

May 24, 2018

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 EQ"

Dear Sirs,

Sub: News Clarification – Your mail on news item titled, "RIL, Shell, ONGC told to pay \$3.8 billion as government's share of PMT"

1. In December 2010, BG Exploration & Production India Limited (BG) and Reliance Industries Limited (RIL), initiated an arbitration against the Government of India (GOI) in relation to disputes arising under two Production Sharing Contracts entered in 1994 with respect to the Panna-Mukta and Tapti Fields. The Arbitration Tribunal determined a number of disputes in a final partial award ("FPA") on 12 October 2016, which was accompanied by two dissenting opinions.
2. BG and RIL initiated proceedings under English Arbitration Act 1996 to challenge the FPA before the English Commercial Court in November 2016. On 2 May 2018, the Court delivered its final judgment, remitting a significant issue for redetermination by the Tribunal within 3 months while disposing off eight other issues. The Arbitration Tribunal has scheduled a hearing to determine the remitted issue and will thereafter deliver an award.
3. On 25 May 2017, GOI, in disregard to the arbitration proceedings and pending English court proceeding, claimed ~ USD 3.8 Bn from the Contractor consortium of BG, ONGC and RIL (RIL share being ~ USD 1.15 Bn). This amount was calculated by GOI on its own purported interpretation of the FPA. RIL had previously provided a clarification on the matter to the stock exchanges on 19 July 2017. Recently, GOI has repeated its demand.



4. Before taking up the issue of quantification of liability, Tribunal has to decide the issue which is remitted by the English court to it and apart therefrom BG-RIL propose to file an application to the Tribunal for increase of Cost Recovery Limit which they are entitled to do under the Production Sharing Contracts. Tribunal can consider the issue of quantification of liability (if any) only after these two issues are decided.
5. Several issues relating to the claim made by GOI are subject to pending arbitration proceedings.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Reliance Industries Limited



Sandeep Deshmukh
Vice President
Corporate Secretarial