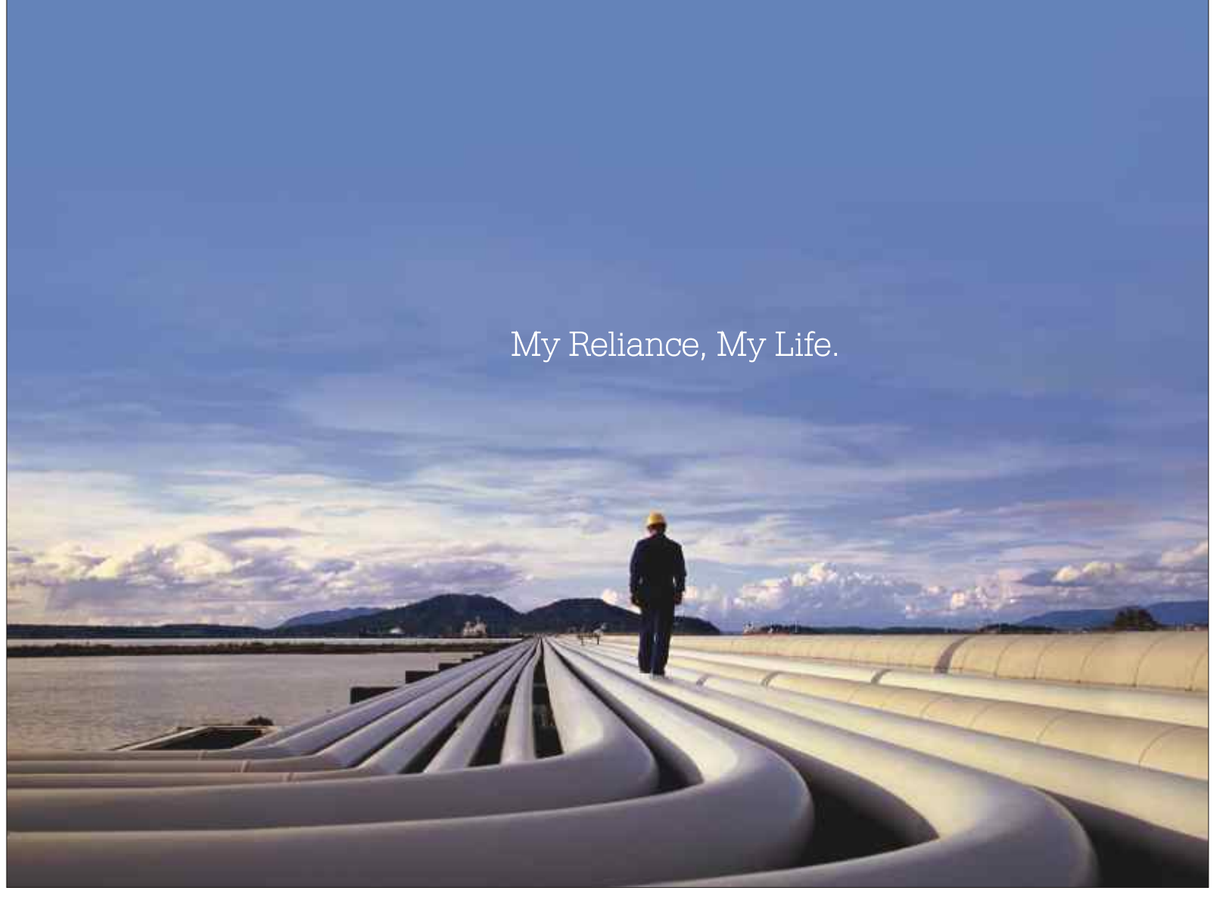
Corporate Sustainability Report 2005-06

Reliance
Industries Limited
Growth is Life



Sustainability is a perspective on life when horizons are expanded and timelines extended.

Sustainable businesses stretch beyond products and profits.

True sustainability is achieved only when individual, economic and environmental needs converge.

This ethos is aptly captured by the cover picture.

Consumers, shareholders, employees, owners, vendors, service providers, consultants, communities, investors, bankers, auditors, administrators, bureaucrats, activists, economists, politicians, thought leaders, union leaders, port authorities, regulatory authorities, policy makers, law enforcers, fire fighters, social workers, business partners, journalists, town planners, parents, children, teachers, safety officers, factory inspectors, tax collectors,...

Businesses are built by people.
Businesses are run by people. Businesses cater to people. Businesses thrive because of people. Businesses emerge victorious because of people. Businesses profit from people. Businesses evolve with people. Businesses fulfill dreams of people. Businesses provide means to people. Businesses create wealth for people. Businesses share knowledge with people. Businesses consume knowledge created by people.
Businesses cannot exist without people.
Businesses can change lives of people.
People can change the life of a business.

The life of a business and the lives of its stakeholders are interdependent.
At Reliance we consciously develop and nurture relationships across the entire range of stakeholders. This helps us understand pertinent issues, develop our businesses, enhance shareholder value and manage risks better. It is the relationship, trust and commitment to stakeholder interest and the warm reciprocal of the same by the stakeholders that makes Reliance robust, resilient and sustainable.

Reliance actively integrates stakeholder goals with its own and then pursues them collaboratively. Success of Reliance is the success of its stakeholders and it is no surprise that stakeholders today echo the sentiment My Reliance, My Life.

GRI CHECKED A+

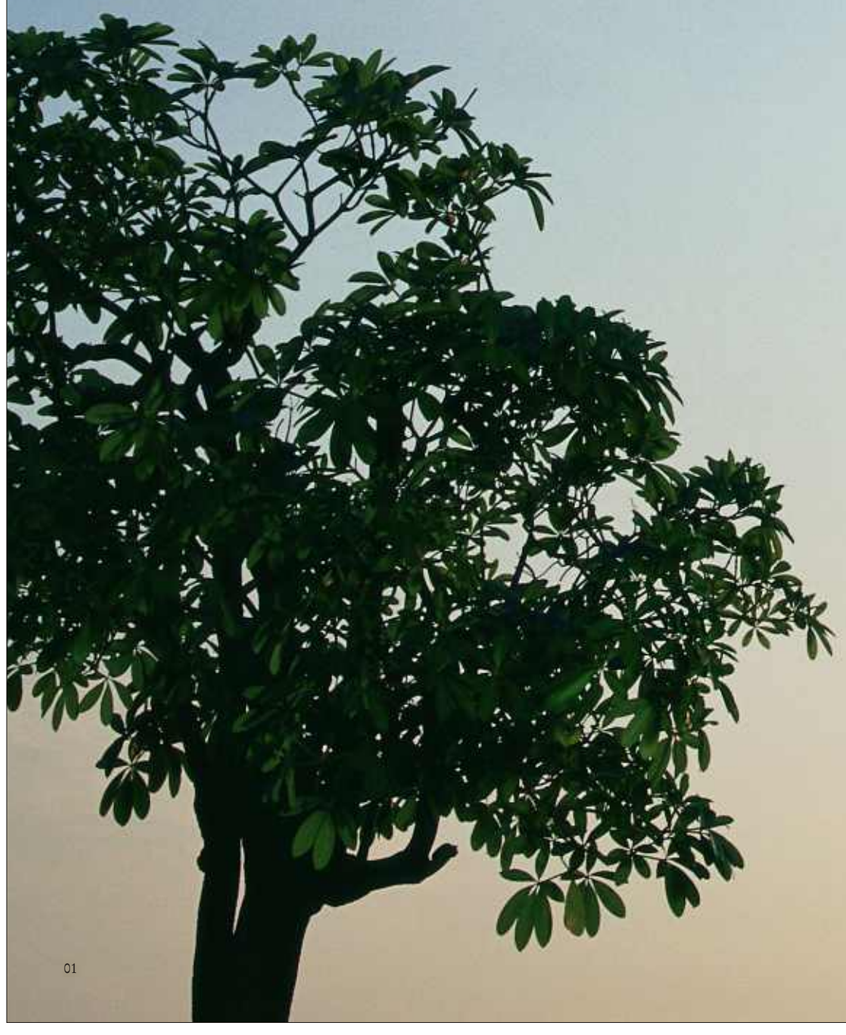
Reliance
Industries Limited
Growth is Life

Corporate Sustainability Report 2005-06

Contents

CMD's Message	03
Our Vision	05
Lessons Learnt	07
Report Scope	09
Company Profile	11
Sustainability	21
Sustainability Challenges & Commitments	*25*
Sustainability Opportunities	*27*
Sustainability Roadmap	29
Governance Framework	31
Management Systems	35
Communication and Engagement	39
Our Stakeholders	45
Ensuring Long-term Growth and Profitability	47
Caring for the Environment	53
Protecting Our People and Assets	67
Nurturing Our Talent Pool	73
Partnering with Communities	81
Dhirubhai Ambani Foundation	92
Our Approach to Reporting	96
Disclosure on Management Approach	97
GRI Content Index	101
Acronyms	111
Independent Assurance	116
GRI Application Level	118

"What is good for India
is good for Reliance."





I am pleased to release our second Sustainability Report, as a key complement to our Annual Report. This report elaborates Reliance Industries Limited's triple bottom-line performance: how we create and share Wealth, how we manage our Environmental footprint and how we interact with our Stakeholders.

Our belief, "What is good for India is good for Reliance", drives our effort in enhancing the life of more than one billion Indians. We manufacture products that have made a positive impact on millions of people in the country, i.e. fuels for transportation, plastic bags to fibre optics, synthetic fabrics to name a few. Continuing this strategy is our plan to provide a cleaner fuel to millions of households by way of natural gas.

The theme of this year's report, "My Reliance, My Life", illustrates our world of interdependence, emphasises our responsibility towards multiple stakeholders, and brings out the deep and reciprocal impact that we have on each others' lives. The report is both stakeholder and issue-centric and demonstrates our responsibilities in a structured manner.

The broad definition of sustainability, "Meeting the needs of today's generation without compromising those of the future generations", brings its own challenges across industries. We at Reliance look at these challenges as opportunities and our emphasis is on improving triple-bottom line.

Ensuring long-term growth and profitability

We are committed to remain financially strong through fast-paced growth and robust profitability, built on a solid foundation of trust and responsible corporate behaviour. Our strategy has always been to think "Big" - build world scale assets and leverage on global best practices. We look beyond the immediate future to ensure long-term sustainability by pushing the "Risk-Return" envelope wider and deeper.

Caring for the environment

As one of the leading corporates in the country, we understand our responsibility towards our environment and the natural habitat. We recognize the challenges faced by our industry, be it with regard to climate change or energy consumption. Our approach is to nurture innovation to tackle these challenges. Our R&D teams strive to develop cleaner fuels and develop innovative products simultaneously creating newer business opportunities. Our Jamnagar refinery is a good example of a zero effluent discharge plant. Also this refinery can process every type of crude oil, including sulphur rich crude, thereby widening the limits of crude availability.

Protecting our people and assets

Our manufacturing activities come with their own industrial risks, and we constantly endeavour to prevent accidents. Our responsibility is to ensure the safety of our employees, business partners and assets, across our operations. For three consecutive years, we have been ranked high on Shell benchmarking for our safety performance. We recognize safety is a never-ending journey, as we sustain our efforts, year after year.

Nurturing our talent pool

We bet on people and we strive to offer them a challenging and rewarding work environment with a well planned career path. Our employees are the driving force and the challenge is to attract and retain them at all levels. We invest significantly in training. Further, we have various informal and formal feedback mechanisms through which our employees share their perspectives on our systems.

Partnering with communities

We operate in neighbourhoods where even basic amenities are often absent, literacy levels low, and healthcare limited. We have dedicated teams interacting with these communities on education, local infrastructure, healthcare, employment generation and employability development programmes. Many of these initiatives that touch the lives of thousands of villagers are funded by the Dhirubhai Ambani Foundation .



The way forward: embed sustainability deep into our DNA.

This year, once again we have received several international recognitions for our ongoing efforts in Environment Protection and Social Responsibility. We plan to further integrate the concept of sustainable operations into our business strategy and management framework.

I look forward to receiving your valuable feedback, to improve our Sustainability Reporting initiatives, and at the same time strengthen our contribution in building a sustainable future.

Yours Sincerely,

Mukesh D. Ambani
Chairman & Managing Director
January 18, 2007

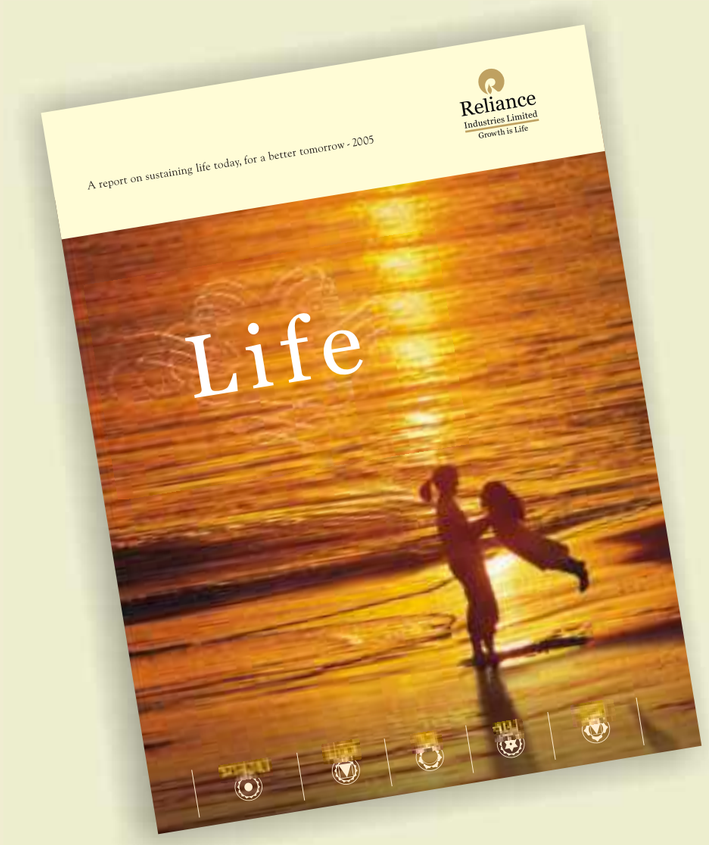
Our Vision

Our vision is to generate value for the nation, enhance quality of life across the entire socio-economic spectrum and use RIL as a spearhead to establish India as a global leader in the domains, where we operate. Our aim is to:

- Strengthen market leadership to boost shareholder value
- Develop globally competitive integrated manufacturing and service facilities to set new benchmarks in technology, scale, quality and costs
- Continual measurable performance improvement in the areas of consumer interests, environment, operating safety, occupational health, employee welfare and community services
- Access and align people skills, knowledge, creativity, funds, materials and service providers to achieve all the above stated goals

Dhirubhai H. Ambani
Founder Chairman





Lessons Learnt

Our first sustainability report, Life, for the year 2004-05 was published on January 24, 2006. The report was "in-accordance" with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines 2002, and covered three manufacturing locations - Patalganga, Hazira and Jamnagar.

Based on the feedback received on our previous report, we incorporated the following changes in the current report:-

1. Expanded coverage, which now includes five manufacturing locations, five business divisions and the Dhirubhai Ambani Foundation
2. "Issue" and "stakeholder" centric reporting
3. Inclusion of success stories
4. Commence development of our sustainability roadmap



About 150 people responded to our questionnaires and on the basis of inputs from this consultative process, we have changed the basic structure of our Sustainability Report.

Report Scope >>

Our second Sustainability Report continues to focus on the economic, social, and environmental aspects of our operations.

As part of the report development process, we engaged in direct consultation with our key stakeholders, through a structured dialogue. About 150 individuals responded to our questionnaires. On the basis of inputs from this consultative process, the structure of the report was expanded to include illustrations of issues, achievements and challenges and case studies from manufacturing locations.



Reporting Period

The data and information presented in this report is for two years 2004-05 and 2005-06. Wherever necessary, relevant historical information has been included.

Boundary of the Report

The report covers all the manufacturing locations of Reliance Industries Limited (RIL), viz. Naroda, Patalganga, Hazira, Jamnagar, and Kurkumbh; its five business divisions - Fibre Intermediates, Chemicals, Polyester, Polymer and Petroleum and the Supply and Procurement function. The report also covers the Dhirubhai Ambani Foundation (DAF).

This report has been developed based on the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines 2006 (G3 Guidelines). Data for 35 core indicators as described in G3 guidelines has been included and we aim to build-in more indicators in future reports.

Independent Assurance

We remain committed to the principle of a credible and meaningful assurance process. We have engaged Ernst & Young to carry-out an independent assurance.

Contact person

It is our ongoing endeavour to improve the quality of our sustainability report every year for which your valued feedback will be of great assistance. Please e-mail your suggestions/views/opinions to Mr. Rohit Rao at rohit.rao@ril.com

One of the biggest multifeed cracker units in Asia, the RIL Hazira cracker unit, has the flexibility to choose a wide range of feedstocks along with various recycle streams, enabling it to maximise returns in constantly changing economics.

Company Profile ≫

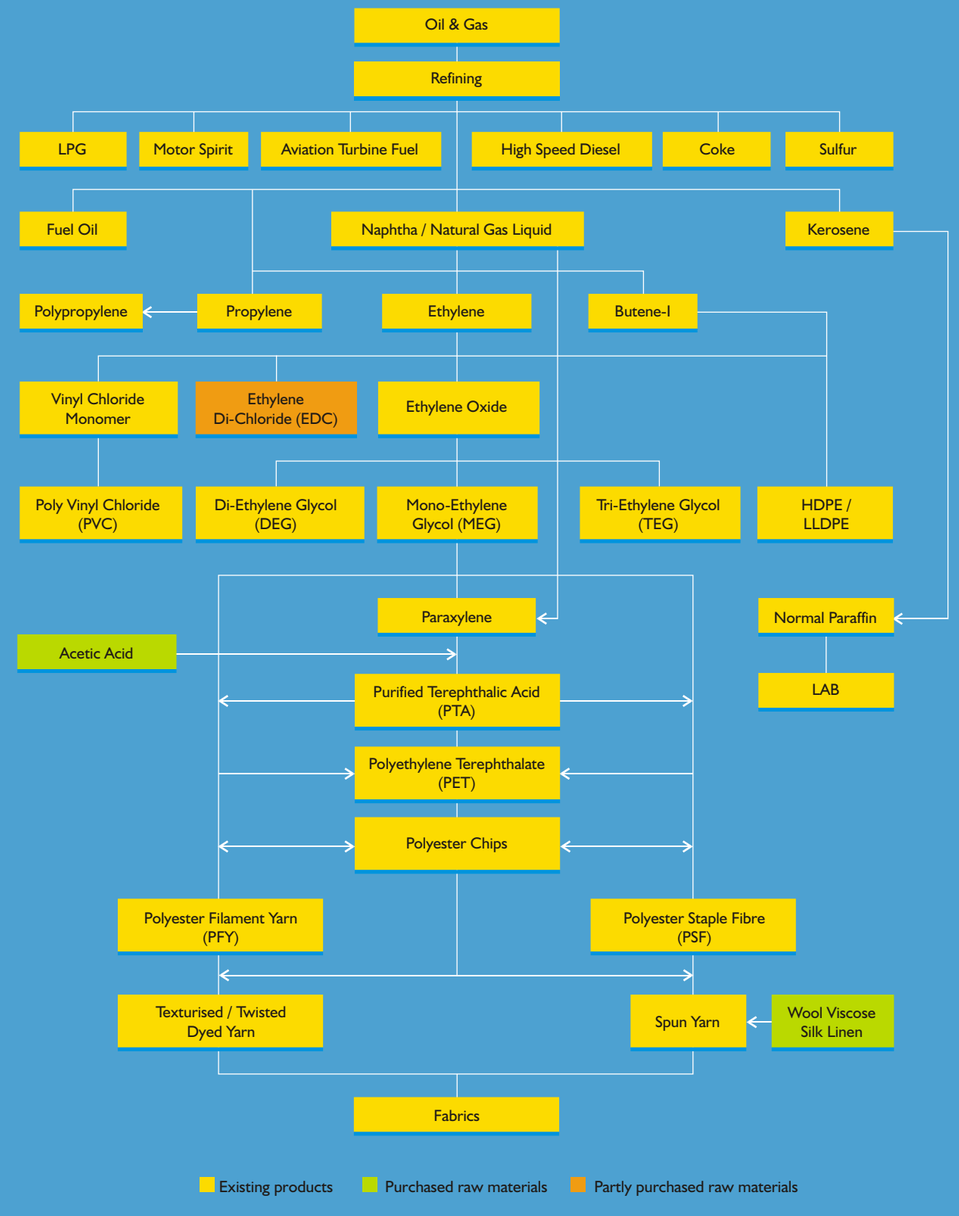
Global sized plants and the best-in-class technologies for the entire product range

RIL is a vertically integrated petroleum based company. Our activities span across the entire spectrum from refining to textiles and we are fully integrated along the materials and energy value chain. 1958 marked the beginning of our journey when our founder-chairman Dhirubhai H. Ambani established Reliance Commercial Corporation, a commercial trading and export house in Mumbai. Since then we have grown multifold.



Jamnagar Marine Tank Farm Crude Receiving Center

The RIL Vertical





The Jamnagar Polypropylene Complex : One of the world's largest polypropylene production unit at a single location with a production capacity of 1.1 million tons per annum

NATIONAL STANDING

Our revenues are equivalent to 2.8 percent of India's GDP

We contribute 8.2 percent of India's total exports and 8 percent of India's indirect tax revenues

We command 11.5 percent weightage in the BSE Sensex Index and 9.3 percent weightage in the NSE Nifty Index

GLOBAL RANKING

The third largest refinery at any single location in the world

The largest producer of polyester fibre and yarn

The 4th largest producer of Paraxylene (PX)

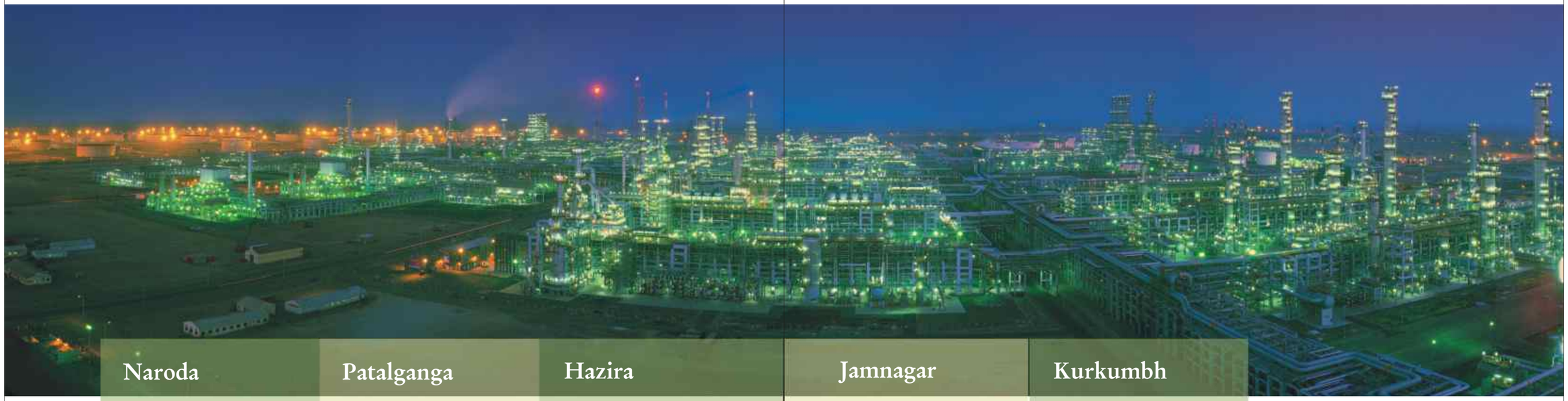
The 5th largest producer of Mono Ethylene Glycol

The 7th largest producer of Purified Terephthalic Acid (PTA)

The 7th largest producer of Polypropylene (PP)

RIL is the first and only private sector company from India to feature since 2004 in the 'Fortune Magazine's Global 500' list of 'World's Largest Corporations' and ranks amongst the world's Top 200 companies in terms of profits.

All statistics as of March 31, 2006



Naroda

The process of vertical integration of RIL started with the commissioning of our Naroda plant in 1966. RIL's Initial Public Offer (IPO) in 1977, mounted from this plant, spearheaded the equity cult in India. The Naroda plant manufactures and markets woven and knitted fabrics for home textiles, synthetic and worsted suiting and shirting, dress material, saris and ready to wear garments. The site sponsors several community development initiatives in the neighbouring villages with special focus on quality education for children.

Patalganga

The second step in the vertical integration was the Patalganga plant. Established in 1988, this plant manufactures polyester and petrochemicals. Being the incubator for most of our pilot projects, the site is a training ground for RIL employees. The CASHe (Change Agents for Safety, Health, and Environment) project which has resulted in significant improvement of workplace environment and substantial savings across locations, was conceptualised and implemented first at the Patalganga site. This site also manages the Dhirubhai Ambani hospital which extends prompt trauma care to highway accident victims and subsidized treatment to deserving patients and senior citizens.

Hazira

RIL ventured into the business of polymers by commissioning Phase-I of the Hazira petrochemicals complex in 1991. In 1997, Phase-II of the Hazira complex which included the world's largest multifeed Naptha cracker plant was commissioned. The Hazira complex manufactures polymers and other petrochemicals. As part of our Waste-to-Wealth programme, the site recycles used PET bottles and converts them in to a product used as a filling material for mattresses. The Directly Observed Treatment Short-course (DOTS) centre at Hazira for treatment of TB and HIV / AIDS received global recognition at the Global Business Coalitions (GBC) Fight AIDS-Business Excellence Awards 2005.

Jamnagar

The Jamnagar refinery, the world's third largest refinery at any single location, was commissioned in 1999 and was constructed in a record time of less than three years. The refinery is equipped to refine any type of crude oil (sour crude, sweet crude or a mixture of both). The refinery manufactures all grades of fuel from motor gasoline to Aviation Turbine Fuel (ATF). It desalinates sea water for meeting its water requirement, has adopted the zero discharge concept and has reduced flaring to nearly zero levels. The green belt, surrounding the facility, has been cultivated using modern horticultural technologies and is a sterling example of a sustainable green belt. The refinery is actively involved in various social welfare and infrastructure development activities.

Kurkumbh

RIL acquired the Kurkumbh plant from S.M. Dychem in 2004. The plant was non-operational from 1993. Our technical team commenced production of Mono Ethylene Glycol from this plant in record time. Today the plant generates direct/indirect employment of 400-500 personnel in Baramati district of Maharashtra.

Panoramic view of the 33 MMTPA Jamnagar Refinery Complex - World's 3rd largest refinery at any single location.

DIVISIONS



Fibre Intermediates

This business division markets purified terephthalic acid, mono ethylene glycol, ethylene glycol and other petrochemical by-products in India and abroad. It contributed INR 89.22 billion (USD 2 billion) which is close to 10 percent of the total company sales in the year 2005-06. Leveraging its cost advantage, FI has achieved leadership in the global fiber intermediates industry. It leads the Indian market by its volume and large pool of customers. FI has initiated e-collections, for its customers and employs an integrated SAP system for planning and executing customers' orders, transportation, logistics and distribution systems.



Chemicals

The division is a market leader and its key products are Benzene, Toluene, Mix-Xylene, Butadiene and solvents. These chemicals form the basic building blocks for a host of everyday use products like pharmaceuticals, paints, pesticides etc. To ensure product integrity, reduction of transportation costs and speed of delivery, the division has employed coastal and other efficient methods for transport of these chemicals. The division has created strategic tie-ups with international C4 sellers to ensure that no vessel comes back empty. This unique strategy maximizes vessel space utilisation and results in substantial reduction in freight. The division's success rate for timely delivery is over 97 percent.



Polyester

RIL, with a manufacturing capacity of 2 million tons of "Recron and Relpet" polyester across multi-locational manufacturing sites, is currently the largest producer of polyester fibre and yarn in the world. The Polyester division invests significant amounts on R&D in the polyester sector through the Reliance Technology Centre, the Reliance Testing Centre and the Reliance Fibre Application Centre in India. It also engages the services of Competency Centre and Textil Technikum in Europe. Through these groups, RIL enjoys a portfolio of about 200 global patent registrations in the polyester domain. The group specialises in catering to every conceivable customer requirement and has now more than a 50 percent share of the domestic market.



Polymer

At 3.5 million metric tons per annum, polymer production capacity at RIL is the largest in India. The domestic market share of the division is 60 percent. The operations are based on a strong R&D focus and three R&D centers are constantly working on innovative products and catalysts. These centres have been accredited by the Department of Science and Industrial Research (Ministry of Science & Technology, Government of India). With an aim to provide end-to-end solutions for the benefit of the consumers and society, the division has deployed a unique sector management practice, wherein it works closely with the entire value chain, including end-users, in the fields of packaging, agriculture, building & construction, water management, transportation, lifestyle products and textiles.



Petroleum

Reliance operates the third largest refinery in the world at any single location, with a capacity of processing 33 MMTPA of crude throughput, at Jamnagar, Gujarat. Our refinery has been built using the world's leading process technologies to produce a range of petroleum products covering cooking gas, transport fuels and valuable petrochemical feedstock. With the Jamnagar Refinery significantly improving domestic product availability, India has become a net exporter of petroleum products. Our refinery is among the few refineries in India capable of producing Gasoline with less than 1 % benzene content and diesel with less than 0.0355 % sulphur content.

RIL is well on the way to create a pan-India network of world-class truck stops, where apart from fuel, facilities like secured parking, rest area and catering facilities are available.



Supply and Procurement

This division originated from a small procurement cell which was started in Mumbai in 1980 to support RIL's foray into petrochemicals. Today it manages over 30 procurement groups with expertise in all areas of procurement, such as Storage & Transportation for Crude & Naphtha, Petrochemicals & Refinery Project Procurement Groups, Site Procurement Groups, Revenue Procurement Groups, and Retail Infrastructure and Merchandising Procurement Groups. The division employs an enterprise integrated materials management system with complete on-line operations and an e-procurement focus.

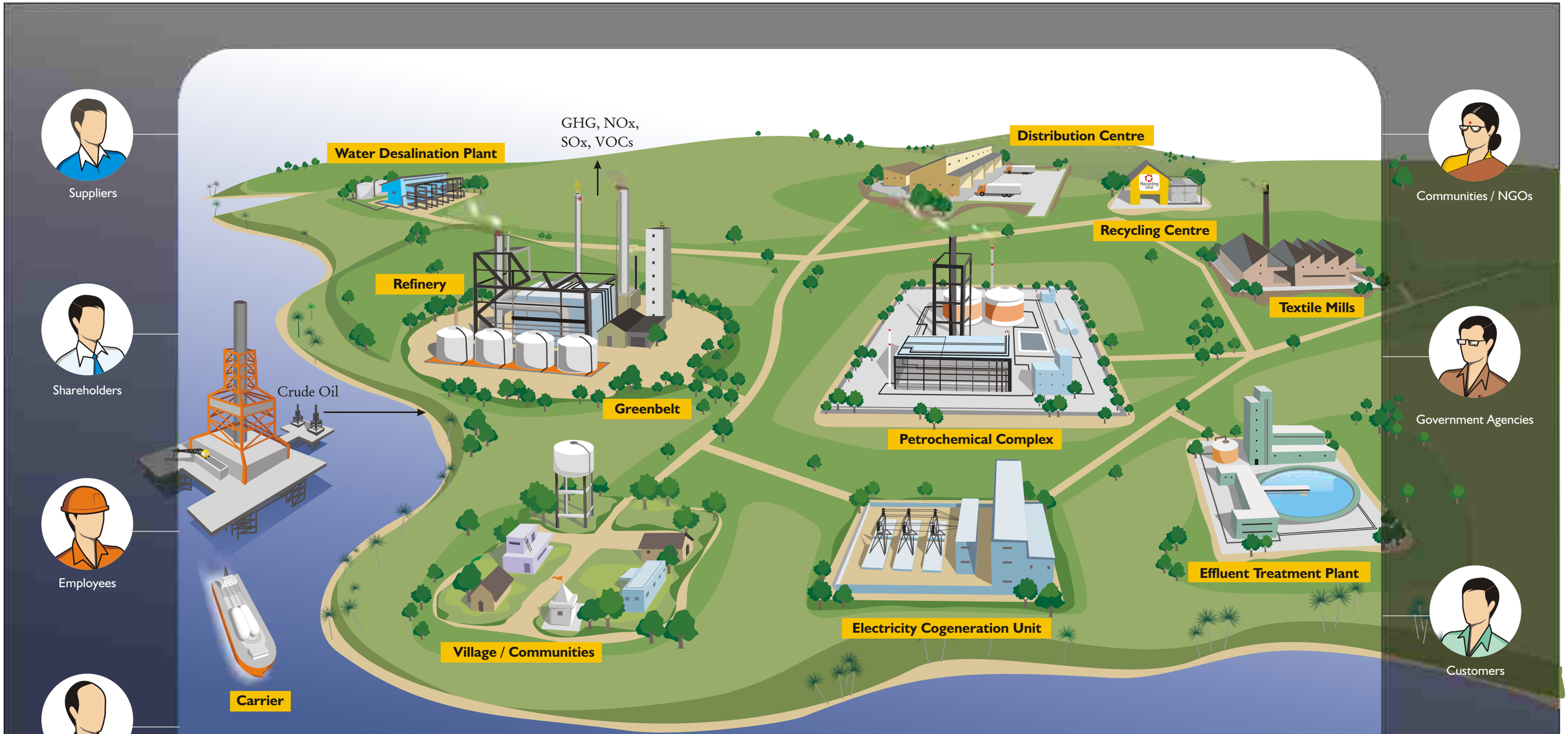


Sustainability ≫

Challenges
Commitments
Opportunities
Building Blocks

"The same principles that make us world leaders in business are the ones we apply to sustainability."

Nikhil R. Meswani
Executive Director



Key Sustainability Challenges of RIL

Economic

- Handling perception of polyethylene bags
- Mitigating risks (development of multiple suppliers; overcoming supply chain uncertainties)
- Creating self-sustainable livelihoods

Environmental

- Reducing specific energy consumption
- Controlling GHG emissions
- Managing waste and its disposal
- Reducing air emissions (SOx, NOx, VOCs, and SPM)
- Eliminating chemical disasters and spills

Social

- Attracting and retaining quality human capital
- Giving structure to stakeholder dialogue
- Mitigating exposure of employees to hazardous materials
- Enhancing safety in transportation

Challenges and Commitments

All businesses come with their own sustainability challenges. We too have our own set and are continuously formulating and implementing strategies to identify and address them. Especially the ones over which we have direct control such as energy conservation; greenhouse gases emissions; conservation of natural resources; waste management, employee retention and stakeholder engagement.

Energy conservation continues to be our topmost priority. Our Group Management Services (Energy Cell) and its subsidiary units at our manufacturing locations have been combating this challenge effectively and efficiently. We have also instituted a Clean Development Mechanism (CDM) Cell, at each site. The intent is to leverage the mechanism under the Kyoto Protocol and evaluate the CDM potential of existing and proposed energy conservation projects.

Actively addressing the challenges and harnessing the opportunities, RIL posted yet another successful year in terms of profits, market share, GHG reduction and made significant progress in bonding with its stakeholders. This section summarizes key challenges, our actions, and our commitments going forward.



Challenges	Path Forward
1 Controlling GHG (Greenhouse Gases) emissions Climate change is a major issue facing mankind today. Several studies carried out worldwide show the negative impacts of anthropological GHG emissions. We are committed to aligning our operations to reduce GHG emissions.	**Clean Development Mechanism** We understand that reducing our energy consumption in our operations, gives us the twin benefits of reducing the operation cost, as well as reducing GHG emissions. We have initiated several projects based on cleaner technologies to reduce our GHG emissions. To benefit from the Kyoto Protocol's flexibility mechanism, we have established a Clean Development Mechanism Cell to identify the CDM potential of existing as well as proposed projects. We have identified several projects during the year, of which four are currently in the process of validation with the United Nations Framework Convention on Climate Change. Going forward, we will continue to invest in cleaner technologies to minimise the emissions of greenhouse gases from our operations.
2 Ensuring Safety of our People and Assets We handle hazardous chemicals under severe conditions in our operation. We actively plan and execute mechanisms to prevent and control any incident/accident within plant premises. Our goal is zero accidents/incidents at the workplace.	**Safety Management Systems and Responsible Care (RC)** Installed at all our sites are fully automated plant systems and elaborate safety management systems. We continuously benchmark and improve processes towards our goal of zero accidents and injuries at the workplace. We are a signatory to the RC programme and strive to ensure safety across every stage of the product lifecycle. In the coming years we plan to strengthen behavioural safety and further improve safety at workplace.
3 Attracting and Retaining Talented Professionals Attracting and retaining talent is critical to sustaining and accelerating growth. With a high industrial growth rate in India and in many parts of the world, the mobility of talented people across organizations is not uncommon. This is also true in the textile, refinery and the petrochemical sector.	**Talent Development and Retention** Over the years we have been working to control the attrition rate at all our major sites and offices. Our strength lies in anticipating our talent requirements, building a brand in the marketplace that attracts the right-fit talent and to provide an exciting launch pad for budding careers. We have also instituted innovative career management and managerial development programmes.
4 Understanding our Stakeholders Better One of the important measures for sustainability is earning the consent of stakeholders to operate and grow. To be able to achieve this, it is important we understand them better, map their perceptions, determine their expectation from us and perform a need assessment.	**Structured Stakeholder Engagement** Last year we initiated a structured engagement process with our key stakeholders. This year we have expanded the scope to include few more stakeholder groups. We have designed various mechanisms; survey questionnaires; one-on-one forums; and an open dialogue to understand their needs better. The outcome of the structured feedback is the refinement in our reporting structure and the inclusion of issues, achievements and opportunities. We plan to have a detailed sustainability roadmap in place by next year to address our sustainability challenges.
5 Handling Perception of Polyethylene Bags Our industry faced a setback last year when various states in India imposed restrictions on the usage of thin polyethylene bags. Usage of polyethylene bags was blamed for causing pollution in water bodies and clogging of sewerage networks due to choking of drains.	**Lifecycle Assessment and Recycling** We believe that plastics, if disposed and managed properly, are harmless and do not pollute the environment. To demonstrate the environmental friendliness of polymer products, we along with Indian Centre for Plastics in the Environment (ICPE), have initiated a programme to recycle polymer waste and established a public-private partnership with a municipal corporation to construct and operate the recycling facility. We are also working towards assessing environmental impacts of polymer products throughout their lifecycle. The results of this study would help correct this perception.

Sustainability Opportunities

Our proactive approach towards sustainable development helps us identify various sustainability opportunities across our business. 2005-06 was marked by various such initiatives taken across locations. We clearly see energy conservation as one of the important opportunities. To shrink our energy footprint we have formed an Energy Cell and a Clean Development Mechanism Cell. The Energy Cell identifies energy conservation processes and together with the CDM cell evaluates the CDM potential of such projects. To manage future energy challenges we have developed a comprehensive energy strategy.

We envisage a host of sustainability opportunities in the coming years.

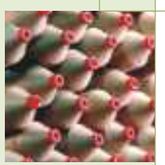
A Providing cleaner fuels



We plan to commence supply of gas from the KGD6 block to our customers in 2008 and are working with leading international technology and service providers for the development of the block. This move will not only supplement the energy supplies, it will also help in reducing GHG emissions from high carbon intensive fuels, by replacing them with cheaper and more efficient natural gas.

- The KG basin discovery is the world's largest discovery of natural gas of 2002 and provides substantial potential in meeting the increasing energy demand of India.
- While this is an exciting growth opportunity, which will help reduce the burden on imports, it poses its own challenges in terms of the infrastructure requirement.

B Innovating products



We have commenced production of pre-coloured polyester yarns and thereby eliminated the need for dyeing at the customer's end. Over and above customer convenience, it reduces environmental degradation through reduced water consumption and elimination of wastewater generation due to colouration at later stages. Fabric made from this yarn is available in various colours depending upon the requirement of the end user.

Our PET products have literally replaced glass for a leading health drink in India. The exercise resulted in significant savings for the manufacturer by way of reduced packaging costs and reduced breakages.

C Converting waste to wealth



In our efforts to deliver sustainable value to the society, the environment and the stakeholders, we have initiated recycling of all categories of polyester fibres and PET bottles into value-added consumer products. This is a unique project where RIL, over and above repurposing waste to wealth, has created an earning opportunity for the economically challenged. They collect waste PET, RIL buys and converts it into useful products. Putting the lifecycle concept in practice, we are recycling PET bottles to make polyester filling fibres. Today, RIL is one of the largest polyester and PET recyclers in India.

D Capturing coal-bed methane



CBM (coal-bed methane) forms a part of the gases associated with coal mines reserves. These reserves could be tapped to meet the country's ever growing energy needs and reduce GHG emissions. These reserves have a potential of saving 7.4 million tons of CO_2 equivalent per year. RIL has been awarded several blocks for exploration and exploitation of CBM.

E Availing carbon credits



India became a signatory to the Kyoto Protocol, and is placed in non-annex I countries. This is an excellent opportunity for Indian companies to turn greener and emit less GHGs. RIL is also taking the CDM route to implement various GHG reduction projects. To date we have registered two CDM projects with annual CERs amounting to 60000 tons CO_2 equivalent and have recently submitted four new projects for UNFCCC's approval.

F Developing sustainable greenbelts



We have developed a greenbelt around our Jamnagar refinery covering over 1850 acres which is more than 3 times the statutory requirement. Besides serving as a carbon sink, the greenbelt produces a variety of fruits which we plan to export from the next fiscal year.

Sustainability Roadmap

We aim to embed sustainability as a core element of our business practice through steady and continual improvement, complemented by innovative thinking and creative application, resulting in a holistic improvement of our bottom line.

We endeavour to excel in everything we do and lead by example. As we move towards developing a more comprehensive and inclusive sustainable roadmap for the next year, we are currently creating a Sustainability Centre of Excellence, to play a pivotal role in the implementation of our sustainability strategy across business units. As stated in our last year's report, we continue to revise our targets and this year we have identified four sustainability building blocks which we would be focussing on:

1. Implementing a Sustainability Information System
2. Enforcing a Sustainability Management System
3. Developing a Sustainability Roadmap
4. Strengthening Stakeholder Dialogue



1 Sustainability Information System

We are in the process of integrating our management information system with key sustainability performance indicators. We plan to implement suitable IT systems to capture sustainability performance data.

2 Sustainability Management System

We have established an Integrated Management System across manufacturing locations (EMS, QMS and OHSMS) and plans are afoot to extend the scope to include other sustainability dimensions. The challenge is in dovetailing our sustainability objectives with our business objectives.

3 Sustainability Roadmap

We are in the process of developing a company-wide sustainability strategy. Our "sustainability roadmap," would articulate milestones and sustainability commitments. The priority areas would include:

- Developing and adopting sustainable technologies and systems
- Adopting triple-bottom-line accounting and reporting, to establish true costs and benefits
- Integrating sustainability into our business strategy

4 Structured Stakeholder Dialogue

We have been interacting with our stakeholders namely shareholders, customers, suppliers, employees, regulatory authorities, local community, trade unions, NGOs and contractors. We plan to give this engagement process a structure by assigning responsibilities, defining frequency of interactions, and laying down a robust process to collect feedback.



Governance Framework ≫

"Our integrity, legal compliance, governance practices and management control systems have been the foundations of our sustainable performance."

Hital R. Meswani
Executive Director

Corporate Governance at RIL is founded on principles of transparency, accountability and equity in all operations including stakeholder interactions.

Internally developed code of conduct and guiding policies

For implementing the Corporate Governance practices, we have a well-defined policy framework encompassing values and commitments; code of ethics; business policies; policy for prohibition of insider trading and ethics management. These policies and their effective implementation underline our commitment to uphold principles of Corporate Governance consistent with our goal to enhance shareholder value.

RIL's Independence Standards

We are committed to achieving and maintaining the highest global standards of Corporate Governance. We believe an independent board is critical to a Company's long-term sustainability. The Board's independence depends not only on the Directors' individual relationships, but also on the overall attitude. At present 7 out of our 12 Directors are independent of RIL.

Board of Directors

Promoter Director	Shri Mukesh D. Ambani *Chairman & Managing Director*	
Executive Directors	Shri Nikhil R. Meswani Shri Hital R. Meswani Shri Hardev Singh Kohli	
Non-Executive, Non-Independent Director	Shri Ramniklal H. Ambani	
Independent Directors	Shri Mansingh L. Bhakta Shri Yogendra P. Trivedi Dr. Dharamvir V. Kapur Shri Mahesh P. Modi	Shri S. Venkitaramanan Prof. Ashok Misra Prof. Dipak C. Jain *(from August 4, 2005)*
Secretary	Shri. Vinod M. Ambani	

Board Committees

Members	Powers/Functions	Meetings held in 05-06
Audit Committee		
Three Independent Non-Executive Directors: Shri Y. P. Trivedi, *Chairman* Shri S. Venkitaramanan, *Vice Chairman* Shri M. P. Modi	Supervises the Company financial reporting process with a view to provide accurate, timely and proper disclosures; and monitors the integrity and quality of the financial reporting.	5 Meetings 100% ATTENDANCE

Board Committees

Members	Powers/Functions	Meetings held in 05-06
Remuneration Committee		
Four Independent Non-Executive Directors: Shri M.L. Bhakta *Chairman* Shri Y.P. Trivedi Shri S. Venkitaramanan Dr. D.V. Kapur	Recommends and reviews remuneration of the Managing Directors and Wholetime Directors, based on their performance and defined assessment criteria.	1 Meeting 100% ATTENDANCE
Finance Committee		
Shri Mukesh D. Ambani *Chairman* Shri Nikhil R. Meswani Shri Hital R. Meswani	Makes recommendations to the Board relating to capital structure and issuance of securities, reviews banking arrangements and cash management, reviews and approves certain short term and long-term loans, investment transactions, etc.	Meets as and when the need be to consider any matter assigned to it.
Corporate Governance and Stakeholders' Interface Committee		
Three Independent Non-Executive Directors: Shri Y. P. Trivedi *Chairman* Dr. D.V. Kapur Shri M.P. Modi	Observance of practices of Corporate Governance at all levels and suggest remedial measures wherever necessary. Provision of inputs to the media Dissemination of information to the investors, institutions and public at large. Interaction with the existing and prospective FIIs and rating agencies, etc. Recommendation for nomination of Directors on the Board	14 Meetings **100% attendance except for one meeting**
Health, Safety and Environment Committee		
Shri Hital R. Meswani *Chairman* Shri H.S. Kohli Dr. D.V. Kapur	Monitor and ensure maintenance of 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.	3 Meetings 100% ATTENDANCE
Shareholders'/Investors' Grievance Committee		
Shri M. L. Bhakta *Chairman* Shri Y. P. Trivedi Shri Mukesh D. Ambani Shri Nikhil R. Meswani Shri Hital R. Meswani	Approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company. Addresses shareholders'/investors' complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. Oversees performance of the Registrars and Transfer Agents of the Company, and recommends measures for overall improvement in the quality of investor services. Monitors implementation and compliance of the Company Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992	4 Meetings **(No outstanding Complaints as on March 31st, 2006)**



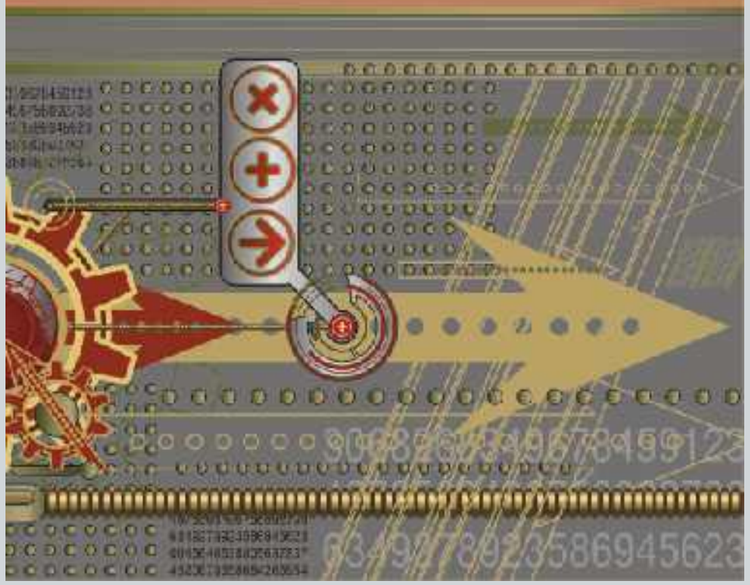
Management Systems >>

"We have moulded the conventional wisdom of management to create systems that make the impossible happen."

Manoj Modi

A robust MIS propels performance at Reliance

The backbone of our company is its strong Management Information system. This system is designed to set and build internal alignment around the strategic direction for the company. Each manufacturing location and business division internally reviews the information for accuracy and reliability. Managers at all levels are expected to systematically monitor performance against their objectives.



At Reliance, our aim is to exceed regulatory compliance - to take our policies beyond what is required and set our sights on what is desired. We are dedicated to best practice management through these management systems and are committed to deliver high level of products and services. All the management systems have been integrated for documentation, audits and management reviews besides their ease of implementation.

We have a well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls that ensures optimal utilization and protection of resources, IT security, accurate reporting of financial and sustainability performance and compliance with applicable laws and regulations. These internal controls ensure that the assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly.

The internal audit function is empowered to examine the adequacy, relevance and effectiveness of control systems, compliance with policies, plans and statutory requirements. Our Centre of Excellence for HSE ensures effectiveness of our controls on Health, Safety and Environment.

The Integrated Management System (IMS) adopted by us, helps ensure conformity with relevant legislation, and with our own financial, quality, safety, environmental and other goals.

We follow leading practices through these management systems and align our processes to deliver superior products and services. We are currently working towards developing and implementing an integrated corporate sustainability roadmap which would encompass robust sustainability management systems and a set of well-defined goals and targets.

Integrated Management System*

ISO 9001

Shell Global Services has conferred 42 Golden Certificates upon RIL's Jamnagar facility for excellence in reliability of product certification

RIL Jamnagar polymer laboratory was accredited by NABL for conforming to Quality Management System (QMS) as per ISO/IEC 17025

Total Quality Management (TQM) was introduced at all sites

Quality Loss Index (QLI), a statistical tool to enhance performance and productivity was implemented in all the laboratories across RIL locations

Cost savings from ongoing six-sigma projects have been assessed at INR 1.4 billion

In next three years we target to train 40% of the supervisory staff in six-sigma

ISO 14001

Highly effective waste management system with high level of compliance to legal requirements

Achieved 100% recycling of treated effluent in the Jamnagar industrial complex and residential township

Conservation of water has been maximized by reuse and recycling of water

We have implemented SAP based hazardous waste management systems to achieve full legal compliance

Zero-flaring projects have resulted in significant environmental benefits in terms of GHG's and SOx abatement

Curtailed usage of fresh water at Jamnagar and are instead using RO purified sea water

Adoption of advanced management systems ISO 14001-2004 at our Hazira and Patalganga sites

OHSAS 18001

Occupational health centres at various sites practice preventive medicine by conducting pre-employment and periodic medical checkups

Specialized studies and audits include biological monitoring and health risk assessments

We are benchmarking our safety performance with the best in the industry

HIV-AIDS training programme conducted to increase the awareness among employees

Fire safety training imparted to villagers and industries

Instituted awards to encourage good health amongst employees

Developed detailed procedures for our turn-arounds both in terms of schedules and how these have to be carried out safely

Continual and breakthrough improvements are carried out in all manufacturing and service functions through Six Sigma projects. Trained Black Belts and Green Belts under the guidance of Champions execute these improvement projects. A dedicated quality leader works towards catalysing a cultural change due to Six Sigma deployment.

** Except at Kurkumbh, we have Integrated Management Systems in place at all other manufacturing locations*



Communication and Engagement ≫

"Business and people are strongly inter-related. One does not go forward without the other."

Hardev Singh Kohli
Executive Director

Our goals of engagement with our key stakeholders

01

Be the employer of choice

02

Be good neighbours

03

Develop a culture of trust and partnership

04

Comply with regulations and assist in policy development

Communication and Engagement

We have always focused on building life-long relationships with our stakeholders and it is important for us that we understand their concerns and perception. Last year, we initiated a sharper and more focused dialogue with key stakeholders, which involved shareholders, customers, suppliers, employees, regulatory authorities, local community, trade unions, NGOs and contractors. This year we added investors, opinion leaders and shareholders to this list. Acting upon the feedback, we restructured our processes to address their concerns better and design programmes that would enhance their quality of life.

We have a cohesive and structured form of 'engagement' with our employees. Our suppliers' engagement, focuses on increasing awareness on safety through various forums such as contractor safety meetings. As far as the surrounding communities are concerned, our role varies from that of a facilitator to a collaborator/partner, depending on the needs of the community.

With local regulatory bodies or the government, our role goes well beyond that of 'statutory compliance' and includes engaging on issues that are critical to the development of the area, and partnering in emergency situations including natural calamities.

Outcome of Stakeholder Engagement

One of the key challenges that we have faced in engaging with stakeholders is their ever increasing expectations from the company. Of the various concerns, we have prioritized the following, in consultation with them, for immediate action:

Enhancing the employability of local youth

Improving quality of life by providing for comfortable housing, transportation, canteen and medical facilities for both employees and community

Increased awareness on HSE for suppliers' and contractors' workforce by imparting safety training to every contract labourer who enters our premises

Quality Healthcare facilities to employees and their families through our state-of-the-art occupational health centres, hospitals such as the one in Lodhivali or through referrals.

This dialogue has been very useful in understanding our stakeholders better on various issues such as identifying, relevant development projects for the local communities, creating informal but strong channels of communication, communicating our intent to our neighbours, etc.

Our efforts on enhancing employability of the local youth, by absorbing them in fire safety crews, adding to their knowledge through skill enhancement programmes at our vocational training institutes has been widely appreciated. Response to our 'contractors' safety training' has been very positive and next year we plan to expand the scope of this training to all grade “A” suppliers/contractors.

We have an association with the Gujarat Safety Council, an NGO committed to creating awareness and cultivating a safety culture among the people of Gujarat for the last 30 years. We also partner with international organizations such as Lions Club and Rotary International, to contribute to the development of the area and communities where we are located.

We realize that while our strength lies in building lasting bonds with our internal stakeholders, we need to strengthen formal channels of communication and conduct structured need assessment studies for the local communities.

Stakeholder Engagement

Stakeholders	Shareholders	Customers	Suppliers	Employees	Regulatory Authorities	Communities/ NGOs	Trade Unions
Key expectations	High returns Transparency	Product quality and reliable delivery Adequate product information Competitive pricing	Volume of business Timely payment Renewal of Contracts Honouring terms of contract	Job satisfaction and growth Work-life balance Corporate lifestyle	Compliance	Employment opportunities Company's investment in 'wealth creation' in the area through infrastructure development	Employee rights and welfare Favourable terms of employment
Mechanism for engagement	Annual General Meetings (AGMs) Shareholders' grievance meetings One-to-one meeting Open forum	Market Research External Customer Satisfaction Survey	Separate Contractors' Cell Monthly Contractors' Safety Meetings	Feedback mechanism- 'Employees Suggestion Scheme' Awards for 'best Case studies' for Internal Learning- 'QUEST', 'Peer Group Sharing' HSE Committees 'Toolbox Talks' Self Development Modules ILNA (Individual Learning Needs Assessment) Career progression / job rotation / role diversification Business Dialogue- 'shop floor communication meet' In-house newsletters	*'Going Beyond Statutory Compliance' in words and deeds, by:* Maintaining and updating all records Support to local authorities in times of crisis Supporting neighbouring industries through local associations	Needs Assessment Absorption of Project Affected Persons 'Village Awareness programmes' Participation in village functions Supporting social initiatives of NGOs through Trusts	Collective bargaining agreement Complex business communication committee









Our Stakeholders

The employment of cross-industry, multi-stakeholder engagement as a sustainability tool is a strategic business decision at Reliance and has economic, social and environmental benefits. It helps gather important inputs and ideas, anticipate and manage conflicts, improve decision-making, earn stakeholder and consumer loyalty, build consensus amongst diverse views, strengthen relationships, enhance corporate reputation and brand equity, smoothen entry into challenging markets, improve and preserve reputation amongst communities, preempt identify and resolve difficult issues, facilitates ease of operation, gauge the market pulse, assist new product development, enhance existing market presence and bridge cultural gaps.



Shareholders

With almost 2 million shareholders, RIL currently has one of the largest families of shareholders in the world. We are committed to creating long-term shareholder value and endeavour to measure and report financial performance in an accurate and transparent manner.



Customers

We are responsive to issues and concerns raised by our customers; maintain product quality and integrity; engage in responsible marketing and customer information practices; and address social and health issues related to our products. A system of 'Customer Satisfaction Survey' has been institutionalized in all our major businesses.



Suppliers

Being honest and fair in business dealings is paramount to us and we seek to establish and maintain enduring relationships with our suppliers. We have initiated monthly safety meetings with our key suppliers to address their concerns and reiterate to them, the importance of safety for their workers.



Employees

We are committed to nurture the talent of our employees and facilitate their personal development. We foster workplaces that are safe, professional and which promote teamwork. We emphasise on cross learning, knowledge sharing, job diversification and developing cross-functional skills.



Regulatory Authorities

We are steadfast in conducting business in compliance with the letter and spirit of the law, regulatory requirements and other accepted standards of business conduct. We actively work with legislators and government officials towards developing policies and product quality standards.



Communities/ NGOs

Our focus and support to neighbouring communities extends to health, education, and infrastructure development through various departments and NGOs. The underlying goal is to enhance their quality of life and support the needs of the community in a manner which is self-sustainable in the long run. We are also among the first to volunteer support for rehabilitation and relief activities during natural calamities.



Trade Unions

At RIL, we have adopted a consultative approach towards trade unions. There is a strong bond of trust between the trade unions and the management due to the sense of 'ownership' that they have towards the Company. There are many trade union employees who have spent their entire career at RIL, and have had a very satisfying journey.

My Reliance, My Life.

"Unflinching adherence to an exacting code of conduct is the backbone of our business."



Vinod M. Ambani
Company Secretary

"Sustainability yields greater profitability by balancing the short-term competitive realities with long-term economic health."



Kamal P. Nanavaty
President,
Polymers

"Only economically viable businesses are sustainable businesses."



Harish Shah
President, Corporate MIS

"Global standards, even for the smallest activity. That is our hallmark."



V. V. SuryaRau
President,
Group Manufacturing Services

My Reliance

"Be it small equipment, tools, plant & machineries or technology, everything about RIL is world class."



Pawan K. Kapil
President,
Jamnagar Complex

"At RIL the basic foundation of each employee is made so strong, that they inevitably excel in their field."



Sujit Banerjee
President, Polymers &
Head, Integrated Research & Technology

"We believe that governance is a framework that sieves the best from the rest."



K. Sethuraman
Senior Vice President,
Corporate Secretarial

"At RIL there is an active exchange of knowledge, which enriches every member of the team."



Subodh P. Sapra
President,
Polyester

"The strong bonding between employees is the thread weaving our success story."



Man Mohan
Chief Operating Officer,
Polyester

"We are building an empowered organization. Where every individual has the knowledge, skill, and opportunity to succeed personally and professionally."



K. Ramamurthy
President,
Chemicals

ce, My Life.

"For us sustainability means seamlessly integrating Social, Economic and Environmental Best Practices."



Dr. Shrinivas M. Shanbhag
Group Medical Advisor

"Reliance is at the top because it believes that people are more important than profits."



Rajen D. Udeshi
President,
Fibre Intermediates

"At RIL we empower ordinary people to achieve extraordinary things."



Anand Parekh
President,
Textiles

"A holistic approach is the RIL way of doing business."



Hemant Desai
President, Hazira Complex -
Commercial & Corporate Affairs

"We have a work culture that weaves together business, community & environment."



Sanjeev Pathak
Site Head,
Patalganga Plant

"Our vision is to venture into the future hand in hand with the community."



Anant Kulkarni
Site Head,
Kurkumbh Plant



Ensuring Long-term Growth & Profitability ≫

"Our business is guided by the compass of longevity. Longevity of human, economic and environmental capital."

Alok Agarwal
Chief Financial Officer

Growth has no limits at Reliance. I keep on revising my vision.

Dhirubhai H. Ambani

Hidden within this statement are some of the secrets of Reliance's extraordinary growth. The ability to envision an outcome. The ability to adapt its vision in accordance with the changing landscape of opportunities. Never to be daunted by challenges. In fact at Reliance we relish nothing better than making the impossible happen.

Reliance's leadership position, coupled with its competitiveness, product quality, logistical capabilities and financial strength, constantly provides us growth opportunities in the domestic as well as international markets. We are committed to explore and exploit these opportunities to enhance stakeholder value.

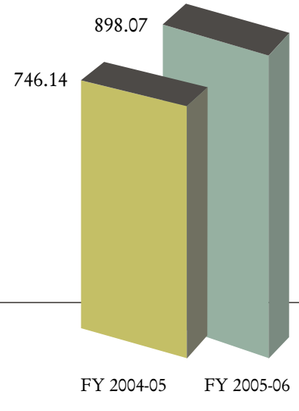
Living this philosophy has led us to become the largest private-sector business enterprise in India on all major economic parameters, including market value added, shareholder returns, taxes paid, net worth and assets. Our dividend payout this year totalled INR 13.94 billion (USD 0.312 billion), the highest ever by an Indian private-sector company.

This year to unlock value for our shareholders, RIL's business was reorganized through a demerger. In the previous financial year RIL became the first Indian private-sector company to record a net profit of over INR 89.22 billion (USD 2 billion), an increase of 20 percent over the previous year. Our contribution to the Indian Government's Indirect tax revenue amounts to around 8 percent of their total revenues and our total revenues are equivalent to 2.8 percent of India's GDP. Economic value distributed has also increased from 85.4 percent to 87.1 percent.

RIL's business performance and strong capital structure were duly recognized through an upward re-rating by international credit rating agencies, namely Moody's and Standard & Poor. RIL rating is now rated above India's sovereign rating and is at BAA2(Moody's) and BBB(S&P).

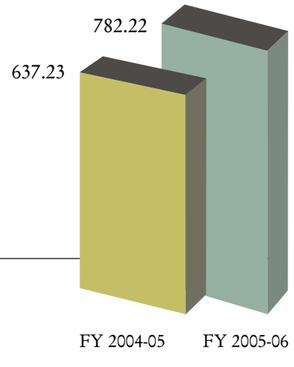
Economic Value Added

During the financial year 2005-06 RIL reported a gross turnover of INR 898.07 billion (USD 20.10 billion), and record net profits of INR 90.69 billion (USD 2.03 billion), the highest ever in the Indian private sector. Our cash profit was INR.131.74 billion (USD 2.95 billion) and the return on capital employed was 20.5 percent. On the Economic Value Added (EVA) benchmark, we remained EVA positive. This fiscal year the company declared a 100 percent dividend. During this period the market capitalization crossed the INR 1000 billion mark and on 31st March2006 it was INR 1109.58 billion (USD 24.87 billion).



ECONOMIC VALUE GENERATED

(Billion Rs.)



ECONOMIC VALUE DISTRIBUTED

(Billion Rs.)



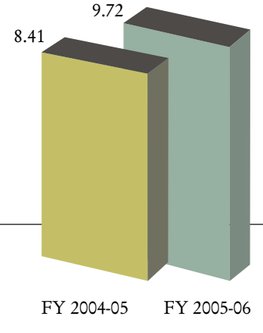
A happy Family enjoying a superior quality lifestyle at Reliance Greens - a 425 acre international standard township at Jamnagar.

Sharing of Profits with Employees and Communities

Apart from regular salary payouts, we have profitability and performance linked bonus and incentive schemes for employees. During the year, the employee cost increased by 15.6 percent from INR 8.41 billion (USD 0.19 billion) to INR 9.72 billion (USD 0.22 billion). This increase was mainly on account of higher salaries and increased benefits provided to our employees.

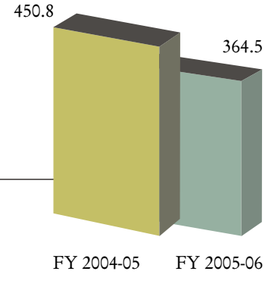
We invest a part of our profit in various community initiatives across locations. Our overall contribution has decreased from previous years primarily because we believe in developing self-sustaining financially independent ventures for communities, like public schools and hospitals .

Last year we procured around 9.5 percent of our supplies locally, which is down from last year's figure of 14.6 percent. This is primarily due to low availability of our prime raw materials in India.



EMPLOYEE WAGES AND BENEFITS

(Billion Rs.)

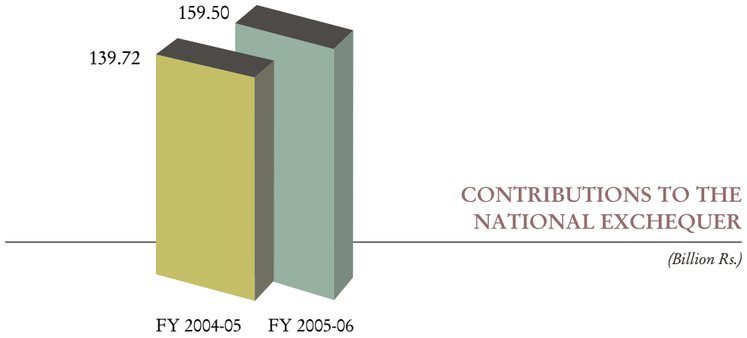


COMMUNITY INVESTMENT

(Million Rs.)

Taxes and Duties

During the year, RIL contributed INR 159.5 billion (USD 3.57 billion) in the form of various taxes and duties and utilised various fiscal incentives aggregating to INR 24.1 billion (USD 0.54 billion). SAP, the Enterprise Resource Planning System (ERP) system deployed by the company provides a comprehensive framework for tax calculation, compliances and effective tax planning.



CONTRIBUTIONS TO THE NATIONAL EXCHEQUER

(Billion Rs.)

Risk Management

At RIL, all key functions and divisions such as production, treasury, insurance, legal and other issues like health, safety and environment are independently responsible to monitor risks associated within their respective areas of operations. Our high level of integration, globally competitive operations and domestic leadership position has helped us in mitigating the adverse impact of generic industry risks.

Petroleum and petrochemical products are globally traded commodities. Over and above other factors that influence price volatility, their prices are subject to international market forces of supply and demand. With these two businesses presently accounting for the major proportion of RIL's revenues, changes in global price levels can impact our financial performance. We follow an efficient inventory management system and a well-crafted strategy of procuring crude through a mix of spot and long term contracts to dilute the impact of this volatility. Our conscious efforts on maintaining a judicious mix of markets for our sales and thrust on specialty products have also proved to be effective.

Foreign exchange rate volatility too has an impact on the business and on foreign currency debt portfolio. RIL undertakes liability management transactions and other structured derivatives such as interest rate swaps and currency swap on an ongoing basis. Our growing export revenues, and foreign exchange denominated oil and gas revenues, provide more than sufficient cover for our annual external debt service obligations.



Research & Development and Technology Competence

Research & development in the petrochemical sector is of critical importance to provide a steady flow of innovative new products and services. We believe that innovation, and investment in research & development activities across all disciplines, leads to overall sustainable economic growth and stability. Our R&D team unfolded a wide spectrum of activities and the year witnessed the development of new products and processes. A consolidation of research outputs in different areas was accomplished with a view to achieve technological supremacy. Research also maintained its active role in supporting the operating and marketing functions of the company. It is our endeavour to make rapid strides in pursuit of technological excellence in the years to come and contribute towards meeting the long term needs of the petrochemical industry.

Research & Development Initiatives



- RIL has set up a state-of-the-art 'Reliance Fibre Application Centre' at Patalganga to conduct application research of polyester fibre and spun yarn. Reliance Technology Center (RTC) at Patalganga, Reliance Testing Center in Coimbatore and Reliance Fibre Application Center in Patalganga together will reduce the time taken from conceptualization to commercialisation. All these facilities will work together towards providing compelling value to the downstream textile industry.
- At Hazira, our research efforts in polymers and chemicals have resulted in the development of high efficiency catalysts and improved processes for manufacturing high value products.
- Improvements in product characteristics of woven sacks used for bulk packaging made them suitable for usage even on high speed processing lines.
- We have developed an innovative series of external donor systems for enhancing the performance of polypropylene catalysts.
- One of the major achievements of the year was the successful deployment of polymer bodies in place of metal bodies for washing machines, automotives and luggage.
- A major development in Staple Fibres was the introduction of Recron 3S Short Cut fibres for wet laid non-woven applications such as filter paper and in food processing, wallpapers etc.

Technology Competence



- Reliance Technology Centre (RTC) has also been involved in developing solutions for improving process yield and product quality of the Relpet+ grades produced on the new generation PET process a technology platform which was commercialized by RIL for the first time in the world.
- Recently we developed an eco-friendly process for para-diethyl benzene, a high-value specialty chemical which is used in adsorptive recovery of paraxylene. Compared to the old process, the new process eliminates significant environment impacts.
- We support the scientific research activities of Sir Hurkisondas Nurrotumdas Medical Research Society (HNMRS). Topics of national health constitute a major share of projects undertaken by the Society.
- We supported a leading health drink manufacturer in transitioning its primary consumer package from glass to PET. This resulted in significant savings for the manufacturer in reduced packaging costs and reduced product loss through breakages.
- During the year, we have also participated in various research programmes with institutes and industries in India and overseas. These joint development efforts were focused on nano-clay and PP nano-composites, high value chemicals, biodegradable/degradable polymers, computational analysis and polymer additives.



A lady worker from the neighbouring community being provided employment at the RIL Naroda greenbelt. RIL is repeating the success of its Jamnagar greenbelt where over 1,00,000 short mango plants are being cultivated to yield more than 3,600 tons of mangoes per season.

Caring for the Environment ≫

Good Environmental and Social programmes make good business sense.

Key Achievements during the year



ISO 14001:2004: RIL's Hazira Petrochemical Complex and Patalgana Complex were certified for ISO 14001: 2004 from the previous 1996 standard. Our Jamnagar Refinery has also migrated to the new standard and is expected to be recertified during the next surveillance audit.



Material Conservation: Strong focus on reducing usage of packaging material for our intermediate and finished products resulted in 23 percent reduction in consumption of overall packaging material. Through our conscious efforts we have increased recycled material intake to 23,000 tons as against 20,000 tons last year. Our overall material consumption has reduced significantly by 6% from 46,418 thousand tons last year to 43,475 thousand tons this year.



Water Conservation: This year we commissioned a Reverse Osmosis (RO) Plant at our Jamnagar refinery. The plant treats low total dissolved solids wastewater from the cooling towers and a portion of the high total dissolved solids stream from the main effluent. This reduced the overall water consumption at Jamnagar by three percent. Our consistent efforts to conserve natural resources won the "Excellent Water Efficient Unit" award, for our refinery, at the National Award for Excellence in Water Management.



Emergency Preparedness: We procured an additional inflatable boom of 250 meter length to quicken our response time in the event of a marine disaster like an oil spill. This boom is suitable for high sea operations and is aboard a pull-back tug in the Single Point Mooring (SPM) operational area at Jamnagar. Periodic in-house mock drills across manufacturing units help maintain emergency preparedness level.



Sustainable Green Belt: 12,000 trees were planted at our Hazira complex last year and we are in the process of acquiring an additional 49 acres for landscaping. At Jamnagar we have created an economically self-sustainable green belt. The green belt covers an area of 1850 acres, which is three times the specified statutory regulation. The green belt at our Naroda Complex measures 19 acres. At our Kurkumbh complex we planted 14,000 trees during the current reporting period.



Waste Minimization: One of our environmental goals is to reduce waste generation, preferably at the source. This year we achieve a 26 percent reduction in hazardous waste generation over last year and an 8 percent reduction in non-hazardous waste generation across locations. At Patalganga, the effluent monitoring system was strengthened with the installation of auto samplers on all the sumps in the Polyester Staple Fibre (PSF) plant oil skimmers. This led to more than 150 percent capacity utilization of the anaerobic process and we disposed off almost 100 percent of the contaminated Poly Terephthalic Acid lumps.



CASHe: CASHe - Change Agents for Safety, Health and Environment is an ongoing initiative in the field of HSE at RIL. Originally piloted at Patalganga this project has evolved over the last 4 years into a full fledged initiative, creating a team of Change Agents: select dedicated employees who are equipped with the knowledge, skills and attitudes to identify and reduce HSE hazards at the workplace. All RIL manufacturing locations have adopted this project with each site having more than 50 change agents, which include supervisory, non-supervisory and contract employees.

As staunch proponents of sustainable development, it is our objective at RIL to grow in symbiosis with nature. To soften our environmental footprint our efforts are focused on reducing GHG emissions, reducing waste from our manufacturing facilities and developing a comprehensive approach towards water management and energy conservation. The emphasis this year was on environmental monitoring & audits, adherence to management systems, and strict compliance to all the environmental protection regulations applicable to our operations.

Energy Management

Just as energy is an integral part of our business; energy conservation is an integral part of our culture. Each plant has an energy coordinator with regular management reviews of energy generation and utilization. Application of appropriate measures combined with close and continuous monitoring of all forms of energy at every complex ensures optimum use of energy. Concentrated efforts to enhance productivity improvements across plants have resulted in considerable reduction of energy consumption.

Our energy conservation efforts are targeted towards increasing fuel and process efficiency and reducing greenhouse gas emissions. This year our total non-renewable energy consumption was reduced to 177 million Gigajoules (GJ) from 179 million GJ in 2004-2005, while our total renewable energy consumption increased by 73 percent to 98.8 thousand GJ.

In a benchmark study carried out by Shell Global Solutions this year, the Jamnagar refinery was adjudged as the "best in class in energy performance" for the 5th consecutive year. Its Energy Index (Corrected Energy and Loss Index) at 89.5, was the lowest in the world this year, indicating highest energy efficiency. At our Hazira plant, over 40 energy conservation projects, which included process improvements (steam and fuels) and electrical system efficiency (power), were implemented, resulting in a 1 per cent reduction in total energy consumption. Further the energy conservation schemes combined with the adoption of energy efficient technologies scaled down the energy index to 1.88 MM kilocalories per metric ton in 2005-06 from 2.00 MM kilocalories per metric ton in 2004-05. Even as the performance at Patalganga showed continuous improvement, the Energy Index for 2005-06 increased marginally to 3.12 MM kilocalories per metric ton from 3.10 MM kilocalories per metric ton in the previous year due to the flood related shutdown in July 2005.

This year the Patalganga manufacturing unit adopted several energy conservation projects, including:

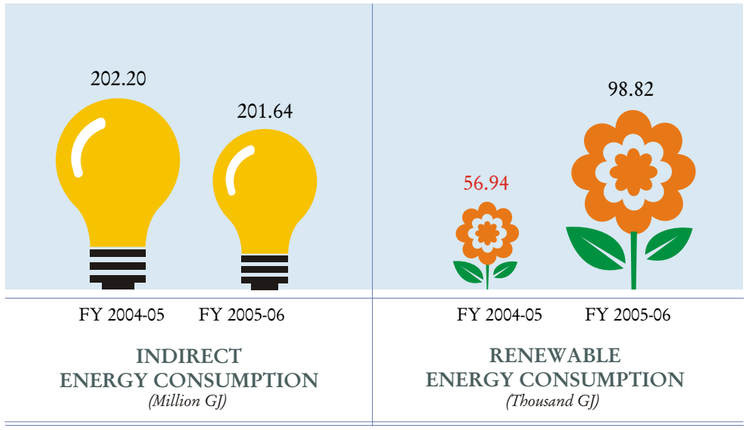
- Upgradation of advanced process control in the Linear Alkyl Benzene & Paraxylene plants
- Implementation of a Heat Recovery Steam Generator for flue gases for Effluent Treatment Plant sludge dewatering and drying
- Upgradation of effluent treatment system and use of biogas in PX process heater
- Vacuum operation of rerun column in NP plant.

The total annual savings due to these projects is approximately INR 49.8 million (USD 1.13 million).



The Energy Index for the Jamnagar refinery was the lowest in the world this year, indicating highest energy efficiency

The captive power and steam generation at our Naroda complex, now runs on natural gas instead of liquid fuel. This has significantly reduced energy costs. Furthermore, two major projects were implemented at Naroda complex: firstly consumption of demineralised water was reduced by over 10 percent through better valve utilization, reduced leakages and renovation of the Gas Turbine. Secondly, improved duct insulation of the Heat Recovery Steam Generator enabled steam turbine operations even at low loads. These energy conservation initiatives reduced our total indirect energy consumption from 202.20 million Gigajoules in 2004-05 to 201.64 million Gigajoules this year.



INDIRECT ENERGY CONSUMPTION
(Million GJ)

RENEWABLE ENERGY CONSUMPTION
(Thousand GJ)

CASE STUDY

CCHP (Combined Cooling, Heating and Power) Pilot Project at Hazira

A pilot CCHP project has been set up at a Hazira petroleum retail outlet to showcase natural gas as an energy efficient means to generate power, refrigerate and heat water. It is the first of its kind integrated system consisting of Combined Heat and Power (CHP) along with a Vapour Absorption Machine (VAM). Here low-pressure natural gas is distributed via High Density Poly Ethylene (HDPE) (PE-100) pipes. Waste heat is used for refrigeration using a VAM and to generate hot water for kitchens and bathrooms. This project reduces NOx, CO2, and particulate emissions, while the combined cycle generation decreases fuel consumption and increases energy efficiency. Overall this project has a thermal efficiency of 80 percent.



CASE STUDY

Energy Savings at our Kurkumbh Plant

A detailed review of the plant's energy balance revealed that excess energy in the dehydration section was being wasted by diverting it to the cooling water. This excess energy in the form of excess heat was recovered by installing heat exchangers in the boiler feed water preheater; ethanol preheater; drying column feed preheater and evaporator reflux preheater. This reduced steam consumption by 6 tons per hour, which resulted in savings of INR 65.7 million (USD 1.47 million) per annum as against an initial investment of INR 6.2 million (USD 0.139 million). The project also helped cut the overall emissions at the site due to a reduction in fuel consumption.



CASE STUDY

Flare Gas Recovery System in Coker LLP Flare at our Jamnagar Plant

The objective of the flare gas recovery system was to minimize hydrocarbon loss by recovering blow-down gas into the gas plant and thereby making it an almost zero flare coker. To achieve this, an ejector system was used to recover the blow-down gases from the blow-down settling drum and feed them into the fractionator's overhead drum. From here the gas was routed to the gas plant through a compressor. The blow-down gases were then treated in an amine absorber to remove H_2S and then used as fuel gas in the gas plant. The H_2S was recovered as a sulphur product in the sulphur recovery unit. This system has a unique control mechanism to minimize steam consumption and automatically account for inherent fluctuations in the coker without any manual intervention.

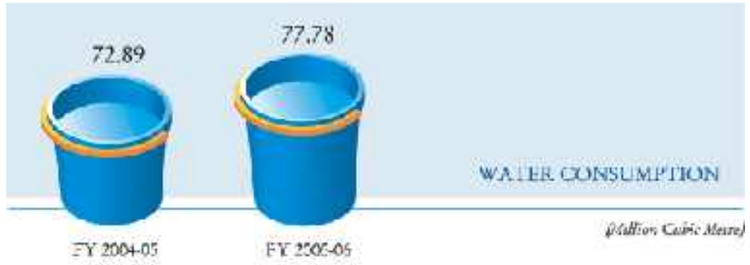
The flare gas recovery system has reduced CO_2, NOx, and SOx emissions while simultaneously saving precious natural resources. The system has also reduced overall fuel costs for the plant and increased its energy efficiency. It has a potential of recovering about 44 tons of blow-down gases per day which could be reused as fuel. This is equivalent to an economic benefit of INR 157.5 million (USD 3.53 million) per year. The system has reduced flaring at the site by 95.4 percent. This system was commissioned by RIL personnel online, without affecting the process integrity. This can be replicated by other refineries & petrochemicals plants for systems which undergo a cyclical nature of operation at low pressure with drastic variation in gas generation.



Water Management

Our goal is to achieve zero effluent discharge at all locations. Currently our Kurkumbh manufacturing unit has successfully adopted the zero discharge concept. At Jamnagar and Kurkumbh the treated effluent is used for horticultural activities instead of being discharged.

The total water consumption for the current year has increased by 6.7 percent to 77.78 million cubic metres from the previous year. The increase in water consumption can be attributed in part to the expansion activities at some of our manufacturing locations and to the commissioning of a new glycol plant at Kurkumbh.





Though the total wastewater generation has increased this year by 0.51 million cubic metres, the total water discharge outside the plant boundary has remained constant due to our use of treated water in horticultural activities.

At Patalganga, using an anaerobic digestion process for effluent treatment process, developed through indigenous efforts, we are converting 24 tons of Chemical Oxygen Demand (COD) per day to 12,000 normal cubic metres of methane rich biogas per day. This biogas is utilized by the Paraxylene (PX) plant heaters resulting in fuel savings of more than INR 20 million (USD 0.45 million) per annum.

At Hazira, a reverse osmosis plant commissioned to reduce total organic carbon in boiler feed water, has improved cycles, reduced water consumption and energy loss. Besides this, a project for recycling LTDS (Low Total Dissolved Solids) is under implementation and would reduce water consumption by 12,000 cubic metres per day. We have also started utilizing murky water to the tune of 270 cubic metres for irrigation. This water which would otherwise be discharged to the Tapi river, is diverted to a canal from which it is pumped for irrigation. We have also implemented a rain water harvesting project at Hazira which can recharge our water reservoir by 50 kilolitres annually.

CASE STUDY

Water Conservation through Waste Water Recovery using 'Reverse Osmosis' Technology

Our Jamnagar site does not use surface or ground water for its refinery operations. Its water requirement is met solely by thermal desalination of sea water. Considering the scarcity of water in this region, water recovery and reuse is a top priority at Jamnagar. Being sensitive to this scarcity we have been operating on a 'zero effluent discharge' concept since inception. Furthermore, we have been continuously improvising water conservation by using treated effluent water in cooling tower makeup, coke cutting, fire fighting and greenbelt development/horticulture etc. One of the novel initiatives to enhance water conservation has been the installation of a Reverse Osmosis (RO) plant for the recovery of clean water from the treated effluent.

Our RO unit at Jamnagar utilizes an advanced water purification process. It produces superior quality water equivalent to desalinated water from a high total dissolved solids treated waste water stream and cooling tower blow down. This water is then made available for our refinery operations and horticulture activities. The chosen RO technology minimizes the possibility of RO membranes fouling due to traces of biological and organic compounds present in the feed water. The treated effluent, which is the feed to the RO unit, is pre-treated in a clarifier system and filtered. This is followed by a two stage softening system through dual media filters, after which the conditioned water is routed to the RO membrane system to acquire clean water. This technology has enabled a consistent output of clean water and reduced overall water consumption by 3%.

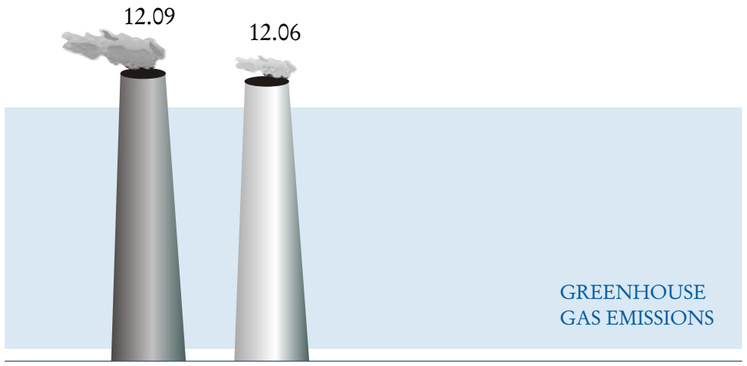


Combating Climate Change

CDM CELL

Globally climate change is posing a threat to human existence through uneven climatic patterns, rise in temperatures, unexpected floods and worse. At RIL, we are cognizant of the challenges posed by our petroleum refining and petrochemicals business. We are acutely aware of our responsibility towards the environment and are committed to reduce greenhouse gas emissions from our processes and monitor GHG emissions across all our sites. We also support the development and active use of Clean Development Mechanism (CDM); the international mechanism for GHG emission reductions as per the Kyoto Protocol. This year, we have established a separate CDM cell with experts from process, energy, and finance backgrounds and integrated it with our company's business model. The CDM cell multitasks by conducting capacity building programmes for executives across RIL, analyzing the feasibility of CO_2 emissions reduction potential for projects, preparing the necessary documentation and registering the projects with the United Nations Framework Convention on Climate Change (UNFCCC).

To date, two CDM projects from RIL have been registered with the UNFCCC. At our Hazira unit, we have implemented energy efficient projects through steam optimization, resulting in a net reduction of 24,000 tons of CO_2 equivalent per year. At our Jamnagar refinery, reduction of steam consumption in stripper reboilers through process optimisation has resulted in a net reduction of 36,000 tons of CO_2 per year. This year the overall GHG emissions from all our activities have been reduced from 12.09 million tons of CO_2 equivalent to 12.06 million tons of CO_2 equivalent. The CDM cell has submitted four new methodologies for approval to the UNFCCC. Additionally, four new CDM projects are in the validation stage.



At Hazira, we have implemented a fuel switch project, shifting from liquid fuels to natural gas, in our gas turbines. The project has yielded significant reduction in GHG emissions. The specific CO_2 consumption has reduced to 0.4 MT CO_2 per MT of product in 2005-2006 from 0.5 MT CO_2 per MT of product the previous year. Our total indirect GHG emissions during the year was 70,000 tons of CO_2EQ.

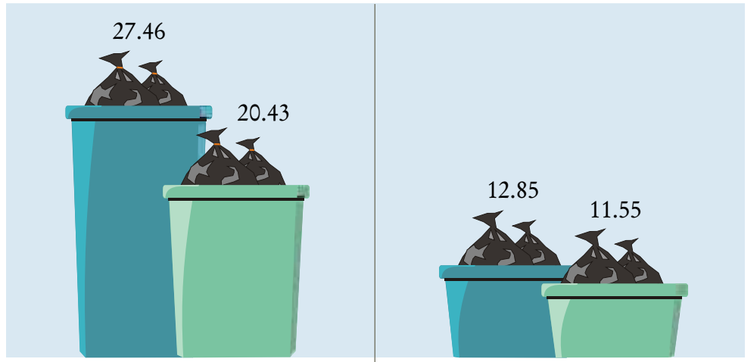


Waste Management

In addition to recycling and reuse, our waste management efforts are targeted at curbing waste generation at the source. All our sites run established waste management programmes focusing principally on waste recycling. At Hazira, we recently started recycling wastes such as VCM coke and bio-sludge, which were earlier incinerated. Our townships are under the purview of waste management systems, whereby we plan to adopt zero waste concepts. The first step towards this has been taken via implementation of a waste segregation programme.

Due to the nature of our operations, the type and quantity of waste generated vary at each manufacturing location. For example the prominent waste types at Jamnagar are spent catalyst, clay and molecular sieves, while those at Hazira are incinerator ash and slop oil; while at Patalganga it is ETP biomass.

This year we have achieved a significant reduction in hazardous and non-hazardous waste generation due to various initiatives. In fact the total hazardous waste generated has been reduced by 25.6 percent to 20.43 thousand metric tons. Non-hazardous solid waste generation has also been reduced to 11.55 thousand metric tons from 12.85 metric tons in 2004-05.



We were able to keep spills at our sites in control during the year. Altogether we had nine instances of minor spills amounting to 8.6 cubic meters of oil and chemicals. Soil remediation was carried out at each spill site with the spilled material being collected and disposed.

CASE STUDY

SAP based Hazardous Waste Manifest System

Under the Hazardous Waste Management & Handling Rules, 1989, a manifest system has to be followed for the sale or disposal of hazardous waste outside the complex boundary. A SAP based hazardous waste manifest system was implemented at Hazira which eliminated the lapses caused due to manual generation of manifests and ensured 100 percent compliance to legal requirements.

CASE STUDY

Reduction in Sludge Volume of Hazardous Waste

At Patalganga, the effluent treatment plant generates sludge to the tune of 1500 tons per annum with 1.5 - 3.5 percent solid content. Until now this hazardous waste was sent to a common hazardous waste treatment, storage & disposal facility. Recently we implemented a scheme to decrease the moisture content of the sludge by utilising the waste heat from flue gases of plant stream. This enabled us to achieve a hazardous waste reduction of 40 tons per annum.



CASE STUDY

Office Garbage and PET Recycling

At Hazira, we partnered with an NGO (Navsarjan Trust) working for the welfare of rag pickers and initiated a unique public-private partnership for PET and office garbage recycling.

Office Garbage Recycling

A dedicated storage space was allocated for garbage collection at our premises, a procedure for garbage segregation implemented and training given to all concerned employees. The trust started collecting garbage from June 2005. Till March 2006, 202 metric tons of garbage was recycled. This eco-friendly practice not only benefited rag pickers but also resulted in waste recycling and saving incineration costs.

PET Recycling

The rag pickers collect the PET bottles post consumer use from across the city of Surat and RIL puts them to productive use in the manufacture of polyester fibre fill. The initiative has contributed to the community by enhancing the income of rag pickers and positively impacted the environment by adding value to the littered PET waste, which would otherwise be disposed of at a landfill. This eco-friendly practice has minimized disposal/incineration costs and pollution. It has reaped economic benefits for RIL by reducing the production cost through increased recycling and controlling high cost items and chemicals such as optical brightener & toner.

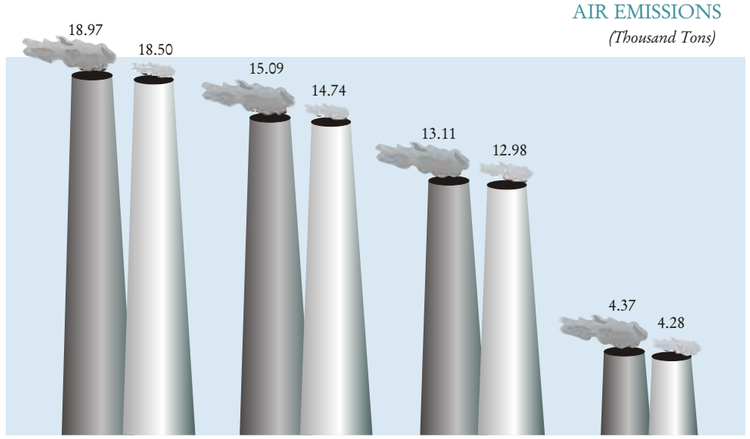


Air Emissions

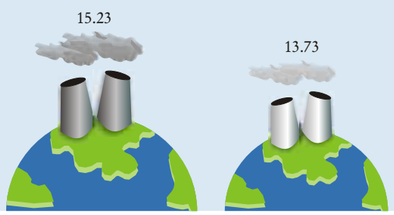
We maintain and enhance the quality of air in and around our operations by adopting energy efficient measures, cleaner technologies, and advanced process controls combined with strict environmental monitoring. Keeping the air emissions below their threshold values is the first priority of the HSE department at each manufacturing location. We monitor emissions of oxides of Sulphur (SOx), Nitrogen (NOx), Suspended Particulate Matter (SPM) and volatile organic compounds (VOC) on a regular basis and a detailed report is submitted to the respective unit head each month. The data on SOx and SPM is captured via online monitors installed at each manufacturing location.

This year we achieved a reduction across all parameters of air pollution. In comparison to the previous year we decreased the total SPM emissions by 2.0 percent to 4.28 thousand tons per annum and the total VOC emissions decreased by 2.5 percent to 18.5 thousand tons per annum. Furthermore, we were able to achieve a 2.3 percent reduction in the total NOx emissions and 1.0 percent in total SOx emissions. This is a remarkable achievement since we were able to decrease the total emissions in each category in spite of increase in production and processing of sour crude.

AIR EMISSIONS
(Thousand Tons)



OZONE DEPLETING SUBSTANCE EMISSION



(Tons of R11 Equivalent)

At Hazira, we commissioned a refrigerant recovery instrument for the complete recovery of refrigerants that can precipitate ozone layer depletion. Overall we consume refrigerating agents like R11 which is used for chilling of DM water in Poly Vinyl Chloride (PVC) & Partially Oriented Yarn (POY) plants and Hydro Chloro-Fluoro Carbon (HCFC) 22 which has various applications - heating of ethylene in ET, refrigeration of catalyst in PVC plant, condensation of chlorine in CHU plant, in analyser houses, cooling of EO and chilling in ASU units. We are currently working towards a plan to phase out our Ozone Depleting Substances (ODS) and replace them with more environmentally friendly substitutes.

This year our Jamnagar refinery developed premium petrol and diesel products, which give better mileage and help in reducing smoke levels while enhancing engine life.



RIL's Petrol Outlets designed with real-time automation, delivering enhanced customer experience.

CASE STUDY

Premium Fuel

RIL has launched premium grade petrol and diesel after a systematic study to provide 'value' to customers while facilitating a better environment by reducing engine deposits. At the supply locations this premium fuel is dosed with select additives which meet the BIS norms as well as the automobile supplier requirements.



Product Stewardship

Product → Logistics → Consumers

We recognize our responsibility towards the environment and hence have adopted concepts of eco-efficiency, design for environment, and lifecycle assessment to ensure that our products have minimal environmental impact, right from manufacture to disposal. At RIL, our environmental performance is paramount in any product development process. As a result, our product quality exceeds the Bureau of Indian Standards (BIS) norms on most quality parameters.

Performance testing of our premium products is undertaken in simulated conditions and our retail staff trained on various aspects of product stewardship. Customers are provided assistance for their queries on product usage. Customer education camps are conducted at retail outlets to educate consumers on handling products in a safe and efficient manner. Bulk consumers are provided with technical assistance on product handling and application.

We believe that the usage of plastics helps in the conservation of natural resources; however ineffective waste disposal methods are responsible for polluting the environment and demand responsible management. As a founding member of Indian Centre for Plastics in Environment (ICPE), the nodal agency recognised by the Government of India, we are working to create awareness on waste management and recycling of plastics. Our polymer business has been involved in carrying out Lifecycle Assessment (LCA) studies for various plastic products through nodal agencies like Chemical and Petrochemicals Manufacturers' Association (CPMA) and ICPE by deploying valuable resources. These initiatives help improve the quality of life; encourage, promote and support plastic waste management in India and help informal sectors and community development.

CASE STUDY

Responsible Logistics

Product movements to and from terminals and to consumers (Retail outlets) through sea, rail and roadways add to the environmental impact of the product. We have established Standard Operating Procedures (SOPs) for all activities right from loading of products into carriers to unloading at retail outlets. More than 1000 Tank Trucks (TT) are loaded and unloaded everyday without any major leakage or spillage. We have elaborate disaster management plans to handle major spills, while minor spills are taken care of by our personnel in a safe and environment friendly manner.



CASE STUDY

Petrol Adulteration

We have successfully addressed the longstanding problem of adulteration by leveraging new technologies. A state-of-the-art system implemented by Reliance allows central access and monitoring of product loading, transportation and dispensing operations at retail outlets. Product loading at terminals is completely automated and the replenishment system is linked to stock monitoring at our retail outlets. A vehicle monitoring and tracking system ensures product quality and integrity throughout the transportation chain. At retail outlets, processes are supported with company-managed inventory, online monitoring of stocks & sales, key management system, and remote diagnostics of key components in dispensing units. The electronic calibration of the metering assembly of each dispensing unit ensures accurate delivery of our products to customers. In short, we have implemented an integrated real-time foolproof control system for quality and quantity assurance.





Protecting Our People and Assets ≫

"For us safeguarding human capital is an opportunity to create a positive impact on the world around us."

P. M. S. Prasad
President and CEO, Petroleum

Safety has topmost priority at RIL, our approach is to be proactive rather than reactive. We seek to infuse positive change and continual improvement in occupational health and safety practices. Our focus is on behavioural safety and creating a collective mindset towards best practices. To achieve this, our safety committees at each location constantly replenish awareness on industrial safety as well as occupational health. All our manufacturing units have a fully equipped Occupational Health Centre (OHC) including a full-time doctor, ambulance service and necessary life saving medicines.

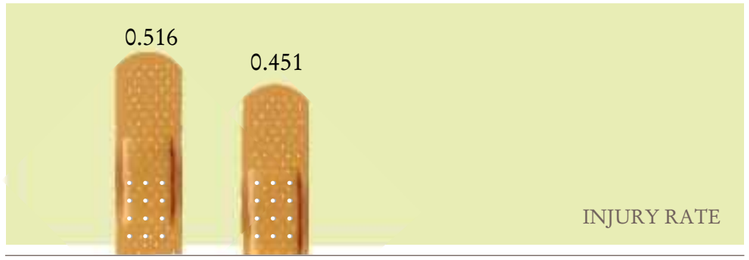
A committee of directors has been constituted for monitoring Health, Safety and Environment standards and practices. This committee ensures that our safety management systems are reviewed at the highest level and are aligned with our ambitious goal of zero incidents at the workplace. We continuously explore means to fortify our safety management systems with the latest best practices, local as well as global.

This concentrated effort on creating safety awareness and encouraging responsible behaviour across locations has paid rich dividends in terms of meeting our safety improvement targets. This year, the cumulative injury rate for RIL reduced by 12.6 percent from 0.516 in 2004-05 to 0.451, while the cumulative lost day rate decreased by 6.3 percent from 39.6 in 2004-05 to 37.1 in 2005-06. Recently we took up a major turnaround activity involving 30,000 people working on site. The turnaround concluded successfully without any major injury. Another case in point of alert employees is the 13 percent increase in near miss incidents reported across locations.

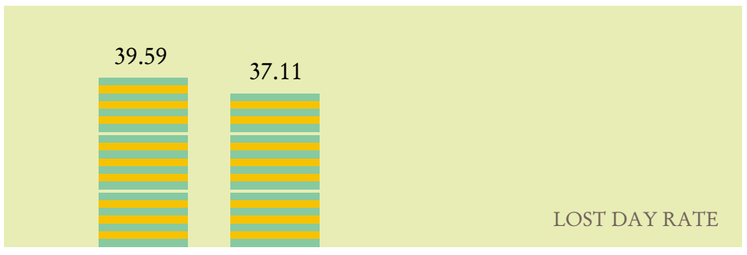
Safety Benchmarking

Recently we undertook a safety benchmarking exercise across all our manufacturing locations. The exercise spanned over three months and the findings will be used to further improve our safety and health practices. In addition, we have regular inter-site safety benchmark exercises to encourage healthy competition between our sites.

As per the benchmarking done by Shell Global International at the Jamnagar site, the Total Recordable Cases Frequency Rate (TRCFR) for this year was 1.27 as against the Shell group average of 2.48.



(Injuries per 100 employees)



(Lost days per 100 employees)

The Occupational Health Centres at all our manufacturing sites ensure that our employees stay healthy. Through these centres we carry out pre-employment and periodic medical checkups as well as other routine preventive services for our employees. The medical check-up facility has also been extended to our contractors' employees. Specialized tests like biological monitoring, health risk assessment studies, audits for exposure to various materials, hygiene and sanitation surveys are also accomplished through the Occupational Health Centre. Medical teams regularly conduct health awareness programmes to address lifestyle diseases such as hypertension, diabetes, heart disease and stress. The well-equipped DOTS therapy & microscopy centres established for detection and control of TB at the community medical centers at Hazira and Jamnagar adopt a two-fold approach - one focused on the workplace, the other on the local village population as well as families of our workers.

CASE STUDY



Centre of HSE Excellence (CHSEE)

Service Role

Enable effective internal networking within the group - to assimilate the strengths and best practices of one location and propagate them to other locations.

Improvement Process

To scout for best practices in HSE management at international levels and enable implementation of the same by organizing appropriate interactions and networking with site personnel.

To Raise the HSE capabilities Bar

To enhance the capabilities of the HSE staff as well as line management staff to international best levels through external and internal training and exposure.

HSE Knowledge Management

Create and manage a knowledge pool in the organization on matters of HSE and furnish the necessary tools to enable timely deployment and dissemination of this knowledge to the sites.

Creating the 'Reliance Way' in HSE Management

Create minimum safety standards and guidelines for all sites and locations.

Undertake audits with the help of internal and external resources on major matters of HSE management that require central focus.

Recognition in HSE Management

Use all the above methods to take the group continually to higher levels of HSE management and performance; ultimately to HSE excellence. Obtain international recognition for the organization through awards, recognitions and participation / presentation by Reliance experts on HSE issues.



CASE STUDY

Replacing Hydrazine Hydrate with Cortrol at Hazira

Hydrazine Hydrate, a proven carcinogen, was used as an oxygen scavenger in boiler feed water treatment. During project CASHe interactions, this was listed as one of the health hazards. Hence a substitute in the form of Cortrol OS-5613 was identified replacing over 17 tons of hydrazine hydrate per annum. This has resulted in complete elimination of the health hazards associated with the handling of this chemical.



CASE STUDY

Change Agents for Safety, Health and Environment at Patalganga - LAB

Under the CASHe project several improvement measures were adopted at the LAB plant viz. noise reduction from 95 dB to 70 dB in workshop, reduction in noise level from 135 dB to 85 dB in the PACOL reactor by providing a silencer, eliminating gaseous emissions from the LAB control room by segregation of the battery room and, reduction in the number of blades of a fan from 18 to 9, thereby reducing the noise generated by the motor to 93 dB from 103 dB, without compromising on performance. Such improvements are a result of creative inputs from plant personnel who have inculcated an attitude of creating and maintaining a safe working place. These initiatives have been recognised as the best CASHe initiatives across locations this year.



CASE STUDY

Safety Education Centre for Contractors

When imparting safety training, we ensure that the contractors are treated at par with our employees. A well-equipped safety education centre has been set up to train contract workers on various aspects of safety. The centre imparts training to newly employed contractor workmen along with the contractors currently working on the site.



CASE STUDY

Driver Training Centre at Hazira

At RIL, we impart comprehensive safety training to drivers associated with us. In June 2005, we established a training centre for truck drivers at Hazira in collaboration with major transporters and local transport associations. Here drivers are trained and certified by an external agency utilizing training material developed in-house by RIL personnel and subject experts in traffic safety and transportation of hazardous chemicals.

As of March 2006, the driver safety training centre had conducted 568 programmes covering 11586 drivers.



CASE STUDY

Safety Management System during Turnaround at Jamnagar

Due to the nature of operations at the Jamnagar plant, the turnarounds (shutdowns) are complex and challenging. The sheer number of high risk activities and the deployment of a large number of contract workers adds to the complexity. To manage a safe and incident free turnaround a specific shutdown safety management system was drawn up specifically for the Value Maximization Project (VMP) shut down in 2005.

Following are some details of the turnaround safety management system:



Shutdown Procedure

A special shutdown safety procedure was prepared considering various aspects specific to a shutdown such as, shutdown organization, risk assessment & mitigation plan, work permit system, procedures for start-up and shutdown, traffic safety, waste disposal, resource requirement, medical services and fire services.

Risk Assessments

Preparation of specific risk assessments for typical hazards encountered during a shutdown and start-up.

Traffic Safety

Special traffic surveillance through increased security rounds & posting and deployment of special squads for checking & enforcement.

Safety Training

Imparting special training and creating awareness among employees and contract workers on safety aspects specific to a turnaround.

Safety Supervision

Strengthening safety supervision by deploying additional safety professionals from India and abroad, recruiting additional safety officers, using services of Shell safety experts and safety managers from other Reliance sites and plant safety representatives. Twenty-four hour coverage by shutdown safety officers.

Safety Audit

Carrying out special audits during turnaround such as, daily rounds by safety managers and Shell safety experts, scheduled management safety walks by two member teams, night rounds by safety managers, contractor 3-member audits, audits thorough expert agencies such as a crane safety audit.

Safety Equipment

Ensuring availability of all types of safety equipment, such as PPEs, safety instruments, and safety signages.

Safety Communication

Strengthening the safety consultation & communication process through, circulation of case studies to all employees, daily safety meetings and reviews at plant and apex level, daily contractor safety officer meetings, safety march, safety campaigns on work at height, loose material at height and housekeeping and circulation of daily shutdown safety reports.

Medical Services

Round-the-clock medical and ambulance services. Making available first-aid equipment and medicines. Daily hygiene and sanitation survey by a health inspector.

Emergency Planning

Round-the-clock coverage by fire personnel to ensure that fire prevention measures are in place. Mobilization of additional fire fighting equipment/consumables and fire training to workers/employees to handle extinguishers, fire hoses and other equipment. Carrying out emergency mock drills to ensure safe and smooth evacuation during emergency situations such as a fire, spill or leak.

As a result of this system, the turnaround activity at Jamnagar was successfully completed without any major HSE incidence.



Nurturing Our Talent Pool ≫

"Our edge is our people. What we have consciously done as management is to bring together people who dare."

Vinay V. Bhat
Group President, Management Services

It is because of the magical chemistry between our people that we promise much more than even what we have achieved. The best is yet to be.

Mukesh D. Ambani

People are the true and sustainable competitive edge of any enterprise. At Reliance we facilitate the growth of leaders at every level. Our managerial development program augments the skills, knowledge and abilities of our executives to perform at their true potential.

All our manufacturing locations have state-of-the-art Learning Centres equipped with advanced audio-video training aids and conduct specially designed training programmes to nurture function specific and managerial skills of our people. We have also created various knowledge management portals, so that employees can keep themselves informed while sitting at their own desktops. Training is linked to Key Result Areas for RIL employees, and 64 hours of training is mandatory for all employees in a year.

This year we have won the following awards in recognition of our training efforts:

International & National recognition



'ASTD BEST Award-2005' for excellence in training and development, for Hazira.

'Golden Peacock National Training Award- 2006' for Patalganga.

Silver Medal for Hazira Quality Circle Team, at the International Exposition of Quality Circles 2005, Singapore.

CII Exim Bank Award for "Strong Commitment to Excel" for Hazira, 2005.

Our training model has been developed based on the best practices of the American Society for Training & Development (ASTD).

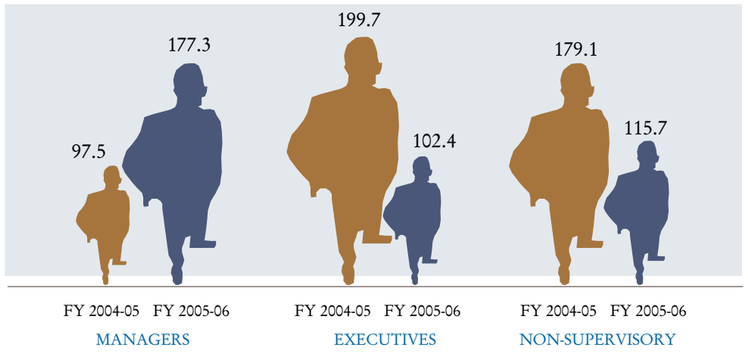
Some of the key features of our training are-

- Training for Employability Enhancement
- Career Progression Programmes
- Individual Learning Needs Assessment
- Self Development Modules
- Awards for In-house Trainers



TRAINING

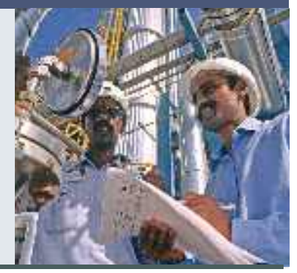
(Thousand man hours)



CASE STUDY

FOPEs (Field Operations & Panel Engineers)

This is a combination of classroom sessions and cross-discipline inputs for newly recruited graduate engineers. General foundation courses, HSEF module & technical foundation courses are conducted for FOPEs, before being placed in the plants. For on-the-job training in the plants, discipline-wise micro-plans have been developed. In the plants, the FOPEs are associated with Mentors identified by the Discipline Deans.



Learning Needs Identification & Training Calendar

Our 'Self Development Module', an online software package on a SAP-HR platform, is used to identify individual learning needs and to develop the annual training calendar. A KSA (Knowledge/Skills/Attributes) master has been developed for about 30 functions/disciplines, by Discipline Deans (Nominated subject matter experts). From this master, a KSA matrix (A grid listing knowledge, skill and attributes) required to perform a particular job has been crystallized for various positions in each plant & department.

ILNA (Individual Learning Needs Assessment) is an exercise based on the KSA matrix, completed jointly by the employee & his/her immediate superior & head. The employee grades himself/herself against each of the KSA elements on a scale of 1 to 5. KSA elements, which are rated 3 and below become the learning needs of the individual. Based on the needs prioritized finally by the immediate superior, the Learning Centre prepares the annual training calendar, and individuals learn through classroom programmes & self-studies.



E-Learning

We extensively deploy technology to promote learning. 70 interactive technical CD-ROMs, training modules/updates (Articles) are up-loaded on servers and employees can explore these at their convenience from their desktop. Specially designed and developed Discussion Forums and Seminars have been created to encourage employees to update and share their knowledge.

Developing Managerial Talent

Employee longevity is a parameter that endorses the effectiveness of RIL's vibrant career development programme.



Kishorebhai Doshi

Mr. Kishore G. Doshi commenced his career with RIL in the Non-Supervisory cadre on 2nd June 1966. Moving up the ranks, he currently heads the Outsourcing Cell at Naroda as Vice President.



Panna Trivedi

Ms Panna Trivedi joined RIL as a Trainee in the Design & Development Dept. on 10th July 1989. She is currently Manager, Design & Development.

Learning Effectiveness

A number of Performance Facilitators located across various plants identify the learning needs of each job position at each site. They link the learning needs to individual and organizational performance. The facilitators also give regular feedback to the individual and learning centres about the effectiveness of training and closure of performance gaps. A Six-Sigma methodology has been implemented to measure and increase the effectiveness of the learning process.

Validation and feedback are an integral part of training. At the end of each training session, feedback is taken from the trainees to determine the relevance of the course content to their needs. Feedback is also taken from the immediate superiors of the trainees.

An online 'Customer Satisfaction Survey' is carried out every six months to determine the impact and relevance of training. Based on the feedback, necessary changes are made in the training content, delivery and faculty, to increase the efficiency of training.

Our Learning Centre's Customer Satisfaction Index has improved during the last 2 years, from 78% to 83.2%.

CASE STUDY

Developing Trained Safety Professionals at Hazira

RIL Hazira recognized the need for trained safety professionals early on. In August 1996, a Postgraduate Diploma Course in Industrial Safety was initiated in Surat by Reliance Industries Limited in co-ordination with the Factory Inspection Office, Surat. This is a two year part-time course with an intake capacity of 25 students. The course content is designed to cover theoretical as well as practical aspects. Project work in a selected industry and site visits to ten companies to study and analyse their Health, Safety and Environment systems are integrated into the course curriculum. Examinations are conducted every year and certificates awarded to successful candidates.

The certificate is awarded by the Technical Education Board, Gandhinagar, Government of Gujarat and approved by the All India Committee for Technical Education (AICTE) New Delhi. This course is intended for working professionals who want to make a career and enhance their knowledge in the field of safety management. In a span of 8 years, Reliance has created nearly 200 trained safety professionals.



CASE STUDY

Extended Learning Programme

The Extended Learning Programme offered at RIL also goes a long way in boosting employees' morale, enhancing employability, and providing growth opportunities to the employees.

Keeping this in mind, the following courses/programmes are offered-

- Employees engaged in technical jobs with no formal educational qualifications undergo a specially developed engineering degree programme designed and conducted by RIL in association with the Indian Institute of Technology (IIT-Mumbai and Sardar Vallabhbhai National Institute of Technology (SVNIT), Surat. Employees who successfully complete these programmes are given further responsibility and growth opportunities within the organization.
- Selected engineers undergo specially designed management development programmes such as Management Programme for Reliance Engineers (MPRE), Manufacturing Management Programme for Reliance Engineers (MMPRE) and Advanced Management Programme for Reliance Engineers (AMPRE) in association with IIM-Bangalore. The objective of these programmes is to retain bright engineers and give them an opportunity to explore other areas like manufacturing management, supply chain management, marketing management, commercial, etc.



CASE STUDY

Unique Training Programme at Jamnagar

In what could be considered a monumental effort, the company planned to shutdown a facility for upgradation. During this time, the organization's Learning Centre and safety department conducted workshops in a number of crucial areas, including CPR, confined space entry, transportation of hazardous materials, and crane safety operation. Training was delivered to more than 8,000 contractors. The shutdown was successfully completed without any fatalities.

Competency certification was introduced for individuals who serve as day-to-day operators. A catalogue outlining the knowledge required for the specific division is given to each employee, and each one of them must pass a written test as well as an on-the-job skills test. More than 80 percent of the operators were successfully certified.

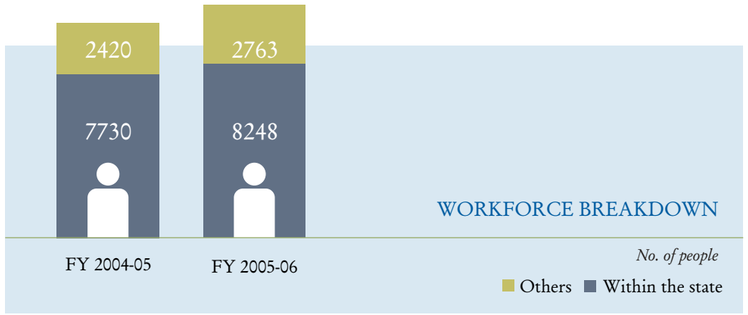
Since operating the plant means a heavy fuel bill, the management came up with the innovative idea of training around 100 employees to reduce energy consumption. As a result, consumption over past three years has declined, and RIL recorded $20 million in savings during 2005.

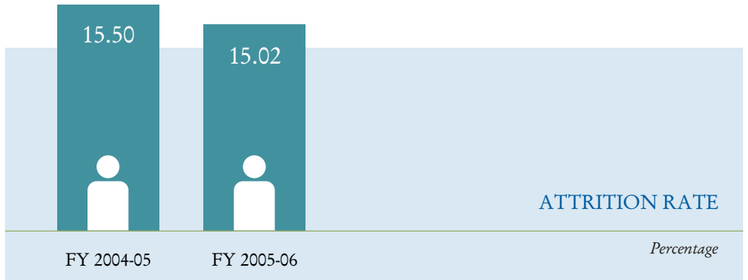
Skills training and professional development opportunities are available for all staff members who currently have high school diplomas. Employees take the courses on the weekends over a two-and-a-half year period. Upon completion, graduates are awarded degrees as “Certified Company Engineers.” Currently a total of 120 employees are enrolled in the mechanical, electrical, and instrumentation programmes.



Employee Welfare

As the largest private sector company in the country, which is committed to maintain its position and is constantly aiming for accelerated growth, we fully realise that our success depends on our people. Our human capital is really our biggest asset. We bet on people, and believe that people can deliver what machines and systems cannot. We are committed to maintaining high standards of human resource development through training, skill upgradation, opportunities for job diversification and above all, by providing our employees, a safe and comfortable work environment.





Some of the key facilities provided to our employees are

Health check-ups for employees and their families, advice on diet and nutrition

Fully equipped housing colonies

State-of-the-Art 'Occupational Health Centres'

Awards to employees with outstanding health and remarkable health improvement

Rewards and recognition

In-complex landscaping to improve workplace ambience

At RIL the health and safety of our employees receives prime importance. All employees undergo a complete medical check-up every year in a well-equipped Occupational Health Centre (OHC) serviced by three full-time doctors and part-time specialist doctor. Stress mappings are carried out by our Occupational Health Centre and employees with critical health problems are counselled by the company doctors and visiting specialists.

Health awareness programmes are regularly conducted to encourage employees to adopt a healthy regimen. A healthy balanced meal is served in our canteens and daily health tips are emailed for the benefit of all employees. Along with programmes on stress management, health insurance is also provided to the employees and their families. Also there is no hard and fast upper limit towards payment of hospitalization expenses for employees and their dependents.

Occupational Health Week

Our OHC, at Patalganga, celebrated Occupational Health Week in July 2005. The various activities conducted during the week were: Blood Donation Camp (287 bottles), Lectures, Online Quiz, Publication of a Special Newsletter on Occupational Health etc. In all, seven programmes on topics like Ergonomics, Heat Stress, Noise, Benzene & Hydrofluoric Acid (HF), all carcinogenic compounds, their related health hazards and prevention were conducted for a total of 150 employees in various plants. Six health awareness sessions for the vulnerable population (truckers and transporters) were conducted on the topic "Prevention of HIV-AIDS" in Tank Farms, PSF and CP-7 areas. 393 participants attended these sessions.

Medical Monitoring

The annual medical check-up at Patalganga achieved 100 percent employee coverage for the sixth consecutive year. All our employees were issued laminated Health Cards based on the findings of the medical check ups.



CASE STUDY

Employee Suggestion Scheme

It is a means to tap the latent potential of employees and motivate them to contribute constructively towards the growth of the company. It creates an atmosphere of mutual trust and channelizes the energies of the employees in improvement of operations and processes.

The scheme encourages participative management. This year 482 suggestions were received at Patalganga. Though not measured quantitatively, these suggestions have an impact in terms of improved safety, reliability, reduction in cost and improved quality. In addition these suggestions have also resulted in simplifying procedures, reducing cycle time of operations, reduction of wastage, recovery of materials and reduction in customer complaints.

CASE STUDY

Awards to Encourage Employees

- Best Practices Award
- Best Case Study Award
- Citizenship Award
- Cash award for achieving Higher Qualifications
- Well-Done Award. Given twice a year, for stellar job performance
- Long Service Award
- Exemplary Service Award. Given for exhibiting a spirit of selflessness while performing ones duty
- Best Trainer Award - annual awards given by LC
- Best Module Award annual awards given by LC



Partnering with Communities >>

"We subscribe to the philosophy of coexistence - ***Vasudhaiva Kutumbakam*** - the whole world is one family. We work towards improving the quality of life of the people who live with us and around us."

Nita M. Ambani
President, DAF

RIL's Approach Towards Community

Our community development programmes focus on key areas of



Healthcare



Education



Child Welfare



Infrastructure Development

At RIL we are active partners in the progress of our communities. Since our manufacturing plants are located in remote regions where the surrounding population is either dependant on subsistence agriculture or daily wages for survival, we seek to play a more tangible role in their development and progress. Our endeavour is to make our communities self-reliant and we have been steadily investing in improving their quality of life. As one of our key stakeholders the aspirations of the communities we work in are an integral part of our sustainability goals. Even though we have been identifying critical needs and requirements of these communities through constant interactions, and have implemented various programmes to address the same, we believe that our approach is still fragmented. Last year we deployed a framework for engaging with various stakeholders and it helped us understand their needs and expectations from us. This exercise helped us to reach out to communities in a more efficient manner.

So far, our outreach activities have been carried out mostly by the Dhirubhai Ambani Foundation, and plant specific activities have been anchored by the CSR or HR departments. We have also entered into partnerships with local NGOs, and local administration, to strengthen their ongoing initiatives in the region and propose new initiatives based on their expectations. Our intent is to make these initiatives self sustainable over a period of time so that the communities do not remain dependant on us.









" RIL stood by the community, so the community has stood by RIL."
Jeetendrabhai Shukla, Community Leader

1 Healthcare

On the health front, we have the distinction of being the founder member of the India Business Alliance of the World Economic Forum. We have resolved to share the responsibility of containing diseases such as Tuberculosis (TB) and HIV/AIDS. To achieve this, we collaborated with a large number of agencies working on these issues to create some rather unique Public-Private Partnerships (PPP).

Reliance offers medical services at all its locations. These include free outdoor medical services for nearby communities, outreach mobile medical services, family planning camps, blood donation drives, antenatal check-ups, vaccination centers, pulse polio camps, school health check-ups, diagnostic multidisciplinary camps, eye camps and other outreach programmes.

Healthcare Initiatives

- HIV/AIDS education drive carried out on a regular basis for tanker drivers and cleaners who transport chemicals to and from RIL- Patalganga
- Support to Indian Association of Occupational Health by housing their National Secretariat
- Multi-diagnostic camp organized at Moti Khavdi. Over a 1000 patients attended.



Sir Hurkisondas Nurrotumdas Hospital & Research Centre (HNHRC), Mumbai

The Dhirubhai Ambani Foundation joined hands with the management of Sir Hurkisondas Nurrotumdas Hospital and Research Centre in December 1997 with the commitment to restore the hospital to its erstwhile glory. Consequently the hospital services were re-structured and state-of-the-art healthcare technology, conforming to international standards was set up.



Other Healthcare Facilities

- Sir Hurkisondas Nurrotumdas Medical Research Society, Mumbai
- Dhirubhai Ambani Hospital, Lodhivali, Raigad
- The Drishti Project-corneal grafting surgery drive for the economically underprivileged
- Mobile medical van across locations



CASE STUDY

Drishti Project

RIL flagged off Project Drishti, a nationwide corneal grafting drive for the underprivileged on 28 December 2003, with an aim to complete minimum 1500 surgeries annually. This project was launched in association with the National Association for the Blind (NAB), a non-profit institution serving the blind in India for over five decades, and extends support through specialised eye hospitals across India. Presently this project covers 16 cities and efforts are on to widen the outreach to remote areas. This project is the largest corneal grafting surgery project undertaken by any corporate entity in the country.

One of 'the' biggest challenges for eradicating blindness in India is inadequate corneal donations for corneal graft surgeries. The reasons are multifold: it spans from lack of awareness, misinformation surrounding corneal donation to several myths associated with the donation itself. Project Drishti has implemented many unique means of communication to spread awareness and encourage corneal donations. Information regarding cornea donation and corneal grafting, and prevention of blindness is being shared with all stakeholders, internal as well as external.

In addition to the corneal grafting surgery drive, RIL has actively supported and sponsored blindness prevention activities in 72 schools run by Brihan-Mumbai Municipal Corporation, Mumbai and Senior Citizens of Mumbai from the underprivileged section.



2 Education

Aligned with the goals and vision of the management, several educational initiatives have been proposed/established as leaps into the future. These ventures aim at building confidence, capacity, global mindsets and communication skills among young people. Their growth will shape and give direction to the growth of our country.

Dhirubhai Ambani International School, Mumbai

The Dhirubhai Ambani International School commenced academic sessions in March 2003. The school provides international educational opportunities in the context of the emerging educational needs of students.

The school prepares students for the Indian Certificate of Secondary Education (ICSE), Cambridge University's International General Certificate of Secondary Education (IGCSE) and the International Baccalaureate Diploma (IB) examinations. The school has 940 students. The 90 faculty members with rich experience in national and international curricula, educate, mentor and guide the children through these developmentally critical years of growth.



Other Facilities

- Jamnaben Hirachand Ambani School, Lodhivali
- Kokilaben Dhirubhai Ambani Vidya Mandir, Jamnagar
- Jamnaben Hirachand Ambani Saraswati Vidya Mandir, Surat
- Development of Nav Chetan Vidyalaya , a role model school, at Hazira to promote awareness of the ecosystem



Education initiatives

- Dhirubhai Ambani Foundation Rewards and Scholarships
- Reliance Kargil Scholarship Scheme
- Dhirubhai Ambani Scholars Scheme for meritorious children of Reliance shareholders
- Summer training, training at industrial training institutes (Trade Apprentice Programme) for students from local communities, providing employment opportunities and tie-ups with distant learning centres.
- Fire Safety training imparted to the nearby community at Patalganga
- Education projects such as the 'Anand Dayee Shikshan Project'



CASE STUDY

Jamnaben Hirachand Ambani School

Our JH Ambani school at Lodhivali provides quality education to 1260 students from kindergarten to the senior secondary level. The educational activities at this school are oriented towards imparting a comprehensive and enriching academic exposure & training. Its stimulating atmosphere provides several opportunities for the students to participate and excel in different cultural and sports activities. Several awards have been conferred on this educational institution, the notable ones being the National Udyog Excellence Award, National Gold Award, Educational Excellence Award, Pride of DAV Award etc. Year after year, students of this school have been achieving excellent results in the board examinations.

Some of the other initiatives taken this year include - Disaster Management Training on Fire Safety for the entire teaching & non-teaching Staff, orienting the students for Competitive Examinations, Personality Development, General Knowledge Development through interactive presentations, Guidance and Counselling Programme, Special Language Proficiency related initiatives, integrating Performing Arts i.e. Music and Theatre with classroom teaching, educational tours and field visits, Faculty Empowerment Programme.



3 Other Community Initiatives

- Road at Dwarka, guesthouse for devotees, electronic security services and maintenance at Dwarka, traffic island, gardening of airport wasteland, drinking water, Gaushala (Cowshed), cultural promotion for all races, temples etc.
- Road safety and emergency services on state highways
- Greening and lighting of road dividers
- Drainage system for Muthiya village
- Potable water for Mora and Muthiya villages
- Sheets and Pipes for Jaipur Foot and Prosthesis with Bhagwan Mahaveer Viklang Sahayata Samiti, Jaipur
- Community meals





CASE STUDY

HIV & TB Control Centre at Mora Village, Hazira

The company has established a well-equipped DOTS therapy & HIV control centre at Mora village. This village has a migrant labour population of 8 to 10 thousand families and a total population of approximately 1.5 lakhs. We have adopted a two-fold approach to detect and control of HIV & TB. One focused at the workplace and other at the village level, involving the local population and families of the workers.

The centre has been created to exclusively cater to the Tuberculosis and HIV detection, prevention and control strategies amongst the high-risk groups.

The purpose of this well equipped and adequately staffed centre is:

- To identify and counsel persons with High Risk Behaviour.
- To provide a microscopy center and DOT therapy through the RNTCP
- To provide testing for HIV/ VDRL/Sputum examination.
- To provide free monitoring of HIV+ patients through regular clinical examination, CD4/CD8 and viral load studies.
- To provide free Anti-retroviral therapy to those who are living below poverty line and unable to afford the same.
- To spread the HIV/TB awareness in other neighbouring industries in Surat
- To spread information and awareness regarding HIV and Tuberculosis amongst the people with special emphasis on venerable groups such as CSWs, Migrant labour, truck drivers and school going teenagers.

Patients treated at the clinic during the first 30 months of operation

TREATMENT	PATIENTS
Treatment and Counselling	16115
Active Anti-retroviral Therapy	433
DOTS Therapy	197
STD Treatments	1250

Another group of 1256 HIV+ persons are on active monitoring and follow-up.



Sonal Shroff, Director of Lok Vikas Sanstha, our NGO partner in combating HIV/AIDS at Hazira and Surat.

The centre has organized lectures, seminars, and street plays for the migrant labour, truck drivers and Commercial Sex Workers. A book on nutritional guidelines in local language has been published and distributed to all HIV+ and AIDS patients along with certain food supplements. The centre has also developed a special Yoga & Pranayam programme for the affected patients.

This is a first of its kind 'Public Private Project'.

The partners to the project are:

- **Revised National TB Control Programme, Ministry of Health and Welfare**
- **Health Commissioner, Government of Gujarat**
- **CII (Confederation of Indian Industries)**
- **LVS (Lok Vikas Sanstha- NGO)**
- **GSNP+ (Gujarat State Network of People Living With HIV & AIDS)**

CASE STUDY

Gaushala - A Concept for Ssustainable Village Development

Even though the land acquisition for setting up the Jamnagar refinery was carried out amicably, some villagers had to be resettled. With the grazing fields reduced, the RIL management could visualize the villagers' concern as they were greatly dependent on their cows for livelihood. To enhance their quality of life, RIL implemented 'Gaushala', a novel concept to support local communities in Moti Khavdi, Padana, Sikka, Meghpar, Nani Khavdi, Gagva and Navagam by constructing cowsheds at a cost of INR 5.7 million (USD 0.13 million) and providing regular supply of fodder to the cows. Later on in 1997, the scheme was extended to one more village, Pipali. The same programme has now been extended to other districts as well in subsequent years to provide relief during drought.



RIL has been supporting this initiative through a constant supply of fodder and a yearly budget of INR 2.6 million (USD 0.06 million). Autonomous committees of villagers have been formed in each village to manage the affairs of the cowsheds and report to the Community Welfare Cell of RIL. With the assured supply of fodder, the cutting/pruning of trees in the area has stopped and villagers have engaged themselves in better options to earn a livelihood. Moreover Reliance Greens-the RIL township, restaurants and canteens etc. provide ready-made markets for villagers to supply milk.



CASE STUDY

Prevention of Fire and Loss of Life

The Fire Safety crew at our Patalganga unit has been playing an active role in safe guarding lives, environment and property of neighbouring communities. It has helped curb the outbreak of fire in Warehouse Corporation on Mumbai-Pune highway and stemmed leakage from a tanker near Pen, Panvel, Raigad.

Support was also provided for controlling a Naptha leak at Kamothe village off Mumbai-Pune highway.

In all these incidents, a prompt response by the RIL PG team, promoted the spirit of being good neighbours.



Dhirubhai Ambani Foundation >>

"A Spirit of Eternal Service"

Under the patronage of Shri Dhirubhai H. Ambani, the Foundation was registered under the Bombay Public Trust Act in August 1995. Smt. Nita Mukesh Ambani, President, DAF, leads the initiative.



The overall objective of the Foundation is to make philanthropic interventions for the welfare of Indian Society and promote sustainable development of its people through initiatives in the fields of:

- Health, Hygiene and Sanitation
- Education
- Community Revitalization
- Promotion of Social and Economic Welfare and Upliftment of the People
- Conservation of Natural Resources, Environmental and Ecological Protection
- Rural Development
- Assistance to other organizations with similar objectives

Milestones achieved by DAF

During the 90s

S.S.C. Merit rewards & Undergraduate scholarships to encourage meritorious students at district level launched in Gujarat, Goa, Maharashtra, Diu, Daman, Dadra Nagar Haveli. Later extended to include meritorious students from CBSE schools.

Tribute to martyrs/disabled soldiers in Kargil through the Reliance Kargil Scholarship scheme.

64 districts of Western India covered under Reliance Rewards & Scholarship Schemes.

Rewards and Scholarships awarded to physically challenged meritorious students ranked 1st in each district of Maharashtra and Goa.



From 2000 onward

Tremendous support provided to relief activities post Gujarat Earthquake.

Extended the Rewards and Scholarship Schemes to the physically challenged meritorious students from all States of India.

Convalescence Home established at Chorwad.

" Education is not merely a system of passing examinations and securing jobs. Education is a process of assimilating new learnings and ideas, developing diverse perspectives and upholding the spirit of quest."

Nita M. Ambani
President, DAF

Health

Health is of profound importance to the growth and prosperity of our society. Keeping this in mind, DAF joined hands with Sir Hurkisondas Nurrotumdas Hospital and Research Centre (HNHRC), which was established in the year 1924, in Mumbai. In March 1997, when HNHRC was in need of funds, owing to an accumulated deficit of INR 100 million (USD 2.28 million), the DAF joined the management of HNH with a purpose of restructuring & rehabilitating the hospital and its existing facilities.. Through this collaboration, DAF serves the public healthcare needs of a large number of lower middle class and poor sections of society.

The Hospital offers a range of services right from preventive, diagnostic, curative and rehabilitative. The tertiary level healthcare facilities at HNHRC include super-specialties like cardiology, cath-lab, cardio-thoracic surgery, neurology and neurosurgery, oncology, urology, nephrology and gastroenterology. It has over 150 consultants in various specializations/super-specialization, and a total staff of about 1000, including paramedical and other support staff. HNHRC also provides free and subsidized outpatient and in-patient treatment for the poor, conducts Continuous Medical Education (CME) for General Practitioners and organises Healthcare Awareness Programmes for the community. It also houses a Postgraduate Medical Institution and a Nursing College.

The Sir H. N. Medical Research Society was established in 1974 with an objective to take medical research beyond the ordinary. The Society carries out clinical and community oriented medical research and has received appreciation for completion of 98 research projects. Some of the projects were supported by national agencies and some other involved international collaborations. As many as 145 papers, including a few award-winning ones, have been presented at national and international conferences. About 105 papers have been published in established scientific journals, with 46 of them in international journals.

Education

Every year, the Foundation felicitates meritorious students. It organises 14 public functions close to the hometowns of the recipients of the SSC Merit Rewards and Undergraduate Scholarships.

These functions are much awaited events and receive wide and significant coverage in the media. A large number of students, parents and teachers from 3 to 5 neighbouring districts along with local dignitaries gather at each function to motivate and cheer the recipients. A Theme talk on a topical subject relevant to the development of the students, is an added attraction at each of these functions for the audience.

The "Dhirubhai Ambani SSC Merit Reward Scheme" and "Dhirubhai Ambani Undergraduate Scholarship Scheme" were instituted with an objective to encourage and assist meritorious students at district level to pursue higher education and in turn enhance the human resource potential of the country. In the first year, 289 meritorious students from each of the 30 districts of Maharashtra and 19 districts of Gujarat received the SSC Merit Rewards and Undergraduate Scholarships.

Spurred by the responses received from the students, teachers, parents and educators, the applicability of the schemes were further expanded to cover districts of the state of Goa, Union Territory of Daman, Diu and Dadra Nagar Haveli.

Promoting Philanthropy

The DAF has been actively involved in Social Welfare activities organized by the Bombay Chamber of Commerce and Industries (BCCI) and Confederation of Indian Industry (CII). While heading the CSR Committee of BCCI the following projects were promoted:-

- Assessment of Needs, Resources and the Opportunities for the Senior Citizens
- Development of Training Modules for BMC Hospital employees
- Adoption of Municipal Schools and Promotion for development of teachers to arrest dropout rate at the BMC Schools and some minor projects like Recycling of Water, Rural Water Problems and Solutions.

The Foundation, over the years, has sponsored various initiatives of Sampradaan - The Indian Centre for Philanthropy. Recently, DAF sponsored the second National Conference of Charitable Foundations in India at Mumbai. The objective was to create a network of opportunities for charitable foundations to exchange views and experiences and to explore new ways for NGO-Corporate collaboration. The theme of the conference was "Promoting Good Governance- Internal and External", and was well attended by about 35 NGOs from all over the country.

DAF has been a catalyst in CSR initiatives by conducting a host of activities concerning the welfare of senior citizens.



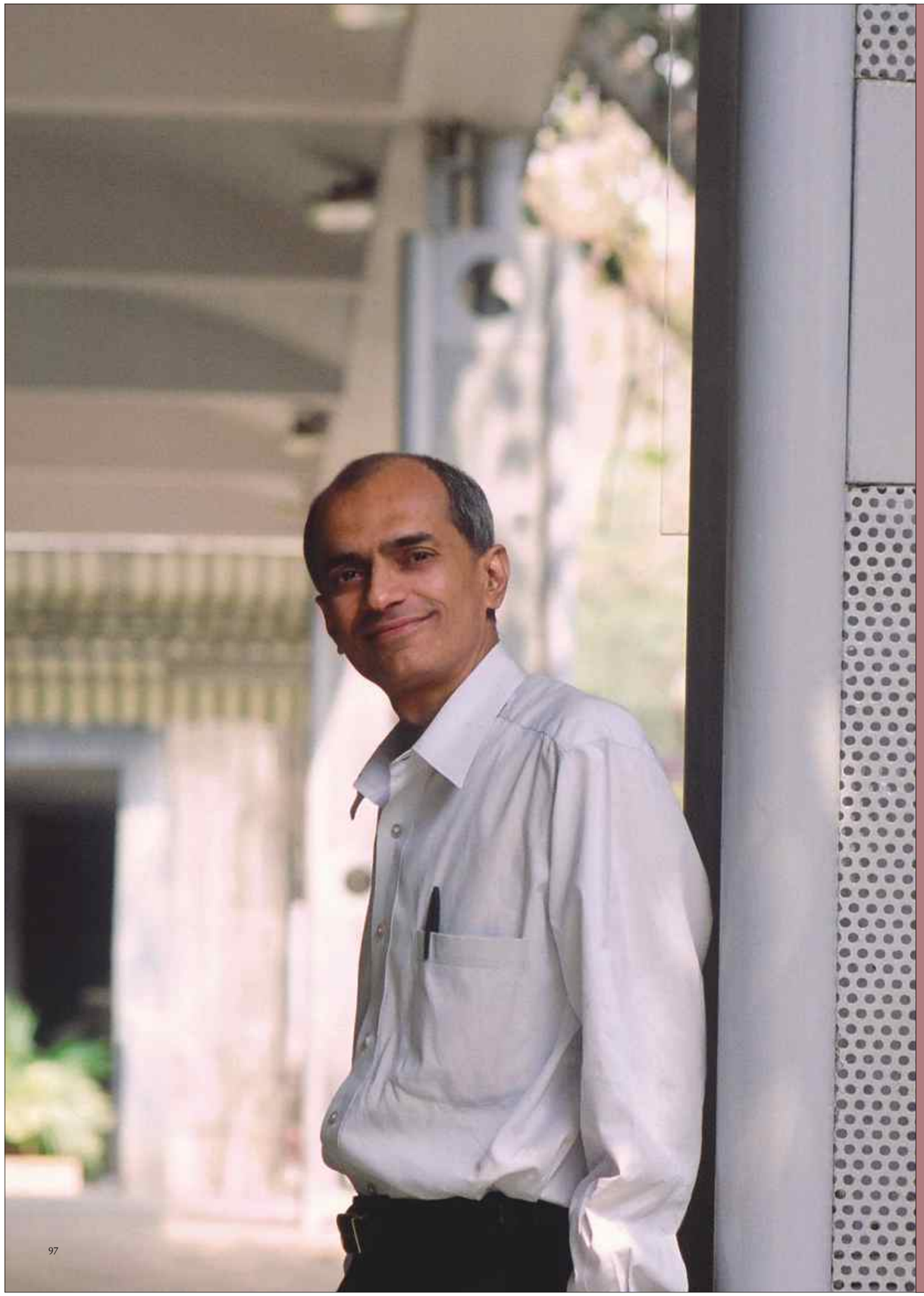
Our Approach to Reporting

We have expanded the scope of the report this year to include all our manufacturing locations and provided more information on our business divisions. We have also covered a wider range of stakeholders. For employees we have provided a comprehensive list of issues, challenges and opportunities, for local communities and NGOs we have furnished a brief on our approach and intent on community development with special emphasis on sustainability. For shareholders we have included information on economic, environmental and social performance. We have tried to bring forth the key performance indicators and have provided links for further reading.

Engaging with stakeholders	We invited feedback from key stakeholders and one of the key challenges that emerged was the ever increasing expectations of the stakeholders from the company. We used one-on-one dialogue, surveys (questionnaire based), employee forums, open houses and media reports.
Performance Indicators	We instituted a core team comprising of members from all the manufacturing locations and business units. This team identified key issues that the company is facing with respect to the triple-bottom-line and based on these findings arrived at performance indicators that most affect our business.
Priority	The team decided on including issues, challenges, achievements and case studies that are highest on our priority. This priority is based on the expectation of our stakeholders. We have tried to give snapshots of our business units and further details are available on our corporate website.
Independent Assurance	We have engaged Ernst & Young to provide independent assurance for our report. They provided assurance support for data and various statements made in the report. This helped enhance the accuracy of the report. Going forward, we plan to further strengthen our information system to include more sustainability oriented data, especially on social performance.

Reporting guidelines

We continue to use The Global Reporting Guidelines and this year we have graduated from G2 to G3. We have also compared our performance against UN Global Compact Principles.



Disclosure on
Management Approach ≫

"For us sustainability is the umbrella under which we nurture the life of our business and our stakeholders."

Laxmidas V. Merchant
Controller, Finance & Accounts

The disclosure on management approach provides a brief overview of RIL's management approach to the aspects defined under each indicator category in order to set the context for performance information.

Economic Indicators

We have robust systems to collate data on economic parameters like direct economic value generated and distributed; revenues; operating costs; employee compensation; donations; community investments; retained earnings; payments to capital providers and governments; significant financial assistance received from government. The information related to these parameters has been sourced from the data presented in the annual report that is verified and audited by an external auditor. Though we do not have a policy for ensuring maximum contribution from local suppliers, we have long standing relationship with several local suppliers. With respect to local hiring we follow the law of the land in the states we operate in. Our CDM cell manages all the activities related to climate change. It is the responsibility of the cell to evaluate the financial implications, risks and opportunities related to climate change. The Dhirubhai Ambani Foundation along with local CSR teams at manufacturing locations handles and manages activities related to public benefit. Additional information on economic and related parameters can be obtained from the annual report.

Environmental Indicators

We have a comprehensive environmental policy that addresses our concern towards conserving and improving the environment. The policy extends to all our manufacturing locations and covers issues like waste management, environmental compliance, conservation of natural resources, ensure appropriate training on environment and promote awareness. Overall the policy aims to adopt measures that will reduce the environmental impact of RIL. For addressing environmental issues across sites we have created a centre of HSE Excellence. The centre enables effective internal and external networking on HSE issues, organises training and awareness sessions on HSE and undertakes periodic audits across all locations. All our sites are certified for ISO 14001:2004 under which every site executes environmental management programmes with specific goals and targets in compliance with the corporate requirements, with a complete action plan to achieve the same.

Human Rights

We follow the law of land related to Human rights and fundamental rights. We have an open door policy and we encourage all our employees and contractors to voice their opinion on our policies and programmes. Our industrial relations department meets up with trade unions at regular intervals and understands their expectations and concerns, and appropriate settlement is made. We are in the process of including Human Rights clauses in all our agreements and contracts.

Labour Practices and Decent Work

We have dedicated Human Resources (HR) and Industrial Relations (IR) teams that effectively manage our people and cater to their requirements. In addition, we have dedicated SAP modules in operation at all manufacturing locations that help people access databases, schedule training sessions, access payroll and address grievances. We have trade unions at certain locations that act as a representative body of our workforce to address and solve labour related issues. Further we have a comprehensive health, safety and environment policy that covers all manufacturing locations and addresses aspects like ensuring process safety, compulsory use of personal protective equipment, promoting occupational health, organising training sessions and creating a safe work environment. The Centre of HSE Excellence also caters to the health and safety aspects at all manufacturing locations. All our sites are certified for OHSAS 18001:1999 under which every site executes occupational health and safety management programmes with specific goals and targets in compliance with the corporate requirements, with a complete action plan to achieve the same. We have established learning centres across all manufacturing locations that ensure appropriate training sessions for the employees as well as the contractors.

Societal Responsibility

We have initiated structured stakeholder dialogue last year and we plan to further strengthen the process of inviting their feedback. We have identified key stakeholders that include shareholders; employees; unions; customers; communities; regulatory authorities, NGOs and suppliers. Our local CSR departments at manufacturing locations interact with local communities and understand their concerns/expectations and implement various community programmes aimed at improving quality of life. It is obligatory for each and every employee to sign the company's code of conduct. The code includes explicit directives against bribery and corruption. As a responsible company, we actively take part in research projects initiated by various associations aimed at formulating policies related to our business.

Product Responsibility

Most of our products are consumables like petrochemicals and oil & gas. We constantly work towards managing impacts of our products over the supply chain. Our R&D team focuses on making products environment and user friendly. Right now we don't have systems in place to track the lifecycle performance of our products, but we have initiated lifecycle studies for a few of our products. Based on the findings, we will initiate necessary steps to minimize the impact of our products across their lifecycles. We have a range of textile products certified with "Oeko-Tex", which certifies textile products for child safety. We adhere to all Indian laws related to marketing communications, including advertising, promotion, and sponsorship.

GRI Content Index

Profile	Description	Section	Status	Page	Reason for not reporting
1.1	Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	CEO letter	Y	3-4	
1.2	Description of key impacts, risks, and opportunities.	Sustainability Challenges & Commitments	Y	22-28	
2.1	Name of the organization.	Company profile	Y	11-20	
2.2	Primary brands, products, and/or services.	Company profile	Y	11-20	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Company profile	Y	11-20	
2.4	Location of organization's headquarters.	Company profile	Y	11-20	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Company profile	Y	11-20	
2.6	Nature of ownership and legal form.	Corporate governance	Y	31-34	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Economic performance	Y	48-52	
2.8	Scale of the reporting organization.	Economic performance	Y	48-52	
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Report scope	Y	9-10	
2.10	Awards received in the reporting period.	Company profile, Communication and engagement, Environmental performance, Nurturing talent	Y	11-20 40-46 54-66 75	
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Report scope	Y	9-10	

GRI Content Index

Profile	Description	Section	Status	Page	Reason for not reporting
3.2	Date of most recent previous report (if any).	Report scope	Y	9-10	
3.3	Reporting cycle (annual, biennial, etc.)	Report scope	Y	9-10	
3.4	Contact point for questions regarding the report or its contents.	Report scope	Y	9-10	
3.5	Process for defining report content.	Our approach to reporting	Y	96	
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Report scope	Y	9-10	
3.7	State any specific limitations on the scope or boundary of the report.	Our approach to reporting	Y	96	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations.	Report scope	Y	9-10	
3.9	Data measurement techniques and the bases of calculations.	Our approach to reporting	Y	96	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports.	No such re-statements	Y	NA	
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Report scope	Y	9-10	
3.12	Table identifying the location of the Standard Disclosures in the report.	GRI content index	Y	101-110	
3.13	Policy and current practice with regard to seeking external assurance for the report.	Our approach to reporting	Y	96	
4.1	Governance structure of the organization.	Corporate governance	Y	31-34	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Corporate governance	Y	31-34	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Corporate governance	Y	31-34	

GRI Content Index

Profile	Description	Section	Status	Page	Reason for not reporting
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Communication & engagement	Y	40-46	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Corporate governance	Y	31-34	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Corporate governance	Y	31-34	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body.	Corporate governance	Y	31-34	
4.8	Internally developed statements of mission or values, codes of conduct and principles.	Our Vision, Corporate governance	Y	5 31-34	
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance.	Corporate governance	Y	31-34	
4.10	Processes for evaluating the highest governance body's own performance	Corporate governance	Y	31-34	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization. (Risk planning)	Economic performance	Y	48-52	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Dhirubhai Ambani foundation	Y	91-95	
4.13	Memberships in associations (such as industry associations).	Product stewardship, Partnering with communities	Y	66 82-90	
4.14	List of stakeholder groups engaged by the organization.	Stakeholder engagement	Y	45-46	

GRI Content Index

Profile	Description	Section	Status	Page	Reason for not reporting
4.15	Basis for identification and selection of stakeholders with whom to engage.	Stakeholder engagement	Y	41-46	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Communication & engagement	Y	41-46	
4.17	Key topics and concerns that have been raised through stakeholder engagement and how the organization has responded to those key topics and concerns, including through its reporting.	Communication & engagement, Our approach to reporting	Y	41-46 96	
Profile	**Description**	**Section**	**Reporting Level**	**Page**	**Reason for not reporting**
DMA	Disclosure on management approach for Economic Indicators	Disclosure on Management Approach	FR	97	
EC1	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.(Core)	Ensuring long term growth and profitability	FR	49-51	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change. (Core)	Challenges and path forward, Sustainability opportunities, Combating climate change	FR	25-30 61	
EC3	Coverage of the organization's defined benefit plan obligations. (Core)	Not reported this year	NR		No defined benefit plan is in place as of now, we plan to establish this in coming years.
EC4	Significant financial assistance received from government. (Core)	Ensuring long term growth and profitability	FR	51	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation. (Core)	Ensuring long term growth and profitability	PR	50	

GRI Content Index

Profile	Description	Section	Reporting Level	Page	Reason for not reporting
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation. (Core)	Nurturing our talent pool	PR	75	
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. (Core)	Ensuring long term growth and profitability, Partnering with communities	FR	50 83-90	
DMA	Disclosure on management approach for Environmental Indicators.	Disclosure on Management Approach	FR	97	
EN1	Materials used by weight or volume. (Core)	Data table	FR	55	
EN2	Percentage of materials used that are recycled input materials. (Core)	Data table	FR	55	
EN3	Direct energy consumption by primary energy source. (Core)	Energy management, Data table	FR	56-57	
EN4	Indirect energy consumption by primary source. (Core)	Energy management, Data table	FR	56-57	
EN5	Energy saved due to conservation and efficiency improvements. (Additional)	Energy management	FR	56-58	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. (Additional)	Sustainability opportunities, Energy management	FR	27 55-58	
EN8	Total water withdrawal by source. (Core)	Water management, Data table	FR	59	
EN10	Percentage and total volume of water recycled and reused. (Additional)	Water management	FR	59	
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. (Core)	Not reported this year	NR		Only one of our sites operates in protected area, but no survey of biodiversity has been done.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas. (Core)	Not reported this year	NR		No study of impacts done in the previous years.

GRI Content Index

Profile	Description	Section	Reporting Level	Page	Reason for not reporting
EN16	Total direct and indirect greenhouse gas emissions by weight. (Core)	Combating climate change, Data table	FR	61	
EN17	Other relevant indirect greenhouse gas emissions by weight. (Core)	Data table	FR	61	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved. (Additional)	Challenges and path forward, Sustainability opportunities, Combating climate change	FR	25-30 61	
EN19	Emissions of ozone-depleting substances by weight. (Core)	Air emissions, Data table	FR	64	
EN20	NOx, SOx, and other significant air emissions by type and weight. (Core)	Air emissions, Data table	FR	64	
EN21	Total water discharge by quality and destination. (Core)	Water management, Data table	FR	59	
EN22	Total weight of waste by type and disposal method. (Core)	Waste management, Data table	FR	62	
EN23	Total number and volume of significant spills. (Core)	Waste management, Data table	FR	62	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. (Core)	Product Stewardship	PR	66	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category. (Core)	Not reported this year	NR		This indicator is not relevant for us, as majority of the product is transported through pipelines and tankers.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. (Core)	No fines in the reporting period	FR	106	
DMA	Disclosure on management approach for Labour Practices and Decent Work indicators.	Disclosure on Management Approach	FR	97	

GRI Content Index

Profile	Description	Section	Reporting Level	Page	Reason for not reporting
LA1	Total workforce by employment type, employment contract, and region. (Core)	Nurturing our talent pool, Data table	FR	75-79	
LA2	Total number and rate of employee turnover by age group, gender, and region. (Core)	Nurturing our talent pool, Data table	FR	79	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations. (Additional)	Nurturing our talent pool	FR	79	
LA4	Percentage of employees covered by collective bargaining agreements. (Core)	Not reported this year	NR		We do not have systems in place to monitor this indicator, however, we are in the process of procuring software which would capture this information.
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements. (Core)	Not reported this year.	NR		We do not have systems in place to monitor this indicator, however, we are in the process of procuring software which would capture this information.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region. (Core)	Protecting our people and assets, Data table	FR	69	
LA8	Education, training, counseling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases. (Core)	Nurturing our talent pool, Partnering with communities	FR	79-80 84	
LA10	Average hours of training per year per employee by employee category. (Core)	Nurturing our talent pool, Data table	FR	75	

GRI Content Index

Profile	Description	Section	Reporting Level	Page	Reason for not reporting
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. (Additional)	Nurturing our talent pool	FR	76-78	
LA12	Percentage of employees receiving regular performance and career development reviews. (Additional)	Nurturing our talent pool	PR	75-76	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity. (Core)	Corporate governance	PR	31-34	
LA14	Ratio of basic salary of men to women by employee category. (Core)	Not reported this year.	NR		We do not have systems in place to monitor this indicator, however, we are in the process of procuring software which would capture this information.
DMA	Disclosure on management approach for Human Rights Indicators	Disclosure on Management Approach	FR	97	
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. (Core)	Not reported this year	NR		We comply with local regulations and legal procedures, which address these clauses discretely.
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. (Core)	Not reported this year	NR		We comply with local regulations and legal procedures, which address these clauses discretely.
HR4	Total number of incidents of discrimination and actions taken. (Core)	No such incidents in the reporting period	FR	108	

GRI Content Index

Profile	Description	Section	Reporting Level	Page	Reason for not reporting
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. (Core)	No such operations at RIL	FR	109	
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor. (Core)	No such operations at RIL	FR	109	
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor. (Core)	No such operations at RIL	FR	109	
DMA	Disclosure on management approach for Society Indicators	Disclosure on Management Approach	FR	97	
SO1	Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting. (Core)	Partnering with communities, DAF	PR	83-90 93-95	
SO2	Percentage and total number of business units analyzed for risks related to corruption. (Core)	Not reported this year	NR		We have procedures in place to check corruption, however, we have not analyzed risks related to corruption.
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures. (Core)	Not reported this year	NR		Our HR manual addresses this issue partly, but there is no formal training on the subject.
SO4	Actions taken in response to incidents of corruption. (Core)	No incidents of corruption in the reporting period	FR	109	
SO5	Public policy positions and participation in public policy development and lobbying. (Core)	Challenges and path forward	PR	26	

GRI Content Index

Profile	Description	Section	Reporting Level	Page	Reason for not reporting
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. (Core)	No incidents of non-compliance in the reporting period	FR	110	
DMA	Disclosure on management approach for Product Responsibility Indicators.	Disclosure on Management Approach	FR	97	
PR1	Lifecycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures. (Core)	Product Stewardship	PR	66	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes. (Additional)	No such incidents in the reporting period	FR	110	
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements. (Core)	Not reported this year	NR		We do not have systems in place to monitor this indicator, however, we are in the process of procuring software which would capture this information.
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. (Core)	Not reported this year	NR		We comply with local regulations and legal procedures, which address these clauses discretely.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. (Core).	No significant fines in the reporting period	FR	110	

FR - Fully reported PR - Partially reported NR - Not reported

Acronyms

AICTE	All India Committee for Technical Education
AMPRE	Advanced Management Programme for Reliance Engineers
ASTD	American Society for Training & Development
ASU	Air Separation Unit
ATF	Aviation Turbine Fuel
B to B	Business to Business
BAA2 (Moody's)	Moody's long-term obligation ratings are opinions of the relative credit risk of fixed-income obligations with an original maturity of one year or more. Obligations rated BAA are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics.
BBB (Standard & Poor's)	Standard & Poor's (S&P) is a division of McGraw-Hill that publishes financial research and analysis on stocks and bonds. It is one of the top three companies in this business, along with Moody's and Fitch Ratings. BBB: medium class companies, which are satisfactory at the moment
BCCI	Bombay Chamber of Commerce and Industry
BIS	Bureau of Indian Standards
BMC	Bombay Municipal Corporation
BSE	Bombay Stock Exchange
CASHe	Change Agents for Safety, Health and Environment
CDM	Clean Development Mechanism
CHSEE	Centre for HSE Excellence
CII	Confederation of Indian Industry
CMO	Chief Medical Officer
CO_2	Carbon Dioxide
COD	Chemical Oxygen Demand
CP-7	Designated area in the plant
CPMA	Chemical and Petrochemicals Manufacturers' Association
CPR	Cardiopulmonary Resuscitation
CSR	Corporate Sustainability Reporting

Acronyms

CSW	Commercial Sex Workers
DAF	Dhirubhai Ambani Foundation
DAV (School)	Dayanand Arya Vidyamandir
DOTS	Directly Observed Treatment (Short-course)
EMS	Environment Management Systems
EO	Ethylene Oxide
ERP	Enterprise Resource Planning
ETP	Effluent Treatment Plant
EVA	Economic Value Added
FI	Fibre Intermediaries
FIS	Fibre Intermediates Sector
FOPE	Field Operators and Panel Engineers
FY	Financial Year
G3 Guidelines	The new set of Sustainability Reporting Guidelines, launched by GRI in October, 2006.
GDP	Gross Domestic Product
GH	Guest House
GHG	Greenhouse Gases
GIDC	Gujarat Industrial Development Corporation
GJ	Giga Joules
GRI	Global Reporting Initiative
GSNP	Gujarat State Network of people living with AIDS
H_2S	Hydrogen Sulfide
HDPE	High Density Poly Ethylene
HNH	Hurkisondas Nurrotamdas Hospital
HNMRS	Hurkisondas Nurottamdas Medical Research Society
HSE	Health, Safety, and Environment
HSEF	Health, Safety, Environment and Fire
HTDS	High Total Dissolved Solids
HZ	Hazira

Acronyms

ICPE	Indian Centre for Plastics in the Environment
IEC	International Electrotechnical Commission
IIM	Indian Institute of Management
IIT	Indian Institute of Technology
ILNA	Individual Learning Needs Assessment
IMS	Integrated Management System
INR	Indian Rupees
IPO	Initial Public Offering
IR	Industrial Relations
ISAE	International Standard on Assurance Engagements
ISO	International Organization for Standardization
ITI	Industrial Training Institute for undergraduates
JN	Jamnagar
KGD6	Exploration block in Krishna-Godavari Basin
KK	Kurkumbh
KPI	Key Performance Indicator
KRA	Key Result Areas
KSA	Knowledge, Skills and Attributes
LAB	Linear Alkyl Benzene
LC	Learning Centre
LCA	Lifecycle Assessment
LTDS	Low Total Dissolved Solids
LVS	Lok Vikas Sanstha
MMPRE	Manufacturing Management Programme for Reliance Engineers
MPRE	Management Programme for Reliance Engineers
MT	Million Tonnes
NAB	National Association for the Blind
NABL	National Accreditation Board for Testing and Calibration Laboratories

Acronyms

NGOs	Non- Government Organizations
NOx	Oxides of Nitrogen
NR	Naroda
NSE	National Stock Exchange
ODS	Ozone Depleting Substance
OHC	Occupational Health Centre
OHSAS 18000	Occupation Health and Safety Assessment Series
OHSMS	Occupational Health & Safety Management Systems
PACOL	Reactor in LAB plant
PET	Polyethylene Terephthalate
PF	Provident Fund
PG	Patalganga
PPE	Personal Protective Equipment
PRIA	Patalganga 'Rasayani' (Chemical) Industries Association
PSF	Polyester Staple Fibre
PX	Paraxylene
QLI	Quality Loss Index
QMS	Quality Management Systems
R&D	Research and Development
RC	Responsible Care - An Initiative of the Chemical Industry.
RIL	Reliance Industries Limited
RNTCP	Revised National Tuberculosis Control Programme
RO	Reverse Osmosis
RSP	Reliance Supply and Procurement
RTC	Reliance Technology centre
SAP	The business application and Enterprise Resource Planning (ERP) solution software provider
SCBA	Self Contained Breathing Apparatus
SEBI	Securities & Exchange Board of India

Acronyms

SOP	Standard Operating Procedures
SOx	Oxides of Sulphur
SPM	Suspended Particulate Matter
SSC	Secondary School Certificate
STDs	Sexually Transmitted Diseases
TB	Tuberculosis
TQM	Total Quality Management
TRCFR	Total Recordable Cases Frequency Rate
UN	United Nations
UNFCCC	United Nations Framework Convention on Climate Change
USD	US Dollars
VAM	Vapour Absorption Machine
VCM	Vinyl Chloride Monomer
VOC	Volatile Organic Compounds

Ernst & Young Pvt. Ltd.
Risk and Business Solutions
18th Floor, Express Towers
Nariman Point , Mumbai - 400 021, India.

INDEPENDENT ASSURANCE STATEMENT

Ernst & Young Pvt. Ltd. has been engaged by Reliance Industries Ltd. (the Company) to provide independent assurance of its Corporate Sustainability Report 2005 - 2006 (the Report). The preparation of the Report and its content is the responsibility of the management of the Company. Our responsibility is to provide limited assurance on the information therein and to express our overall opinion on the Report as per the scope of services. The scope, approach, limitations and exclusions, and conclusions of our work are detailed below.

Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with them. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk.

The Company has stated in the "Report Scope" section of "the Report" that it has followed GRI (Global Reporting Initiative) G3 Guidelines.

Our Scope

The scope of our services was established through discussions with the Company and included provision of limited assurance over the following:

- Corporate Sustainability Report of the Company for the period April 2005 to March 2006.
- Governance structure, policies, and management systems related to the environmental, and social performance of the Company as represented in the Report.
- Factual information related to key environmental and social performance indicators, environmental and social initiatives, and supporting data as given in the Report.

Limitations and Exclusions

The Assurance does not cover the following:

- Activities outside the defined reporting period from April 2005 to March 2006.
- Company position statements that are excluded from our scope of assurance which describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company
- Information that was of a highly confidential nature was also subjected to review, for example, pricing issues, issues related to Intellectual Property Rights and other competitive issues;
- Financial data in this Report which has been taken from the Company's 2005 - 2006 Annual Report, separately audited by an external auditor and therefore excluded from the scope of this assurance.

Level of Assurance

Our responsibility is to provide a 'limited' level of assurance as per ISAE 3000 and based on principles of Materiality, Completeness and Responsiveness.

Independence

Ernst & Young's independence policies which are applicable to the firm, partners and professional staff, prohibit any financial interests in our clients that would or might be seen to impair independence. Each year, partners and staff are required to confirm their compliance with the firm's policies.

Our Approach

This assurance engagement has been planned and executed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE3000). The report has also been evaluated against the following criteria:

- Adherence to the principles of Materiality, Completeness and Responsiveness
- The application of the Global Reporting Initiative (GRI) 2003 Sustainability Reporting Guidelines (G3 Guidelines) (the Guidelines).

The assurance engagement was performed by a multidisciplinary team of professionals in the field of environment, health and safety (EHS) and social matters, in conformity with the standard.

In order to develop our conclusions, we executed the steps outlined below.

Discussion with the Company's Senior Executives:
We planned and organized sessions with the Company' Senior Executives to understand their perspective on incorporating and embedding sustainability in the business approach of the Company as set out in the report. We also discussed the internal procedures and systems in place to assure the data provided to the Board of Directors.

Discussion with Plant Heads and Plant Personnel at the Company's manufacturing locations at Naroda, Patalganga, Hazira, Jamnagar, and Kurkumbh:
The discussions with Plant Heads and Plant Personnel at Naroda, Patalganga, Hazira, Jamnagar, and Kurkumbh were organized to understand their perspective on adopting and implementing the environmental and social expectations at the manufacturing location, as set out by the Managing Director and the Senior Executives.

Review of the Stakeholder Engagement Process at Naroda, Patalganga, Hazira, Jamnagar, and Kurkumbh:
We reviewed the stakeholder engagement process at Naroda, Patalganga, Hazira, Jamnagar, and Kurkumbh through interviews with concerned personnel, and by checking the relevant documentation such as questionnaires and stakeholder responses and feedbacks.

Review of information and statements presented in the Report:
We reviewed a selection of information and statements presented in the Report by conducting visits to the manufacturing locations and through one-to-one discussions with the personnel who collected and collated the information and developed the statements.

Ernst & Young Pvt. Ltd.
Risk and Business Solutions
18th Floor, Express Towers
Nariman Point , Mumbai - 400 021, India.

Examination of data presented in the Report:

We examined a selection of data presented in the Report with respect to environment, health and safety performance. We also examined the data presented in the Report related to Human Resources, Training and Social Responsibility.

We understood the process of data collection and collation and tested data samples across the Report from correctness and accuracy perspectives. We also understood various assumptions documented and applied by the Company's personnel wherever required.

Our Observations

As per our scope and based on our approach, we provide the following observations on the Report with reference to the Materiality, Completeness and Responsiveness and in relation to the GRI Guidelines.

Materiality

We are of the opinion that:

- The feedback from key stakeholders is considered by the Company for reporting on issues and challenges material to its activities ;
- The setting of some Sustainability-related objectives and performance indicators is done both at a local level as well as at the corporate level; efforts to align local level objectives and performance indicators with that of corporate level were evidenced ;
- The company has used GRI G3 protocols to consolidate information against most performance indicators ; However, in certain cases the data is derived from indirect sources, such as in the case of wastewater, greenhouse gases, and air emission ;
- Most data collection is ERP-enabled, which helps minimize risks of manual inputs errors. In certain cases (e.g. social data), where data was first recorded manually in various formats then converted into the desired format, some scope for possible inadvertent errors was identified. The Company can consider inclusion of these data in central MIS or develop mechanism to centrally document the data across locations.

Completeness

We are of the opinion that:

- This Report describes the broad range of economic, environmental, and social issues that the Company has addressed, including some of those for which it has HSE compliance responsibility along with the steps adopted to address the issues ;
- The information presented is in line with the scope defined in 'Report scope' section, and covers the manufacturing locations at Naroda, Patalganga, Hazira, Jamnagar, and Kurkumbh. The report also introduces five business divisions (Polyester, Polymers, Chemicals, Fibre Intermediates and Petroleum), and the Dhirubhai H Ambani Foundation ;
- Stakeholder engagement with key stakeholders is executed in a regular but relatively informal manner. A structured stakeholder mapping and engagement process and its description in the report would add to the completeness of the report ;
- The reported data covers core indicators of the GRI G3 Guidelines, and the exclusions have been justified. The Company could consider reporting on additional indicators under the GRI G3 Guidelines.

Responsiveness

We are of the opinion that:

- The report follows an issues and stakeholder-centric approach, which adds clarity. There have been commendable efforts in articulating Sustainability' Issues, Challenges, as well as related Business Opportunities ;
- The Report describes the performance of the manufacturing locations based on the corporate policies and objectives ;
- The report is for the period starting from 1st April 2005, ending on 31st March 2006. Certain parameters have been converted from calendar year recordings, and this conversion is mentioned in the report.

Information on the Protocol

RIL has used the available GRI G3 protocols wherever applicable except for wastewater, greenhouse gases and air emissions, where results have been arrived at based on derived approach.

Our Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the reviewed indicators have not, in all material respects, been prepared in accordance with the Protocol.

Ernst & Young Pvt. Ltd.

New Delhi

Dated: January 10, 2007



Global Reporting Initiative

The "Global Reporting Initiative" (GRI), a collaborating centre of the United Nations Environment Programme, is a large multi-stakeholder network of thousands of experts, in dozens of countries worldwide, who participate in GRI's working groups and governance bodies, use the GRI Guidelines to report, access information in GRI-based reports, or contribute to develop the Reporting Framework in other ways both formally and informally.

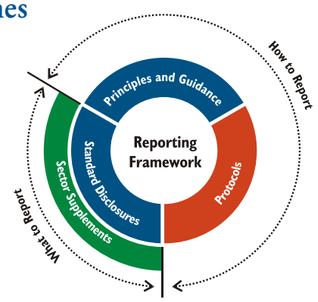
The Global Reporting Initiative's vision is that reporting on economic, environmental, and social performance by all organizations becomes as routine and comparable as financial reporting. GRI accomplishes this vision by developing, continually improving, and building capacity around the use of its Sustainability Reporting Framework.

To-date, nearly 1000 organizations in over 60 countries have declared their use of the GRI Reporting Framework.

The GRI Sustainability Reporting Guidelines

GRI recommends that its guidelines should be used as the basis for reporting. The guidelines are the foundation upon which all other reporting guidance is based, and outline core content for reporting that is broadly relevant to all organizations regardless of size, sector, or location.

The new set of Sustainability Reporting Guidelines, launched by GRI in October, 2006, define the content of the report including the materiality, stakeholder inclusiveness, sustainability context, and completeness. They also define the report quality on a host of parameters such as reliability, clarity, balanced view, accuracy, and timeliness.



G3 Reporting Framework

GRI Application Levels

To indicate that a report is GRI-based, report makers declare the level to which they have applied the GRI Reporting Framework via the "Application Levels" system.

To meet the needs of beginners, those somewhere in between, and advanced reporters, there are three levels in the system. They are titled C, B, and A. The reporting criteria at each level reflect a measure of the extent of application or coverage of the GRI Reporting Framework.

Report Application Level	C	C+	B	B+	A	A+
Standard Disclosures: G3 Profile Disclosures (OUTPUT)	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Report Externally Assured	Same as requirement for Level B	Report Externally Assured
Standard Disclosures: G3 Management Approach Disclosures (OUTPUT)	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category	
G3 Performance Indicators & Sector Supplement Performance Indicators (OUTPUT)	Report on a minimum of 10 Performance Indicators, including at least one from each of Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human Rights, Labor, Society, Product Responsibility.		Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	

*Sector supplement in final version

The Reliance CSR Report 2005-2006, 'My Reliance. My Life' is a 'GRI Checked' Application Level A+ report.

To know more about GRI please visit www.globalreporting.org

Registered Office:
3rd Floor, Maker Chambers IV
222, Nariman Point
Mumbai - 400 021, India.
Tel +91 22 2278 5000
Fax +91 22 2278 5111
www.ril.com

Reliance
Industries Limited

Growth is Life

www.ril.com

cognito