of financial investments.

Your company has thus built a unique portfolio of world class and extremely valuable assets in the fastest growing economy in the world.

Each of our best-in-class businesses is contributing to the transformation of our country, while also creating enormous societal value.

At the end of our largest capital expenditure cycle, we continue to be rated AAA for domestic debt and two notches above Sovereign rating for international debt - the highest ratings for any industrial company in India.

Our consolidated EBITDA in the last year was ₹92,656 crore.

On the strength of our existing and new growth engines, I am very confident that we can grow this by 15% annually over the next 5 years.

Dear Shareholders,

Last year, we transferred our telecom infrastructure assets to two separate infrastructure trusts for a consideration of ₹1.25 lakh crore with the intention of raising this money from large global institutional investors.

We have received strong interest and commitments from reputed global investors and are confident that these transactions will be completed by the end of this Financial Year.

Post this, we ended last year with net debt of ₹154,478 crore.

We have a very clear roadmap to becoming a zero net debt company within the next 18 months that is by 31st March 2021.

1. Our transactions with Saudi Aramco and BP will create win-win relationships, generating significant strategic value for our partners.

   We expect to complete these transactions within this financial year subject to definitive agreements, due diligence, regulatory and other customary approvals. The commitments from these two transactions are about ₹1.1 lakh crore.

2. We have received strong interest from strategic and financial investors in our consumer businesses, Jio and Reliance Retail.

   We will induct leading global partners in these businesses in the next few quarters, and move towards listing of both these companies within the next five years.

3. We will also evaluate value unlocking options for our real estate and financial investments.
With these initiatives, I have no doubt that your company will have one of the strongest balance sheets in the world.

As we achieve our zero net-debt target, I assure you my dear shareholders that we will reward you abundantly through higher dividends, periodic bonus issues and other means, and at a more accelerated pace than any time in our history.

9. Conclusion

Dear Shareholders,

In conclusion, I also wish to address my dear countrymen, because they are the biggest and most important stakeholders of Reliance.

My father, Dhirubhai Ambani, created Reliance because his primary motivation was to create wealth and value for India and her people.

He was absolutely clear in his vision that promoters, shareholders and employees would get their share of value only after our businesses have created maximum societal value.

This is also my vision.

And it will remain the unchanging vision of Reliance.

The trust and confidence of the people of India in Reliance is growing stronger with each passing year, because we have remained faithful to our Founder Dhurubhai’s vision and core values.

This relationship of trust is our most precious asset.

A single example is enough to illustrate this truth.

In just three years, as many as 34 crore Indians have put their trust in Jio because of our uncompromising commitment to propel India to digital leadership.

Nothing gives me greater happiness than to see that Reliance is now making a bigger and more positive impact, on the lives of more Indians -- in multiple ways through business and philanthropy.

And nothing gives me greater inspiration in my work, each single day, than my conviction that the New India that our children will grow up in, will be happier, healthier, wealthier, prouder and more caring than ever before.

10. Acknowledgements

I would like to thank the Central and State Governments, shareholders, investors, lenders, suppliers and customers for their consistent and resolute support.

I thank all my colleagues on the Board for their unanimous support and immense encouragement.

I have special words to acknowledge the collective efforts of the entire Reliance team, working tirelessly to create and sustain a world-class enterprise.

Thank you.

Mumbai
August 12, 2019

Mukesh D. Ambani
Chairman and Managing Director

Note: This does not purport to be a record of the proceedings of the 42nd Annual General Meeting (Post-IPO) of the Company.