

February 11, 2022

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: Presentation for Equity Shareholders and Creditors in relation to the Scheme of Arrangement between Reliance Industries Limited (“RIL”) & its shareholders and creditors and Reliance Syngas Limited (wholly owned subsidiary of RIL) & its shareholders and creditors (“Scheme”)

This has reference to the Scheme filed by the Company with National Company Law Tribunal, Mumbai Bench (“NCLT Mumbai”) on January 21, 2022 along with Company Scheme Application (“CSA”) and other relevant documents, seeking directions from NCLT Mumbai for convening the meetings of equity shareholders and creditors of the Company for their approval to the Scheme.

The said CSA was admitted by NCLT Mumbai on January 28, 2022. As per the directions of NCLT Mumbai, meeting of secured creditors, unsecured creditors and equity shareholders will be on March 9, 2022, through video conferencing / other audio visual means.

In connection with the above, we enclose the presentation to be used by the Company for explaining the salient features of the Scheme.

Please upload the presentation on your website. The said presentation will also be put up on the website of the Company.

Thanking you,

Yours faithfully,
For Reliance Industries Limited



Savithri Parekh
Company Secretary and
Compliance Officer

Encl.: as above

Copy to:
The Luxembourg Stock Exchange
35A boulevard Joseph II
L-1840 Luxembourg

Singapore Stock Exchange
2 Shenton Way,
#19- 00 SGX Centre 1,
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Repurposing Gasification Assets – Unlocking Value on Path to Net Carbon Zero

February 2022

1. RIL has set an ambitious target to achieve Net Carbon Zero by 2035
2. Framework for reducing carbon footprint include
 - ✓ Migration from fossil energy to renewables
 - ✓ Maximizing sustainable materials and chemicals as part of portfolio
 - ✓ Carbon fixation, capture and utilisation
3. Transition to Net Carbon Zero provides unique opportunity to unlock value through;
 - ✓ Repurposing of assets
 - ✓ Upgradation of configuration

RIL at an inflection point to re-configure legacy assets ahead of energy transition

1. In Jamnagar Phase III - the low value fuel streams (off-gases) were taken out from the fuel pool and used as feedstock to convert to high value petrochemicals
 - ✓ Built world's largest off-gas cracker - one of the lowest cost producer of ethylene in the world
2. Repurposing fuels to olefins through ROGC created deficit in fuel pool at Jamnagar site
3. Gasification was set up to produce syngas for energy needs of the complex, and provide a platform for future growth in high value chemicals
4. Syngas as fuel has benefited Jamnagar complex
 - ✓ Reliable supply of energy with reduced volatility in energy costs
 - ✓ Produce one of the lowest cost H₂ for captive consumption

Gasification has significantly enhanced energy security of the Jamnagar complex

1. Jamnagar energy demand is currently met through fossil fuels including syngas from the gasifiers
2. Fossil fuel can be replaced by renewables, including solar, biomass-based fuel, H₂ and changing steam drives to electric drives
3. Jamnagar will progressively transition to renewables with battery energy storage system (BESS) to meet its electricity and steam demand
4. Hydrogen demand will be met by green hydrogen produced through water electrolysis
5. Carbon fixation, capture and utilisation

Repurpose Gasification Assets - Syngas to Hydrogen & Other Industrial Gases

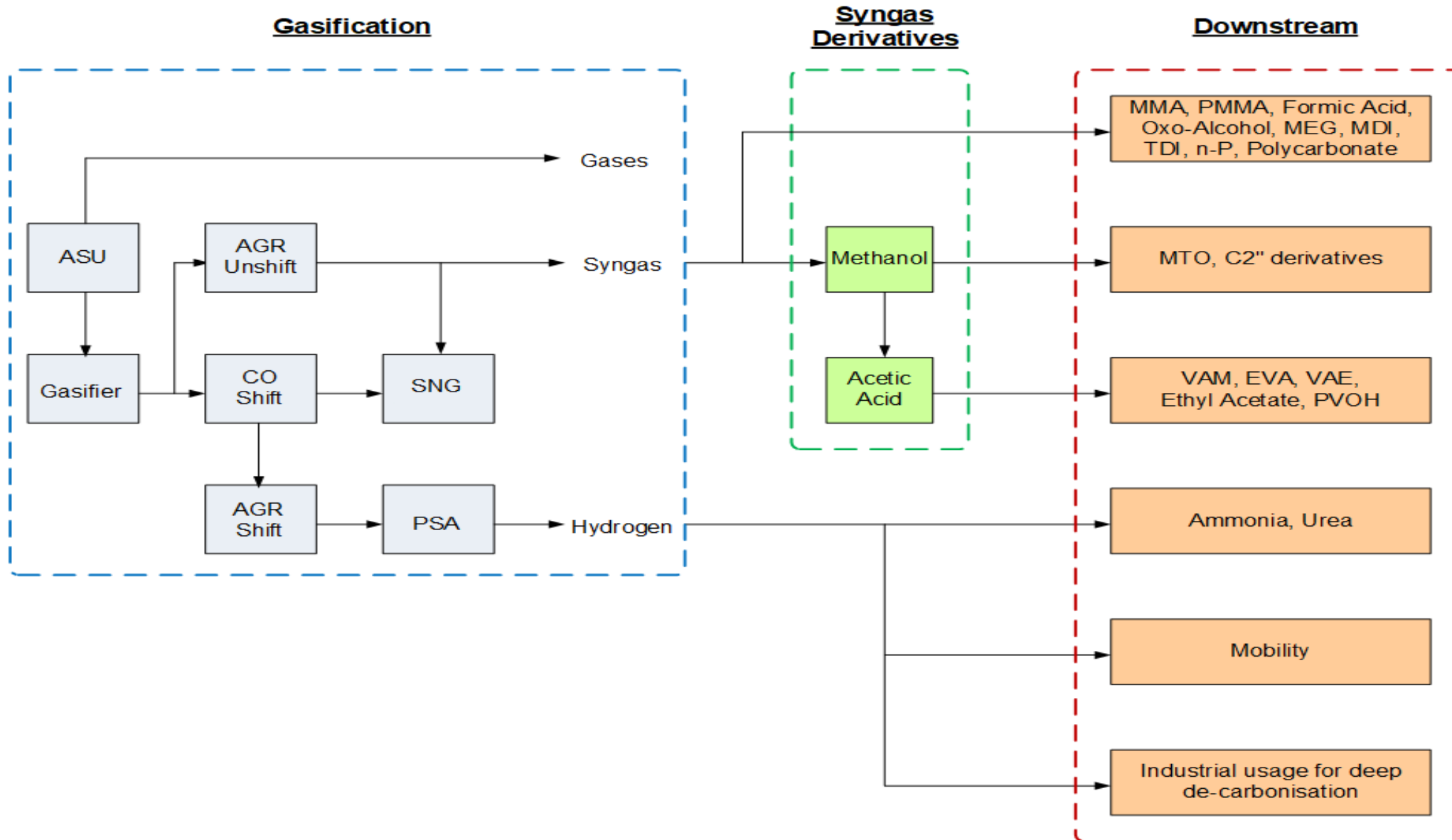
1. Syngas has potential to produce H₂ at a competitive cost of ~\$ 1.2 -1.5 / kg
2. With CCUS, RIL can be one of the largest producers of blue hydrogen globally
3. In the interim, till cost of green hydrogen comes down, RIL can be the first mover to establish a hydrogen ecosystem, with minimal incremental investment, in India
4. Subsequently, as hydrogen from syngas is replaced by green hydrogen, the entire syngas will be converted to chemicals
5. Explore biomass feed in gasification to produce green hydrogen
6. Provide flexibility for gasifier ASUs to create a world-scale 'Industrial Gases' business by capturing and maximizing oxygen, nitrogen, argon, and crypton

RIL can jump start the de-carbonization of mobility and industrial use through Hydrogen

1. C1 Chemicals – RIL to build integrated Acetyls complex incl. Methanol, Acetic Acid and its derivatives
 - ✓ India has Acetic Acid demand (partly in PTA) of ~1.2 MMT which is largely met by imports
 - ✓ Additionally, there are imports for Acetic Acid derivatives like Ethyl Acetate, EVA, VAM, VAE
2. Chemicals with 'Oxygen' - MEG (polyester intermediate) and Oxo-Alcohols (agro, pharma)
3. Methanol to Olefins - one of the lowest cost routes to olefins production
4. Other Chemicals -
 - ✓ MMA and PMMA (end-uses: paints, adhesives)
 - ✓ Formic Acid (end-uses: preservative, anti-bacterial agent in livestock feed)
 - ✓ n-Paraffin, Cyclohexane, MDI, TDI (end-uses: household products like detergents, foam, sealants)
 - ✓ Polycarbonate (end-uses: agro, building, automobiles)

Syngas provides pathway to high-value chemical streams

Repurpose Gasification Assets - Syngas to Chemicals (2/2)



1. Hydrogen production from gasification provides highly concentrated CO₂ stream which provides unique opportunity to capture ~15 MMTPA of CO₂ at 30% of typical cost of carbon capture.
2. CO₂ can be monetized with application in following products / end-uses -
 - ✓ Urea production - using green ammonia (nitrogen from ASU + green hydrogen)
 - ✓ E-products, and fuels - using green hydrogen, facilitating circular carbon economy
 - ✓ Synthetic Aviation Fuel
 - ✓ Construction mineralization, Dry Ice
 - ✓ Algal oil, super proteins made through synthetic biology pathways
3. Biomass based gasification, coupled with CO₂ capture can potentially lead to significant cut in emissions

CO₂ as a product can be captured at much lower cost to sell as feedstock for chemicals production

1. With downstream optionality for Syngas, the nature of risk and returns associated with the gasifier assets will likely become distinct from those of other businesses of the Company
2. Gasification assets are proposed to be transferred to a subsidiary which will provide flexibility to induct suitable strategic partners and distinct sets of investors
3. Collaborative and asset-light approach to unlock value of syngas, specifically
 - ✓ Induction of investor(s) in gasifier subsidiary
 - ✓ Capturing value of upgradation in RIL through partnerships and investments in different chemical streams

Restructuring of gasification assets to unlock value, provide flexibility

Gasifier Subsidiary – Carve-out Considerations

1. Gasification subsidiary to focus on optimizing syngas production
 - ✓ RIL to utilize syngas along with potential partners to produce value added downstream chemicals
2. Valuation of Gasification asset based on conversion contract construct considering
 - ✓ Timelines for RIL's switch to renewable sources of energy
 - ✓ Configuration and implementation schedule for downstream projects to convert syngas to value added chemicals
 - ✓ Discovery of benchmark price for syngas to be used as feedstock as opposed to fuel

Conversion contract construct to provide stable cash flows through business transition

Gasifier Subsidiary – Valuation and Potential Upside

1. Value capture from Gasification distributed between
 - ✓ Gasifier subsidiary through conversion contract
 - ✓ RIL through upside on syngas initially as fuel and later as feedstock
2. Valuation ascribed to Gasifier subsidiary is ~ ₹ 30,000 crore
 - ✓ Cash flows from job work contract for converting raw material from RIL to syngas, CO, H₂
 - ✓ Assured minimum volumes to protect revenue and returns
 - ✓ Upside on operational efficiency and output mix
 - ✓ Independent technical valuation reports expected shortly
3. Carbon capture, monetization of concentrated CO₂ for downstream application to provide future revenue opportunity
4. No impact on RIL's consolidated financials
 - ✓ Gasification subsidiary remains part of the larger cash generating unit of RIL

Value of assets remains intact on consolidated basis

New Chemicals Subsidiary - Value Creation Roadmap

1. New chemicals subsidiary of RIL to focus on value addition to syngas
 - ✓ JV approach to attract technology/licensor partners for individual chemical streams
 - ✓ Balance-sheet light approach to de-risk investments
2. Feedstock security through linkages with Gasification subsidiary
 - ✓ Visibility on pricing and availability
3. RIL to capture earnings and valuation upside through new chemicals subsidiary structure
 - ✓ Premium multiples attributed to speciality chemical earnings stream

Value creation through optimized investment, lower technology risk and premium multiples

Repurposing of Assets – An Ongoing Exercise To Create & Preserve Value

1. RIL has continuously optimized its configuration to add highest value to various streams
2. Apart from Gasification assets, some of the other assets which are being repurposed are -
 - ✓ Coker at JMD - being repurposed to produce needle coke (for production of graphite)
 - ✓ PX and PTA plants at PMD - being repurposed to MX and PIA plants respectively
 - ✓ Coal-based Boilers at HMD and DMD - being repurposed for Biomass firing
 - ✓ ACN plant at VMD - being revived for conversion to Carbon Fibre

Continuously repurposing of assets - prolonging relevance in evolving scenario

1. Gasification Undertaking* is proposed to be transferred, **as a going concern on Slump Sale basis**, by way of **a Scheme of Arrangement**
2. The Appointed Date for the Scheme is **March 31, 2022** or such other date as may be approved by the Board
3. The Scheme has been filed with both Mumbai and Ahmedabad NCLTs and will require approvals of Shareholders, Creditors and NCLT
4. The scheme will require approval of majority in number representing 3/4th in value of the shareholders voting on the Scheme
5. Tax Advisors- Dhruva, Legal Advisors - Khaitan & Co.

Note: * Current carrying value of Net Assets of Gasification Undertaking is ~ ₹ 72,000 crore

Thank You