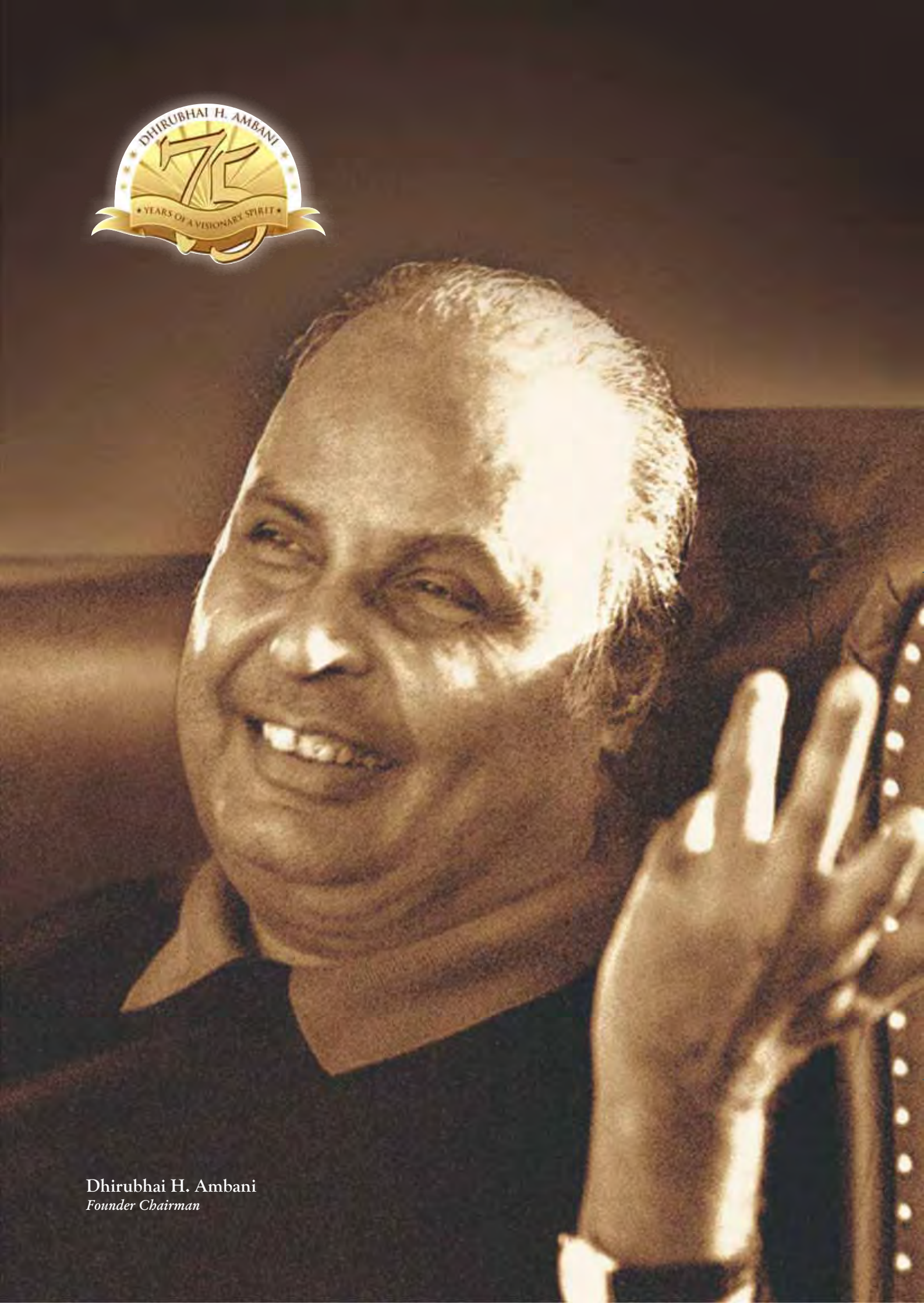
Sustainability Report 2007-08

Transforming Life.
Redefining Tomorrow.

Reliance
Industries Limited
Growth is Life



Dhirubhai H. Ambani
Founder Chairman

GRI CHECKED A+

Contents

Reliance
Industries Limited
Growth is Life

Sustainability
Report 2007-08

Registered Office

3rd Floor, Maker Chambers IV,
222, Nariman Point,
Mumbai 400 021, India.
Tel.: +91-22-2278-5000
Fax: +91-22-2278-5185

http://www.ril.com


Transforming Life.
Redefining Tomorrow.

It is in the inherent nature of the seed to transform into a tree and embellish the landscape of a region. It is in the inherent nature of a cell to transform into a living being and redefine the meaning of life. It is in the inherent nature of a concept to transform beliefs and redefine the course of the future.

At Reliance, it is in our inherent nature to transform every task we undertake in a way that it redefines how things are done henceforth. Our endeavour is to make each day an inflection point which collectively redefines the future. Be it enterprise, technology, corporate responsibility or environmental stewardship – at Reliance every effort and action is directed towards a radical change for the better.

It summarises the scope of our vision and the scale of our actions in which it is imperative that we are instrumental to the change rather than being incidental to it. We have, at regular historical intervals, transformed challenges into growth platforms and affected the changing dynamics of the country.

Dhirubhai-1, India's first floating production storage (FPSO) vessel, located in the KGD-6 of the east-coart of India.

We transformed the textile industry when we weaved magic with our polyester business and redefined style for the common man.

We transformed the stock market when we scripted a historic opening and ushered in the cult of sharing corporate wealth with shareholders in India.

We transformed the polymer and petrochemical industry by catalyzing a better standard of living and redefining the lives of millions.

We transformed petroleum refining by setting up the world's largest greenfield refinery and set a new benchmark of world class scaling by Indian companies.

We transformed the telephony sector when we connected millions of Indians and redefined communication in India by making a call cheaper than a postcard.

At Reliance transformation is a constant that takes place everyday.

Now as we kick off our new export-oriented refinery at Jamnagar which will become the single largest location for refinery assets, we add muscle to our committment.

The new refinery will be one of the most complex in the world with the capability of producing ultra low sulphur and environment-friendly auto fuels.

In doing so, it is our ambition to transform the lives of millions of Indians and tilt the energy balance in our favour.

The next step is transforming hydrocarbon production through a new discovery domain and redefining Reliance's growth trajectory and India's march towards energy security.

Each of these transformations has enhanced the lives of millions of Indians and has become the impetus for further transformations. Every day, we are unfolding new frontiers and redefining the growth trajectory of the country.

As newer possibilities emerge our vision is revised and improved, keeping the transformation-breakthrough cycle constant.

Through every breakthrough we have been propelled by our desire to create a more sustainable tomorrow. We have done that by giving back and transforming the lives of our stakeholders – internal and external; because we believe, they in turn step out into the world empowered, and redefine their tomorrow. In the process, they create a more sustainable future for their company, their communities and the world at large.

Transforming Life; Redefining Tomorrow encapsulates the breadth and width of our economic, social and environmental initiatives. We consider it more like a responsibility statement, reflecting the strong sense of ownership which each one of us feels when it comes to playing a pivotal role in creating a more secure tomorrow for our future generations.

It underlines our endeavour to be in a constant state of evolution; exploring renewable and sustainable growth frontiers, aligning with our vision that today we must be a leap ahead of tomorrow and highlights our inexhaustible capacity to grow because for us 'Growth is Life'.

The Crude Distilliation Unit (CDU) at Jamnagar Refinery has a capacity to process 660,000 Barells Per Stream Day (BPSD). With the upcoming Refinery at SEZ, the total crude distillation will increase to 1.24 Million BPSD.

CMD's Message

It is with pleasure that I share with you perspectives on corporate responsibility of Reliance Industries Limited and, specifically, on some highlights for the year.

As a large global enterprise engaged with businesses in the energy and materials value chain, the theme of our corporate responsibility is around sustainable growth, with an emphasis on energy use, environmental footprint, ecological improvement, environmental transformations and social institution building.

The aspect of responsible energy use has several manifestations in Reliance and the most eloquent example of this is with respect to the Jamnagar petroleum refinery complex, the third largest in the world, and the most energy efficient in the world.

Reliance has set company-wide targets for key environment related performance indicators such as material consumption, energy efficiency, GHG emissions, air quality, ozone depleting substances, water consumption, waste water discharge and hazardous and non-hazardous waste generation and disposal. An annual environmental plan identifies projects to achieve targets for each of these parameters, with the ultimate objective of becoming water positive and carbon neutral with maximum recycling and reuse of hazardous wastes.

As a mandatory requirement, Environment Impact Assessment, Qualitative Risk Assessment and Hazards in Operability studies are done for all new and major expansion projects. Six manufacturing divisions have achieved 100% recycling and another two have initiated 'zero discharge' projects.

When Reliance set foot in Jamnagar in 1996 to build a world-scale petroleum refining complex, it was stark in its semi-aridness. The annual rainfall here was less than 400 millimeters a year. Ground water was scarce. Many local people used to migrate to south Gujarat during summer. Migration for employment was routine.

Today, this manufacturing division stands in sharp contrast. It is an expanse of greenery. Reliance worked to create horticulture, agro forestry and greenbelt plantations. Reliance also restored 100 acres of coastal mangrove ecosystem and conceived and created a green township. The last four years have seen rainfall double in the Jamnagar area. Ground water levels have risen. The Jamnagar manufacturing division is home to the largest mango orchard in India. It also sees migratory birds that were never there before. Jamnagar is a story of an ecological transformation.

"What is good for India is good for the world."

At Reliance, positive sustainability has been an opportunity for furthering innovative solutions. We recognize that the biggest value creator for our organisation in the future will be innovation. To institutionalize innovation within the organisation, a Reliance Innovation Movement has been launched with a charter of making innovation as a way of life and ensuring that the next generation of growth will be innovation-led growth. To provide the vision to this movement, a Reliance Innovation Council comprising global business and science thought leaders has been established. We have also set up the Reliance Innovation Leadership Centre to serve the Council and drive the innovation agenda.

Our recently instituted Reliance Technology Group will bring together the R&D and technological expertise in a 'One Reliance' spirit. This will ensure that Reliance breaks new grounds in technology while remaining at the forefront of technological excellence.

At another level, Reliance has set out to build transformational initiatives that have significant environmental benefits. These are gas as a green fuel, solar energy and biofuels.

Reliance's endeavours in oil and gas enable energy security for India and more importantly, promotes gas as a green fuel. In the recent past, Reliance has been exploring and working in the area of alternate energy, primarily biofuels.

Reliance has significant financial equity and has built strong social equity. So far, the social equity was invisible to society, because they involved contributions to several social organisations. Reliance is now engaged in building social institutions – in education, health care and community engagement.

Drishti is one of Reliance's first initiatives in building social institutions in community engagement. It aims to bring vision to those without eyesight. It manages the largest corneal transplant program in India.

Reliance conceptualized the Dhirubhai Ambani International School at Mumbai on the principle that every experience of the child and of the parent with the school must be enjoyable. Today, Dhirubhai Ambani International School has come to be recognized among the top schools in the world. Reliance is building a new world-class tertiary care hospital in the HN Hospital campus in Mumbai. It would offer world-class health care at affordable costs.

Reliance believes that it is in its enlightened self-interest to ensure sustainable growth. As a global player in business and a leader in several industry domains, Reliance believes that it can seek and pursue creative and constructive approaches in sustainable development. And that it is an investment for the future of our world because prosperity, like peace, is indivisible.

Yours Sincerely,

Mukesh D. Ambani
Chairman & Managing Director
October 23, 2008

1977-2007

30 YEARS

EMPOWERING PEOPLE

Transforming India for Three Decades

Company Profile

Reliance Industries Limited (RIL), for the past several years, is India's largest private sector company on all major financial parameters. Our group's activities span exploration & production of oil & gas, petroleum refining and marketing, petrochemicals (polyester, fibre intermediates, polymers and chemicals), textiles, retail and special economic zones (SEZs).

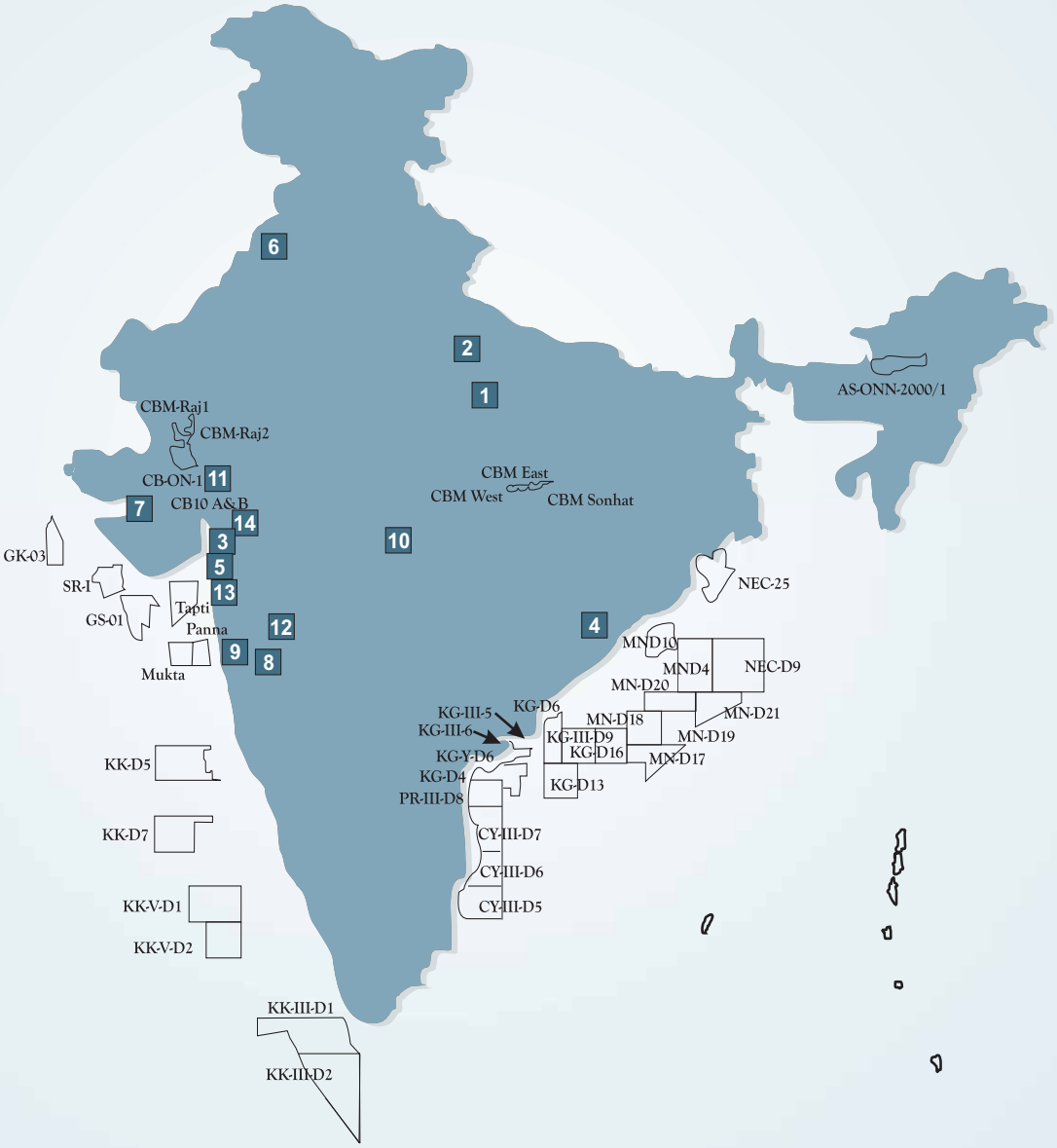
Our company is featured in the **Fortune Global 500** list of 'World's Largest Corporations' for the fourth consecutive year and is among the Top 25 climbers for two years in a row. We are ranked 182nd in the **FT Global 500** (up from previous year's 284th rank). Further, our company ranks amongst the **'Worlds 25 Most Innovative Companies'** as per a list compiled by the US financial publication-*Business Week* in collabouration with the Boston Consulting Group in April 2008.

We, with subsidiaries, are India's largest exploration acreage holder in the private sector. Our portfolio comprises 30 percent interest in Panna-Mukta and Tapti (PMT) fields, 33 exploration blocks awarded under the NELP and Pre-NELP licensing rounds and five coal bed methane (CBM) blocks. Our international businesses comprises exploration interests in Yemen, Oman, East Timor, Kurdistan (Iraq), Colombia and Australia.

We operate the third largest petroleum refinery in the world at any single location. Further, we are setting-up an export-oriented refinery at Jamnagar through our subsidiary Reliance Petroleum Ltd, after which, Jamnagar will become home to the single largest location for refinery assets.

We have maintained our domestic leadership position in Polymers business, i.e. Polypropylene (PP), Polyethylene and Poly Vinyl Chloride. We are fully integrated Polyester producer making our own Paraxylene (PX) and Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG) from crude oil. Further, we are the 4th largest producer of PX and PTA. Our company is India's largest and the world's 6th largest producer of MEG. We are world's 7th largest producer of PP.

Our textile division at Naroda, Ahmedabad is one of the largest and most modern textile complexes in India. Our flagship brand 'VIMAL' is one of the most trusted brands of premium textiles in the country. It also meets the requirements of automotive textile and apparel.



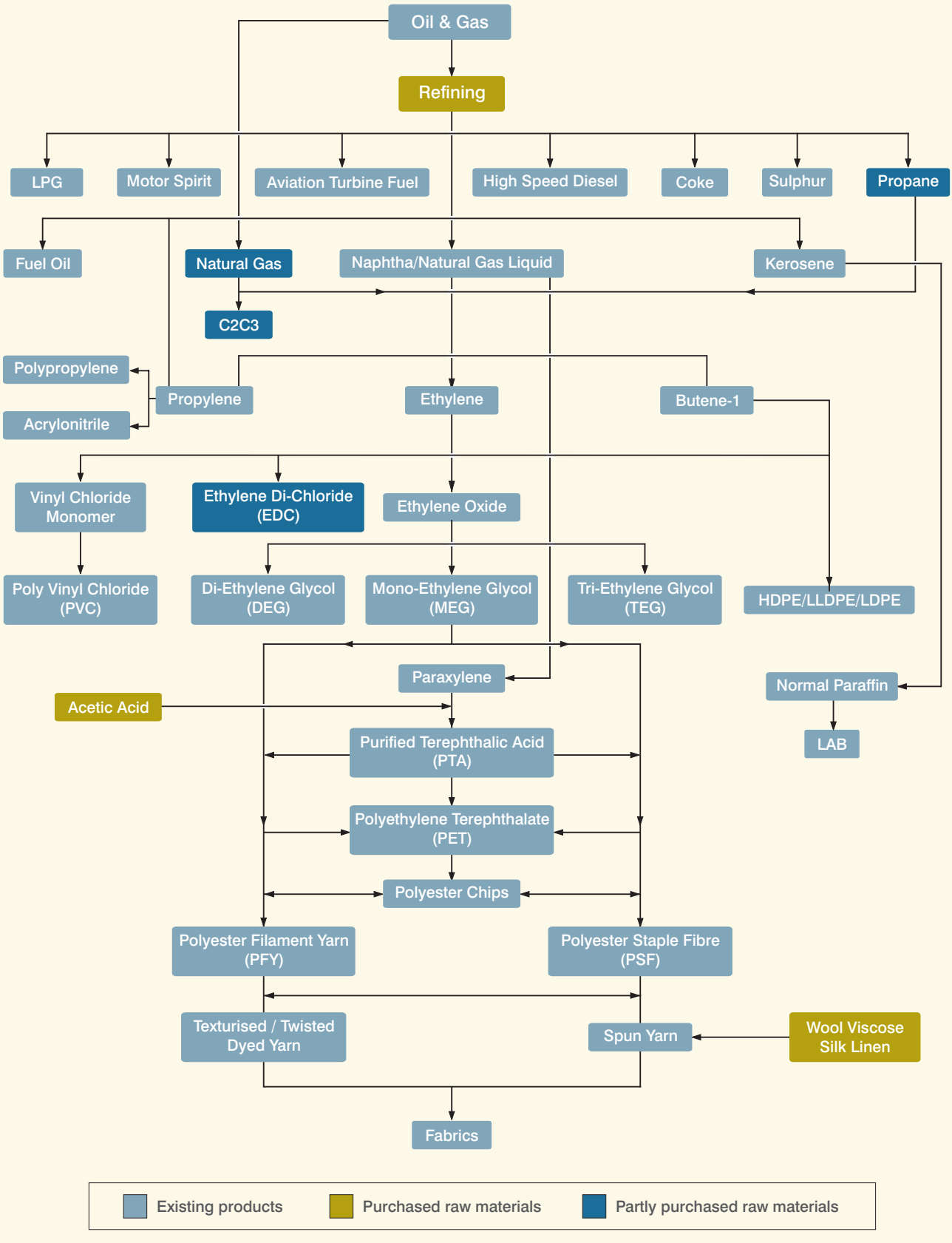
Manufacturing Divisions

1	Allahabad	5	Hazira	9	Nagothane	13	Silvassa
2	Barabanki	6	Hoshiarpur	10	Nagpur	14	Vadodara
3	Dahej	7	Jamnagar	11	Naroda		
4	Dhenkanal	8	Kurkumbh	12	Patalganga		

E & P of O & G

AS-ONN-2000/1	CB10 A & B	KK-III-D2	KG-III-5	MND10	NEC-25
CBM East	CY-III-D5	KK-V-D1	KG-III-6	MN-D17	NEC-D9
CBM West	CY-III-D6	KK-V-D2	KG-III-D9	MN-D18	Panna
CBM Sonhat	CY-III-D7	KK-D5	KG-Y-D6	MN-D19	PR-III-D8
CBM-Raj 1	GK-03	KK-D7	KG-D4	MN-D20	SR-I
CBM-Raj 2	GS-01	KG-D6	KG-D13	MN-D21	Tapti
CB-ON-1	KK-III-D1	KG-D16	MND4	Mukta	

The RIL Vertical



Scope of the Report

This report, the fourth in our journey on sustainability reporting, presents RIL's sustainability performance for the financial year 2007 – 2008. Wherever required, we have also exhibited the trends of our sustainability performance for the past four years.

The report covers 14 manufacturing locations of RIL at Allahabad, Barabanki, Dahej, Dhenkanal, Hazira, Hoshiarpur, Jamnagar, Kurkumbh, Nagothane, Nagpur, Naroda, Patalganga, Silvassa and Vadodara; business divisions: Chemical, Fibre Intermediates, Polyester, Polymers, Petroleum; Supply & Procurement; Dhirubhai Ambani Foundation and Reliance Rural Development Trust. This year, we expanded our scope to include Exploration and Production of Oil & Gas business.

With the high volatility in energy prices, limited availability of resources and with a view to move towards low carbon future, we have included 'Energy Security' as one of our key material issues.

On the stakeholder engagement front, we have presented snapshot of our engagement strategy which we plan to implement in the near future.

We are 'Organisational Stakeholder' of Global Reporting Initiative (GRI). In addition to adhering to GRI G3 sustainability reporting guidelines, we continue to follow The American Petroleum Institute / The International Petroleum Industry Environmental Conservation Association's (API/IPIECA) guidelines and The United Nations Global Compact (UNGC) principles and have aligned our sustainability development activities with the focus areas of The World Business Council for Sustainable Development (WBCSD).

This year again, our report is a GRI checked A+ report.

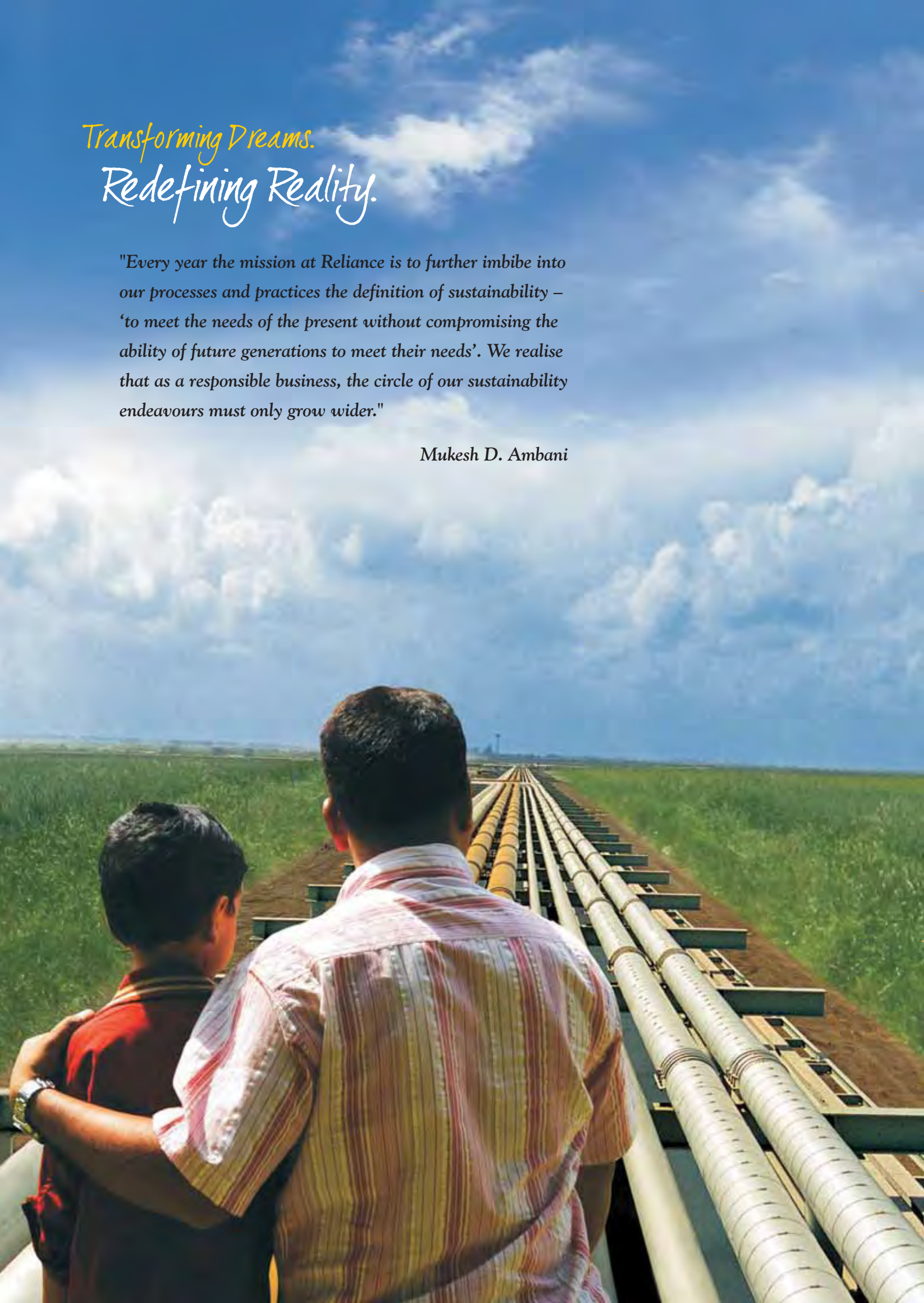
As per GRI's A+ application level requirements, this year, we have fully reported on 73 G3 indicators; partially on 2 indicators and have stated our action plan to report on the remaining 4 indicators in the near future.

Ernst & Young has provided independent assurance for this report.

We value your suggestions and invite your feedback on this report. Please e-mail your suggestions / views / opinions to Shri Rohit Rao at rohit.rao@ril.com

Forward-looking Statements

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to statements about the company's strategy for growth, product development, market position, expenditure and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realised. The company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.



Transforming Dreams.
Redefining Reality.

"Every year the mission at Reliance is to further imbibe into our processes and practices the definition of sustainability – 'to meet the needs of the present without compromising the ability of future generations to meet their needs'. We realise that as a responsible business, the circle of our sustainability endeavours must only grow wider."

Mukesh D. Ambani

Our Vision,

Through sustainable measures, create value for the nation, enhance quality of life across the entire socio-economic spectrum and help spearhead India as a global leader in the domains where we operate

Mission,

- Create value for all stakeholders
- Grow through innovation
- Lead in good governance practices
- Use sustainability to drive product development and enhance operational efficiencies
- Ensure energy security of the nation
- Foster rural prosperity

And Values

Our growth and success are based on the ten core values of Care, Citizenship, Fairness, Honesty, Integrity, Purposefulness, Respect, Responsibility, Safety and Trust

Our Strategy and Roadmap

Sustainability Strategy

At Reliance, we have made sustainable development a cornerstone of our business strategy to achieve sustainable and profitable growth. We adopted principle of materiality and prioritized key issues after collective deliberation by management and key stakeholders. These issues include; *Energy Security, Health & Safety, Corporate Governance and Transparency, Product Responsibility, Climate Change and Waste Management.*

Our sustainable development strategy draws on our proven technology and risk management framework and evolves from the materiality analysis that we have been performing over the years. The focus areas under our sustainability development strategy include the following:

- Energy Security
- Growth through Innovation
- Health & Safety
- Environment
- Product Responsibility
- Social Institution Building

Energy Security

As a company involved in the energy and materials value chain, we are committed to responsible use of energy. Our systems and processes ensure optimum energy usage by continuous monitoring of all forms of energy and increasing the efficiency of operations.

Our endeavour in exploration & production of oil & gas is to ensure energy availability for India, minimise dependence on imported crude oil and reduce exposure to vagaries of crude oil prices. Our contribution will increase India's indigenous production of hydro carbons by over 40 percent in the next 18 months.

Natural gas - a low-carbon, low polluting green fuel that will flow from our fields will create value and be beneficial to a large section of our society. We are building transformational initiatives to promote use of alternative energy.

Growth through Innovation

We firmly believe that growth through innovation will give us a big competitive advantage and will be a key differentiator. Our goal is to make RIL one of the most innovative companies in the world and to achieve breakthrough growth in revenues and profits by creating and implementing sustainable solutions. We are developing an innovative ecosystem that builds on organisational systems and processes, talent management, open innovation and world class R&D facilities.

Health and Safety

Safety overrides all production targets – this vision drives us to continuously look for ways to achieve zero accident at workplace. Our vision is to develop a dedicated pool of safety professionals and lead in safety performance across our operations by focusing on process safety and behavioural safety.

Environment

Protecting the environment and preserving natural resources is a high priority area.

Through annual environment plan and business targets, we identify projects and take action to reduce water consumption and become carbon neutral and achieve maximum possible recycling and reuse of wastes. We set targets for key environment-related performance indicators such as material intensity, GHG emissions, air quality, water consumption, effluent discharge, waste generation and disposal, and conservation of bio-diversity.

Product Responsibility

For us, product responsibility is to offer efficient and reliable product and services with minimum environmental impact throughout the life cycle of the product from the cradle to the grave. Our product and services are designed, manufactured and delivered with principle consideration of customer safety.

Social Institution Building

Social welfare and community development is at the core of our Corporate Social Responsibility (CSR) philosophy. Our strategy is to have close and continuous interaction with the people and communities around our manufacturing divisions to bring qualitative changes and support the underprivileged.

We contribute in the area of health, education, infrastructure development (drinking water, improving village infrastructure, construction of schools etc.), relief and assistance in the event of a natural disaster and other social initiatives. Our aim is to provide comprehensive health services covering preventive, promotive, curative and community health care services.

Strategy Milestones

- Made significant investments in E&P of O&G to secure energy supplies
- Implemented systems to monitor and measure sustainability performance
- Introduced sustainability awareness programmes in the intranet
- Formed the Reliance Innovation Council
- Sustainability report assured by an independent assurance provider

Roadmap

Our short-term and long-term plans of achieving excellence in sustainability initiatives are as below:

Short-term plan

- Form a sustainability council as an apex body to give impetus to our sustainability strategies
- Identify and develop measurable goals for sustainability performance indicators
- Give a structured approach to our social initiatives
- Create a pan-RIL system for managing organisational knowledge assets with the objective of empowering every employee with connective organisation knowledge for delivering superior performance
- Create a sustainability portal for e-enabling data and information collection

Long term Plan

- Embed life cycle and systems thinking in all business processes
- Reduce environmental footprint by deploying appropriate systems and technologies
- Move towards a low carbon business enterprise
- Strengthen the talent pool to cater to our diverse and integrated nature of business
- Create a triple bottom-line accounting system

Discussion on Materiality

Each year we review our materiality matrix that defines the business priorities for us from the sustainability perspective through collective dialogue with our stakeholders. This year, we added 'Energy Security' as an additional material issue and widened our horizon of health and safety issues beyond employees.

Energy Security

We are aware of the fact that business as usual will not meet the world's energy, environmental and economic demands. Our endeavour in exploration & production of oil & gas is to ensure energy availability for India, minimise dependence on imported crude oil and reduce exposure to vagaries of crude oil prices. This year, we made several offshore discoveries in oil and gas. The inventory of discovered blocks stands at 37 reflecting a success ratio of 63 percent. Another path breaking initiative is the first deep water gas production facility in the country with a capacity of 0.50 million barrels of oil equivalent; this will come on stream very soon. Additionally, our East–West gas pipeline will resolve issues related to production and distribution. These initiatives will significantly improve the utilisation and competitiveness of India's industrial sector.

Health and Safety

For us, ensuring the health and safety of employees and people at large is the only sustainable way to be in the business. To establish the Reliance way of HSE management, we have formed 'HSE Council' under the aegis of HSE committee. The Centre for HSE Excellence (CHSEE) is the knowledge centre that helps HSE Council drive the Health, Safety and Environment initiatives across the group.

Continuing with Du Pont safety management programme that we initiated last year we have implemented Reliance Safety Observation Programme: 'ReSOP'. This programme has brought significant improvement in workplace safety. Our Change Agents for Safety Health and Environment (CASHe) programme has been instrumental in creating awareness on Health, Safety and Environment issues and resolving them expeditiously with active participation of the line-management and the workforce.

Corporate Governance and Transparency

Our policies and their effective implementation underpin our commitment to uphold the highest principles of corporate governance consistent with our Company's goal to enhance stakeholder value. We pursue Clause 49 of the Listing Agreement with the Stock Exchanges in India and some of the global leading practices on Corporate Governance.

Product Responsibility

Our products and services are designed, manufactured and delivered with minimal environmental impact. For this, we are adopting a life cycle approach to map the impacts of our products. We have developed several cross-functional teams that review and recommend a wide range of product and process improvements, which include product safety, industry participation and association, environment and safety labeling, ease of handling and managing products, waste reduction, recycling and reuse, use of recycled and recyclable packaging, energy conservation and environmental protection.

Climate Change

We endeavour to minimize our carbon footprint. To achieve this, we are focusing on improving process efficiency and reducing green house gas emissions. This year, we increased the renewable energy input by about 30 percent and managed to marginally reduce the specific GHG emissions to 0.3820 from 0.3832 tons of CO_2 equivalent per ton in FY 2006-07. Last year, we registered three CDM projects at UNFCCC and this year two more projects have been registered.

Waste Management

We continue to adhere to our policy of 'converting waste to resource'. Our efforts on increasing recycled materials across locations have resulted in overall reduction in material intensity. On the water consumption front, the idea is to restrict fresh water use as make-up quantity while maximizing the recycle water as a part of process water and reuse the remaining after proper treatment. Such initiatives helped us to increase 'water recycle and reuse' to 28.58 percent this year.

Corporate Governance

We see effective corporate governance as critical to achieving corporate goals and increasing the company's value. For us, corporate governance is about commitment to values and ethical conduct of business. Our Corporate Governance practice is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. In addition to complying with the statutory requirements, we have institutionalized effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at workplace.

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 Directors	Shri Ramniklal H. Ambani	
Independent Directors	Shri Mansingh L. Bhakta Dr. Dharam Vir Kapur Shri S Venkitaramanan Prof Dipak C. Jain	Yogendra P. Trivedi Shri Mahesh P. Modi Shri Prof. Ashok Misra Dr. Raghunath A. Mashelkar
Company Secretary	Shri Vinod M. Ambani	

Code of Conduct

We have a well defined policy framework consisting of a comprehensive Corporate Governance Manual, which incorporates the policies and procedures for effective governance:

- Code for Board of Directors and Board Committees.
- Code of Business Conduct and Ethics for Directors and Management Personnel.
- Code of Business Conduct and Ethics for Employees.
- Code of Shareholder Rights and Investor Relations.
- Code of Financial Reporting, Disclosure and Transparency.
- Code of Conduct for Prohibition of Insider Trading.
- Whistle-blower Policy empowers employees to report any wrong doing without fear of reprisal.

Corporate Governance is a continuing exercise and the codes are reviewed and updated regularly.

Some of our major initiatives that strengthen our corporate governance systems and practices include the following:

a. **Corporate Governance and Stakeholders' Interface Committee:** A dedicated Independent Directors constituted committee provides governance framework.

b. **Corporate Governance Manual:** The Corporate Governance Manual sets out amongst others the procedures for effective functioning of the Board and its Committees. The Manual also incorporates the Code of Business Conduct and Ethics for Directors and Management Personnel, Code of Ethics for Employees, Code of Conduct for Prohibition of Insider Trading and key accounting policies.

c. **Secretarial Audit:** We have appointed an independent practicing Company Secretary to conduct secretarial audit. The quarterly audit reports are placed before the Board and the annual audit report placed before the Board is included in the RIL's Annual Report. This audit has been introduced to report to the management as well as the shareholders of the status of compliance with various applicable corporate and securities laws.

d. **Guidelines for the Board / Committee Meetings:** Our defined guidelines for meetings of the Board and Board Committees systematises the decision-making process in an informed and efficient manner.

e. **Leading Governance Practices:** It's our constant endeavour to adopt the leading governance practices as laid down in international codes of Corporate Governance and as practiced by well-known global companies. Some of the global governance norms put into practice at RIL include the following:

- Designated Lead Independent Director with a defined role
- Review of all securities-related filings with Stock Exchanges and SEBI on a quarterly basis by the Shareholders / Investors' Grievance Committee
- Established policies and procedures for corporate communication and disclosures

f. **Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India:** We voluntarily adhere to the secretarial standards on aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings and Transmission of Shares and Debentures.

g. **Shareholder referencer and Shareholder feedback:** We sensitise our shareholders on various aspects related to stock market process and procedure and also seek their feedback through our annual report.

We pursue Clause 49 of the listing agreement with the stock exchanges in India.

Our policy is to maintain optimum combination of Executive and Non-Executive Directors. The Board consists of 13 Directors, out of which 8 are Independent Directors.

Every Independent Director furnishes a declaration at the time of their appointment.

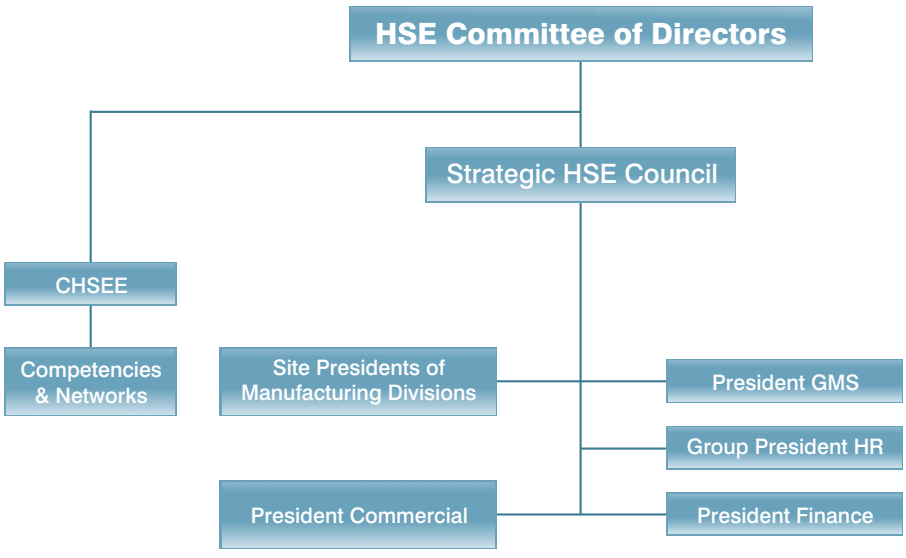
Seven Board meetings were held during the year, as against the minimum requirement of four meetings and time gap between any such two meetings was not more than four months.

We have several sub-committees on key issues represented by the Directors who oversee and guide on these issues. The broad functions of various sub-committees are covered in our annual report. This report provides the role of two committees in detail.

Health, Safety & Environment Committee: Monitor and ensure achievement of highest standards of environment, health and safety, ensure compliance to statutory requirements and recommend measures for improvement at all locations.

Our Centre of HSE Excellence (CHSEE) creates and manages knowledge pool in the organisation on matters of HSE issues. Through external and internal trainings and exposure, the Centre enhances the capability level of those directly engaged in HSE as well as line management staff on all matters of HSE management to international best levels. Further, the Centre has created safety standards and guidelines for all manufacturing divisions. It also undertakes audits with the help of internal and external resources on major matters of HSE management that require central focus.

This year, we formed HSE council that reports to HSE committee at the board. The members of this council include all unit presidents, a representative each from group manufacturing services, HR, finance & accounts, and commercial. This council is headed by a member of the board and meets annually at one of the manufacturing locations. There are sub-committees at manufacturing location levels. The objective of this council is to monitor safety performance, formulate internal rules related to health, safety and environment, and investigate incidents and accidents. Our objective is to create 'safety begins with me culture' within the organisation and bring about change in behavioral aspects.



For more information about our Corporate Governance and shareholder engagement process, please refer our Annual Report FY 2007-08; available on RIL website: http://www.ril.com

Management Systems

Our robust management information system is the backbone of our sound operations. This MIS acts as an implementation, measurement and monitoring tool that ensures long-term sustainable performance. In line with our business goals, we have adopted an integrated management system (IMS) across the company. This, combined with the disciplined internal audit function ensures regulatory compliance and continuous performance improvement.

In addition, we follow leading management practices that align our processes to deliver superior products and services. Continual and breakthrough improvements are carried out in all manufacturing and service functions through Quality Circles, 5S and Six Sigma.

Six Sigma

We completed 27 Six Sigma projects, leading to financial benefits worth INR 250 million per annum. Presently, 446 Six Sigma improvement projects are being executed across 14 manufacturing divisions, including 40 Lean Six Sigma projects. The Company has 582 Black and Green Belts in Six Sigma projects at its manufacturing locations and offices. Nearly 2,200 team members and supervisory personnel are providing active support for the success of the projects.

Information Integrity

Accuracy of information system is ensured by extensive application of information technology, by capturing data at source and making it available on a robust enterprise wide electronic network. Consistency of production processes that use the information is ensured by use of world-class automated process control systems (Distributed Digital Control, Advanced process control and Real time optimizers). Consistency of business processes is ensured by ERP system SAP 4.6. Reliability of information systems is ensured by defined operating and maintenance procedures and systems for data back up and governance.

We have a well-defined organisation structure, documented policy guidelines, predefined authority levels and an extensive system of internal controls. This ensures optimal utilisation 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. Further, transactions are authorized, recorded, reported and stored in a secured manner.

The key measures that have helped us to achieve our goals on Information Integrity are as follows:

- E-commerce and Business Information Warehouse (BIW) integrated with Enterprise wide SAP 4.6 system
- Automated Process Control & Process Information System IP21 for remote process monitoring
- Knowledge Management System
- Active Directory Group Policy
- Project "Code Red"

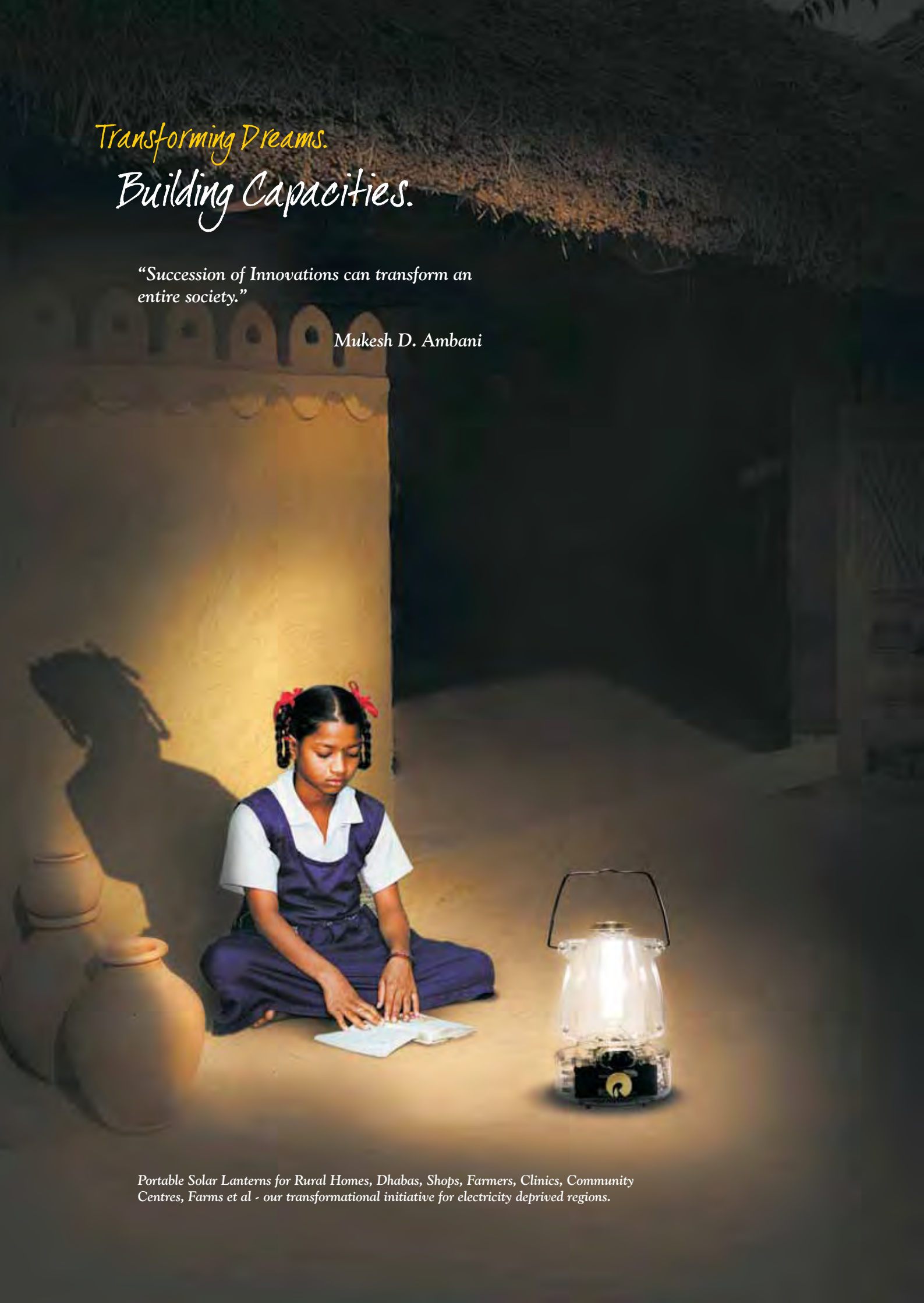
Centre of Maintenance and Engineering Excellence

With a multi-pronged strategy of achieving continuous improvement, enhancing reliability of all assets at optimum cost, ensuring the health and safety of people and assets, minimizing the impact on the environment and to gain competitive advantage, we have established a central counsel 'Centre of Maintenance and Engineering Excellence (CoMEE).

The main objectives of the CoMEE are:

- To create an intellectual powerhouse for refining and petrochemical maintenance.
- To create a maintenance SWAT team to implement and standardize best maintenance practices across all existing & future Reliance sites.
- To be a 'pace setter' leading organisation in maintenance training and development and knowledge management.

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.



Transforming Dreams.
Building Capacities.

"Succession of Innovations can transform an entire society."

Mukesh D. Ambani

Portable Solar Lanterns for Rural Homes, Dhabas, Shops, Farmers, Clinics, Community Centres, Farms et al - our transformational initiative for electricity deprived regions.

Growth through innovation

Our company recognizes that innovation is its biggest competitive advantage and differentiator in the future. Innovation has to become the language, the behaviour definer, the culture and the soul of RIL, even more explicitly than ever before.

To achieve this, we have launched a 'Reliance Innovation Movement' and have formed a 'Reliance Innovation Council' to provide the vision to this movement. The Council comprises global business and science thought leaders including, Dr. R A Mashelkar (Chairman), Mukesh D. Ambani (Chairman & Managing Director, RIL), Prof. Robert Grubbs and Prof. Jean Marie Lehn (both Nobel Laureates), Prof. C K Prahalad (global strategy leader), Dr. Larry Summers (Ex- President Harvard), Dr. George Whitesides (an iconic scientist from Harvard) and Dr. William Haseltine (global life sciences expert).

To serve the Council, we have set up the 'Reliance Innovation Leadership Centre' (RIL-C) in Pune, Maharashtra, India. The mandate of this centre is to implement the innovation agenda of RIL. The innovation agenda hinges around 4 key elements:

1. Build innovation leaders of today and tomorrow within RIL
2. Deploy best and next transformational innovative practices that will impact the country and the business
3. Develop new business based on emerging and disruptive technology
4. Strategically deploy a corporate venture capital fund to maximize value

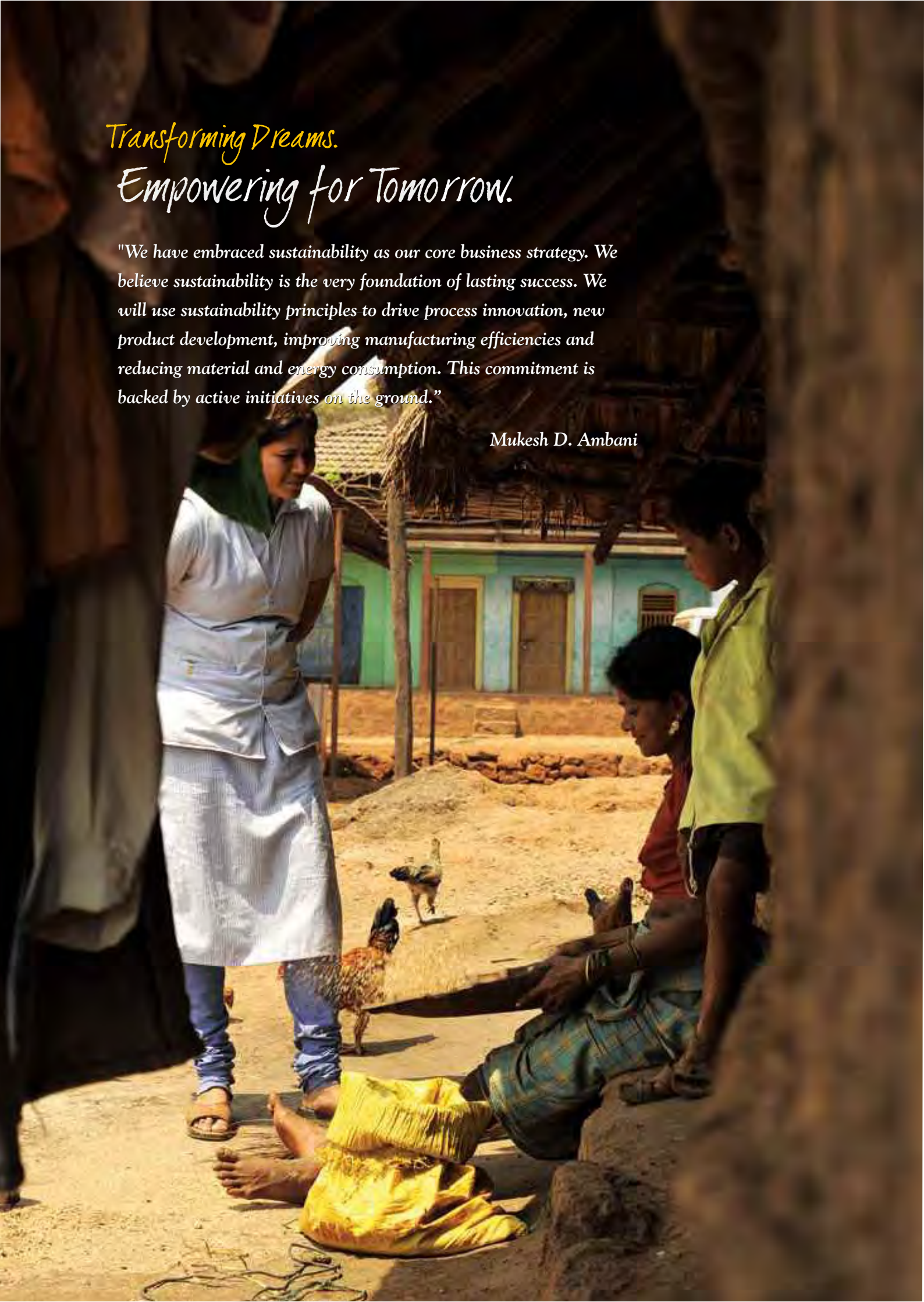
Any effort on sustainability is futile without innovation as an integral part of it. The need of the hour in sustainability – whether in economic, environmental or social development – is ideas that tangibly transform the lives of people without compromising quality, health and safety. But, the role we see for Innovation is beyond this. The role of innovation is to reach the benefits of sustainability to the maximum number of people efficiently and effectively. Innovation is the insurance that will ensure that future generations benefit from the efforts we put in today.

To accomplish this, an innovation ecosystem is being built which will address key focus areas such as:

"Science and technology based innovation will be the biggest value creator in the future."

Mukesh D. Ambani

- Organisational systems and processes- to ensure that innovation led growth is not only supported but also enhanced by appropriate systems and processes that lend themselves to a good balance of structure and freedom
- Talent management- to ensure that special programmes are put in place to create and nurture talent for innovation leadership within RIL. The future growth and sustainability of RIL and its activities will reside with this talent
- Open innovation- in order to leverage competencies and capabilities of strategic partners in RIL's growth and development initiatives
- World class R&D



Transforming Dreams.
Empowering for Tomorrow.

"We have embraced sustainability as our core business strategy. We believe sustainability is the very foundation of lasting success. We will use sustainability principles to drive process innovation, new product development, improving manufacturing efficiencies and reducing material and energy consumption. This commitment is backed by active initiatives on the ground."

Mukesh D. Ambani

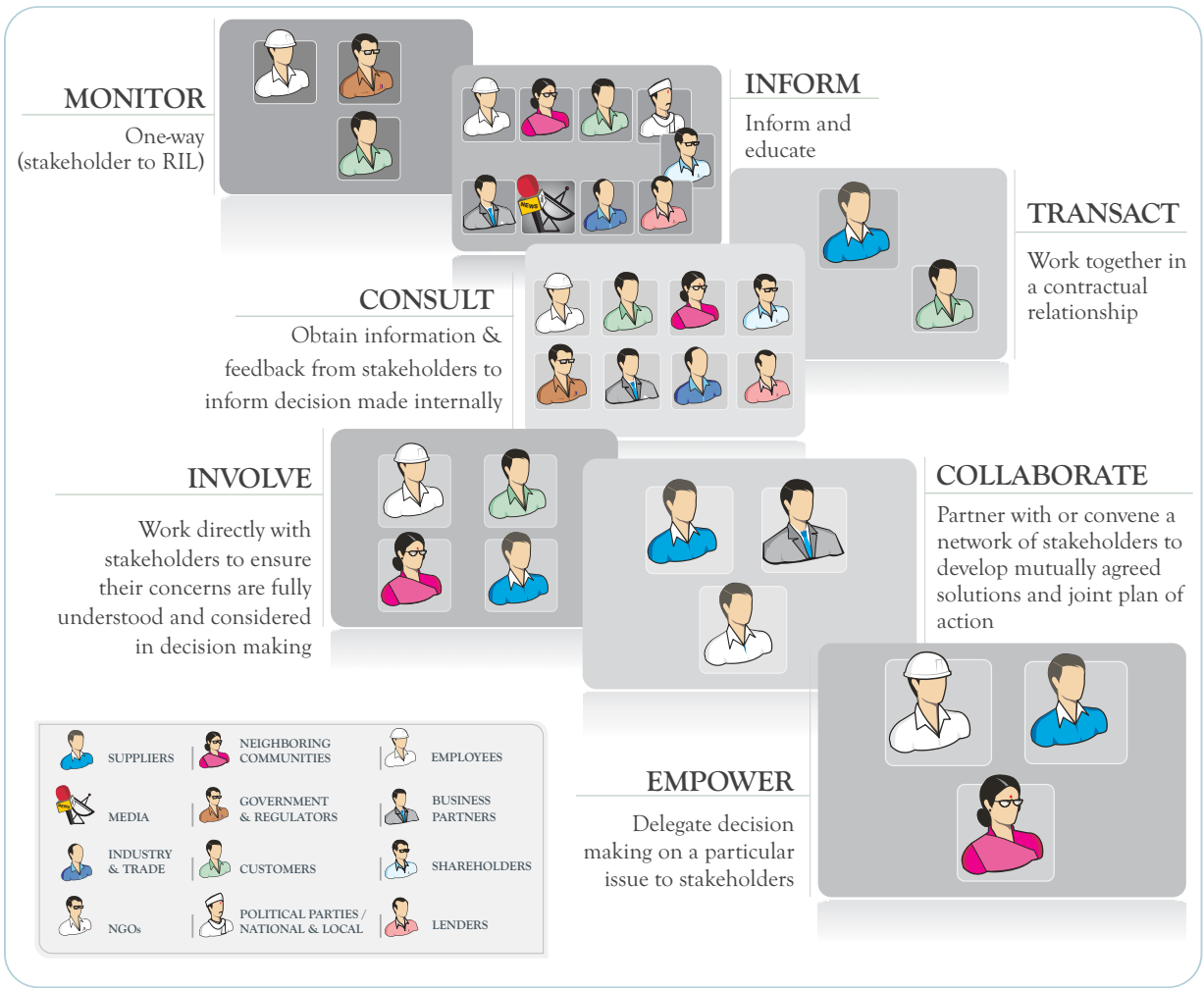
Communication and Engagement

Stakeholder Engagement Strategy for RIL

We initiated a structured dialogue with our key stakeholders in 2006 and further strengthened this engagement in 2007 to understand their concerns and expectations and find common solutions. These interactions with various group of stakeholders helped us in developing the following engagement strategy:

- Provide an opportunity to our stakeholders to raise their concerns
- Broaden the risk universe; manage risks and reputation thorough participative engagement
- Re-engineer the processes and establish partnerships/collabourations to find common solutions
- Explore new strategic opportunities in the market
- Build trust between RIL and its stakeholders

Stakeholder engagement plan



Lessons Learnt

The exchange of information through one-on-one interaction with the stakeholders has helped shape changes in the way we addressed issues in our sustainability report in the following ways:

- Expanded our risk universe to include energy security as one of the material issue and expanded the scope of health and safety beyond just employees
- Developed a comprehensive engagement strategy with an objective to understand, empower, consult and involve our stakeholders in business planning
- Developed a set of Reliance specific standards on health and safety with a view to minimize safety risks at the manufacturing divisions
- Strengthened sustainability management information systems for better data assurance
- Focused on our efforts to reduce GHG emissions and invested on alternatives and renewable energy
- Expanded our research and development activities to embrace innovation
- Developed sustainability strategy and roadmap

Progress on Commitments

	Commitments	Progress
1	Controlling GHG emissions	The Specific GHG emissions levels have marginally reduced to 0.3820 from 0.3832 tons of CO_2 equivalent per ton.
2	Ensuring safety of people and assets	Reduced injury rate by 44.06 percent; lost day rate by 33.03 percent
3	Attracting and retaining talented professionals	Attrition rate increased to 8.66* percent from last years level of 7.79 percent.
4	Target of training 40 percent of supervisory staff on Six Sigma, in next three years	24 percent of staff trained on Six Sigma
5	Providing cleaner fuels – plan to commence supply of gas from KGD-6 block to our consumers in 2008. In addition of supplementing 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	KGD-6 to be operational from FY 2008-09

**Average attrition rate in the energy sector, in India, is 35 percent, ASSOCHAM projections for 2007-08*

Awards and Recognition

We are merited with a series of awards and recognitions for excellence for businesses and operations.

- Shri Mukesh D. Ambani was awarded the 'Defence India Excellence Award 2007'. The Award is a salute to those who have made the country proud.
- Shri Mukesh D. Ambani was conferred the 'Indian of the Year Award by NDTV'. This is India's most prestigious award, in the Business Category, for outstanding contribution towards the betterment of the nation.
- Shri Mukesh D. Ambani was conferred the 'Outstanding Business Leader of the Year Award' by CNBC TV18.
- Shri Mukesh D. Ambani was awarded the 'Business Leadership Award 2007' by NDTV Profit.
- Shri Mukesh D. Ambani was conferred the 'Leadership Award for Global Vision' by the United States India Business Council.
- Shri Mukesh D. Ambani was elected to be a member of the Honorary Fellows of The Institution of Chemical Engineers, UK.
- Following an invitation to Shri Mukesh D. Ambani, RIL became a Council Member of World Business Council for Sustainable Development (WBCSD) in July 2007. Presently, he is the only Indian CEO who is a Council Member of WBCSD.
- Dr. Ravi Bastia from our E&P division was conferred the *'Padma Shri'* by the Government of India for his contribution to earth sciences.
- PetroFed, an apex hydrocarbon industry association, conferred to RIL the PetroFed 2007 awards in the categories of 'Refinery of the Year' and 'Exploration & Production - Company of the Year'.
- Exploration & Production (E&P) Division won 'The Infraline Energy Excellence Awards 2007: Hydrocarbon Columbus Award for Excellence in Petroleum Exploration'.

- For the first time ever, globally, a petrochemical company bagged the 'Deming Prize for Management Quality'. 'The Quality Control Award for Operations Business Unit 2007' was awarded to the Hazira Manufacturing Division for Outstanding Performance by Practicing Total Quality Management.
- Jamnagar Manufacturing Division was conferred the 'Golden Peacock Award for Occupational Health & Safety – 2007' by Institute of Directors.
- Naroda Manufacturing Division was conferred the 'Safety Award and Certificate of Appreciation' presented by Gujarat Safety Council & Directorate of Industrial Safety & Health, Gujarat State for the recognition of safety performance at the 29th State Level Annual Safety Conference.
- Dahej Manufacturing Division received 'BSC 5-Star' rating from British Safety Council, UK.
- Hoshiarpur Manufacturing Division was conferred the First Prize in 'Safety in Punjab', organised by Punjab Safety Council.
- Hazira Manufacturing Division received the 'TERI Corporate Environmental Award (Certificate of Appreciation)' for PET recycling project.
- Nagothane Manufacturing Division received the 'Shrishti G-Cube Award for Good Green Governance' from Minister for Commerce and Industry, on World Earth Day.

Shri Mukesh D. Ambani was conferred outstanding business leader of the year award by CNBC TV18

Additionally, we were recognized for excellence in the field of quality, research & development, training, energy conservation, information technology, social responsibility, environment, health and safety; for more details refer our Annual Report 2007-08, available on http://www.ril.com

Performance Review

Environmental Performance

Manufacturing Divisions & Businesses				
	2004-05	2005-06	2006-07	2007-08
HSE expenses (million INR)	456.54	483.90	536.37	908.96
Total Production ('000 tons)	40,332.21	39,519.01	43,509.81	44,626.95
Material Consumption				
Raw Material[A] ('000 tons)	39,440.51	38,310.22	41,962.17	43,033.43
Associated Material[A] ('000 tons)	124.34	180.45	197.23	217.72
Intermediates[A] ('000 tons)	48.60	31.09	31.60	34.78
Packaging Material[B] ('000 tons)	87.99	87.14	91.13	110.81
Material Recycled				
Material Recycled[A] ('000 tons)	45.10	52.73	52.80	61.65
Material Recycled[A] (%)	0.1136	0.1366	0.1249	0.1421
Direct Energy Consumption[C] ('000 GJ)	215,596.39	215,051.79	237,602.90	254,925.36
Renewable ('000 GJ)	137.34	188.67	236.57	276.93
Indirect Energy Consumption[D] ('000 GJ)	27,044.36	26,657.48	28,933.37	29,789.04
Energy Saved Due To Conservation ('000 GJ)	2,830.07	2,318.13	10,496.17	3,121.51
Total Water Withdrawal ('000 cu. M)	85,957.62	89,856.64	95,686.43	97,788.41
Percentage Of Water Recycled (%)	24.49	23.30	26.35	28.58
Total Effluent Discharged ('000 cu. M)	23,334.36	24,106.89	24,920.44	23,774.00
Greenhouse Gas Emissions				
Direct Emissions ('000 tons of CO_2 eq.)	15,881.77	15,491.45	16,450.87	16,889.57
Indirect Emissions[E] ('000 tons of CO_2 eq.)	128.47	173.21	219.99	159.27
Reductions In GHGs ('000 tons of CO_2 eq.)	0.00	0.00	629.07	877.27
Emissions Of ODS[F] (tons of CFC-11 eq.)	19.71	18.91	27.72	30.70
Total Air Emissions				
SPM ('000 tons/year)	3.99	3.36	3.52	3.64
SOx ('000 tons/year)	15.70	14.21	13.81	13.94
NOx ('000 tons/year)	17.79	17.01	18.87	19.07
VOCs[G] ('000 tons/year)	18.97	18.50	19.67	19.91

Manufacturing Divisions & Businesses

Total Amount of Waste Generated				
Hazardous Waste ('000 tons)	35.43	32.94	40.47	41.44
Non Hazardous Waste ('000 tons)	26.79	23.69	41.81	44.87

[A] In FY 2007-08, certain items under associated material and intermediates have been re-classified. To ensure consistency, we have extended the same to FY 2004-05, FY 2005-06, and FY 2006-07. Hence, the values have changed from those reported in FY 2006-07 sustainability report.

[B] In FY 2007-08, items under packaging material were consolidated across manufacturing divisions. To ensure consistency, we have extended the same to FY 2004-05, FY 2005-06, and FY 2006-07. Hence, the values have changed from those reported in FY 2006-07 sustainability report.

[C] In FY 2007-08, energy equivalent of CBFS and off-gases has been included. To ensure consistency, we have extended the same to FY 2004-05, FY 2005-06, and FY 2006-07. Hence, the values have changed from those reported in FY 2006-07 sustainability report.

[D] In FY 2007-08, electricity exported to the grid is being considered as part of in-direct energy consumption. To ensure consistency, we have extended the same to FY 2004-05, FY 2005-06, and FY 2006-07. Hence, the values have changed from those reported in FY 2006-07 sustainability report.

[E] In FY 2007-08, we have considered GHG emissions attributed to electricity exported as negative.

[F] Till FY 2006-07, ODS emissions were reported in "TONS". From FY 2007-08, we have reported ODS emissions in "TONS OF CFC-11 equivalent" for all four years. Hence, the values have changed from those reported in FY 2006-07 sustainability report.

[G] VOCs currently being monitored only at our Jamnagar Manufacturing Division.

Exploration & Production of Oil & Gas[H]

	2004-05	2005-06	2006-07	2007-08
Material Consumption[I]				
Casings & Tubular ('000 meters)	47.95[J]	149.40	195.41	199.38
Chemicals-Solid ('000 tons)	25.17	25.33	27.90	92.82
Equipments & Accessories ('000 EA)	0.00[J]	1.56	3,556.17	20,691.14
Chemicals – Liquid ('000 KL)	8.44	6.51	7.31	14.26
Direct Energy Consumption				
Diesel ('000 GJ)	650.62	1,167.06	1,305.04	2,352.70
Gas ('000 MWH)	100.28	1,772.43	1,769.60	902.50
HFO ('000 GJ)	2.19	2.00	1.29	0.86
Water Consumption ('000 cubic metres)	22.84	30.64	38.86	64.81
Hazardous Waste (tons)[K]	118.02	165.82	463.99	909.01
Non Hazardous Waste (tons)[K]	365.22	503.47	995.12	974.98

[H] RIL is a joint operator with BG Exploration and Production India Limited (BG) and Oil & Natural Gas Corporation of India (ONGC) having a 30% interest in Panna-Mukta-Tapti (PMT) and in-line with the best global sustainability reporting practice, we have considered 100% applicable value to PMT in Environmental and Social Performance Review.

[I] The material consumption values are related to consumables used in the E&P of O&G.

[J] PMT information not available.

[K] The Hazardous Wastes Management and Handling Rules 1989, Schedule 1, item 2.1, 2.2 and 2.3 classifies drill cuttings containing oil, drill mud and other wastes and sludge containing oil as Hazardous waste. As such, the total mud (sludge and slurry form) needs to be reported as Hazardous Waste.

Social Performance

Manufacturing Divisions and Businesses

	2004-05	2005-06	2006-07	2007-08
Safety Performance				
Injuries (nos)	138	116	128	100
Injury Rate (per 100 employees)	0.2923	0.2245	0.2598	0.1686
Lost Days[L] (nos)	3,332	2,826	3,418	3,338
Lost Day Rate (per 100 employees)	7.06	5.47	6.94	5.63
Man Hours Worked (million hours)	94.43	103.36	98.53	118.60
Fatalities (nos)	7	2	9	1
Training				
Leader (hours)	14,187	16,829	12,918	23,562
Manager (hours) (including retainers/consultants)	131,861	216,705	295,272	629,831
Executive (hours)	221,753	109,221	140,663	291,137
Non-Supervisory (hours)	111,369	92,160	96,405	463,937
Contract Labour[M] (hours)	~	~	~	452,575

[L]As per global reporting practice, we have reported the number of lost days sans fatalities. As per Indian regulations, each fatality is equivalent to 6000 lost days. To ensure consistency the same has been extended to safety performance data of FY 2004-05, FY 2005-06, and FY 2006-07. With respect to this, we have deducted lost days because of fatalities: 42,000, 12,000, 54,000 from FY 2004-05, FY 2005-06, and FY 2006-07 respectively.

[M]Monitoring of training imparted to contract labour has been initiated from FY 2007-08.

Exploration & Production of Oil & Gas[H]

	2004-05	2005-06	2006-07	2007-08
Safety				
Injuries (nos)	1	5	16	17
Injury Rate (per 100 employees)	0.0393	0.1151	0.2145	0.0736
Lost Days (nos)[N]	0	0	14	0
Lost Day Rate (per 100 employees)[N]	0	0	0.1877	0
Man Hours Worked (million hours)	5.09	8.69	14.92	46.17
Fatalities (nos)	0	0	0	2
Training				
Leaders (hours)	808	3,478	3,990	3,348
Managers (hours)	5,464	13,112	70,883	121,924
Executives (hours)	448	864	384	704

[N]The lost days pertains only to the PMT operations, which are jointly operated along with BG & ONGC. For other blocks, which are currently in the exploration phase, the injuries are reported as per Directorate General of Hydrocarbon's guidelines. Lost days will be monitored from the production phase, which is scheduled to commence from the next financial year.

Across RIL		
	2006-07	2007-08
Workforce Breakdown		
Leader (nos)	1,144	1,163
Manager (nos)	6,954	7,974
Executive (nos)	3,676	4,451
Trainees (nos)	702	1,430
Retainers / Consultants (nos)	100	88
Workers (nos)	12,120	10,381
Total Number Of Employees (nos)	**24,696**	**25,487**
Attrition Rate (%)	**7.79**	**8.66**
Benefits Provided To Employees (million INR)	**3,596.30**	**4,668.40**

Social Responsibility Expenditure

(INR million)

Across RIL		
	2006-07	2007-08
Education	63.34	40.63
Health	8.69	14.99
Community Development	39.68	91.38
Environment (*Greening Activities*)[O]	41.16	13.55
Others / One - Off Events	91.15	73.04
Dhirubhai Ambani Foundation	82.80	145.50
Jamnaben Hirachand Ambani Foundation	36.90	660.60
Hirachand Goverdhandas Charitable Trust	4.50	7.50
Sir HN Medical Research & Society	7.70	8.50
UAA-Dhirubhai Ambani Lifetime Achievement Award (Prize money of USD 20,000)[P]	0.87	0.00
Reliance Rural Development Trust	452.22	240.70
Drishti	0.78	0.84
TOTAL	**829.80**	**1,297.23**

[O]Process related environmental amounting to INR 230.47 million was attributed under this head in FY 2006-07. This year, HSE expenses have been disclosed separately.

[P]Nominations did not meet the eligibility criteria; hence no winner in FY 2007-08.

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

We believe that it is in our enlightened self-interest to ensure sustainable growth. Sustainable growth, in turn, can come through several creative imperatives – by creating energy security for our country, bringing about radical transformation in our Health, Safety and Environment culture and by building social institutions.

As a global player in business and a leader in several industry domains, we believe that we can seek and pursue creative, constructive and innovative approaches in sustainable development. And, that it is an investment for the future of our world.

Because prosperity, like peace is indivisible.

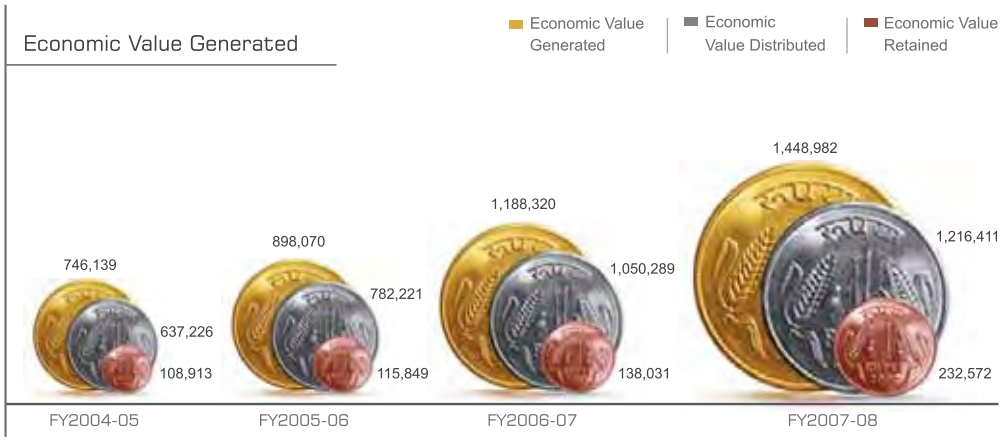
Mukesh D. Ambani

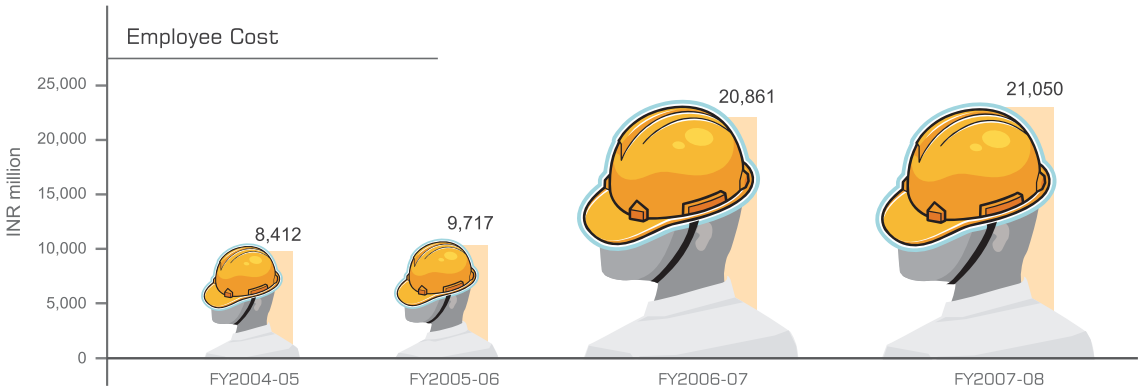
Economic Review

We have always played a pivotal role in the growth of India's economy and endeavour to contribute to the country's progress and development. This year our turnover was INR 1392.69 billion + 18 percent (USD 34,713 million + 27 percent) with a net profit of INR 194.58 billion + 63 percent (USD 4,850 million + 77 percent) (including exceptional income[1]). We continue to maintain our global competitiveness and retain the position of being India's largest exporter with total exports accounting for 13.4 percent of India's total exports with products exported to 108 countries. Of the total exports, petroleum products constitute 77 percent and remaining 23 percent constitute of petrochemicals. The return on equity was 24.80 percent and the return on capital employed was 20.30 percent, both significantly higher than the weighted average cost of capital. The total economic value generated increased by 21.93 percent to INR 1,448,982 million while the total economic value distributed also increased by 15.82 percent to INR 1,216,411 million. We are one of India's largest tax paying organisations with a contribution equivalent to 4.90 percent of Government of India's indirect tax revenues. We have contributed INR 136,960 million to the national exchequer in the form of various taxes and duties. This year, our employee cost was INR 21,050 million including employee benefit plans extended to our employees. We maintained our leadership status as India's largest exporter. In FY 2007-08, exports, including deemed exports, were INR 834,920 million ($ 20.8 billion) as against INR 666,270 million in FY 2006-07. We export products to 108 countries. Some of them are the most stringent quality-driven and value-driven developed nations. Our revenues from exports represented about 60 percent of the turnover. Of the total exports, petroleum products constituted 77 percent, while petrochemicals 23 percent.

"At Reliance, we continued to scale new peaks in financial performance despite challenging business environment including domestic inflation and weakening of the leading economies of the world. The sterling performance was made possible by our quality manufacturing assets and experienced, highly skilled people. We will play a major role in India's energy security as we are focusing to be among the top leaders in the world in the oil and gas sphere. We are confident that the new growth drivers Oil and Gas, organised Retailing and Agro-Retail will take Reliance to a higher growth trajectory in the medium term."

Mukesh D. Ambani





Some notable aspects of our economic performance

- PBDIT: INR 242.01 billion + 18% (USD 6,032 million + 28%)
- Cash Profit: INR 252.05 billion + 43% (USD 6,282 million + 54%)
- Net Profit excluding exceptional income[1]: INR 152.61 billion + 28% (USD 3,804 million + 38%)
- Dividend payout: 130% - amounting to INR 16.31 billion (USD 407 million). This is the highest ever payout by any private sector company in India
- Net gearing ratio: 22.3%
- Net debt/equity ratio: 0.35 as on March 31, 2008
- Revenues are equivalent to about 3% of India's GDP
- Market Capitalisation is 6.6% of the total market capitalisation in India
- Weightage in BSE Sensex is 16.5%
- Weightage in S&P CNX Nifty Index is 12.5%

[1]*Exceptional income of INR 47.33 billion (USD 1.2 billion) represents gains primarily arising out of transactions concerning RPL shares. RIL holds 70.38% of RPL's equity as on March 31, 2008.*

Above Sovereign Rating

Our financial framework allows us to maintain a conservative financial profile even while pursuing aggressive business growth strategies. Our long-term debt is rated 'AAA' from CRISIL and 'Ind AAA' by Fitch - the highest ratings awarded by these agencies. The short-term debt programme is rated P1+ and working capital debt programme is rated AAA (Assigned) by CRISIL, the highest credit rating that can be assigned in this category. Our international debt has been rated BBB (Stable Outlook) by S&P, Baa2 (Stable Outlook) by Moody's and BBB- (Stable Outlook) by Fitch. S&P has rated RIL above India's sovereign rating.

Business Overview

This was yet another successful period for our Oil and Gas Exploration & Production business, which resulted in several key achievements. We announced several discoveries which are as follows:

- Wells KG-III-05-P1 and KG-III-05-J1 in block KG-OSN-2001/1 (KG-III-5)
- Well MD1 in block KG-DWN-98/1 (KG-D4)
- Well CY-III-D5-A1 in block CY-DWN-2001/2 (CY-IIID5)
- Well KG-D6-R1 in block KG-DWN-98/3 (KG-D6)
- Well GS-01-B1 in block GS-OSN-2001/1 (GS-01)
- Well KG-V-D3-A1 and B1 in block KG-DWN-2003/1 (KG-V-D3)
- Well NEC-25-J1 in block NEC-OSN 97/2 (8th gas discovery in NEC-25 block)
- Development plan for MA oil fields (KG-D6) approved by the Management Committee
- Development plan for Sohagpur Coal Bed Methane (CBM) Blocks (East and West) approved by the Directorate General of Hydrocarbons (DGH)

During the year, we signed an agreement to acquire certain polyester (capacity) assets of Hualon, Malaysia. It is a leading polyester producer in Malaysia with a capacity of half a million tons (MT) per annum along with downstream textile manufacturing capabilities spread over two locations in Malaysia, namely Nilai and Malacca. This acquisition was the second international acquisition in the polyester sector after we acquired Trevira in FY 2004-05.

This will help us consolidate our position as the world's largest polyester manufacturer with an annual capacity of 2.5 MT, which represents an increase of 25% over its existing capacity. With this acquisition, our global market share in polyester fibre and yarn will exceed 7%.

In the Refining & Marketing business, we took over majority control of Gulf Africa Petroleum Corporation (GAPCO) and started shipping products to the East African markets. GAPCO owns and operates large storage terminal facilities and a retail distribution network in countries like Tanzania, Uganda and Kenya. It owns and operates large coastal storage terminals in Dar es Salaam (Tanzania), Mombassa (Kenya), and Kampala (Uganda). It has other well-spread depots in East and Central Africa. It also markets through 250 outlets covering retail and industrial segments.

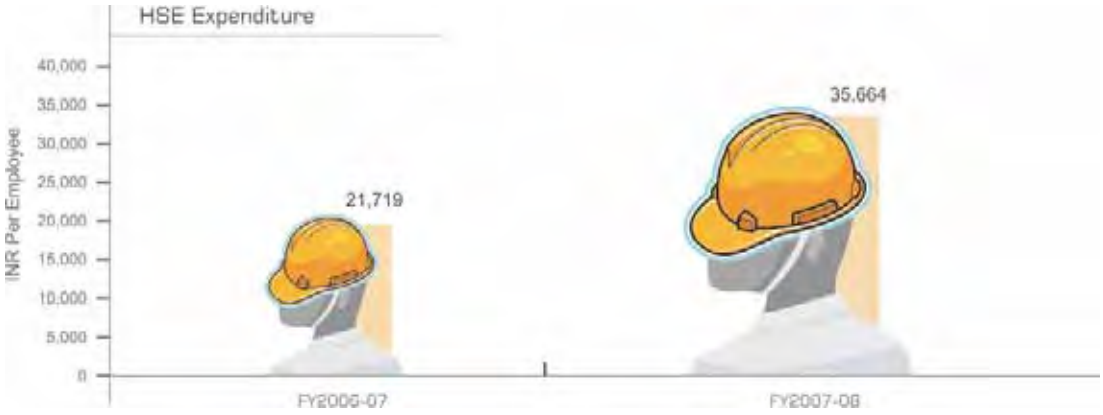
For more information on our Economic Performance, please refer our Annual Report FY 2007-08 available on RIL website: http://www.ril.com

"The Vinyl Chloride Monomer (VCM) plant at Hazira, one of the plants with highest reactor productivity per unit volume of oxy reactor amongst all oxy vinyl licensees globally."

Managing the Environment

We ensure statutory compliance in the area of environment, and as a policy, conduct environment impact assessment and qualitative risk analysis for all new and major expansion projects. We take all necessary measures to mitigate environmental impacts during project implementation and operation. In all our manufacturing divisions, we have effluent treatment plants, air emission abatement units and waste disposal facilities to reduce the overall environment footprint. Our exploration and production (E&P) division, has instituted regulatory environment monitoring programmes from the beginning of construction phase to ensure compliance and performance tracking and reporting mechanism.

We are committed towards creating a safe environment and a workplace and dedicated investments in HSE ventures across all locations. This year, our HSE investment per employee increased by over 64 percent to INR 35,664 from INR 21,719.



Sustainability card rating system at Nagothane Manufacturing Division

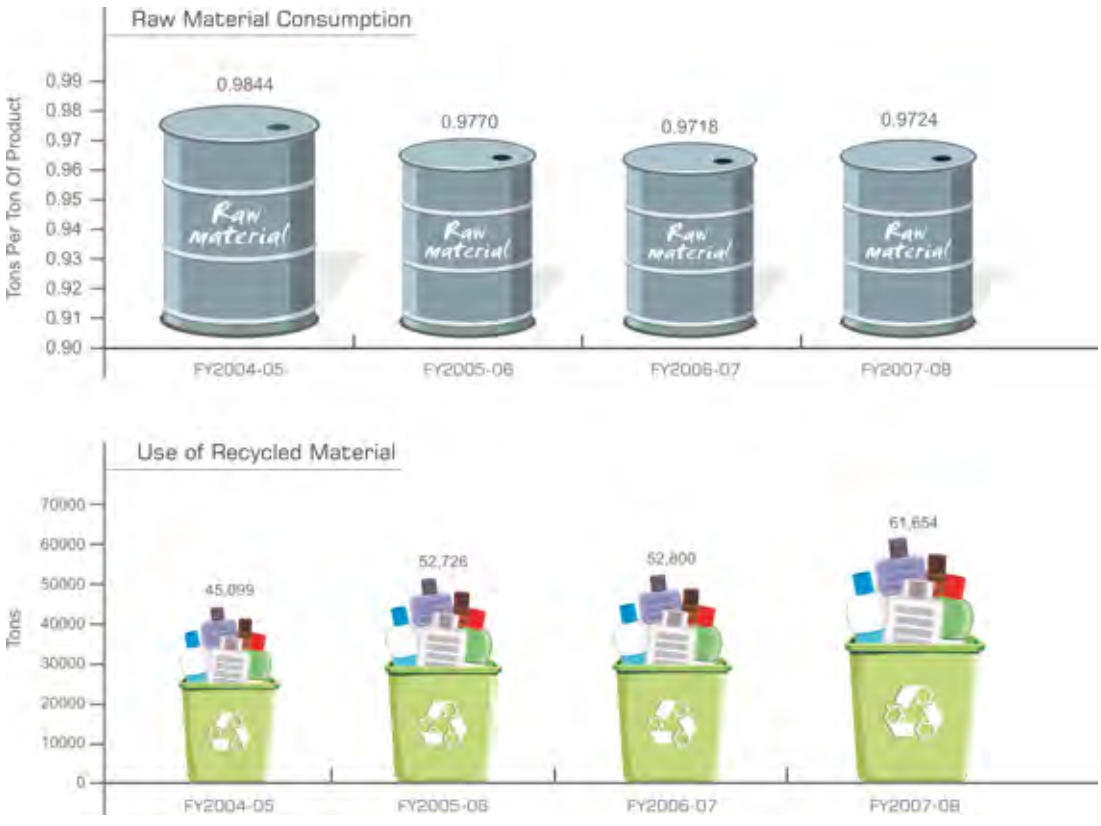
To address these aspects of corporate sustainability at local level and with an objective of tracking the sustainability performance on regular basis, a monthly rating mechanism was designed on the lines of GREEN CARD system implemented at other sites for monitoring and measuring environment performance in the previous year.

This system enabled us to improve the performance against set goals and targets:

- Seventeen basic sustainability cards were credited to the account of all the plants at the beginning of each month
- Based on failure to comply with agreed upon performance parameters, the cards were withdrawn and scores were published for that month
- Each month the cards retained were added to past months' score and the plant with highest number of cards was the winner for the financial year
- Apart from basic cards there were Centurion cards which were based on improvement programmes implemented by plants. These included reduction/elimination of risk related to either health/safety or conservation of resources and waste reduction. The introduction of such cards thereby addressed the need for continual improvement

Consumption and Conservation of Natural Resources

Our refining and manufacturing business is material intensive and through backward integration process, we have bridged the gap between material consumed, products manufactured and material wasted. Jamnagar produces the basic raw material for all other manufacturing divisions through cracking of crude oil. We have processes in place to convert most of the waste products into byproducts, for internal consumption as intermediates. Our efforts are directed towards conserving and reducing material consumption and at the same time increasing use of recycled material. These efforts have helped us to limit material intensity at 0.9724 tons per ton of product output, which is slightly more than last years' level of 0.9718 tons per ton of product output. Further, we have increased the quantity of material recycled by over 13 percent.



Recycling of paper tubes at Allahabad Manufacturing Division

In the spinning process, partially oriented yarn (POY) is produced and is wound on paper tubes in take-up winders. These paper tubes were being disposed off after processing the POY to the tune of 1,400 tubes per day.

In order to reduce this wastage, paper tubes were reused on POY winders after thorough trials and modifications. To enable this, the strength of paper tubes was improved by increasing the thickness from 6.5 to 8.0 mm, along with proper cleaning, conditioning and checking of tubes before reuse.

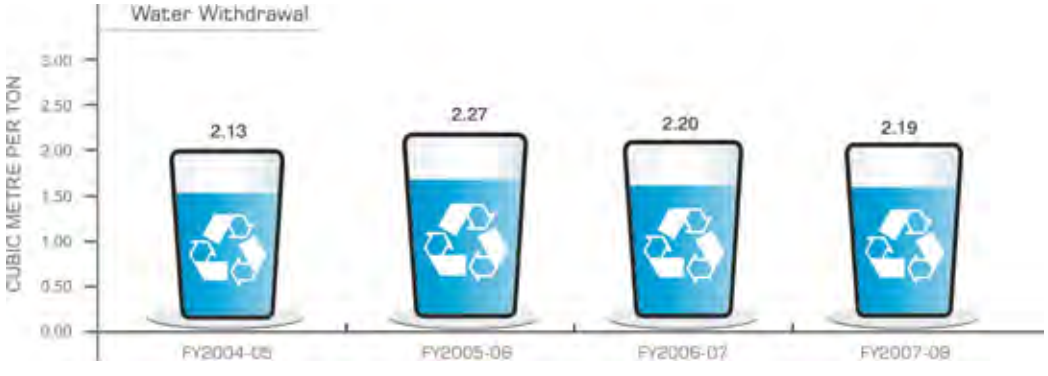
These changes led to reuse of a single paper tube up to 5 times which reduced the paper consumption by 8.30 MT per year. The total cost incurred towards usage of high strength paper tube was INR 0.90 million per year while the savings were to the tune of INR 2.50 million per year.

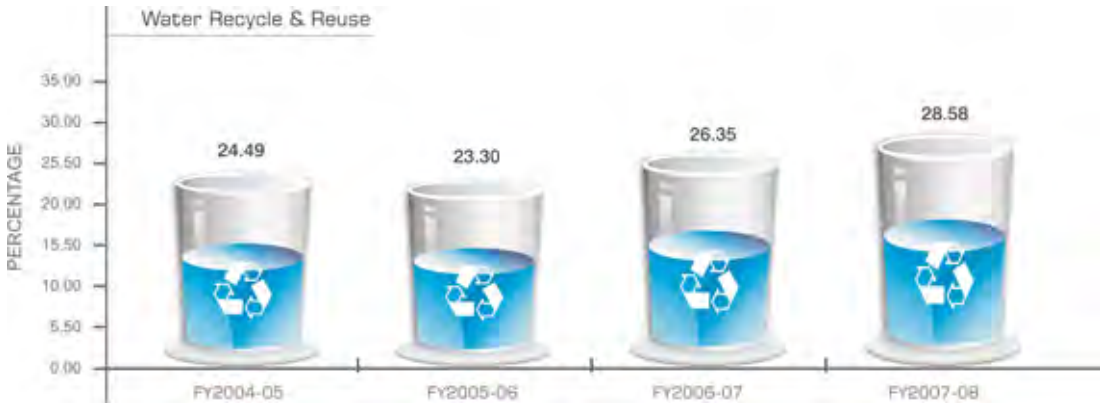
Re-utilisation of solid polymer waste at Hoshiarpur Manufacturing Division.

In the PSF spinning area, solid polymer waste was being generated at an approximate rate of 5 to 7 MT per month and sold to recyclers. This waste was utilised in the PFF plant as substitute for raw material at a 3 percent rate. This controlled addition of polymer waste minimized the disposal of the polymer waste up to 1 ton per month and reduced the consumption of raw PET flakes in the process of manufacturing PFF. Further, this also eliminated the storage and transportation of the polymer waste to the recyclers. The total monetary benefits of polymer waste consumption were INR 1.95 million along with improvement in the colour of PFF and reduced chances of drop in the free fall viscosity at PFF spinning stage.

Across manufacturing divisions, we withdraw water from various sources like sea, river, bore well and municipal supply besides others. To minimize the environmental impact of water withdrawal, we try to ensure that water withdrawal is always less than 5 percent of the annual average volume of the respective water body.

We have adopted a **"reduce–recycle–reuse"** approach to conserve water. This year, our specific water withdrawal was 2.19 cubic metre per ton, slightly less than last year's level of 2.20 cubic metre per ton. We have achieved this through various water conservation projects. We reduce fresh water usage as make-up quantity while maximizing the 'recycle part of process water and reuse the remaining after proper treatment. Such initiatives helped us to increase water recycle and reuse to 28.58 percent this year from 26.35 percent in the last year.





Water conservation at Dahej Manufacturing Division

As a commitment towards water conservation, we implemented various initiatives that helped in reducing fresh water consumption by 49,048 cubic meters.

- Blowdown Recovery at Heat Recovery Steam Generator (HRSG) and Heating Ventillation and Air Conditioning (HVAC) in Captive Power Plant-2 (CPP.)
- Use of Back wash water from Raw Water Treatment Plant (RWTP) for Jatropha Plantations
- Use of cooling water from pH analyzer at low temperature chlorinator (LTC) cooling water return header

Rainwater harvesting at Jamnagar Manufacturing Division

To avoid the use of scarce ground water, sea water is desalinated water and is being used for domestic and process purposes. The refinery has over 2016 acres developed with greenery for which treated effluents and harvested rainwater are the only alternatives for irrigation. Further, as the soil is saline, profuse irrigation is essential to leach out the salts for survival of the plants.

Till date, four mud-bank check dams have been constructed at strategic locations where natural nullahs and ravines converge. These dams retain rainwater that lasts for about 4-5 months post monsoon. In addition, three large ponds have been constructed wherein rainwater from neighbouring areas is channeled.

These rainwater harvesting initiatives have resulted in considerable saving of desalinated water, which otherwise would have been used for irrigation purpose.

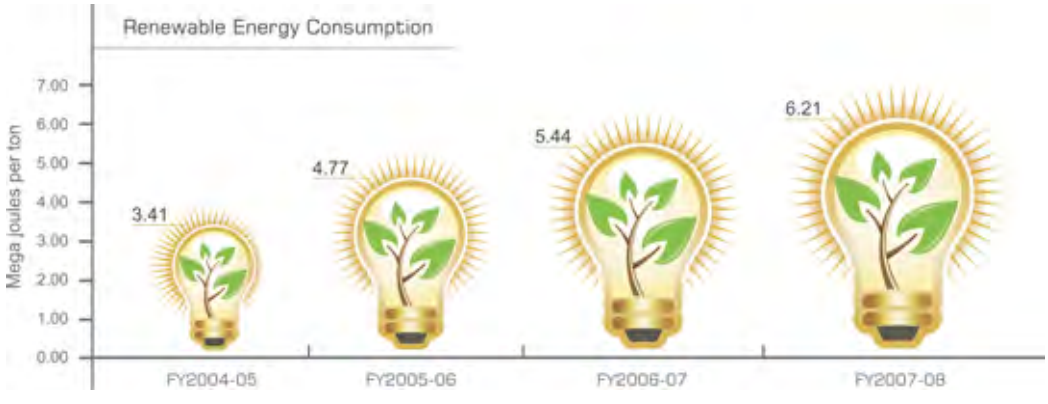
Energy Management

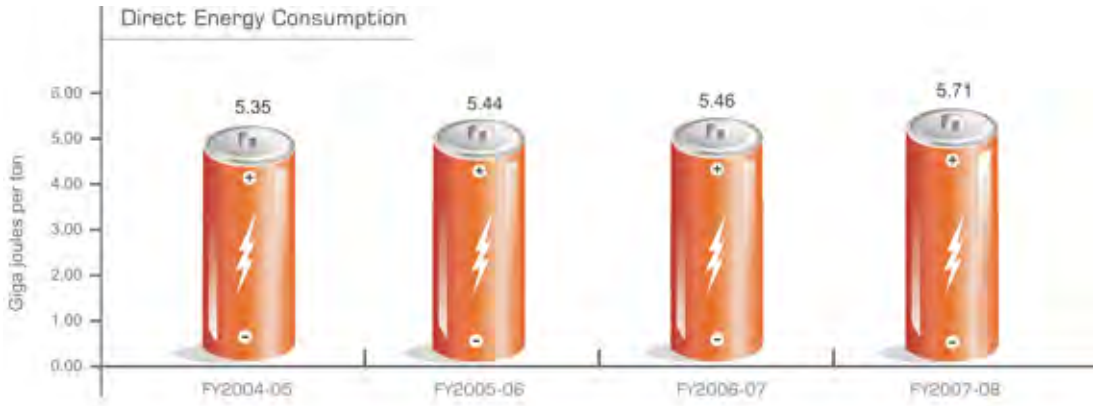
Energy is an integral part of our business and we have propagated an energy conservation culture at RIL. At each manufacturing division, there is a core group – an energy cell, responsible for energy conservation. Energy conservation measures cover several areas including process redesign, conversion and retrofitting of equipment and administrative changes. These energy cells along with our corporate energy cell brainstorm new ideas of developing energy mix (grid-own generation), fuel mix and benchmark performance using Solomon and/or Shell energy index. Energy audit and accounting along with regular management reviews of energy generation and utilisation is a common feature in all our manufacturing divisions. Application of appropriate measures combined with close and continuous monitoring of all forms of energy at every manufacturing division ensures optimum use of energy. We have also developed an internal benchmarking system called as the Energy Index, which helps us to monitor the efficacy and efficiency of energy. The corporate energy cell sets yearly targets of Energy Index for every manufacturing division.

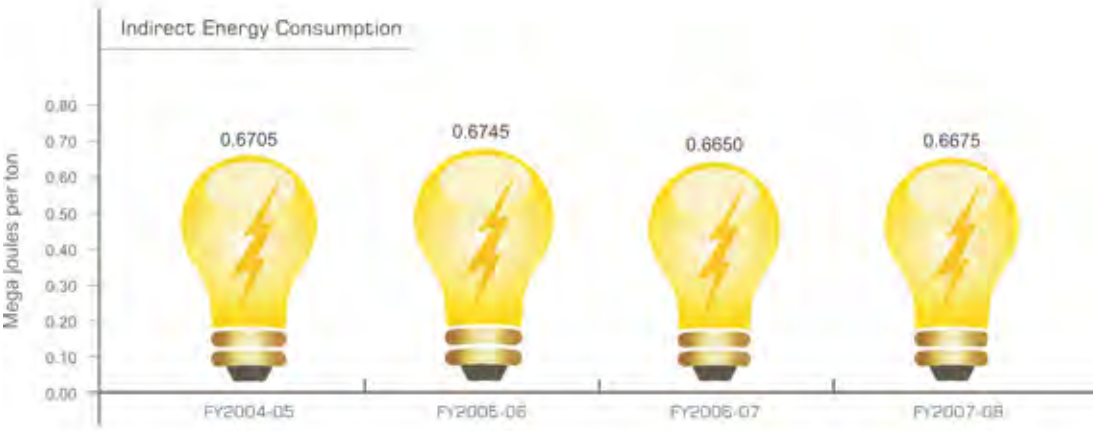
Our Jamnagar refinery is currently at the top position with respect to energy consumption in the Shell Benchmarking results for the year 2007. The Energy Index at Jamnagar decreased from 95.60 in 1999 to 85.40 in 2007 indicating substantial energy efficiency and efficacy improvement. The refinery also tops the list of large complex refineries (Gas Oil Processing Group-4) in Solomon Study in Asia Pacific and Indian Ocean region. While at Hazira, a new initiative in the form of a small group activity (SGA) was initiated to involve shop floor people in the energy conservation. In the recent benchmark study done by Solomon Associates, the butadiene plant at Hazira, was ranked first in terms of energy efficiency among the Asia geographical region and third across the globe with respect to specific energy consumption. Additionally, to encourage use of renewable energy, solar photovoltaic cell-based power generation units and eco-ventilators have also been installed in the plant.

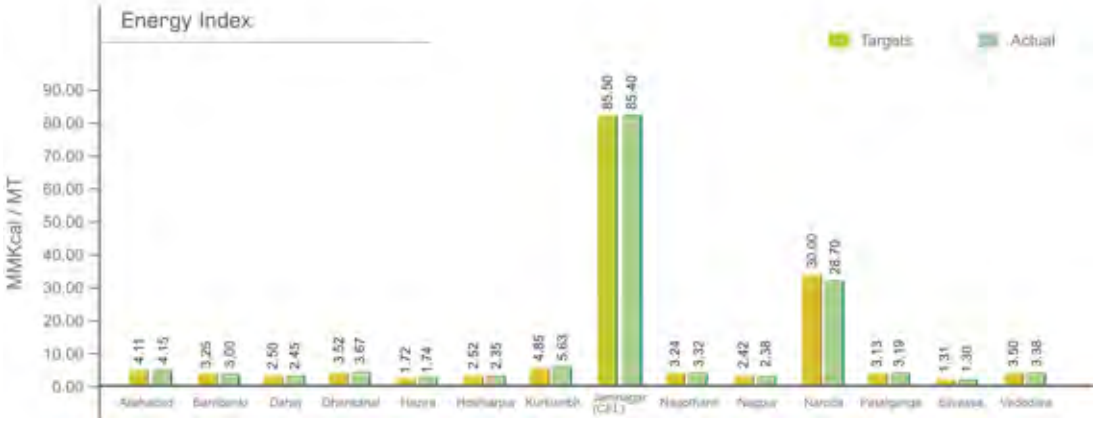
Similar initiatives at all other manufacturing divisions have helped to reduce energy consumption, improve energy efficiencies, and replace fossil fuels with renewable sources as this strategy helps to meet the twin sustainable objectives of reduced greenhouse gas emissions and improved financial benefits. This is seen in the improved (lower) energy index over the previous year at most of the manufacturing divisions.

This year, the specific direct energy consumption has increased from 5.46 to 5.71 giga joules per ton, while the specific indirect energy (electricity) consumption has increased from 0.6650 to 0.6675 giga joules per ton. This year, we consciously increased specific renewable energy consumption by over 14 percent from 5.44 to 6.21 mega joules per ton, primarily by use of alternative fuels such as biomass, biogas and investment in solar and wind energy. Our energy conservation efforts are targeted at increasing fuel and process efficiency and reducing green house gas emissions. This year, through various energy conservation efforts we have saved energy worth 3.12 million giga joules.




Direct Energy Consumption
Giga joules per ton
6.00
5.00
4.00
3.00
2.00
1.00
0.00
5.35
5.44
5.46
5.71
FY2004-05
FY2005-06
FY2006-07
FY2007-08


Indirect Energy Consumption
Mega joules per ton
0.80
0.70
0.60
0.50
0.40
0.30
0.20
0.10
0.00
0.6705
0.6745
0.6650
0.6675
FY2004-05
FY2005-06
FY2006-07
FY2007-08


Energy Index
Targets
Actual
MMKcal / MT
90.00
80.00
70.00
60.00
50.00
40.00
30.00
20.00
10.00
0.00
4.11
4.15
3.25
3.00
2.50
2.45
3.52
3.67
1.72
1.74
2.52
2.35
4.85
5.63
85.50
85.40
3.24
3.32
2.42
2.38
30.00
28.70
3.13
3.19
1.31
1.30
3.50
3.38

Energy conservation projects at Kurkumbh manufacturing division

Energy conservation through installation of high tension (HT) capacitor banks

Limitations of existing HT capacitor scheme were eliminated and additional HT capacitor banks were installed. This improved the power factor from 0.97 to 1.0. The total annual monetary benefits of this were INR 15 million.

Installation of variable frequency drive (VFD) for induced draft (ID) fans of boilers

ID fan air flow controlling was done with mechanical damper system installed on the suction side of boiler ID fan. The dampers had sluggish operation on account of deposition of black soot from economizer. This caused a limitation on increasing steam load on both boilers as per steam demand.

VFDs were installed to control the gas flow rate with revolutions per minute (rpm) control system, which resulted in lower power consumption. The overall annual monetary benefits were INR 1.78 million.

Energy conservation project at Jamnagar Manufacturing Division

Energy conservation through heat recovery from hot Vaccum Gas Oil (VGO) product stream in Crude Distillation Unit I (CDU-I) at Jamnagar Manufacturing Division

In the CDU I, the crude enters the cold preheat train at 30^{0}C and leaves the hot preheat train at 247^{0}C while intermediately passing through the warm preheat train. Hot VGO stream was routed from Vacuum Gas Oil Hydro Treater - Unit 1 (VGOHT-1) to CDU-1 and additional heat exchangers were added to extract heat from the hot VGO stream for preheating crude. This increased the temperature of crude leaving the hot preheat train by 20^{0}C. This modification resulted in reduced fuel consumption in the boilers thereby reducing air emissions of NOx, SOx and CO_2. The total investment towards this project was INR 44.10 million while the total saving was INR 0.43 million per day in terms on fuel saving to the tune of 10.30 MMKcal per hour.

Energy conservation through heat recovery by reducing low pressure (LP) steam in stripper re-boiler

This project was implemented in Amine Treating Unit-III (ATU-III) at Jamnagar. A plate and frame heat exchanger was installed to increase the stripper feed temperature from 83^{0}C to 104^{0}C. The heat exchanger reduced the thermal duty of the stripper re-boiler by reducing low pressure consumption that was used to heat stripper bottom by about 12 tons per hour. This directly reduced the fuel consumption and subsequently the NOx, SOx and CO_2 emissions.

The plate and frame heat exchanger was used for the first time at Jamnagar and hence involved technological, safety and operational risks. The project cost was around INR 8.27 million while the savings were to the tune of INR 0.15 million per day.

Our energy conservation efforts are targeted towards increasing fuel and process efficiency and reducing greenhouse gas emissions.

Energy conservation projects at Vadodara Manufacturing Division

Energy conservation through optimization of air consumption

Increased consumption of plant air and heavy leakages led to operation of an additional compressor in the utility plant. This eventually resulted in huge power consumption and unrealistic unaccountability factor.

To control this, the following measures were implemented at site:

- Reduction in consumption of plant air for non-productive purposes like cleaning, sweeping, etc.
- Elimination of leakages in the whole piping network and from the control valves within the plant battery limit.
- Change of instrument metering factor of supplier and consumer as per the pressure of the instrument air, for proper accounting of the consumption.

The above measures resulted in the optimization of air consumption and eventually resulted in the stoppage of an air compressor in the utility plant. These measures saved around 3,069 MWh of power annually, equivalent to a reduction of GHG emissions worth 2,577 tons of CO_2 equivalent. The annual monetary benefits were INR 8 million.

Energy efficiency improvement through installation of an additional convection bank and a waste heat recovery boiler

The naphtha cracker plant has five short residence time (SRT) heaters operating with natural draft to crack naphtha at 830^0 C. The flue gas temperature of the heaters was in the range of 300^0 C to 330^0 C. Through the installation of the waste heat recovery boiler (WHRB), low pressure steam was generated and downgradation of high pressure steam to low pressure steam was avoided. This decreased the load on the captive power plant and ultimately resulted in lower fuel consumption and saving a substantial quantity of green house gas emissions.

This project received the CII Award for Excellence in Energy Management – 2007 and the 2nd prize at the National Energy Conservation Awards – 2007 in the petrochemical sector organised by the Ministry of Power, Govt. of India.

Energy conservation projects at Hazira Manufacturing Division

Energy reduction in chilled water system at PSF plant

Polyester Staple Fibre Continuous Polymerization Unit-11 (PSF CP 11) is a plant producing Polyester Staple Fibre (PSF) at Hazira. The project of reducing chilled water consumption was implemented in the quench Air Handling Unit of Continuous Polymerization Unit-11 (AHU of CP-11) spinning section.

Initially, all three utilities were being used in the section and there was high chilled water consumption first for cooling and then to heat the air to maintain dry bulb temperature. Further, because of continuous manual intervention, variations in daily and seasonal temperatures for saving utilities were not tapped.

The solution that was implemented to solve the above problem was minimizing the difference between dry bulb temperature and cooling coil out temperature. This reduced the chilled water consumption and optimized use of steam and hot water. Also, the above changes were implemented through distributed control systems (DCS) in order to automate the process and eliminate manual intervention. Thus, the process operation was based on ambient conditions so as to optimally use the three utilities.

This project resulted in significant reduction of fuel usage. The fuel savings in form of natural gas were to the tune of 1,540 ksm^3 and INR 14.40 million in terms of monetary benefits.

Efficiency improvement of dowtherm vapourisers

There are 12 dowtherm vapourisers in the polyester complex that cater to the heating needs of continuous polymerisation and other polyester plants. To recover the heat loss, following activities were carried out in a phased manner:

- Cleaning of radiation coil
- Convection coil and air pre-heater (APH) wash
- Replacement of Cerawool in the radiation section along with provision of SS foil as vapour barrier and wet wrap at top
- Provision of new insulation at convection section side plate
- Replacement of radiation section bottom plate refractory.

These changes led to improvement of efficiency of the five vapourisers from 77.30% to 90% thereby saving fuel gas to the tune of 6.09 million standard cubic metres equivalent to INR 6.40 million. The total investment incurred was INR 6.90 million.

Replacement of steam operated vacuum ejectors with environment-friendly process fluid operated vacuum ejectors

In the continuous polymerization units, the functional vacuum ejectors were steam operated with a dedicated process cooling tower. To conserve energy, vacuum ejectors with process fluid as motive fluid were installed. These ejectors consume less energy and also recycle the motive fluid, which otherwise would be lost to effluent water in steam ejectors. The first stage of this project was commissioned in CP-6 plant this year while the remaining plants will switch to glycol jets by end of next financial year.

Additionally, these ejectors utilise waste heat released in the atmosphere from condensate tank for generating glycol vapor. These ejectors have resulted in reduced water consumption and effluent generation.

The implementation cost of these ejectors is INR 112.50 million while the annual savings in terms of steam consumption reduction, effluent load reduction, and power amount to INR 33.30 million.

Energy Efficient Lighting

'Efficient lighting initiatives' is a programme to promote compact fluorescent lamp (CFL) lightings in place of incandescent lamps in the Surat city and Choryasi taluka of the Surat district. The programme started with a pilot project in seven villages of Mora, Suvali, Bhatlai, Junagam, Damka, Rajgiri, Vasava and in Ghododod Road/ Piplod area.

The pilot project started with a scope identification survey in the villages by RIL employees who had participated voluntarily. The survey revealed that the main hurdle for switch-over was the high cost of CFLs against conventional incandescent lamps.

This hurdle was addressed by promoting life cycle cost analysis of CFLs vis-à-vis incandescent lamps and payback of the additional expenditure. Additionally, in order to overcome the initial cost a partnership was formed with Lok Vikas Sanstha, a NGO and RIL's retail business to offer the CFLs at a subsidized price.

This programme will be expanded to other villages and towns of Choryasi taluka in the next phase and ultimately to the whole state of Gujarat. At the state scale, it is estimated to replace about 0.50 million incandescent bulbs resulting into electricity savings of up to 2000 MWH annually, equivalent to 12,851 tons of CO_2 equivalent. The project is being developed as a Gold Standard CDM project that should further bring down the cost of CFL lamps.

Jatropha plantation

Reduction in GHG emissions through usage of renewable energy sources is being aggressively promoted throughout RIL. At the Hazira Manufacturing division, about 8500 Jatropha trees were planted as a demonstration project while at Dahej over 185,000 trees were planted in 155 acres of land. At Hazira, Jatropha plantation was done principally on wasteland under harsh soil conditions in order to utilise the wasteland and to also influence the surrounding farmers that such plants can be easily grown in better soil conditions.

Biogas production from canteen food waste at Jamnagar Manufacturing Division

The food waste from refinery canteens and township was being collected and disposed through composting. Though the process was beneficial, the area required to construct the compost pit was very large and also with the set up of new refinery and expansion of the existing one, the food waste generation was estimated to increase manifold.

An anaerobic digester was installed to dispose the food waste and at the same time generate biogas as a form of renewable energy. The sludge generated after biogas extraction forms an excellent fertilizer.

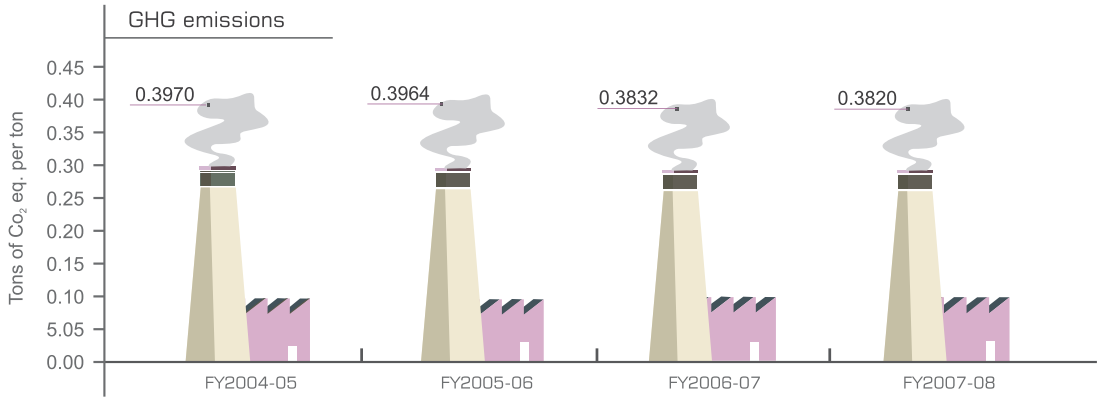
The biogas generation of around 23 to 25 cubic metres per day is supplied to canteens in labour colony as an LPG substitute, resulting in an annual saving of about INR 0.18 million.

Climate change

During 2007-08, we registered two Clean Development Mechanism (CDM) projects, one each from Patalganga and Allahabad, with UNFCCC. More than 100,000 Certified Emission Reduction (CER) from two of the registered projects have been verified and issued by UNFCCC. Further, we earned CDM revenue worth INR 40 million with another INR 58.00 million in the pipeline.

This year, we became a member of Carbon Capture and Sequestration Association, London, for active participation in worldwide activities related to Carbon Capture and Storage (CCS). To decrease our carbon footprint, activities have been initiated in the area of bio-diesel through non-edible route of Jatropha seeds. Extensive distribution of Jatropha saplings and cultivation in the wasteland has been targeted and a pilot plant of 20 ton per day bio-diesel is ready for commissioning.

All the energy efficiency and conservation projects implemented across manufacturing divisions were reviewed by our CDM cell to evaluate their CDM potential. Our dedicated efforts in controlling and reducing GHG emissions across all manufacturing divisions have helped us in maintaining the specific GHG emissions at 0.3820 tons of CO_2 equivalent per ton, which are slightly less than that in last year at level of 0.3832 tons of CO_2 equivalent per ton. Further, this year, the estimated GHG emission reduction including ongoing CDM projects and other emission control interventions was 877,273 tons of CO_2 equivalent, a 39.45 percent increase over the previous year.



Climate change initiatives at Hoshiarpur Manufacturing Division

Reducing CO_2 emissions by reducing transportation distance during procurement of PTA and MEG

Last year, the monthly consumption of PTA in the plant was around 7000 MT and was being procured from our Hazira manufacturing division. In order to reduce the distance of transportation of PTA, it was decided to procure the same from the nearest manufacturer that was located at a distance of about 300 km. This resulted in reduction of road movement of trucks by about 1,300 km saving about 325 litres of diesel and 755 MT of GHG emissions in case of PTA and 450 litres of diesel and 1,318 MT of GHG emission in term of CO_2 equivalent in case of MEG. This also ensured a direct saving of INR 22.60 million on freight charges.

Reduction of GHG emissions from diesel vehicles at Hazira Manufacturing Division

Till last year, two diesel forklifts were using for handling the POY pallets in the manual packing process on the shop floor. This was replaced with an automated conveyor to reduce diesel consumption and improve the packing process. The installation of the conveyor belt reduced CO_2 emissions by 4 MT per year, 0.026 MT of hydrocarbons, and 0.21 MT of carbon monoxide. Additionally, there were monetary benefits worth INR 0.50 million per annum in terms of diesel saved.

Conservation of bio-diversity

Out of 14 manufacturing divisions, 13 are located either in a declared industrial zone or in non-protected, non-sensitive area. At Jamnagar, the right of way (ROW) for pipelines and the marine facilities are located in between inter-tidal mudflats, which is a protected marine ecosystem under national legislation. To prevent any impact on the marine biodiversity following measure are taken at Jamnagar:

- Desalinated brine water is discharged in the sea away from the mudflats through a scientifically designed diffuser, which ensures that the brine attains ambient temperature within 50 metres from diffuser
- Only segregated ballast tank (SBT) vessels are chartered for trading to the marine terminal that is located away from the mudflats
- Pumping of bilge water is strictly prohibited for ships that arrive for loading

Additionally, to ensure the pristine nature of sea water, we have engaged National Institute of Oceanography (NIO) to conduct periodic monitoring of sea water.

To conserve and propagate biodiversity, all manufacturing divisions have developed green belts. They spread over an area that is in excess of regulatory requirements.

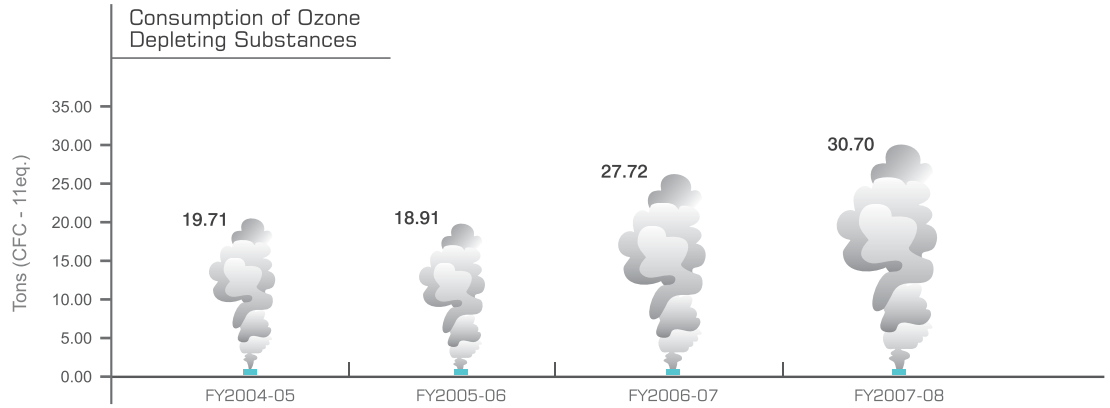
Mangrove restoration and Mangrove afforestation in Godavari delta

To enhance bio-diversity in the vicinity of the on-shore facility at Kakinada, we undertook an extensive mangrove plantation exercise and an afforestation programme for restoring degraded mangrove areas in Coringa mangrove forest in association with MS Swaminathan foundation. We have also sponsored a study of coastal wetlands of Godavari Delta to Environment Centre - a reputed NGO of Andhra Pradesh. Similarly, to propagate marine biodiversity, extensive mangrove plantation was carried out on the banks of river Tapti, near Hazira manufacturing division.

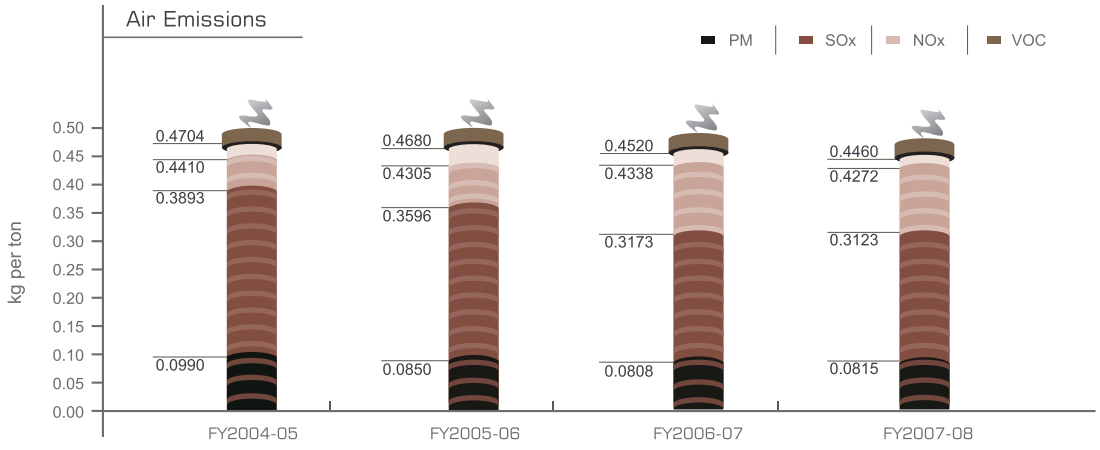
Waste management and emission reduction

Waste reduction and utilisation are of prime focus at all manufacturing divisions. Hoshiarpur, Hazira, Kurkumbh, Nagpur, Naroda and Patalganga have achieved significant reduction in hazardous waste generation through process improvement, recycling and reuse, and employing the Six Sigma methodology to reduce waste generation.

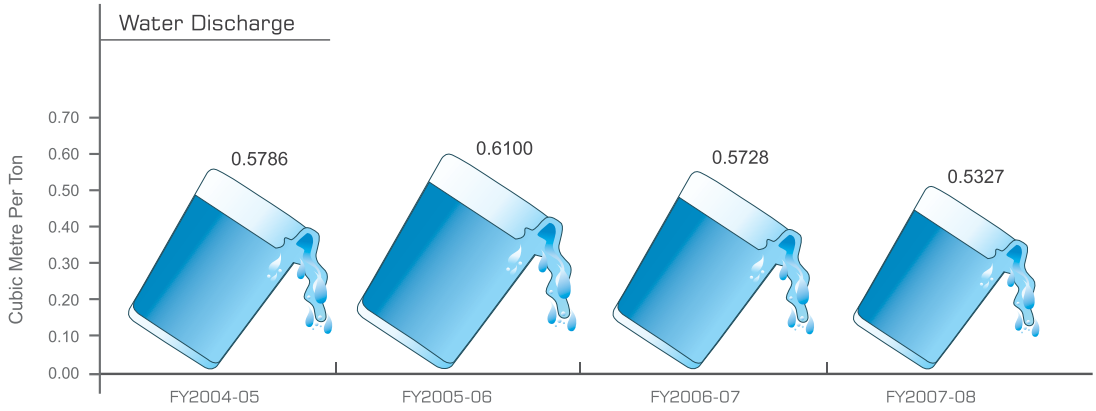
We neither produce nor do we process ozone depleting substances (ODS). Our ODS emissions have increased to 30.70 from 27.72 tons (CFC-11 equivalent) in the previous year. These emissions are specific to ODS contained or emitted from usage of products such as refrigeration and air conditioning units at our manufacturing divisions. In line with the Montreal protocol, we are implementing an ODS phase-out plan across all manufacturing divisions to completely eliminate the use of ozone depleting substances by the year 2010.



We regularly monitor emissions of particulate matter, oxides of sulphur and nitrogen at all manufacturing divisions. At Jamnagar, we also monitor emissions of volatile organic compounds. This year, specific emissions, except particulate matter, have decreased. The particulate matter emission increased from 0.0808 to 0.0815 kilograms per ton while SOx emission decreased from 0.3173 to 0.3123 kilograms per ton; NOx emissions decreased from 0.4338 to 0.4272 kilograms per ton; and volatile organic compounds' (VOC) emissions decreased from 0.4520 to 0.4460 kilograms per ton.



We have increased the recycle and reuse of water and as result the waste water discharge across manufacturing divisions has reduced. Manufacturing divisions at Dhenkanal, Kurkumbh, Silvassa and Nagpur have achieved a zero discharge status by either reuse or recycling of generated effluent within battery limit. Similarly, Vadodara and Hazira manufacturing divisions have initiated the project towards achieving zero discharge. This year, the waste water discharge decreased by over 6.99 percent from 0.5728 to 0.5327 cubic metre per ton. Similarly, the discharge to withdrawal ratio decreased from 0.2604 to 0.2431.

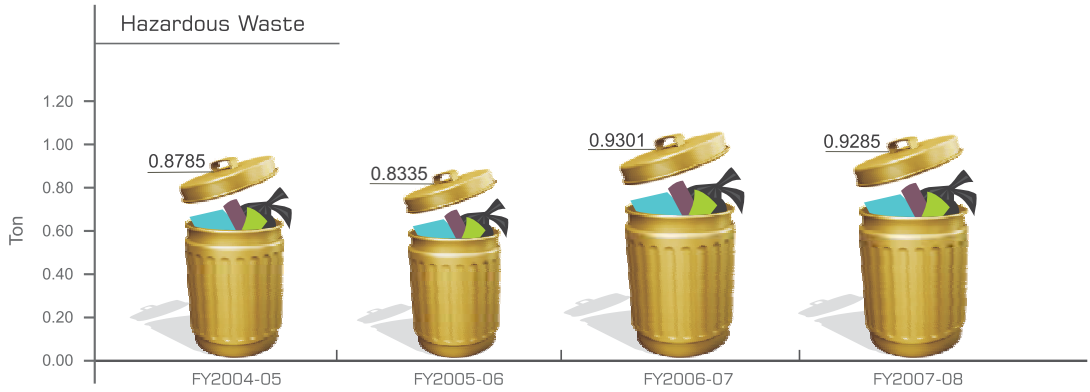


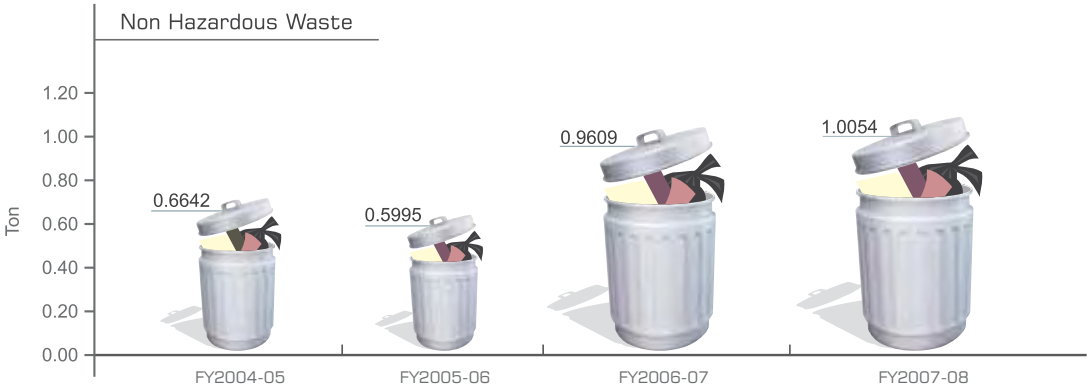
Conversion of biological sludge to manure by vermi-compost has been initiated at Vadodara, Hazira and Naroda manufacturing divisions while canteen waste at Jamnagar, Hazira and Nagothane is being converted to bio-gas and used as fuel. At Nagothane, conversion of horticulture bio-mass to coal briquettes and its use as fuel is being promoted. We have taken a proactive measure for the safe disposal of electronic waste, fluorescent tube lights, empty paint containers, spray cans, etc. across manufacturing divisions.

We have been extending CSR activities in waste and environment management through Indian Centre for Plastics in the Environment (ICPE), a nodal agency recognised by the Government of India to handle all issues related to Plastics and Environment in the country. RIL is one of the founder members and a key contributor to ICPE in terms of both Seed Capital and sustaining funds for specific projects in areas of waste management and recycling, mass communication and awareness programmes. ICPE conducted a successful trial with active support from Central Pollution Control Board, Govt. of India for co-processing plastic waste in ACC's Kymore plant. Once regularised, this would pave the way for civic authorities in various cities and towns in the country to find an alternative and scientific method of disposal of low end plastics wastes in more than 170 cement kilns in the country in an environment friendly way. ICPE has been working with the Road Engineering Department of Municipal Corporation of Greater Mumbai (MCGM) since 2005 for popularizing use of waste plastics for the construction of asphalt roads. In the beginning of 2008, MCGM and ICPE constructed a stretch of road in Mumbai using waste plastics in blend with bitumen and aggregates with higher Marshal Stability value.

We have promoted efforts on bottle waste recycling. Through these efforts, alternative employment for the weaker sections of society is also being facilitated.

On account of ongoing expansion projects, shutdown and construction activities across manufacturing divisions, this year, the total hazardous waste generated decreased from 0.9301 to 0.9285 tons per ton of output, while the non-hazardous waste generated increased from 0.9609 to 1.0054 tons per ton of output. Of the total hazardous waste generated, more than 68 percent was either recycled or reused in-house or through approved recyclers, while the remaining was sent to secured landfill, stored on site or incinerated. Our ultimate aim is to maximize this recycle and reuse of hazardous waste. Of the total non-hazardous waste generated, more than 99 percent was either recycled or reused while the remaining was sent to a secured landfill.





This year, we did not have any major spill across manufacturing divisions. Overall, there were nine minor spills at four manufacturing divisions, all of which were inside battery limit of the plant and within the equipment premises. The total spillage amounted to 9.68 cubic metres, most of which was either recovered or disposed successfully. Whereas, the total spillage from our E&P operations amounted to 47.72 cubic meters, which was either recovered or disposed off successfully.

Clean fuels for community at Nagothane Manufacturing Division

Biomass is a renewable energy source based on the carbon cycle, unlike other natural resources such as petroleum, coal, and nuclear fuels. A project to convert biomass to coal was implemented at the Nagothane Manufacturing Division. The process of conversion of grass, leaves and coconut shells was initiated to demonstrate the process to tribal and villagers. Once the process was established, a group of two tribals and a villager were allowed to operate the facility independently. Within a period of 12-13 days (before monsoon), the group manufactured about 500 kilograms of charcoal briquettes. These briquettes were sold in the local market at a profit of INR 4.90 per kilogram which was given to the group managing the operations.

Reducing residue disposal by increasing recovery in Condensate Recovery Unit (CRU) unit at Hazira Manufacturing Division

During the process of manufacturing terephthalic acid, maximum quantity of solvent and catalyst is recovered and recycled back into the process. However, a purge stream that contains valuable metals like Cobalt and Manganese is removed from the solvent stream to eliminate the byproducts and impurities formed during the catalytic oxidation reaction.

A CRU unit was installed and an innovative indigenous process and procedure was developed for washing CRU Centrifuge to improve washing efficiency and ease the operations to prohibit incineration of the valuable metals and recover Cobalt and Manganese metals from purge stream.

This CRU unit enhanced recycling of purge stream that increased cobalt and manganese recovery up to 90 percent with only 10 percent of fresh make-up as virgin material.

Reduction of oil fumes by lowering AC Duct in the Plant-I production hall of Silvassa Manufacturing Division

Oil fumes and small particles of fiber were generated in heaters of machines during the operation of texturising machines. Air supply ducts were provided above the machine height with return air suction facility. On account of low temperature of supply air at the roof level, the oil fumes condensed and led to accumulation of oil fumes inside the production hall and formation of oil droplets on the roof.

To ensure a smooth flow of air from colder zone to hotter zone, the duct height was lowered and was restructured at the desired level of machine in the plant.

This simple alteration led to numerous benefits like zero oil fumes and fiber particles in the breathing zone of the production hall, zero accumulation of oil droplets on the roof and lower energy consumption due to reduced air flow.

The total investment for this alteration was INR 9.00 million while the benefits accrued were to the tune of INR 18.00 million per annum.

Creating eco-friendly fibre-fill from waste PET bottles.

In line with our commitment of protecting the environment as part of business objective, we took the initiative in developing a solution to the environmental hazards caused by post-consumer PET bottles. Our team of experts embarked on a project to systematically collect the soiled post-consumer PET bottles, convert them in to clean flakes and then transform the flakes in to hollow polyester fibre-fill to be used as filling material in sleep and comfort products like pillows, cushions, quilts, furniture, soft toys, etc. Our stringent quality standard used in manufacturing this product, have enabled us to get Oekotex certification on this product, which is the highest level of European ecological certification available today on textile products.

The major problem we faced in this project was collection of post-consumer PET bottles as there was no organised collection channel system in India. We undertook a drive across the country to identify and train the people to collect PET bottles. Now we have a strong team of over 100 vendors spread across the country that collects the post-consumer PET bottles from the downstream supply chain of rag-pickers and kabadiwalas and transport the same to our production site.

With steep rise in the raw material price of PTA and MEG, today it is economically and ecologically a better proposition to use PET bottles, as it is comparatively cheaper and reduces the environmental load. In addition, our unique drive has also helped in creating employment opportunities for lakhs of people, who are earning their livelihood by being a part of our post-consumer PET bottle supply chain.

Vermi-composting of ETP biological sludge at Naroda Manufacturing Division

Solid waste generation and its disposal is one of the major challenges faced by industries today. With a view of converting waste in to useful fertilizer, the possibility of vermin-composting of ETP bio-sludge was explored.

After thorough physical and chemical analysis of the ETP bio-sludge and series of trial tests, a process to vermi-compost ETP bio-sludge was successfully established. The manure produced in the process is used for in-house horticulture.

In the pilot project, 0.68 tons of bio-sludge was used. Further, in the next two batches, 2.50 and 10.00 tons of ETP bio-sludge was used.

Waste management inside production hall at Silvassa Manufacturing Division

During the lapping process of POY on the texturising machines, yarn waste is generated. While cutting this yarn waste, it was often spilt on the shop floor. To overcome this problem, a waste bag was developed and was given to all operators and fitters who were involved in cutting of the waste fibres. This waste bag was attached to their body during the duty time. The operators had to collect the yarn waste in these bags and had to dispose them at a designated place. The yarn waste that was generated was practically of very light weight and further the waste bags were designed in such a manner that even completely filled waste bags did not pose any ergonomic problems for the operators and fitters.

This simple innovation had a total investment of INR 0.01 million but resulted in reduced maintenance of trolley wheels and elimination of yarn waste inside the production hall.

Disposal of tube lights by a tube light crusher at Jamnagar Manufacturing Division

Fused/discarded tubes are considered as hazardous waste because the tube is filled with mercury vapour containing phosphorus powder. These tubes were being sold as glass scrap to recyclers.

As a best practice in disposal of fused/discarded tube lights in an environmental friendly manner a tube light crusher was installed at Jamnagar. The tube light crusher consists of a crushing mechanism followed by a collection drum. This assembly is kept under vacuum by a fan. An activated carbon filter absorbs the vapors and mercury dust. Finally the crushed glass and used filters are encapsulated in concrete blocks and then disposed at a secure place. The crusher reduces the volume of tube lights by over 90 percent. Also, the mechanism ensures that Mercury (Hg) level in the work environment is reduced to 0.02 mg/cu.m (average) which is far below than OSHA threshold limit value (TLV) of 0.05 mg/cu.m.

The cost incurred on the tube light crusher was INR 0.40 million. Though there is no monetary benefit for the manufacturing division the main benefit of this crusher is in terms of elimination of exposure of recyclers to the mercury vapours.

Disposal of E-waste from the Hazira Manufacturing Division

Considerable quantities of E-waste was being generated in the form of printed circuit boards, old monitors, keyboards and electronic components in the plant premises. Of these, printed circuit boards containing lead were incinerated on the site while the remaining were sold as scrap.

In order to ensure systematic disposal of E-waste, we decided to dispose the E-waste through M/s E Parisara – a Bangalore based approved recycler of E-waste in India.

Our Hazira manufacturing division was the first industry setup from Gujarat that developed and operated a systematic method of E-waste disposal.

Development of eco-friendly technology for PTA residue disposal at Hazira Manufacturing Division

Terephthalic acid is produced by air oxidation of Para Xylene in presence of acetic acid (solvent) and catalyst (comprising of solution of Cobalt Acetate/ Manganese Acetate /Hydrogen Bromide). During the process of manufacturing, maximum quantity of solvent and catalyst is recovered and recycled back into the process and the purge stream is removed from the solvent stream to eliminate the byproducts and impurities formed during the catalytic oxidation reaction. The purge stream contains impurities such as Benzoic Acid, Iso-Phthalic Acid, Tri Melletic Acid), Ortho Phthalic Acid, Terephthalic Acid, Cobalt, Manganese etc. This stream was being incinerated in a thermal oxidizer, which destroyed valuable organics and produced GHG emissions.

To recover the valuable organics and eliminate GHG emissions, a totally indigenous recovery process was jointly developed in the plant that completely eliminated the incineration of the purge stream in the thermal oxidiser unit.

This new process reduced the consumption of natural resources such as water, power and fuel oil. It also helped to recover valuable organic acids like Benzoic Acid, Iso-Phthalic Acid, Terephthalic Acid, Cobalt and Manganese from the residue slurry, which were being destroyed in the incinerator.

Apart from other benefits, the overall monetary benefits of the process were to the tune of INR 0.25 million per day. The process has also been considered for claiming CDM benefits.

Reduction in unscheduled pack changes at Hoshiarpur Manufacturing Division.

Pack is used in spinning for conversion of polymer to filament. As a process requirement, these packs are changed after a certain time interval. Any unscheduled change of packs, results in generation of polymer waste; loss of pack consumables and quality; increased conversion cost and a higher loading on operators due to excessive threading.

The QCC problem solving methodology was used to reduce the unscheduled pack changes. Root causes were identified and solutions were devised accordingly. As a result, the unscheduled pack changes reduced from 22% in 2006-07 to 12% this year along with improved POY performance and reduced downgradation on account of pack change. The pack consumption load also reduced from 0.62 per ton to 0.40 per ton. The direct yearly savings were close to INR 0.42 million.

This project won Excellent & Par Excellent Category Awards at CCQC-07 & NCQC-07 respectively.

Product responsibility

All our products and services are designed, manufactured and delivered with the principal consideration of customer safety. Our aim is to extend this to the use and disposal phase of our products. For this, we have adopted a life cycle analysis approach to map the impacts of our products over their life cycle from the cradle to the grave.

We have developed several cross-functional teams that review and recommend a wide range of product and process improvements, which include product safety; industry participation and association; environment and safety labeling; ease of handling and managing products; waste reduction, recycling and reuse; use of recycled and recyclable packaging; energy conservation; and environmental protection.

Packaging solution to farmers [Polypropylene (PP) Leno bags]

We have organised extensive awareness programmes on improved packaging solutions for potato and other vegetables for farmers all over India. These included demonstration on use of Leno bags, which are more durable, functionally more efficient and cheaper than traditional materials. Leno bags helped the farmers reduce the cost of packaging of vegetables and wastage during storage. These bags also helped farmers to reduce wastage while keeping in cold storage. Our efforts helped the farmers to improve their earnings. These programmes covered more than 10,000 farmers across India.

Polyethylene (PE) Biogas Domes for Renewable Energy Source

Biogas technology for rural development has been a focus area for Government of India. Ministry of New and Renewable Energy (MNRE) promotes family-type biogas plants under the National Project on Biogas Development (NPBD). The project was launched in 1981-82 with the objective of producing clean and alternate renewable energy for cooking, enriched organic manure for agricultural usage, improving sanitation and hygiene and reducing drudgery of women. The two cubic metre 'Deenabhandu' model is the most popular family type fixed dome biogas plant developed with conventional brick and cement. Many of these plants get defunct due to dome cracks leading to gas leakages. We have developed a 100 per cent leak-proof Rotomolded PE Dome, which gives end-users a unique combination of properties like good strength, stiffness, light weight, seamless construction, ease of installation and very little maintenance. The PE-based dome has been developed by us and has been approved by the Ministry of New and Renewable Energy, Government of India. In FY 2007-08, 48 biogas plants with PE domes were installed.

Marketing communication including advertising, promotion, sponsorship and events

We view communication as a strategic element in overall business process. We have robust mechanisms in place, for internal as well as external communication. We adhere to all the statutory laws and standards related to marketing communication, advertising, sponsorship, promotion and event management. We comply with the code of conduct laid down by the Advertising Standards Council of India (ASCI) and are a certified member of the august body.

We keep adequate support documentation for all our communication material. Wherever required, we provide additional information on our website to be as transparent as possible.

Our media communication policy defines our communication approach to both external and internal stakeholders through informed, controlled and consistent messaging. We ensure that the company honours the information requirements of all its constituencies such as consumers, local community, customers, employees and shareholders with respect to disclosing company and business information.

We make necessary disclosures and provide reliable information about our company to our stakeholders, voluntarily and as may be required by law.

Contribution to the development of Polymer Product and environmental Standards

We are working with Bureau of Indian Standards (BIS) of the Government of India, in drafting and formulating various standards relating to polymers. Presently we are represented in 35 committees at BIS for 226 standards. We are represented in several World bodies like ISO, CODEX and others in the drafting and formulating various ISO, CODEX and other relevant standards. Some of the key areas of involvement are as under:

- Wrapping fabrics for non food applications
- Bulk packaging of commodities including foodgrain
- Retail packaging formats – Rigid & Flexible Packaging
- Standard for packaged drinking water both in Polyethylene pouches and rigid containers
- Optimization of liquid milk packaging
- Standards for HDPE/PVC Pipes for Water and PPR Pipes for plumbing
- Use of plastics in infrastructure – Construction, Roads

RIL is also associated in formulation and implementation of various environmental standards with national and state level regulatory authorities such as Ministry of Environment and Forest, Bureau of Indian Standards, Central and various state Pollution Control Boards, Confederation of Indian Industry, Federation of Indian Chambers of Commerce and Industry, Indian Chemical Council, etc.

Creating a Safe Workplace

In an increasingly competitive global business environment, there exists several challenges such as cost pressures, geographical separation and downsizing, and reorganisations among others. Maintaining the fundamental safety commitment at all locations becomes important despite challenges. The strength of our safety culture helps us to respond to such challenges in a decisive manner.

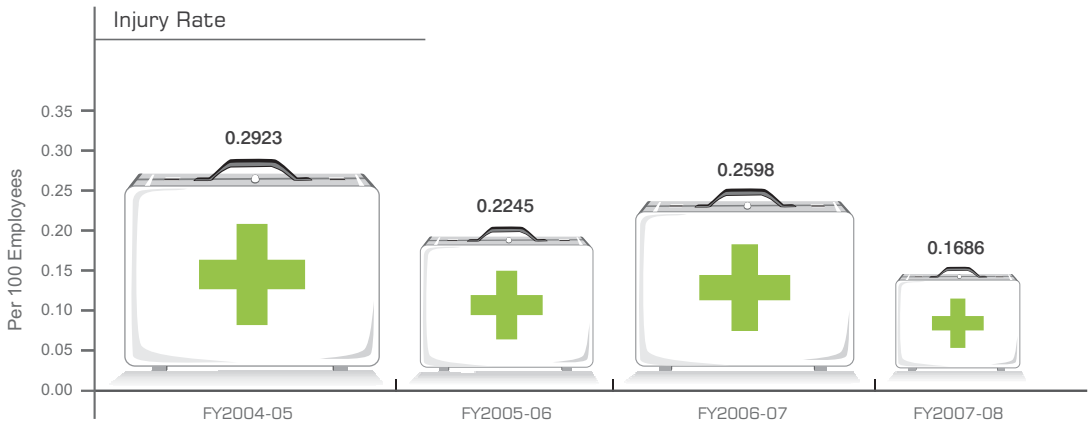
Process safety practices and formal safety management systems have been in place ever since we started our plants. These systems and procedures have helped us to achieve excellent performance for several years. In tune with development of newer safety management systems across the world, this year, we collabourated with DuPont to revitalize our safety management systems. Several top people engaged themselves in the development of safety management systems.

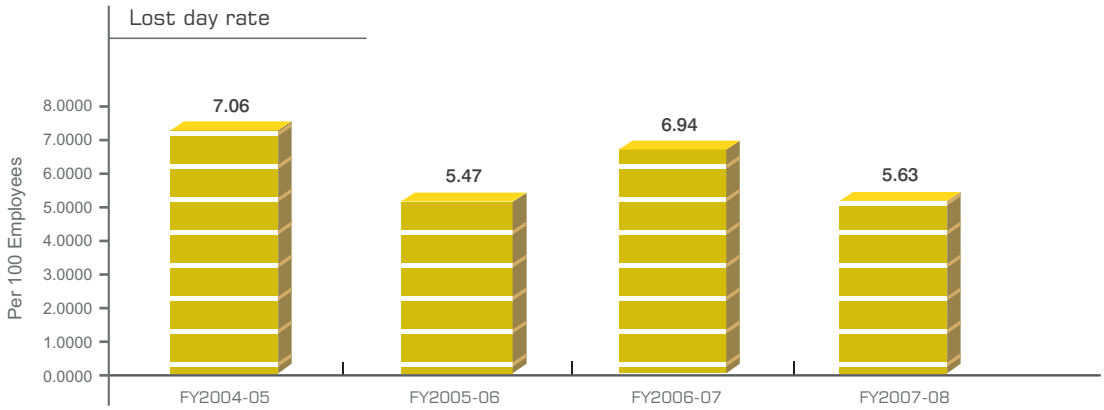
The efforts encompassed several areas including contractor management, competency building in process safety, auditing, strengthening of the Center of HSE excellence, emergency response procedures, and training and performance assurance in related fields.

As part of the collabourative effort, several existing safe work procedures were revised and implemented. Process safety review for several chemical plants were taken up by way of hazard and risk reviews and operating and maintenance procedures were strengthened based on these reviews.

One of the successful initiatives of this collabouration was the implementation of Reliance Safety Observation Programme, called ReSOP. This program helped senior people to focus on safety during their internal plant rounds and brought significant improvements in workplace safety.

Our continued efforts have resulted in a 35.09 percent decrease in the injury rate and an 18.87 percent decrease in the lost day rate. The following table gives a brief snapshot of our safety performance for the last four years.





Reliance Safety Observation Programme (ReSOP)

The Reliance Safety Observation Programme is a process that encourages management at all levels to visit the work areas to observe the work and discuss with employees and contractors about the safety of their job. This process also enables to monitor how the employees have integrated safety into their daily activities.

Under ReSOP, we are building safety observation as a foundational capability of our employees, so that everyone is able to recognize and communicate the presence of risks and hazards throughout their work environment. Here, everyone is accountable in this skill area and are motivated to accept personal responsibility for managing their own safety and correcting behavior that could put people and equipment in danger. This skill empowers every employee to take the appropriate actions required to maintain a safe workplace for themselves and their colleagues.

ReSOP provides the foundation for safety excellence at RIL by making safe behavior and safe workplace conditions a part of the work culture, preventing injuries and incidents. During an observation round, if an unsafe act is observed, it is used as a topic for discussion where the observers and employees come to an agreement on how to eliminate the reoccurrence of such acts. If no unsafe acts are observed, the observers use the opportunity to discuss how safety is integrated into the employee's activities, determine if there are any areas of concern the employee has for himself or his colleagues and understand the employees' suggestions.

Achieving occupational health and safety excellence at Patalganga Manufacturing Division

Leveraging on ReSOP and CASHe initiatives, we implemented a safety programme at Patalganga with an objective to inculcate positive attitude about safety at work place amongst employees. The focus was to achieve workplace safety excellence through safe behavior and improved workplace conditions.

The immediate effect of these programmes was a reduction in lost time injuries from 10 in the last year to four this year and also a reduction in the lost days from 495 in the last year to 379 in this year.

Automated polyester filament yarn package handling system at Allahabad Manufacturing Division

To eliminate the manual lifting of POY, an automated package handling system was installed in the plant. Along with this system, indigenized returnable plastic units for packing were introduced in place of corrugated bulk packaging unit. This change resulted in reducing weight of the bobbins thus reduced occupational health issues related with workplace ergonomics.

The total investment on this project was INR 242.10 million while the annual savings in terms of loss of downgraded material were INR 36.80 million, the principal benefits of this project being complete elimination of ergonomic problems related to manual system.

The Hazira and Patalganga manufacturing divisions also have a similar automatic package handling facility with a built-in lab loop facility.

Enhanced work place safety at Dhenkanal Manufacturing Division.

Reduction of exposure to caustic fumes near caustic charging tank

The existing process for preparation of caustic solution in the plant was manual that involved charging of caustic flakes followed by addition of water. This resulted in generation of caustic fumes in the work environment and also increased the chances of spillage of caustic solution due to its exothermic reaction.

In order to eliminate the generation of caustic fumes and avoid spillage during stirring, a covered motorized agitator was provided. This project won the runners-up award under CASHe 2007–08.

Reduction of physical stress during dismantling of furnace oil gun assembly

During the dismantling of the furnace oil gun assembly, the personnel working were subjected to physical stress and chances of burn injury as the nozzle has to be loosened only in hot condition.

In order to reduce the physical stress and eliminate the chances of burn injury a specially designed jig and vice were provided for safe loosening of the furnace oil spray gun nozzle.

Improving the working condition at the spinning floor

The existing exhaust blower in the spinning area was insufficient as the temperature of the floor frequently reached up to 36^{0}C. This resulted in heat stress problems to the personnel working on the shop floor.

To reduce the temperature on the shop floor the existing centrifugal fan was replaced with a higher capacity axial fan for efficient hot air removal. This change resulted in a 22 percent increase in the air change rate and a constant shop floor temperature of 28^{0}C.

Reduction of exposure to noise and heat at the Neumag spinning floor

In the sun flower unit the noise level and temperature were observed at 92 decibel (dB (A)) and 36^{0}C respectively. This created an unsafe working condition as the personnel were subjected to noise and heat stress.

To reduce the exposure to noise and heat and in turn protect the operators from noise and heat stress, an acoustic enclosure with air duct was provided on the shop floor. This reduced the noise level to less than 86 dB (A) and the temperature to less than 28^{0}C.

Reduction of PTA exposure to area operators at Hoshiarpur Manufacturing Division

The existing PTA charging system in the plant was designed as per plant capacity of 132 tpd. After enhancement of plant capacity up to 270 tpd, additional PTA charging was required from the same system. The inlet nozzle of PTA silo was not sufficient to carry this load and resulted in back thrust of PTA. This increased the PTA dust level in the operational area to 6,600 ppm and additional PTA sweeping waste.

To reduce the PTA dust level in the operational area the PTA charging system was modified by increasing the size of inlet nozzle of the silo and the charging hopper. This helped to reduce the dust level to 2900 ppm and also the PTA sweeping waste by 10 kg per month.

Development of plastic returnable unit separator cleaning system at Nagpur Manufacturing Division

Returnable Unit (RU) plastic separators that return from the market were always contaminated with dust and mud. These were cleaned manually in open tanks close to ground level. For this the workmen had to work in an uncomfortable bent position and hence used to tire quickly and led to low acceptance to work in that area.

To improve the operational efficiency and to enhance comfort at the workplace a semi-automated system for RU cleaning was designed and installed with help of in-house expertise. A redundant conveyor system was utilised to erect the new system.

The total investment for this system was INR 0.15 million while the annual returns were INR 0.25 million.

Safety and health programme for contract workers at Hazira Manufacturing Division

With an objective to provide total health care solutions to contract workers through detection and early intervention for any occupational diseases, identification and treatment of any deviation from normal health; medical care for family and emergency treatment during any calamity, a health and safety programme was introduced at Hazira.

Risk scoring was done for 5,500 contract workers at Hazira Manufacturing Division, for hazards posed by chemicals, dust, noise, heat, vibration, ergonomics and other stress factors. The assessment was done as per guidelines provided in the Integrated Risk Information System (IRIS) of Environment Protection Agency (EPA), USA.

Office ergonomic risk assessment at Hoshiarpur and Nagpur Manufacturing Divisions

On the basis of common complaints from the staff members working on desk or with computers, related to neck pain, joint pain, backache and eyestrain; a risk assessment study was organised.

Based on the assessment study, the problem areas such as bad posture and improper work conditions were identified.

Intervention programmes were developed and people were counseled to improve their posture and work environment by proper arrangement of their desktops.

At Nagpur, an investment of INR 0.50 million was made towards procurement of ergonomic chairs while at Hoshiarpur, qualitative improvement in the work environment led to reduction of average risk score from 53.63 to 50.80.

Physical and medical rehabilitation of machine operators at Silvassa Manufacturing Division

During the last annual medical check-up, over 30 machine operators complained of backache at the workplace. This resulted in poor machine efficiency of about 70 percent, lethargy at workplace and absenteeism.

A physical and medical rehabilitation programme for the machine operators was conducted at Silvassa. This programme was spread over a period of 15 days and trained the machine operators on Yoga techniques, attitude and behavioural change modules.

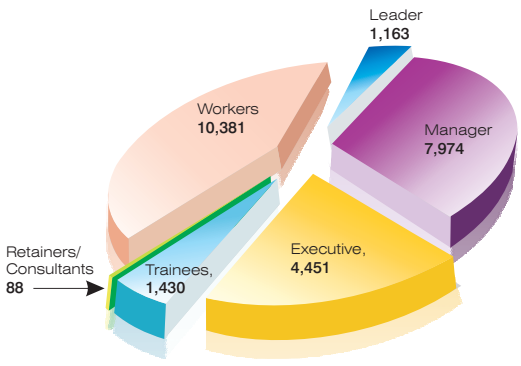
Post this training program, there was noticeable improvement in the work environment and the machine operating efficiency increased to over 98 percent.

We Bet on People

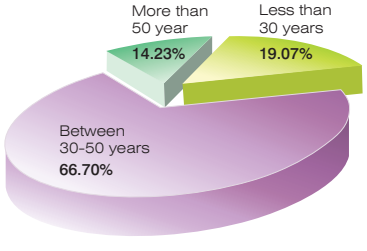
Our workforce continues to grow and today is in excess of 25000. *Our employees today, include amongst others - 200+ doctorates, 10,000+ engineers, 3000+ management graduates, 1000+ accountants, 1000+ other professionals.* We have an appropriate blend of youth and experience with more than 66 percent of the workforce between age group of 30 to 50 years. The average age of our employees is 39 years and continues to move downwards in alignment with the company ethos of providing and entrusting mega responsibilities at a young age. Of the total workforce, this year the percentage of females was 9 percent. This year we hired over 1500 personnel to take care of our growth and of this, more than 900 were fresh engineers and remaining being the experienced personnel.

As we continue to grow, we are focused on building processes and systems which would catapult us to compare ourselves with the 'Best in Class Employers' globally. Towards this end, we have engaged the M/s Hewitt Associates to work with us in rolling out a major company-wide initiative. This would be focused around areas of Performance Management, Reward and Recognition, Career Opportunities, Learning and Development, Policies amongst others. The main objective being to take a re-look at our existing processes, benchmark with the best in each area and work towards going beyond the best.

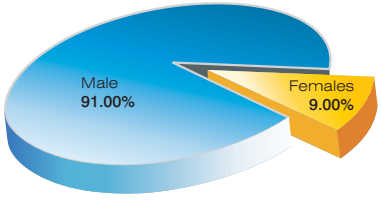
Workforce breakdown as per grade



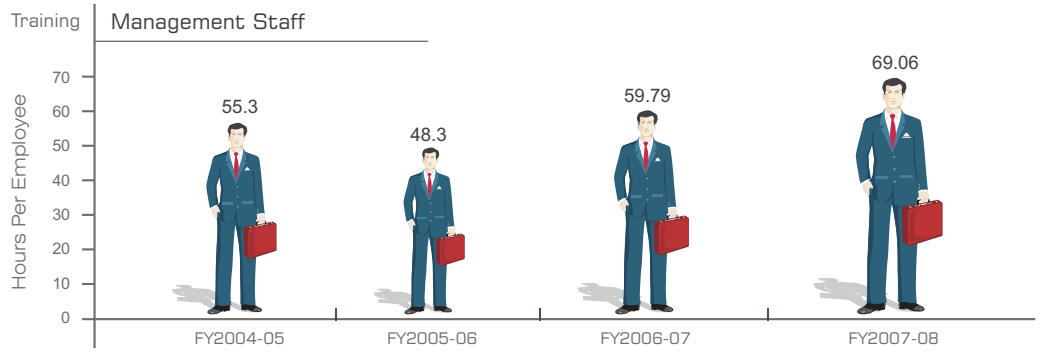
Workforce breakdown as per age

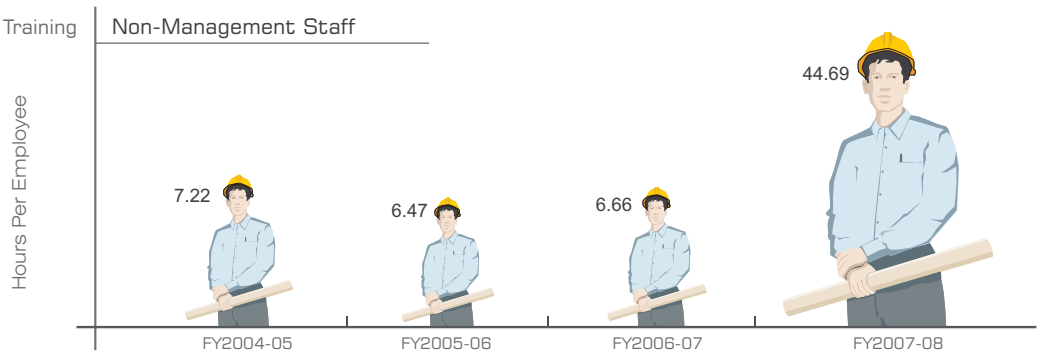


Workforce breakdown as per gender



Training has now become a way of life at RIL. This year, for our management staff, we imparted training equivalent to 944,529 man hours – a two-fold increase over the last year. Similarly, for our non-management staff, we imparted training equivalent to 463,937 man hours – a four-fold increase over in the last year. Overall, the average training hours have increased from 24.50 hours per employee in the last year to 58.55 hours per employee this year. From this year, we have also started monitoring the training imparted to the contract labour. This year on an average 26.70 hours of training was imparted to each of the contract labour working across manufacturing divisions. The focus was on in-house home grown programmes, competency development programmes and soft skills learning. We continue to work with leading engineering and management institutes to groom qualified personnel who would help us to achieve the impossible. In addition to the Management Programme for Reliance Engineers (MPRE) with IIM-Bangalore and a Reliance Certified Engineering Course (RECE) with IIT-Mumbai for our science graduates, we have now put together a three year Reliance Instrumentation Engineering Programme for science graduates with Sardar Vallabhbhai National Institute of Technology (SVNIT), Surat. The first batch of 50 personnel would be a part of our large requirement of instrumentation engineers on an ongoing basis. We have also launched two new management development programmes with IIM-Bangalore targeted at our high growth managers. This year, more than 180 such managers went through such programmes at the campus. Further, to take care of our business requirements, we introduced a new Business Management Trainee (BMT) scheme where the intake was 100+ for our various businesses and also forayed into the IIM recruitments with 30+ employees being hired over the last two years.





We have continued to implement our Employee Stock Option Scheme (ESOS) which is one of the widest programme of its kind in the Indian Corporate Sector that was introduced last year. This program covers under its ambit, more than 14,000 employees in line with our value and belief of creating 'Owner Managers'. This programme has helped us to achieve that in no uncertain terms – with not just giving the people higher order responsibilities but returns as well to go with it.

We completed the 'End-to-End' job evaluation exercise for our Polyester and Polymer businesses and plan to roll this out to the rest in the next year. This will help us to build a platform for various initiatives like organisation Structuring, Career Planning, Compensation and Benefits Planning. This year the total spend on

benefits extended to employees was INR 4,668.40 million. The benefits extended include group medical employees insurance scheme, group personal accidental insurance, group saving linked insurance, employees's pension scheme, provident fund scheme, employees delinked insurance scheme, gratuity leave encashment, superannuation scheme of LIC, rehabilitation scheme, employees state insurance, bonus other staff welfare & amenities labour welfare fund.

Empowering people with knowledge to achieve business goals at Patalganga Manufacturing Division

There was a constant need to relocate experienced employees from Patalganga for commissioning new projects and improving efficiencies of existing plant operations. As a result, the junior employees were required to acquire and apply tacit and explicit knowledge on a fast track, to be able to efficiently and effectively operate the plants. To achieve this, the conventional training system was found to be inadequate and hence a dynamic model to link learning with workplace performance was developed.

A structural capital was created and enriched along with a structured management of change – personnel. To support this, series of extended learning programmes were launched. The challenge was to capture organic knowledge gained by employees over years, arrange them in an organised manner and transfer the knowledge to the less experienced employees as and when they require. The idea was to ensure knowledge availability on a 24x7 basis, to enable employees to learn at their own pace and at their own convenient time.

This new system ensured performance enhancement and career growth for employees. This also resulted in reduction of cycle time for problem solving; enhanced employee participation in organisational improvement activities; improved interpersonal relationship; effective delegation and efficient decision making.

This system is being replicated at other manufacturing divisions. This also received an award from the American Society for Training & Development, a global body in the field of workplace learning and performance under excellence in practice category.

Dronacharya learning scheme at Jamnagar Manufacturing Division

For the massive expansion project there was a need for training new personnel within a very short period in the chemical, mechanical, instrumentation and electrical disciplines. In order to achieve this objective, the Human resources team, Discipline deans and the Learning Centre together developed a comprehensive accelerated training scheme called the 'Dronacharya scheme'.

As per Indian mythology, Dronacharya was the mentor of the warrior prince Arjuna who was instrumental in winning the epic battle of Mahabharata. It was Dronacharya's interest and passion that made the Arjuna an unbeatable warrior in the time to come.

In a similar fashion, an RIL employee of Executive and Manager family having more than two years of experience was selected as Dronacharya – the Mentor who had four to five Arjunas'- the Mentees, the new inexperienced recruits.

Each Mentee had a detailed KSA: Knowledge, Skills & Attributes matrix covering elements, land marks and targets within a time frame of 6 to 12 months. The Mentor had to guide the Mentee through the entire training package and at the end of the learning period the Mentee had to clear a written test, a task test and an interview conducted by plant management in association with the learning centre. The entire process was reviewed by an external consultant to ensure strict adherence to laid out rules.

In order to appreciate and keep the spirit of the tradition a monetary award was given to the Mentor and the Mentee as a token of appreciation. Till date, 1226 personnel have participated as the Mentees while 597 personnel have participated as the Mentors. Further, INR 308.48 million were given as rewards to the Mentees while INR 209.72 million were given as rewards to the Mentors.

In view of the success of this programmes, this was further extended to some of our manufacturing divisions.

Professional upgradation of employees through the Extended Learning Programs at Jamnagar Manufacturing Division

With a view of upgrading the professional qualification of our employees, extended learning programmes were introduced at Jamnagar. Under these ELPs, learning courses were offered to full time working employees on weekends to equip them with professional qualification in the technical, safety or commercial streams.

The technical courses were conducted by faculty from reputed engineering college of the Saurashtra University. Successful candidates were awarded certificate as "Reliance Certified Engineers". Till date, 28 employees have completed this course. The safety courses were carried out through coaching by experienced external consultants. Exams were conducted by government recognized agencies like General Factory Advise Service & Labour Institutes (DGFASLI) or State Technical Education Board. Till date, 135 employees have completed this course.

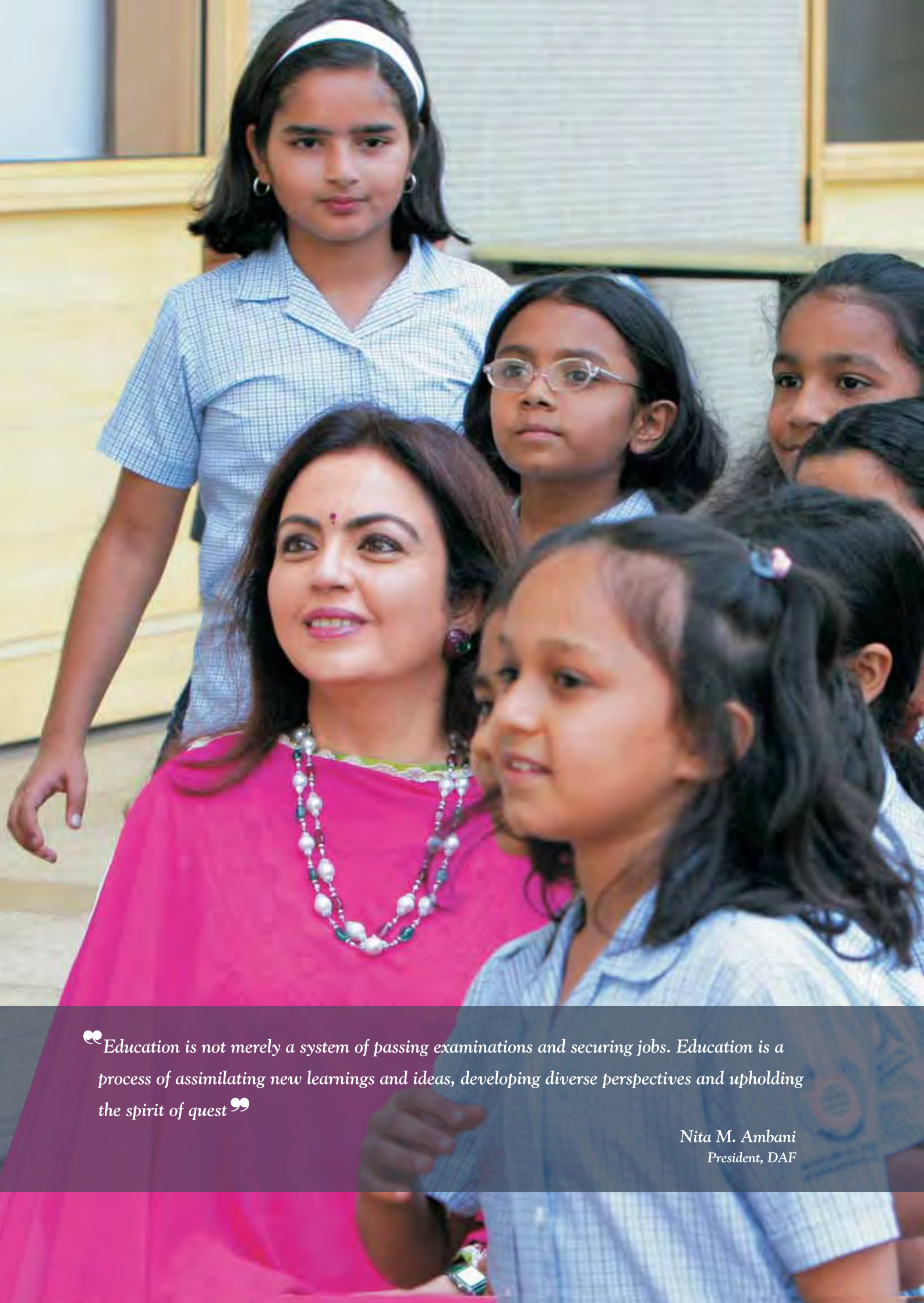
The commercial courses were conducted in collabouration with All India Council of Cost & Works accountants with a certificate being awarded as Reliance Certified Accountants. Currently, 32 employees have completed this course.

Knowledge process outsourcing at Jamnagar Manufacturing Division

Currently, the crude oil refining industry is passing thru turbulent days with volatile crude price and increased demand for 'ultra low sulphur and cleaner' products. Under this scenario, every attrition results in enormous loss of trained / productive man-hours.

There are about 700+ refineries in the world and about 30% of these run with very low gross margin. Entering into "Knowledge process outsourcing" (KPO) services could offer a platform to perform for many talented professionals within RIL and yet retain their daily chores in the organisation. "Learn, Leverage and Lead" has been the motto of the KPO services of RIL which is ably supported by organic growth of knowledge from real time operations of processing units in the manufacturing sites. The business model of the KPO services of RIL is unique as it is built around its own proven best practices across supply chain management. Till date, over 20+ services have been rendered to international clients across 3 continents. These include profit improvement studies, reliability enhancement audits, process engineering support, turnaround maintenance management, expediting projects through engineering procurement contract (EPC) services, critical review of planning and scheduling processes, crude assay management, process automation, etc.

Our learning progammes boost employees' morale, enhances employability and provides them growth opportunities.



"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

Being Responsible

We are a major contributor to India's economy, not just through financial performance but by creating sustainable livelihoods that would help societies combat the ever increasing inflation and create a space for themselves. This is in line with our objective of transforming lives that would naturally help to redefine tomorrow. We are committed corporate citizens and believe in the partnering with our stakeholders to achieve mutual goals.

This year, we have invested more than INR 1,297 million towards building a social infrastructure in the modern India that is over 50 percent of the amount invested in the previous year.

UAA-Dhirubhai Ambani Lifetime Achievement Award

The first UAA Dhirubhai Ambani Lifetime Achievement Award jointly promoted by UDCT Alumni Association (UAA) and RIL was awarded to Professor George Whitesides of Harvard University, USA, for his innovative and outstanding contributions to chemical sciences on December 23, 2006. This year, on June 18, 2008, this one-of-its kind award was bestowed upon Professor Robert H. Grubbs, (a Nobel laureate Chemistry, 2005) – a Victor and Elizabeth Atkins professor of chemistry at California Institute of Technology, USA. The award was for his innovative and outstanding contributions to science and engineering having wide ramifications.

This Annual Award has been instituted in memory of India's Pioneering Industrialist and our founder chairman, Shri Dhirubhai Ambani, to recognise outstanding contributions of Scientist in the field of Chemical Sciences. This award, carrying a purse of USD 20,000 and a citation, is the highest Award for Scientific Achievements given by an Indian entity.

(*Mumbai University Institute of Chemical Technology (MUICT), a premier chemical engineering institute in the country was founded in the year1934 as University Department of Chemical Technology (U.D.C.T.)

Real Indian Heroes

On the occasion of our founder chairman Shri Dhirubhai Ambani's 75th birthday, 60 years of Indian Independence and completion of 30 years of RIL, the Company took up a unique initiative to salute the Real Indian Heroes of Independent India. Partnering with the TV Channel, CNN-IBN, a series of programmes to felicitate the unsung heroes of India was launched. CNN-IBN identified 24 Real Heroes, which included six each from the four zones of India. In recognition for their outstanding contribution to society, RIL felicitated each of these 24 Real Heroes to further encourage their contributions.

Skill Upgradation

We conduct special training programmes to equip the young people of neighbouring villages with work skills necessary for sustaining livelihood. Our Nagothane Manufacturing Division conducts training in fashion designing courses for the ladies to upgrade the skills of those women who are already trained in basic tailoring. At this division, we also conduct computer education courses and nursing assistant training courses. The trainees also receive hands on training at the local hospitals and Primary Health Centres (PHCs) at Nagothane. Further, we train the youth in vehicle driving courses so that they can earn a livelihood.

Our Polymer business division organised technical training programmes at 50 Industrial Training Institutes (ITIs) all over India to enhance skills of plumbers for new and advanced technique of plumbing with PPR pipes. We also offered plumbing kits, free of cost, to various plumbers as well as to ITIs to promote this new energy efficient application in the building industry. PPR pipes are faster to install than metal pipes. This results in improving daily productivity of plumbers thereby increasing their earnings. This initiative covered many plumbers across the country.

Supporting life on the shores of KG-D6

Additionally, our E&P Division on the shores near KG-D6 span from providing gainful employment to local communities. The other activities by the members of the Gadimoga pachayat include imparting vocational training for the youth, extending financial assistance for community activities, supporting and sponsoring local cultural and sports events, providing timely financial relief to affected communities, compensation to local fishermen, academic and financial assistance and educational support through distribution of books, improvement of village school infrastructure and medical help to local communities.

Drishti

Our Project Drishti, a nation-wide corneal grafting drive to bring light into the lives of visually challenged from the underprivileged segment of society, has restored the gift of sight to over 6,000 Indians. A unique joint initiative of RIL and National Association of Blind (NAB), Project Drishti has undertaken over 6,000 keroptoplasty surgeries in less than four years since it was started - all free of cost. It is now the largest corneal grafting surgery project enabled by a single corporate entity in India. Our Drishti Painting Competition – our initiative to propagate awareness of Project Drishti, is organised for school children at several manufacturing divisions and offices of the Company.

The challenges for corneal grafting surgeries are Herculean, more so for the underprivileged segment of the society. Industry estimates indicates that annually, about 13,000 to 15,000 individuals donate eye balls, which means around 30,000 eye balls get donated. Of this, only 35 – 40 per cent is fit for corneal grafting purposes, i.e. 12,000 to 13,000 eyeballs actually are available for corneal grafting. Further the success rate of a corneal graft surgery is 70 to 80 per cent, which further brings down successful beneficiary number to around 10,000 eyeballs.

The scarcity factor of good corneas results in a long-waiting list for people whose world is black. And, it is an assured stark black if the visually impaired person is from the underprivileged segment.

In its endeavour to ensure that the visually impaired from the utmost under-privileged segment of the society reap benefit from this initiative, Project Drishti, in association with National Association For the Blind - a non-profit institution serving the blind in India for over five decades extends support through specialized eye-hospitals spread across India. Presently, this project has conducted corneal grafting surgeries in over 26 centers in India and efforts are on to spread to far-flung moffusil areas of the country.

In addition to its drive of corneal grafting drive, Project Drishti has actively participated in several blindness prevention activities and also in creating awareness about the compelling need for eye donation. We have screened over 33,000 children from 94 schools run by Municipal Corporation in Maharashtra state. Over 1,200 were provided with spectacles and medicines were provided to over 1,000 children.

HIV / AIDS and TB combat initiative

Our Community Medical Centres near our manufacturing divisions cater to the Governmental health care programmes like maternal and child health, TB, malaria, HIV / AIDS etc., besides providing curative treatment. These Centres have been well received and go a long way in providing the medical relief for the community. Our HIV / AIDS and DOTS programme at Hazira and Jamnagar is being replicated at other manufacturing divisions. This is a unique public-private partnership programme between the Government, NGOs and RIL, which extends from creating awareness to providing treatment, care and support. Our initiative to combat HIV / AIDS has been recognized by UNAID, World Bank and other national and international institutions.

Adoption of Public Health Centre (PHC)

We have converted the Primary Health Centre (PHC), which we adopted from the State Government of Gujarat, into a model primary health centre. The PHC located at Dahej in Bharuch District, Gujarat, has attained the status of the best PHC in the District in a short-span of six months and has established itself as a centre of excellence.

Additionally, our Dahej Manufacturing Division has been playing a pivotal role in the development of the society. Social initiatives undertaken by this unit are concentrated towards promotion of education, health awareness and medical facilities, infrastructure development and supply of safe drinking to the villages.

Highway Rescue Intervention

To provide emergency and trauma care to victims of highway accidents, our Hazira Manufacturing Division has tied-up with an NGO to run the project on the State Highway in Gujarat starting from Sachin to Bharuch, and the State Highway via Hazira Olpad Hansot Ankleshwar. The project will benefit thousands of commuters who use this highway on a daily basis. A similar life-line Ambulance service is also operated by our Hoshiarpur Manufacturing Division. This yeoman service has helped save as many as 83 accident victims on the spiral roads of the hills of Shivalik range on the Punjab-Himachal Pradesh border.

Traffic police personnel are the first government agency to respond to an emergency involving a chemical tanker or a truck. With the increase in the number of accidents on roads and the unending addition of new chemicals, it is important that these personnel understand the hazards and the basic steps to be taken to safeguard themselves and the general public from the hazards of chemicals. The Company's initiative of training traffic police personnel by its Kurkumbh Manufacturing Division in handling road transport emergencies involving chemicals will go a long way in serving the objective of community well-being.

Dhirubhai Ambani Hospital, Lodhivali

Our Dhirubhai Ambani Hospital, Lodhivali, renders quality medical services to the rural population and highway accident victims.

Moti Khavdi Medical Centre

Our Community Medical Centre at Moti Khavdi, a village near Jamnagar Manufacturing Division, provides comprehensive medical services free of cost round the clock. The over 120,000 villagers from neighbouring villages also benefit from the Centre.

Mobile Dispensaries

RIL also operates free medical diagnostic and therapeutic services at neighbouring villages of several of our manufacturing divisions.

Dhirubhai Ambani Hospital, Lodhivali

Moti Khavdi Medical Centre, Jamnagar

Mobile Dispensaries at neighbouring villages near our manufacturing divisions.

Women Empowerment

We have conducted many training programmes to help the rural women and youth to become self sufficient, generate income for themselves and support their families.

In FY 2007-08, the training programmes we conducted for the rural women and youth of surrounding villages of Vadodara Manufacturing Division were:

1. Women Empowerment,
2. Dress Making & Designing,
3. Beauty Culture & Healthcare,
4. Hospital attendant (Helpers for Hospital & Nursing Homes),
5. Plumbing & Hand Pump repairing training,
6. Computer Hardware,
7. Motor Vehicle Driving,
8. Mobile Repairing and
9. Doormat making.

Several persons participated and benefited from the above training programmes.

Our Nagothane Manufacturing Division's CSR cell- MGCC Area Development Research Foundation (MADER) Trust continues to support several self-help groups in income generating activities such: Hatsadi tandul (brown rice cultivation), making of household utility items such as hand-carry bag, phenoyl, agarbati, candle and papad, and marketing the same to industrial canteens and local market. Likewise, our Hoshiarpur Manufacturing Division conducts free stitching courses for the women of nearby villages.

Reliance Rural Development Trust (RRDT)

Under the aegis of RRDT, spearheaded by Shri Parimal Nathwani, Group President Corporate Affairs, we continue to work on developing the rural infrastructure under the Government of Gujarat's rural development plans. During the year, RRDT created 760 facilities in the rural areas at a cost of INR 2,407 million. The facilities included 247 concrete roads, 465 anganwadis, 38 drinking water facilities, 1 panchayat office, 2 community halls, 5 check-dams and 2 other amenities in the rural areas of the State of Gujarat.

RRDT has turned out to be an exemplary corporate NGO steadily and silently implementing government's developmental plans for rural areas of Gujarat. It is a unique synergy between a corporate giant like RIL and the Government of Gujarat, formed to carry out rural development projects in private public partnership.

Promoting Sports and Indian Culture

WE have formed Gujarat Navratri Festival Society to promote and celebrate Navratri Festival on a grand scale. The nine-day colourful festival provided a platform to showcase local talent (handicrafts), promote traditional food of the region and promote Indian Culture.

We also continued our tradition to support sports and sportsmen and adopted budding talent in chess, billiard and cricket. RIL has a permanent seat in Gujarat Cricket Association's executive committee.

Society for Village Development in Petrochemicals Area (SVADES)

Our Vadodara Manufacturing Division runs a collective action program Society for Village Development in Petrochemicals Area (SVADES), an initiative that binds industry and the rural community for socio-economic development. SVADES works in 40 villages and covering a population of nearly 200,000. The work programme covers a gamut of rural development activities from provision of critical infrastructural requirements like linking roads, water tanks, bore wells, check dams to school support, women and youth development programmes. Rural sanitation is an area where SVADES has many success stories. Over 1,500 household sanitary latrines and 30 school sanitary latrines have been constructed by SVADES, meeting a critical requirement of villagers, particularly rural women. The work has been carried out by utilizing funds from donor industries hand in hand with Government grants and public contribution. What is unique is the willing contribution from the beneficiaries in this effort, thereby ensuring the viability and utility of these assets.

Women and youth are two important constituents of SVADES' interaction with the rural community. Specially constituted Mahila Mandals act as the conduit for health, sanitation awareness programmes. Nutrition education, childcare issues are again areas of high priority to the programmes of SVADES. Similarly, youth support activities such as vocational training, skill development, wholesome sports and recreational activities are also undertaken. SVADES is presently engaged in a project to augment facilities in schools, with multimedia education kit for imparting meaningful education. The primary schools act as the focal points for imparting ecological training to the school children who are made responsible for maintaining the saplings planted by them. So far, over 12,000 trees have been planted in the schools with the assistance of SVADES.

The critical factor that distinguishes the activities of SVADES is the rapport with the rural community and the willing participation of the villagers in the programmes as a true partner.

Village Schools supported by SVADES have positively impacted the lives of hundreds of children

Use of audio visual equipment in classrooms makes learning more engaging and fun

Face-lift of MotiKhavdi village near Jamnagar Manufacturing Division

MotiKhavdi village is in the shadow of RIL's Jamnagar Complex. Once a sleepy and neglected village is now humming up with lots of economic activities with influx of outside project personnel, labours, truckers etc. Though RIL started supporting village with its entry in the area in a sporadic fashion more than a decade back, the village didn't give a look of the prosperous village of the class being a next-door neighbor to the world-class refinery. Organised market place, filth and garbage collection, house-keeping and sanitation, traffic congestion, haphazard parking, passengers' sheds and public conveniences and overall appearance, etc. were problems. Work on an elabourate and exclusive face-lift proposal for MotiKhavdi was undertaken with an overall plan out-lay of INR 8.00 million. Of this, INR 3.97 million were spent this year.

Following activities were completed in the village:

- leveling, compacting and concreting the village chowk and roads, abrasing and filling pot-holes and making village-haat (market-place) for hawkers,
- construction of public toilet in the village and use on 'Pay & Use' Pattern,
- construction of drains,
- beautification of village chaura (heart of village), children park, providing benches,
- construction of a police check post,
- construction of bus stop waiting sheds,
- parking place for 2,3 & 4 wheelers; and
- sweeping of market and public places in the village by employing sweepers and collection & disposal of garbage on daily basis.

Drinking water and sanitation facilities

We have solved the long-standing drinking water problem of villages near its Manufacturing Divisions located at Naroda and Nagpur. Further, we have also created public bathing facilities and toilets for truckers and residents of villages for improving hygiene near its Allahabad Manufacturing Division.

Zero Garbage

After successfully implementing zero garbage concepts at Nagothane Manufacturing Division, we took the initiative to propagate the concept of solid waste (dry and wet waste) management in the neighbouring villages so as to help villagers keep their village environment neat, clean and garbage-free.

Dhirubhai Ambani Foundation

Dhirubhai Ambani Foundation has transformed the lives of thousands of people by creating a better quality of life for them. Smt Nita Mukesh D. Ambani is the driving force behind the foundation activities and RIL's societal interventions. Her zealous efforts have been a shining example of how corporate-community partnership can create lasting bonds.

The multi-pronged agenda at DAF includes; health and environment, promotion of social and economic welfare and rural development. But, its main thrust has been on education and public healthcare.

DAF systematically pursues philanthropic activities to promote national welfare and social well-being. RIL lends valuable support to DAF in terms of financial contribution and wherever necessary, infrastructural support. RIL also draws on the DAF expertise in evolving and coordinating the Corporate Social Responsibility Initiatives and other group companies also help DAF initiatives wherever possible. Thus, DAF initiatives reinforce Reliance's commitment to social responsibility.

The total amount invested by Dhirubhai Ambani Foundation during FY 2007-08 on Education and Public Healthcare Initiatives was INR 145.50 million, as compared to INR 82.80 million in the previous financial year.

Education

Dhirubhai Ambani International School

In just five years, Dhirubhai Ambani International School (DAIS) has emerged as a centre of excellence, with outstanding achievements and all-round development of its students, as outlined in the Annual Report 2006 – 2007. An LKG-12 school, it prepares students for the ICSE, the IGCSE and the IB Diploma Examinations and is a member of the Cambridge International Primary Programme (CIPP).

The first three batches of the school's IB Diploma candidates are pursuing their undergraduate studies at leading universities worldwide and this year some are completing their degrees in the UK and India. The fourth batch, the Class of 2008 (88 candidates), has also earned outstanding university placement offers. Several of these universities have also offered scholarships to our students.

A range of achievements in broader areas, in addition to those already reported on before, indicates the increasing balance and depth of learning experiences at the school.

The CAS (Creativity, Action and Service) programme, part of the IB Diploma programme, serves as a key opportunity for our students to engage with a variety of social causes. Our students work with a number of NGOs – Advitya, Akanksha, CCDT, Magic Bus, Muktangan, Pratham, Pukar and Amnesty. Indo-French Schools, a joint service project between our school, L'Ermitage School, Paris and The Franco-Indian School of Bombay, teach English to children in a slum in Malad (Mumbai). It also has conducted eye check-ups for children there. The 'Across the Road' service project recently launched by the school serves children in the slum areas adjacent to the school and supports them in their educational and developmental needs.

In December 2007, the school celebrated its Annual Day as 'The Great Indian Mela' – a musical event to celebrate India's 60 years of Independence, as well as a fete that raised considerable funds for the NGOs that our students support and work with. The two evening performances were enjoyed by 6,500 people from the school community.

In keeping with its philosophy of constantly endeavouring to provide opportunities for the overall development of children, this year the school is launching The Dhirubhai Ambani International School Study & Activity Center at Matheran. Set in a lush green 18-acre campus, with sports, recreation and study facilities, it serves as a base for outdoor pursuits for our children and faculty and for engaging with neighboring villages in their development. DAIS students have annual exchange trips with L'Ermitage and also CAS exchange trips with a school in Mauritius.

In May-June 2007, the school organised its Inaugural International Football Camp, which was led by three

prominent coaches from the United Kingdom. Over 70 students from the school participated in this 7-day camp.

In March 2008, the school earned Regional Membership of 'Round Square'. The criteria for membership include a strong commitment to participate in the six pillars that form the foundation of 'Round Square' international understanding, democracy, environment, adventure, leadership, and service.

Rewards and Scholarships

DAF SSC Merit Reward and Undergraduate Scholarship Schemes: The Foundation's much acclaimed SSC Merit Reward and Undergraduate Scholarship Schemes continued to encourage and assist meritorious students at the district level to pursue higher education in different vocations to enhance the Human Resource potential of the country. Now in their twelfth year, both the schemes are currently applicable in the states of Maharashtra, Gujarat, Goa and the Union Territory of Daman, Diu and Dadra Nagar Haveli.

The first three in overall merit and one physically challenged student securing the highest marks in each of the 64 districts at the annual SSC and HSC examinations of the respective state Boards, as well as the first ten CBSE students from Maharashtra and Gujarat and two from Goa, in the merit list of CBSE New Delhi, are eligible for the Rewards and Scholarships.

Reaching out to other Indian states

To offer equal opportunities to the physically challenged meritorious students from the rest of the country, the Foundation has extended the Rewards and Scholarship Schemes to the first five physically challenged students from all the States and Union Territories of India that provide the list of such meritorious students.

Accordingly, in 2007-08, physically challenged meritorious students from Rajasthan received SSC Merit Rewards and Undergraduate Scholarships at a function held in Jaipur, whereas at a function held in Hyderabad, 20 Physically Challenged meritorious students from the state of Andhra Pradesh received the Rewards and Undergraduate Scholarships for the years 2006-07 and 2007-08.

Reliance Kargil scholarships scheme

Children of martyrs / disabled soldiers of the Kargil war received financial support under this Scheme for their education from Std. V to XII. The unique feature of the Scheme is that the corpus was created with contributions from RIL Group employees, with the Management responding by making equal contribution.

Dhiruhbai Ambani Scholars' Scheme for Meritorious Children of RIL Shareholders

The Scheme was announced in 2003 as a one-time measure to commemorate the silver jubilee of the company's listing on the Bombay Stock Exchange. In the first year, 900 meritorious children of the shareholders received the scholarships. Of these, in 2007-08 which is the 4th year of the Scheme, a total of 101 scholars continued to receive the scholarship for their education, leading to Degree / Diploma course, the rest having completed their education.

Reliance School of Life Sciences (RSLS)

Reliance School of Life Sciences is a centre of excellence established by the DAF in 2007. It is dedicated to providing graduate, post graduate, doctoral research and continuing education programmes in various domains of life sciences and related technologies. RSLS currently operates from a state of the art campus at Navi Mumbai.

The first Diploma Programme in Clinical Research and Biopharmaceutical Manufacturing commenced from July 2007.

Health

Sir Hurkisondas Nurrotumdas Hospital and Research Centre (HNHRC)

DAF, with financial and technical services support from the Reliance Group joined (1997) the Management of HNHRC, a charitable hospital offering tertiary health care facilities to all strata of society and providing free and subsidized services to the poor and indigent patients availing of various diagnostic and treatment facilities.

Nearly 9,000 patients received treatment indoors in the various wards and specialized care areas; more than 4,000 surgeries were performed this year, of which a major portion was of special and supra-major surgeries and about 50,000 patients availed the OPD services at P.T. Clinic. The hospital continues its age-old tradition of rendering free service to all in the casualty ward.

Cadaveric Organ Donation Programme is catching up; the hospital did several Cadaver transplants in the recent past. Eye donation drive initiated by the hospital continues to receive increased response.

Upgradation of all facilities including the operation theaters is an ongoing process, like in every Public Health Care facility.

Some of the important outreach programmes conducted this year included a Senior Citizen Health Screening Programme in association with the Rotary Club, and medical back-up for the Special Olympics Event organised by the Lions Club International. Twice a month the hospital continues to conduct free health check-ups for senior citizens and for the physically challenged in Mumbai. These programmes have gone a long way in educating the community on prevention of diseases, and on promotion of healthy lifestyle.

The Hospital is in the process of building a multi-stories ultra modern tertiary care hospital with state-of-art facilities and infrastructure, embracing the entire spectrum of health care services.

Sir Hurkisondas Nurrotumdas Medical Research Society (HNMRS)

DAF through the Reliance Group supports the scientific research activities of HNMRS. The Society commenced its scientific research activities in 1974-75 and has completed more than 130 research projects. The Scientists from the Society have presented over 180 papers at national and international conferences.

The researchers are motivated to carry out epidemiological studies and community-based surveys. As part of studies, children from nearby schools and susceptible population from neighbourhood communities are regularly screened by medical/ paramedical Professionals. Those in need of medical care are offered free of cost treatment.

Active participation by the honorary medical consultants of the hospital in the research activities offers heartening prospects as it has paved way for application of the emerging new knowledge for the benefit of the community.

In active collabouration with the Reliance Life Sciences, HNMRS will be taking its research involving stem cells to greater heights and wider horizons.

We conduct free health screening programmes for the senior citizens regularly at various centres


Transforming Dreams.
Setting New Goals.
"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

Disclosure on
Management Approach

Economic Indicators
We have a board driven stringent internal control system for business planning, risk management, operational stability and control and regulatory compliance. Our integrated financial accounting system has in-built controls that ensure reliable and effective financial reporting. Our audit mechanism periodically reviews control and compliance of legal and regulatory requirements and also has control over frauds and negligence. We have a board constituted Audit Committee with three independent non-executive directors.

Environmental Indicators
We have a board constituted Health, Safety and Environment (HSE) Committee to monitor and ensure maintaining highest standards of environmental, health and safety norms and compliance with applicable laws at all manufacturing divisions of the Company and recommend measures for improvement. The Committee reviews the HSE policy, performance, procedures, controls and regulatory compliance. Our 14 manufacturing divisions are certified for ISO 14001 environmental management systems. As a part of our continuous improvement cycle, the manufacturing divisions and the E&P division establish goals and objectives, under Environmental Management Programmes (EMPs), to improve their environmental performance.

Labour Practices and Decent Work Indicators
At Reliance, every employee is encouraged to avail opportunities that exist across multiple functions, disciplines as well as geographies. We have customised management programmes for our workforce upgrade and enhance skills. For our senior management, we have an advanced management programme designed in collabouration with an international management institute. All 14 manufacturing divisions are certified for OHSAS 18001 safety and occupational health management systems. As a part of our continuous improvement cycle, the manufacturing divisions and the E&P division establish goals and objectives, under Occupational Health & Safety Management Programmes (OHSMPs), to improve their safety performance.

Human Rights Indicators
Over the years, governance processes and systems have been strengthened at Reliance. In addition to complying with the statutory requirements, effective governance systems and practices inter alia towards transparency, disclosures, internal controls, promotion of ethics at work-place and non-discrimination have been institutionalised. We respect human rights at work-place and pursue global leading practices which ensure freedom of association, prohibition of child labour, protection of indigenous rights and prohibition of forced and compulsory labour.

Society Indicators
Aligned with the goals and vision of the management, our social initiatives programmes focus on key areas of healthcare, education, community development, child welfare, environmental care and infrastructure development. 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 combating diseases such as Tuberculosis (TB) and HIV/AIDS. To achieve this, we have collabourated with a large number of agencies working on these issues to create some rather unique Public-Private Partnerships (PPP). In addition to setting up hospitals for the neighbouring community at some of our manufacturing divisions, we offer medical services at all our manufacturing divisions and offices. On the education front, our major manufacturing locations provide quality education to the children of all employees and also cater to the needs of surrounding villages. On the community development front, we have undertaken several unique infrastructural projects in rural areas such as construction of roads, *anganwadis* (kindergarten school), *panchayat* offices and community halls.

Product Responsibility Indicators
It's our constant endeavour to ensure minimal health, safety and environmental impact of our products across the supply chain. We work with various agencies to promote end-of-life recycle and reuse of our products. Our R&D team is focused on developing greener and safer products and alternatives. We adhere to all Indian laws related to marketing communications, including advertising, promotion and sponsorship.

Ernst & Young Pvt. Ltd.
6th Floor, HT House
18-20 Kasturba Ghandhi Marg
New Delhi - 110 001, India

Tel: +91 114 3633 000
Fax: +91 114 3633 200
www.ey.com/india

Reliance Industries Limited,
Mumbai,
India.

Independent Assurance Statement

Ernst and Young Pvt. Ltd., has been engaged by Reliance Industries Limited (the Company) to provide independent assurance for its Sustainability Report (the Report) for the financial year ending March 31, 2008. The development of the Report, its content, and presentation is the sole responsibility of the management of the Company. Our responsibility is to provide "limited assurance" on the report contents as described in the scope of assurance. Financial data has been sourced from the Company's audited Annual Report for the period 1 April 2007 to 31 March 2008 and does not form part of our Assurance Scope. Our responsibility in performing the assurance activities is to the management of the Company only, and in conformance 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 organisation. Any reliance any such third party may place on the Report is entirely at its own risk. This assurance report should not be taken as a basis for interpreting the Company's overall sustainability performance, except for the aspects mentioned in the scope below.

Scope of Assurance

The scope of assurance covers the following aspects of the Report:

- Data and information related to the Company's sustainability performance in the period 1 April 2007 to 31 March 2008;.
- The sustainability specific data and information covers 14 manufacturing locations of RIL at Allahabad, Barabanki, Dahej, Dhenkanal, Hazira, Hoshiarpur, Jamnagar, Kurkumbh, Nagothane, Nagpur, Naroda, Patalganga, Silvassa and Vadodara; business divisions: Chemical, Fibre Intermediates, Polyester, Polymers, Petroleum; Supply & Procurement; Dhirubhai Ambani Foundation and Reliance Rural Development Trust. This year, we expanded our scope to include Exploration & Production of Oil & Gas business;
- The Company's internal protocols, processes, and controls related to the collection and collation of sustainability performance data.

Exclusions

The assurance does not cover:

- Aspects of the Report other than those mentioned above;
- Data and information outside the defined reporting period (1 April 2007 to 31 March 2008);
- Company statements that describe expression of claims, opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- Issues related to Intellectual Property Rights and other competitive issues.

Steps taken to carry-out Assurance work

The assurance provided to the Report is in accordance with the International Federation of Accountants' (IFAC) International Standard for Assurance Engagements (ISAE) other than Audits or Reviews of Historical Financial Information (ISAE3000).

Our multi-disciplinary team of professionals visited the Company's manufacturing divisions as mentioned in the scope above to gain assurance on the data and information presented in the report. The team interacted with a select set of stakeholders, reviewed the Company's internal protocols, processes, and controls related to the collection and collation of sustainability performance data to arrive at the conclusions. The data relating to Exploration & Production of Oil & Gas blocks were reviewed at central location in Mumbai.

Discussion with the Company's Senior Management:

We gained an understanding of the Company's approach to sustainability through discussion with the Company's Senior Management during the course of the assurance process. We also discussed the Company's sustainability strategy and roadmap for embedding sustainability through the various short-term and long-term plans presented in the Report.

Ernst & Young Pvt. Ltd.
6th Floor, HT House
18-20 Kasturba Ghandhi Marg
New Delhi - 110 001, India

Tel: +91 114 3633 000
Fax: +91 114 3633 200
www.ey.com/india

Discussion with the Manufacturing Division and Business Heads:

We discussed with the Manufacturing Division Heads about their plans on establishing sustainability management systems for robust reporting.

Site Visits to the Company's manufacturing divisions as described in the scope:

We visited the manufacturing and business divisions to review the Company's internal protocols, processes, and controls related to the collection and collation of sustainability performance data. We tested sample data across the Report and assessed its auditability and accuracy. We understood and considered various assumptions made for arriving at final numbers against the sustainability performance indicators. Appropriate evidences to support the conclusions in this assurance report were obtained. Most of the information and data reviewed were supported with documentary evidence; wherever such documentary evidence could not be collected on account of confidential information, our team physically reviewed the documents.

Our Observations

Our observations on the Report are as follows:

- The Report provides the Company's approach towards sustainability by articulating sustainability strategy and roadmap;
- As compared to 2006-07 sustainability report, in the current year the scope of material issues has been expanded to include energy security as an additional issue and also widened the scope of health and safety as a material issue beyond employees;
- The Report details the progress on commitments made by the Company in its previous Sustainability Report;
- The Report presents the Company's environmental performance on consumption and conservation of natural resources, energy management, climate change, conservation of bio-diversity, waste management and emission reduction and product responsibility;
- The Report states the Company's social performance across health & safety, human resources, training, and community development;
- The Company has developed internal protocols for sustainability indicators to enhance robustness of the information reported.
- The Company has also referred to API / IPIECA's oil & gas industry guidance on voluntary sustainability reporting, UNGC principles, and has reported in alignment with the focus areas of the WBCSD.

Conclusions

On the basis of our assurance methodology, nothing has come to our attention that would cause us not to believe that:

- The Report presents the Company's sustainability performance across manufacturing divisions and business divisions as described in the scope;
- The Company's sustainability performance data has been correctly transposed from its internal protocols;
- The Report meets the A+ application level requirements of the GRI G3 guidelines on sustainability reporting.

For Ernst & Young Private Limited

Sudipta Das,
Partner
October 31, 2008

Content Index–GRI

G3 Content Index - STANDARD DISCLOSURES PART I: Profile Disclosures				
S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
1. Strategy and Analysis				
1.1	Statement from the most senior decision-maker of the organisation	5, 6, 7	Full	
1.2	Description of key Impacts, Risks & Opportunities	15, 16, 17	Full	
2. Organisational Profile				
2.1	Name of the organisation.	Contents	Full	
2.2	Primary brands, products, and/or services.	9, 10	Full	
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures.	12	Full	
2.4	Location of organisation's headquarters.	Contents	Full	
2.5	Number of countries where the organisation operates and names of countries with either major opertaions or that are specifically relevant to the sustainability issues covered in the report.	12	Full	
2.6	Nature of ownership and legal form.	12	Full	
2.7	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	9, 10, 39	Full	
2.8	Scale of the reporting organisation.	12	Full	
2.9	Significant changes during the reporting period regarding size, structure or ownership.	12	Full	
2.10	Awards received in the reporting period.	31, 32	Full	
3. Report Parameters				
	Report Profile			
3.1	Reporting Period (e.g. fiscal/calendar year) for information period	12	Full	
3.2	Date of most recent previous report (if any).	12	Full	
3.3	Reporting cycle (annual, biennial, etc.)	12	Full	
3.4	Contact point for questions regarding the report or its contents.	12	Full	
	Report Scope and Boundary			
3.5	Process for defining reports content.	18, 19	Full	
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	12	Full	
3.7	State any specific limitation on the scope or boundary of the reports (see completness principle for explanation of scope.	12	Full	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities outsourced operations and other entities that can significantly affect comparability from period to period and/or between organisations.	-	Full	This year, we have expanding the coverage scope and reported on the sustainability performance of our E&P operations under our management control that are still in project stage. Further, we have also reported on sustainability performance of our E&P operations where we are not the operators but are one of the investors with a 30% holding.
3.9	Data measurement techniques and the bases of calculation, including assumptions and techniques, underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decision not to apply, or to substantially diverge from, the GRI Indicator Protocols.	15	Full	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, & the reasons for such re-statement (e.g.,mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	34, 35, 36	Full	This year, we have consolidated our sustainability reporting process. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

Content Index–GRI

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	12, 34, 35, 36	Full	
3.12	Table identifying the location of the Standard Disclosures in the report.	83	Full	
3.13	Policy and current practice with regard to seeking external assurance for the report.	81, 82	Full	
4. Governance, Commitments and Engagement				
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	20, 21, 22	Full	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	20, 21	Full	
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	21	Full	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	21	Full	
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements) and the organisation's performance (including social and environmental performance).	Annual report: page 57	Full	
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	21	Full	
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	Annual report: page 47-51	Full	
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	14	Full	
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles	20, 21, 22	Full	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	22	Full	
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation. (Risk planning)	15, 16, 17	Full	Our existing risk management processes go beyond the requirement of the precautionary principles and cover the three bottom-lines.
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	12	Full	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation: *Has positions in governance bodies; *Participates in projects or committees; *Provides substantive funding beyond routine membership dues; or *Views membership as strategic.	90	Full	
4.14	List of stakeholder groups engaged by the organisation.	28	Full	

Content Index–GRI

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
4.15	Basis for identification and selection of stakeholders with whom to engage.	28	Full	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	28	Full	
4.17	Key topics and concerns that have been raised through stakeholder engagement and how the organisation has responded to those key topics and concerns, including through its reporting.	28	Full	
	STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)			
DMA EC	Disclosure on Management Approach EC	80	Full	
DMA EN	Disclosure on Management Approach EN	80	Full	
DMA LA	Disclosure on Management Approach LA	80	Full	
DMA HR	Disclosure on Management Approach HR	80	Full	
DMA SO	Disclosure on Management Approach SO	80	Full	
DMA PR	Disclosure on Management Approach PR	80	Full	
	STANDARD DISCLOSURES PART III: Performance Indicators			
Economic				
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)	39, 40	Full	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change. (Core)	52	Full	
EC3	Coverage of the organisation's defined benefit plan obligations. (Core)	39, 40	Full	
EC4	Significant financial assistance received from government. (Core)	39, 40	Full	
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation. (Additional)	-	Full	Across locations the minimum wage offered by RIL is more than the standard entry level wage as recommended by regulation.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation. (Core)	-	Not reported	We do encourage development of locally based suppliers, however, in FY 2007-08, there is no specific case of development of locally-based supplier. We continue to source materials from local suppliers as reported in the earlier report.
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation. (Core)	-	Full	Currently, RIL does not have any specific procedure for local hiring of senior management. The hiring takes place purely on merit basis irrespective of location of the person.
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement. (Core)	36	Full	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts. (Additional)	36, 70-76	Full	
Environmental				
EN1	Materials used by weight or volume. (Core)	44	Full	
EN2	Percentage of materials used that are recycled input materials. (Core)	44	Full	
EN3	Direct energy consumption by primary energy source. (Core)	48	Full	

Content Index–GRI

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
EN4	Indirect energy consumption by primary source. (Core)	48	Full	
EN5	Energy saved due to conservation and efficiency improvements. (Additional)	49, 50, 51, 52	Full	
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)	49, 50, 51, 52	Full	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved. (Additional)	49, 50, 51, 52	Full	
EN8	Total water withdrawal by source. (Core)	45	Full	
EN9	Water sources significantly affected by withdrawal of water. (Additional)	45	Full	
EN10	Percentage and total volume of water recycled and reused. (Additional)	46	Full	
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)	53	Full	
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)	53	Full	
EN13	Habitats protected or restored. (Additional)	53	Full	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity. (Additional)	53	Full	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk. (Additional)	-	Full	No IUCN Red list species within areas of operations: Based on the latest EIA report
EN16	Total direct and indirect greenhouse gas emissions by weight. (Core)	52	Full	
EN17	Other relevant indirect greenhouse gas emissions by weight. (Core)	-	Not reported	On account of spread of activities across RIL and (erstwhile) IPCL, it was not possible to track and collate data related to GHG emissions on account of employee travel, and emissions saved due to tele' and video conferencing. RIL is in the process of deploying software for managing sustainability data and within next two years data related to indirect greenhouse gas emissions will be tracked and reported.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved. (Additional)	53	Full	
EN19	Emissions of ozone-depleting substances by weight. (Core)	54	Full	
EN20	NOx, SOx, and other significant air emissions by type and weight. (Core)	54	Full	
EN21	Total water discharge by quality and destination. (Core)	55	Full	
EN22	Total weight of waste by type and disposal method. (Core)	56	Full	
EN23	Total number and volume of significant spills. (Core)	56	Full	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally. (Additional)	-	Full	Across locations we are not involved in any activity related to transporting, importing, exporting, or treatment of waste deemed hazardous under Basel Convention
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff. (Additional)	55	Full	

Content Index–GRI

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. (Core)	59, 60	Full	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category. (Core)	-	Not reported	Comprehensive measurement of reclaimed packaging is not possible because of huge product portfolio and also vast national and international markets. We are in the process deploying software to manage sustainability data and plan to report on these indicators within next four years.
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. (Core)	43	Full	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce. (Additional)	53	Full	
EN30	Total environmental protection expenditures and investments by type. (Additional)	43	Full	
Social: Labour Practices and Decent Work				
LA1	Total workforce by employment type, employment contract, and region. (Core)	65	Full	
LA2	Total number and rate of employee turnover by age group, gender, and region. (Core)	36	Full	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations. (Additional)	36	Full	
LA4	Percentage of employees covered by collective bargaining agreements. (Core)	65	Full	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements. (Core)	-	Full	We follow the requirements of the Industrial Disputes Act 1947 for issuing minimum notice period(s) regarding significant operational changes
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs. (Additional)	61	Full	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region. (Core)	61, 62	Full	
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases. (Core)	64, 72	Full	
LA9	Health and safety topics covered in formal agreements with trade unions. (Additional)	61, 64	Full	
LA10	Average hours of training per year per employee by employee category. (Core)	66	Full	
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. (Additional)	67, 68	Full	
LA12	Percentage of employees receiving regular performance and career development reviews. (Additional)	-	Full	All eligible employees receive regular performance and career development reviews
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)	65	Partial	We are in the process of defining charters and procedures for composition of governance bodies across locations. We will track and report on this data after a year.

Content Index–GRI

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
LA14	Ratio of basic salary of men to women by employee category. (Core)	-	Full	There is absolutely no difference between the basic salaries of men to women. We are a firm believer of equal opportunity principle.
Social: Human Rights				
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening. (Core)	-	Full	India has ratified more than 39 conventions of the ILO that are covered in the nine chapters and 120 sections of The Factories Act, 1948 (Act No. 63 of 1948), as amended by the Factories (Amendment) Act, 1987 (Act 20 of 1987) Factories Act 1987, which covers various aspects of human rights. We have a screening process for our investment agreements based on the requirements of this Act.
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	-	Full	India has ratified more than 39 conventions of the ILO that are covered in the nine chapters and 120 sections of The Factories Act, 1948 (Act No. 63 of 1948), as amended by the Factories (Amendment) Act, 1987 (Act 20 of 1987) Factories Act 1987, which covers various aspects of human rights. We follow our internal guidelines in selection of suppliers and contractors which include compliance to local regulations including this Act.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	-	Full	We do not have specific training modules on human rights but our existing induction programs cover the basics of human rights
HR4	Total number of incidents of discrimination and actions taken. (Core)	-	Full	This year there was no incident of discrimination across our locations
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)	-	Full	This year there was no operation identified in which the right to exercise freedom of association and collective bargaining was at significant risk
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour. (Core)	-	Full	This year there was no operation identified as having significant risk for incidents of child labour
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour. (Core)	-	Full	This year there was no operation identified as having significant risk for incidents of forced or compulsory labour
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations. (Additional)	66	Full	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken. (Additional)	-	Full	This year there was no incident of violation involving rights of indigenous people across locations
Social: Society				
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting. (Core)	70, 78	Full	
SO2	Percentage and total number of business units analyzed for risks related to corruption. (Core)	20, 21	Full	
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures. (Core)	20, 21, 66	Full	
SO4	Actions taken in response to incidents of corruption. (Core)	-	Full	No incident involving acts of corruption

Content Index–GRI

S. No.	Profile Disclosure	Reference	Extent of Reporting	Explanation
SO5	Public policy positions and participation in public policy development and lobbying. (Core)	-	Full	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. (Additional)	-	Full	We do not support any specific political party and subsequently do not make any financial or in-kind contributions
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes. (Additional)	-	Full	No legal action initiated against RIL for legal actions for anti-competitive behavior, anti-trust, and monopoly practices.
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations. (Core)	-	Full	No fine or non monetary sanction imposed against RIL for non-compliance with laws and regulations
Social: Product Responsibility				
PR1	Life cycle 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)	59, 60	Partial	Though life cycle analysis studies are in progress, final results of such studies are still not available. The results of the study will be discussed in the next report.
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)	-	Full	No incident of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle.
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	Information on such type of products is not available because of a large portfolio of manufactured products. All products manufactured comply with requirements set by Bureau of Indian Standards. Data on products and services governed by voluntary codes concerning health and safety impacts will be reported in the next report.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes. (Additional)	-	Full	No incident of non-compliance with regulations and voluntary codes concerning product and service information and labeling
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. (Additional)	28	Full	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. (Core)	60	Full	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes. (Additional)	-	Full	No incident of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data. (Additional)		Full	No complaint regarding breaches of customer privacy and losses of customer data.
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services. (Core).	59	Full	No fine for non-compliance with laws and regulations concerning the provision and use of products and services

Content Index – IPIECA / UNGC

Report Section	IPIECA/API	UNGC	Page No.
Transforming Life. Redefining Tomorrow			01
CMD message		Statement of Continuing Support	05 - 07
Company profile	ECO 1, ECO A1		09 - 11
Scope of the report			12
Our Vision, Mission and Values			14
Our strategy and roadmap			15 - 17
Discussion on materiality			18 - 19
Corporate governance		Principles 1 to 10	20 - 22
Management systems			23 - 24
Growth through innovation			26
Communication and engagement		Sharing the COP with Stakeholders	28
Lessons learnt			29
Progress on commitments			30
Awards and recognition			31
Performance Review			33 - 36
Economic review	SOC A3		39 - 41
Managing the environment			
• Consumption and conservation of natural resources	Env A5, Env A7, Env 2	Principle 7, 8, 9	44 - 46
• Energy management	Env 5, Env A8		47 - 52
• Climate Change	Env 3, Env 4		52 - 53
• Conservation of biodiversity	Env A9		53
• Waste management and emission reduction	Env 3, Env A3, Env A4, Env A6		54 - 59
• Product responsibility	H&S 5, SOC A1, SOC A3		59 - 60
Creating a safe workplace	H&S 2, H&S 4 H&S 5, SOC 7		61 - 64
We bet on people	SOC A3, SOC 4, SOC 5, H&S 3, ECO A2, SOC 4, SOC 7	Principle 1, 2, 3, 5, 6, 10	65 - 68
Being responsible	SOC A4, SOC A5, SOC 8		70 - 78
Disclosure on management approach			80
Assurance statement			81 - 82
Content index – GRI/IPIECA/ UNGC/ WBCSD			83 - 91
GRI application level			92
Abbreviations			93 - 95

The World Business Council for Sustainable Development

In the year 2007, World Business Council for Sustainable Development invited Shri Mukesh D. Ambani to be its Council Member. Presently, he is the only Indian CEO who is a Council Member of WBCSD.

WBCSD is a CEO-led, global association of over 200 companies dealing exclusively with business and sustainable development.

The Council's objectives are to:

- Be a leading business advocate on sustainable development;
- Participate in policy development to create the right framework conditions for business to make an effective contribution to sustainable human progress;
- Develop and promote the business case for sustainable development;
- Demonstrate the business contribution to sustainable development solutions and share leading edge practices among members;
- Contribute to a sustainable future for developing nations and nations in transition.

As a member of WBCSD, we work with mindset, beyond corporate philanthropy, to build inclusive business models that create new revenue streams whilst serving the needs of the people of our country through sound commercial operations. We have presented many such examples in this report that clearly demonstrate that there is a strong business case for sustainable development.

While developing this report we referred to WBCSD's four focus areas viz; Energy and Climate; Development; Business Role and Ecosystems.

- **Energy and Climate** has been identified as one of the material issues to us and our efforts to reduce our energy and GHG footprint have been detailed in the report.
- Through **Development** focus area, we are working towards inclusive growth through our operations by helping build capacity, grow markets and empowering people to help them to move into formal economic activities.
- We endeavour to redefine our **Business Role**, in a sustainable society by aiming to enhance the quality of life across the entire socio-economic spectrum through core business.
- On **Ecosystem**, it has always been our endeavour to optimize consumption of natural resources and invest in sustainable green belt.

GRI Application Level

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	
Standard Disclosures: 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, labour, 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 RIL Sustainability Report for FY 2007-08, 'Transforming Life. Redefining Tomorrow' is a

'GRI Checked' Application Level A+ report.

To know more about GRI, please visit http://www.globalreporting.org

Glossary

5S	Sort, Set in order, Shine, Standardise and Sustain.
AAA	One of the highest credit rating of financial instruments given by Rating Agencies; reflects highest financial strength to meet repayment obligations.
AC	Air Condition
AHU of CP 11	Air Handling Unit of Continuous Polymerization Unit 11
AIDS	Acquired Immune Deficiency Syndrome
APH	Air Pre Heater
API	American Petroleum Institute
ASCI	Advertising Standards Council of India
ATU III	Amine Treating Unit
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 (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.
BIW	Business Information Warehouse
BMT	Business Management Trainee
BPSD	Barells Per Stream Day
BSE	Bombay Stock Exchange
BSE SENSEX	Index for 30 large companies based on the free float market capitalisation on the BSE
CAS	Creativity, Action and Service
CASHe	Change Agents for Safety, Health and Environment
CBFS	Carbon Black Feed Stock
CBM	Coal Bed Methane
CBSE	Central Board of Secondary Education
CCDT	Committed Communities Development Trust
CCQC	Chapter Convention on Quality Circle
CCS	Carbon Capture and Storage
CDM	Clean Development Mechanism
CDU	Crude Distillation Unit
CER	Certified Emission Reductions
CFC	Chlorofluorocarbons
CFL	Compact Fluorescent Lamp
CHSEE	The Centre for Health, Safety & Environment Excellence
CII	Confederation of Indian Industry
CIPP	Cambridge International Primary Program
CO_2	Carbon Dioxide
COMEE	Centre of Maintenance and Engineering Excellence
CP-6	Unit of Continuous Polymerization - 6
CPP	Captive Power Plant
CRISIL	Credit Rating Information Services of India Limited
CRU	Condensate Recovery Unit
CSR	Corporate Sustainability Report
cu. M	Cubic Metres
DAIS	Dhirubhai Ambani International School
DCS	Distributed Control Systems
DGFASLI	Directorate General Factory Advice Service & Labour Institutes
DGH	Directorate General of Hydrocarbon
DOTS	Directly Observed Treatment Short-course
E&P	Exploration & Production
ELP	Extended Learning Program
EMP	Environmental Management Programmes
EPA	Environmental Protection Agency
EPC	Engineering Procurement Construction
ERP	Enterprise Resource Planning

Glossary

ESOS	Employee Stock Option Scheme
ETP	Effluent Treatment Plant
FPSO	Floating Production Storage and Offloading
GDP	Gross Domestic Product
GHG	Greenhouse Gases
GJ	Giga Joules
GRI	Global Reporting Initiative
Hg	Mercury
HIV	Human Immunodeficiency Virus
HNHRC	Sir Hurkisondas Nurrotamdas Hospital and Research Centre
HNMRS	Sir Hurkisondas Nurrotamdas Medical Research Society
HRSG	Heat Recovery Steam Generator
HSC	Higher Secondary School Certificate
HSE	Health, Safety and Environment
HT	High Tension
HVAC	Heating Ventilation and Air-Conditioning
ICPE	Indian Centre for Plastics in the Environment
ICSE	Indian Certificate of Secondary Education
ID	Induced Draft
IGCSE	International General Certificate of Secondary Education
IIM	Indian Institute of Management
IMS	Integrated Management System
INR	Indian Rupees
IPA	Isophthalic Acid
IPIECA	International Petroleum Industry Environmental Conservation Association
IRIS	Integrated Risk Information System
ITI	Industrial Training Institute
KGD6	Exploration Block in Krishna-Godavari Basin
KPO	Knowledge Process Outsourcing
KSA	Knowledge, Skills and Attributes
LP	Low Pressure
LTC	Low-Temperature Chlorinationor
MADER	MGCC Area Development Research Foundation
MCGM	Brihanmumbai Mahanagarpalika (formerly known as Muncipal Corporation of Greater Mumbai)
MEG	Mono Ethylene Glycol
MGCC	Maharashtra Gas Cracker Complex
MMKcal	Million Kilo Calorie
MNRE	Ministry of New and Renewable Energy
MPRE	Management Programme for Reliance Engineers
MT	Million Tonnes
MUICT	Mumbai University Institute of Chemical Technology
MW	Megawatt
NAB	National Association for the Blind
NCQC-07	National Convention on Quality Circle - 07
NELP	New Exploration Licensing Policy
NGOs	Non-Government organisations
Nox	Nitrogen Oxide
NPBD	National Project on Biogas Development
O&G	Oil & Gas
ODS	Ozone Depleting Substances
OHSAS	Occupational Health and Safety Assessment Series
OHSMP	Occupational Health and Safety Management Programmes
OPA	Ortho-Phthalic Acid
OPD	Out Patient Department
OSHA	Occupational Safety & Health Administration
P.T. Clinic	Purshottamdas Thakurdas Clinic
PBDIT	Profit Before Depreciation, Interest and Tax

Glossary

PE	Polyethylene
PET	Polyethylene Terephthalate
PFF	Polyester Fibre Fill
pH	A measure of chemical activity of Hydrogen in a solution used to express acidity or basicity
PHC	Primary Health Centre
PMT	Panna-Mukta and Tapti
POY	Partially Oriented Yarn
PP	Polypropylene
PPP	Public-Private Partnership
PPR	Polypropylene Pipes
PSF	Polyester Staple Fibre
PSF CP 11	Polyester Staple Fibre Continuous Polymerization Unit 11
PTA	Purified Terephthalic Acid
PVC	Polyvinyl Chloride
PX	Paraxylene
QCC	Quality Control Circle
R&D	Research and Development
RECE	Reliance Certified Engineering Course
ReSOP	Reliance Safety Observation Programme
RIC	Reliance Innovation Council
RIL	Reliance Industries Limited
RIL-C	Reliance Innovation Leadership Centre
RIM	Reliance Innovation Movement
RPL	Reliance Petroleum Limited
RPM	Revolutions Per Minute
RRDT	Reliance Rural Development Trust
RSLS	Reliance School of Life Sciences
RU	Returnable Unit
RWTP	Raw Water Treatment Plants
S&P CNX Nifty	Index for 50 large companies based on market capitalisation on the National Stock Exchange of India.
SAP	Systemanalyse und Programmentwicklung
SBT	Segregated Ballast Tank
SEBI	Securities & Exchange Board of India
SEZ	Special Economic Zone
SGA	Small Group Activity
Sox	Sulphur Oxides
SPM	Suspended Particulate Matter
SRT	Short Residence Time
SSC	Secondary School Certificate
SVADES	Society for Village Development in Petrochemicals Area
SVNIT	Sardar Vallabhbhai National Institute of Technology
SWAT	Internal team that implements best maintenance practices across all existing & future RIL manufacturing divisions.
TA	Terephthalic Acid
TB	Tuberculosis
TLV	Threshold Limit Value
TMA	Trimelletic Acid
UAA	UDCT Alumni Association
UDCT	University Department of Chemical Technology
UNAIDS	The Joint United Nations Programme on HIV/AIDS
UNFCCC	United Nations Framework Convention on Climate Change
UNGC	United Nations Global Compact
USD	United States Dollar ($)
VCM	Vinyl Chloride Monomer
VFD	Variable Frequency Drive
VGO	Vacuum Gas Oil
VGOHT1	Vacuum Gas Oil Hydrotreater - Unit 1
VOC	Volatile Organic Compounds
WBCSD	World Business Council for Sustainable Development
WHRB	Waste Heat Recovery Boilers

Reliance

Industries Limited

Growth is Life

www.ril.com