



PARTNERING INDIA'S
NEW FUTURE. SUSTAINABLY.







“Between my past, the present and the future,
there is one common factor:
Relationship and Trust.
This is the foundation of our growth.”

Dhirubhai H. Ambani
Founder - Chairman





Partnering India's New Future. Sustainably.

We are at an interesting and challenging phase of India's growth story. A story being built on the foundation of new partnerships and strengthening existing ones. A story of dynamism and confidence to face the future, on the strength of new capabilities and a vibrant young market for consumption.

For an emerging economy like India which is primarily dependent on energy to fulfill its growth ambition, Reliance is creating opportunities by building a unique portfolio of upstream, refining and petrochemicals business with industry-leading performance, and time-critical investments in emerging sectors. Our investments focus areas range from energy security, development of pioneering products, improving processes and enhancing safety. Social institutional building is an ongoing commitment for us and our initiatives are aimed towards personal development, social empowerment and creating livelihoods, thereby contributing to India's socio-economic growth.

While we work towards achieving our goals, we see the need to meet society's evolving expectations, a need to form enriching partnerships that will help us create a sustainable future. This report provides an overview of how we have delivered against our strategy in a challenging environment and made a real difference to our stakeholders as we take strides towards a new future.

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CMD's Message

“We are committed to foster a culture of responsible corporate citizenship and create a platform for sustainable growth”

Dear Stakeholders,

I am delighted to present to you Reliance Industries Limited's Sustainability Report for FY 2011-12. This report presents our vision of building a successful business with commitment to sustainability – go beyond the mandate for the environment, the economy and the people.

The current year was a challenging year globally, with economic uncertainty in Europe, downgrade in credit rating of the US, geopolitical upheaval in the Middle East and a slowdown of economic growth across Asia. These factors affected crude oil prices thereby resulting in reduced refining margins and profitability. Amidst this backdrop, we performed reasonably well and our revenues increased by 31%. We recorded turnover of INR 3,397.92 billion and highest ever exports of INR 2,080.42 billion (comprising of 14% of India's total exports during the year) registering an increase of 41.8% over the last financial year. From an operational point of view, we maintained operating rates upwards of 100% in the refining business. The refineries achieved their highest ever crude processing of 67.6 million tonnes with better refining margins.

We continued our strides towards making our business operations more sustainable through strategic partnerships. We incorporated India Gas Solutions Private Limited, a joint venture company with BP in our endeavour to enhance energy supply. Through this partnership, we aim to achieve full potential for our domestic oil and gas business through deep-water exploration with a focus on global sourcing and marketing of natural gas in India. The partnership with BP is integral to our sustainability strategy of investing in cleaner and sustainable fuel sources and contributes to India's energy security. As energy forms a core part of our strategy we accentuated our efforts towards energy conservation and carried out energy audits at all the manufacturing divisions to critically identify opportunities both in the area of energy conservation and energy efficiency. This year we also launched Reliance Energy Management System (REMS) at group level to further our energy conservation and efficiency agenda.

To honour our commitment to maintain high health and safety standards, we have adopted a zero accident policy. With focus on raising awareness regarding safety practices we ensure strict implementation of the safety standards at all units. We are a signatory to the Responsible Care movement and during the year we began the external assessment for compliance to RCMS 14000 standard. Two of our locations have already been certified to the RCMS 14000 as per American Chemistry Council specification.

All our manufacturing divisions and upstream business have instituted ISO 14001: 2004 Environmental Management Systems (EMS). In the current reporting period, British Safety Council conducted Five Star Environmental Audits and as on today all of our manufacturing divisions have been covered under this audit. We have taken several measures towards environment preservation such as mangrove plantation in the coastal areas, creation and maintenance of green belts and gardens in and around the manufacturing divisions, vermicompost of waste, recycling of treated water in cooling water system and in horticulture activities.

We believe in progress of our communities and our continuous engagement helps us to respond to their concerns in a time bound and effective manner thereby achieving synergies and creating an impetus to our growth. We also reach out to our communities through Reliance Foundation, a professional philanthropic organisation addressing critical challenges facing our country - rural transformation, education, health, urban renewal and art, culture and heritage. We continue to focus on institution building and strengthening sustainable agricultural practices amongst small and marginal farmers through Bharat India Jodo (BIJ) programme, of Reliance Foundation which aims at bridging the gap between rural and urban India. During the year we launched Reliance Drishti, India's first registered Hindi newspaper in Braille to make information available to the visually challenged.

In continuation with our vision of having robust business processes, STAR Transformation Programme was undertaken across RIL during this year. This initiative included the standardization of business processes across the company.

We are committed to foster a culture of responsible corporate citizenship and create a platform for sustainable growth. We value your contribution in our growth story and invite your suggestions to accentuate our sustainability agenda.

Yours sincerely

Mukesh D. Ambani

Chairman & Managing Director

June 5th, 2012



Highlights

Economic Performance

Turnover

INR **3397.92**
billion

(\$ 66.8 billion)
increase by

31.4%

Exports

INR **2080.42**
billion

(\$ 40.9 billion)
increase by

41.8%

RIL contributed

14%

of India's total
exports

Environmental Stewardship

Overall increase of
water recycled from

50.5% to 54.5%

Utilization of

52,246 m³ of rainwater

Over **2** million
saplings planted

3 CDM projects registered
with **UNFCCC** this year

Occupational Health & Safety

Lost days reduced by **821** compared to previous year

We maintained a injury rate of **0.099** at manufacturing and
0.21 at E&P locations

More than **100,000** truck drivers trained in safety aspects at Hazira





Reliance Drishti

(i) completed over **10,000**
free cornea grafting procedures

(ii) Launched India's **first**
registered national **Hindi**
Newspaper in **Braille**

Attrition rate decreased to

7.6% from **7.9%**
last year

Over INR **5** Million raised for
NGO's through "Mumbai Indians
Education for All" initiative

Partnership with Gujarat
Government to create society
at Dahej for **50** bedded
hospital to provide free
treatment to BPL[#] families

Developed an integrated
pilgrim centre
at Dwarka in Gujarat

Reliance Rural Development Trust

(i) constructed **219** Anganwadi
buildings, **41** cement concrete
roads and one check dam

(ii) distributed over

1,500 school-kits
to students of **69** schools at
Jamnagar and neighbouring places

Dhirubhai Ambani Foundation

conferred **144** rewards &
99 scholarships to the
differently abled category

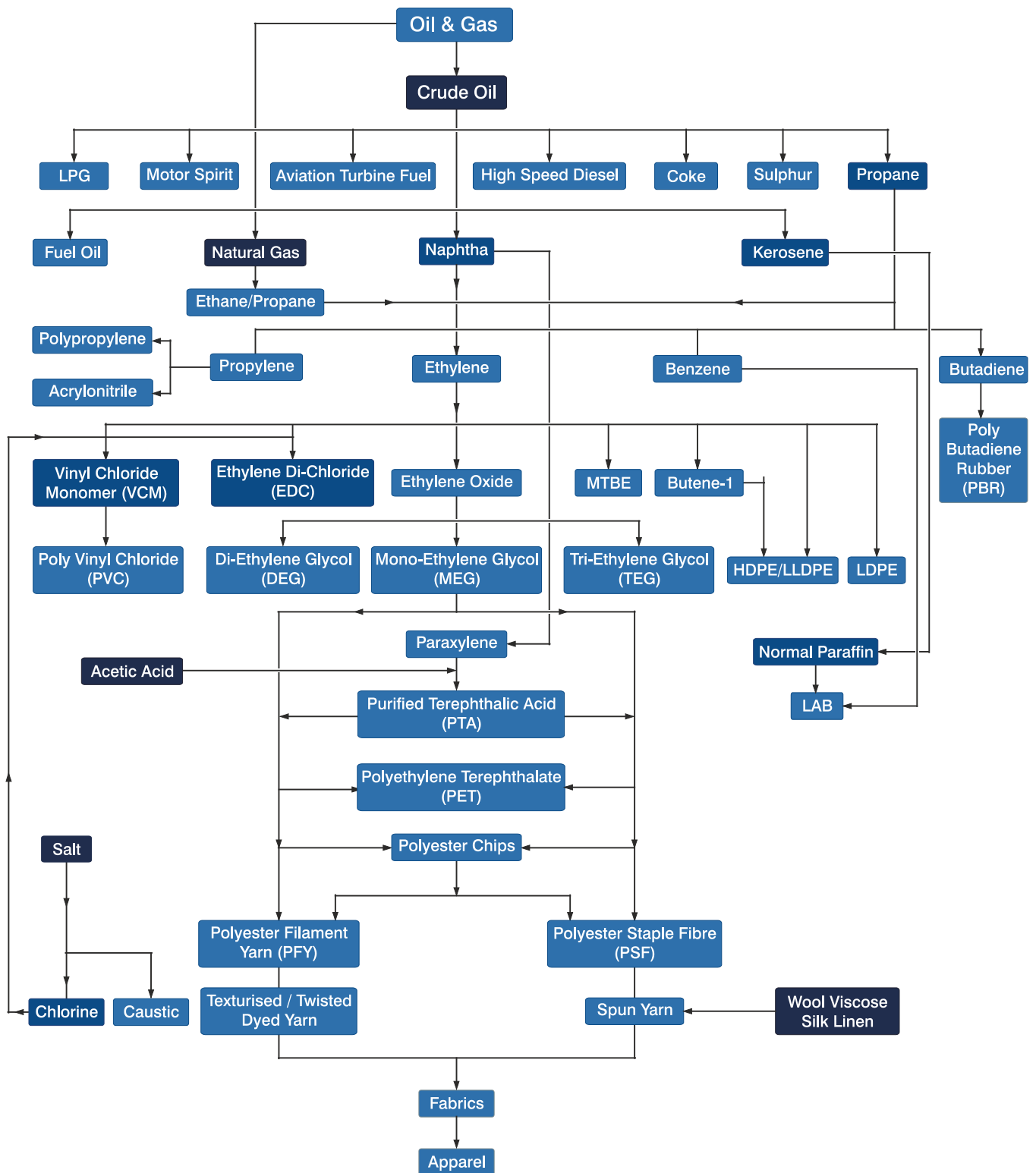
Financial aid to Lions School catering
to over **1,400** children of
labourers at Naroda

Mobile Health Services provided
to over **12,000**
villagers at Hazira

[#]Below Poverty Line



Product Flow





Controller cum Riser Platform (CRP),
Offshore, KG-D6 Block



About Reliance Industries Limited



RIL is a fully integrated company with operations spanning exploration and production of oil and gas, petroleum refining and marketing, petrochemicals (polyester, fibre intermediates, plastics and chemicals), textiles, retail and telecommunication.

We are India's largest private sector conglomerate and a Fortune Global 500 company. We enjoy global leadership in our businesses, and are the largest producer of polyester fibre and yarn, having the largest refining capacity at any single location.

We have fully integrated our businesses across the materials and energy value chain through a strategy of backward

vertical integration. Our manufacturing facilities in India span across Allahabad, Barabanki, Dahej, Hazira, Hoshiarpur, Jamnagar, Nagothane, Nagpur, Naroda, Patalganga, Silvassa and Vadodara. Our international presence, through our subsidiaries and associate companies, extend to USA, Australia, Europe, East Africa, Middle East and Asia.

Our Oil & Gas Exploration and Production business witnessed a production of 5.67 million barrels of crude oil and condensate; and a gas production of 551.31 BCF in FY 2011-12, through our KG D6 operations. Our Panna Mukta fields produced 10.06 million barrels of

crude oil and 71.24 BCF gas in the reporting period. We continue to make significant investments in our shale gas business with focused efforts on drilling, completion and facility installations. Our JVs with Chevron, Carrizo and Pioneer Natural Resources resulted in gross production at an exit rate of 233 MMCFPD of gas and 34.7 MBPD of liquids in December 2011. In addition to our JVs in North America, we also made an equity investment along with Pioneer in the development of midstream assets.

During the year, in our Petroleum Refining and Marketing business, we processed 67.6 million tonnes of crude and achieved an average utilization of





109%, which is higher than the average utilization rates for refineries globally. Our exports for the refined products in the reporting period stood at US\$ 36 billion (INR 1831.32 billion)

In our Petrochemical business, we maintained our leadership position in the domestic market. This year, we also introduced a new random co-polymer grade SX 100, catering to the fast growing packaging sector and high clarity random PP grades which are currently being imported in India. We also collaborated with Ministry of textile to create awareness on new products and benefit of geotextiles in road, railways and river embankment.

In our Chemicals business, crackers at Hazira, Nagothane, Dahej and Vadodara are among the integrated petrochemical complexes with upstream refining and downstream chemical facilities. We are the leading producer of Butadiene, Benzene, PBR and LAB in India. During the year, we also maintained our leadership position in aromatic segment constituting benzene, toluene and xylene.

We continued to hold top rankings in our Polyester Fibre and Filament Business. Consolidated polyester capacity of our company stood at 2.4 Million MT. According to PCI, in FY 2011-12, we held the 1st rank in polyester fibre and

filament capacity, 5th rank in PX and 8th rank in PTA and MEG. We catered to 38% of the domestic market and exported to over 100 destinations.

We see immense opportunities in natural gas, by virtue of it being a clean and sustainable source of fuel; as also in elastomers, owing to growing demand from the automotive sector. We have taken steps and entered into partnerships to place ourselves strategically for capitalising on these opportunities and increasing economic value for our stakeholders.



Scope of the Report

Our reporting journey on triple bottom line performance commenced in FY 2004 -05 and we have gradually made progress in terms of expanding the reporting scope, developing a greater understanding of stakeholders, innovating new modes of engagement and defining a clear path forward in line with our sustainability strategy.

Report Boundary

The report scope includes our manufacturing divisions at Allahabad, Barabanki, Dahej, Hazira, Hoshiarpur, Jamnagar, Nagothane, Nagpur, Naroda, Patalganga, Silvassa, and Vadodara. It also covers oil and gas exploration and production units at Gadimoga, Shadol and our joint venture operations at PMT (Panna-Mukta and Tapti) blocks. The scope includes our businesses and entities of Chemicals, Fibre Intermediates, Polyester, Polymers,

Petroleum Supply & Procurement, Reliance Foundation, Dhirubhai Ambani Foundation, Reliance Rural Development Trust and Reliance Corporate Park. This report, the eighth in our journey, presents the key highlights of our performance for the FY 2011-12 and our future action plans.

Standards and Guidelines used to develop this Report

This report has been developed according to the GRI G3.1 Guidelines including the Oil & Gas Sector Supplement and is aligned with 6 strategic pillars which form the core of our Sustainability Strategy. The materiality of specific topics and indicators has been determined by using internal and external protocols/frameworks including

- National Voluntary Guidelines on Social Environmental and Economic responsibilities of business (NVG-SEE)

Report adheres to GRI Oil & Gas Sector Supplement

- United Nations Global Compact (UNGC) Principles on Environment, Human Rights, Labour and Corruption
- Our commitment to industry standards, such as those promoted by the American Petroleum Institute (API) / International Petroleum Industry Environmental Conservation Association (IPIECA)
- Focus areas of World Business Council for Sustainable Development (WBCSD)
- Sustainability challenges facing our business identified through our risk management processes
- Our core values
- Internal management systems

Global Reporting Initiative Guidelines (GRI)

The report confirms to GRI G3.1 (including the newly released Oil and Gas Sector Supplement) A+ Application Level Check criteria. The report has been independently



assured by KPMG, India. Our company features as an organisational stakeholder of the Global Reporting Initiative.

National Voluntary Guidelines

The report is aligned to the 9 core principles¹ as detailed in The National Voluntary Guidelines for Social, Environmental and Economic Responsibilities released by Ministry of Corporate Affairs, Government of India.

United Nations Global Compact (UNGC) principles on Human Rights, Labour, Environment and Corruption

We are not signatories of the UNGC principles but consistently report on our Communication on Progress (COP) in promoting and implementing UNGC principles in our sustainability report

Oil and gas industry guidance on voluntary sustainability reporting by IPIECA/API and OGP

The second version of API / IPIECA/OGP's Oil and Gas Industry Guidance on Voluntary Sustainability Reporting was released in 2010. Our report adheres to the requirements of this new guidance and provides necessary linkages with respect to GRI G3.1 Guidelines.

Development Focus Areas of World Business Council for Sustainable Development (WBCSD)

We are one of the four companies from India to be members of the WBCSD, reflecting our commitment to play an active role in transforming business and shaping society. The report refers to the WBCSD four focus areas viz. Energy & Climate, Development, Business Role and Ecosystems.

Our mantra of transformation and growth mirrors WBCSD's position - "Business is good for development and development is good for business".

Report
aligned
with
NVG-SEE

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, expenditures, 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.

¹ http://www.mca.gov.in/Ministry/latestnews/National_Voluntary_Guidelines_2011_12jul2011.pdf



RIL's Vision , Mission, Values



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

Values

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



Awards and Recognition

Some of the major awards and recognitions conferred on RIL are as follows:

Leadership

- Shri. Mukesh D. Ambani, Chairman and Managing Director, Reliance Industries Ltd. received the 'Business Leader of the Year' award at the Hello Hall of Fame Awards, 2011.
- Shri H.S.Kohli President, Reliance Industries Limited was conferred upon with the D. M. Trivedi Life Time Achievement Award by the Indian Chemical Council (ICC) for his contribution to chemical industry.

Corporate Rankings and Ratings

- RIL continues to be featured for the seventh consecutive year, in the Fortune Global 500 list of the World's Largest Corporations and ranked 99th based on Revenues .
- RIL is the only Indian company to feature in "2012 Global 100 Most

Sustainable Companies of the world" by Corporate Knights

Project

- Vadodara Manufacturing Division won the "Highest Par Excellence Award - 2011" for the Lean Six Sigma project from Quality Circle Forum of India (QCFI).



- Patalganga Manufacturing Division bagged Six Sigma award in the category of "Best Innovative Continuous Improvement" at the Lean & Process Improvement Six Sigma Summit organized by International Quality & Productivity Center (IQPC) at Singapore.
- Patalganga Manufacturing Division received the national level first prize at 5th Six Sigma Competition from CII in the category of "Best Quality improvement Project in Continuous Manufacturing Organization".
- Hazira Manufacturing Division won First & Second honours in the "Best Process Improvement Project" in manufacturing category at Lean Six Sigma & Process Improvement Summit organized by International Quality & Productivity Center (IQPC) in New Delhi.

- Hazira Manufacturing Division awarded the Qualtech Award- 2011 in 'Manufacturing Improvement category' at Qimpro Convention, 2011 for the Six Sigma project.

Health, Safety and Environment

- Hazira Manufacturing Division won American Society for Training & Development (ASTD) Award for "Safety & Operational Training for Employees & Contractors".
- Jamnagar DTA Refinery was honoured with the Five Star Award for Health & Safety Management by the British Safety Council, UK.
- The Jamnagar SEZ Refinery received the Five Star Award for Environment Management System by the British Safety Council, UK.
- Jamnagar DTA & Jamnagar SEZ Refinery were awarded with Safety Innovation Award 2011 from Institution of Engineers, New Delhi for implementation of Innovative Safety Management System.
- Jamnagar SEZ Refinery received the Golden Peacock Environment Management Award for the year 2011 from GPA Secretariat, New Delhi
- Vadodara Manufacturing Division received the CII Environment Best Practices Award 2012 for "Most Innovative Environmental Project"
- KG D6 operations are selected for the Best Processing Plant by the Oil Industry Safety Directorate, Ministry of Petroleum

Jamnagar DTA Refinery,
Hazira Manufacturing
Division
received
CII Excellent
Energy Efficient
Unit Award



and Natural Gas (MoPNG).

- KG D6 operations awarded the British Safety Council – Sword of Honour towards best safety performance.

Energy & Water Conservation / Efficiency

- Hazira Manufacturing Division won the



First Prize in “National Energy Conservation Award 2011 ” in the Petrochemical sector awarded by Ministry of Power.

- Hazira Manufacturing Division won the “Excellent Energy Efficient Unit Award” for FY 2010-11 during the Energy Summit organized by CII for the 8th consecutive time .
- Jamnagar DTA Refinery received the CII Excellent Energy Efficient Unit Award for 2011.
- Jawaharlal Nehru Centenary Award for specific energy consumption from Centre for High Technology (CHT), Ministry of Petroleum and Natural Gas (MoPNG) was received by Jamnagar DTA Refinery.
- Jamnagar SEZ Refinery received the National Energy Conservation award 2011, from Bureau of Energy Efficiency, Ministry of Power.
- Reliance Corporate IT Park, Navi Mumbai received the 1st prize at 7th Maharashtra State level Energy Conservation Award for the year 2009-10 in Commercial Building Category.

Technology, Patents, R & D and Innovation

- RTG received National Technology

Award for in house technology development in polypropylene catalyst .

- RTG received the prestigious “NOCIL award for excellence in design or development of process plant and equipment” from the Indian Institute of Chemical Engineers (IICChE)
- Hazira Manufacturing Division won the Golden Peacock Eco-Innovation Award for 2011 in Petrochemical sector, awarded by World Environment Foundation (WEF) in association with Institute of Directors (IOD).
- Hazira Manufacturing Division won the National Award 2011 for successful



commercialization of indigenous technology from Ministry of Science & Technology.

Social Performance

- Hazira Manufacturing Division won the Golden Peacock National HR Excellence Award-2011 in Petrochemical sector.



- Hazira Manufacturing Division won the Golden Peacock Global Award for CSR 2011 in Petrochemical sector.

- RIL Group Manufacturing Services (GMS) received the American Society for Training & Development (ASTD) Best Award, 2011 for workplace learning & performance.

Sustainability

- RIL won the prestigious National Golden Peacock Award 2011 for its outstanding contribution in the field of corporate sustainability.
- Hazira Manufacturing Division won the prestigious CII-ITC Sustainability Award for the year 2011 for its strong commitment towards sustainable excellence.

Apart from the above recognitions, our efforts towards quality have been recognized and appreciated by JUSE, IQPC, ASTD and BID among others .

Detailed information on awards can be accessed at our website www.ril.com



Floating Production Storage and Offloading (FPSO)



Corporate Governance

We believe that strong governance is central to creating value on a sustainable basis. We not only adhere to the prescribed corporate governance practices as per Clause 49 of the listing agreement with stock exchanges but go beyond and adopt emerging best practices worldwide. Some of the best global governance norms put into practice include the following:

- We have a designated Lead Independent Director with a defined role.
- All securities related filings with stock exchanges and SEBI are reviewed every quarter by the Shareholders'/Investors' Grievance Committee of Directors of the Company.
- We have an independent Board Committee for matters related to corporate governance and stakeholders' interface and nomination of Board members.
- Internal audit is conducted by independent auditors.
- The Company also undergoes secretarial audit conducted by an independent company secretary who is in full-time practice. The quarterly audit reports are placed before the Board and the annual audit report placed before the Board is included in the Annual Report.

At Reliance we consider stakeholders as partners in our success and we remain committed to maximizing stakeholder value. Our customers have benefited from high quality products delivered at highly competitive prices. Our employee satisfaction and loyalty levels are reflected

in the stability of our senior management, low attrition rate across various levels and substantially higher employee productivity levels than most of our peers enjoy. Communities in areas surrounding our operations have benefited from our presence in myriad ways.

Shareholders Communications:

Our Board recognises the importance of two-way communication with shareholders. It believes in giving a balanced report of results and progress and responds to questions and issues raised in a timely and consistent manner. Our Company's corporate website: www.ril.com has information for institutional and retail shareholders alike. Shareholders seeking information may contact us directly or via dedicated shareholder points or through any of the Investor Service Centres of our

Registrars and Transfer Agents spread over 80 cities across India, details of which are available on our corporate website. Our Company ensures that queries, complaints and suggestions are responded in a timely and consistent manner.

Board of Directors: Our current Board consists of 13 directors, 7 of whom are Independent Directors. The composition of the Board with descriptions of categories of Directors is presented in the following page. We maintain optimum combination of Executive and Non-Executive Directors.





Promoter Director

Mukesh D. Ambani
Chairman and Managing Director

Executive Directors

Nikhil R. Meswani
Hital R. Meswani
P.M.S. Prasad
Pawan Kumar Kapil

Non-Executive Non-Independent Director

Ramniklal H. Ambani

Independent Directors

Mansingh L. Bhakta
Yogendra P. Trivedi
Dr. Dharam Vir Kapur
Mahesh P. Modi
Prof. Ashok Misra
Prof. Dipak C. Jain
Dr. Raghunath A. Mashelkar

At the time of appointment, every Independent Director signs a declaration to confirm that they fulfill the minimum conditions for being independent directors as laid down under Clause 49 of the listing agreement with stock exchanges.



Six Board Meetings were held during the year, against the minimum requirement of four meetings. We have held at least one Board meeting every three months.

The Board has constituted seven standing committees to provide direction and facilitate the decision-making process at the meetings of the Board in an informed and efficient manner.

- 1 Audit Committee
- 2 Corporate Governance and Stakeholders' Interface (CGSI) Committee
- 3 Employees Stock Compensation Committee
- 4 Finance Committee
- 5 Health, Safety and Environment (HS&E) Committee
- 6 Remuneration Committee
- 7 Shareholders' / Investors' Grievance Committee

Code of Conduct

We have a well defined policy framework contained in a comprehensive Corporate Governance Manual. The Manual includes policies and procedures for effective governance and addresses each of the following groups

- Code of Conduct for Board of Directors and Board Committees
- Code of Business Conduct and Ethics for Directors and Management Personnel
- Code of Conduct for Prohibition of Insider Trading
- Code of Ethics and Business Policies
- Policy documents on Values & Commitments
- Manual on Corporate Governance
- Health, Safety and Environment (HSE) Policy
- Code of Financial Reporting, Disclosure and Transparency

As the field of Corporate Governance evolves, we try to ensure that our management and reporting systems evolve at the same pace.

Management Systems



Our Management Systems ensure that we conduct our business profitably, responsibly and in adherence to globally recognized benchmarks and standards in quality management, risk management and environment & safety management.

Risk Management

Given the nature of our business, the raw materials and products that we handle, and the scale of our operations, our risk management systems are designed to ensure that all our assets are safeguarded and protected against any kind of loss including property and mankind .

Our policies, compliance levels and core values are reviewed by an independent audit committee supported by internal audit team, responsible for inspecting and improving the efficacy of our risk management and governance processes. During the year, we embarked upon project

STAR, which will provide us with a road map for the implementation of an integrated system-based process transformation for environmental risk management.

Audit & Controls

We have instituted a system whereby we review our performance on a continuous basis. These audits range from financial

to health , safety , environment and social performance. We have also developed a Group Standard and Second Party Audit Protocol for electronic waste management.

We have robust internal controls to maintain quality of data and information, and an appropriate governance structure to ensure effective implementation.

All Our
Manufacturing
Divisions are
assessed for
ISO-14001
Environmental Management Systems

Project

STAR
FOR A BETTER TOMORROW

Safety

In 2007, we embarked upon a journey towards world class HSE Management Systems with a focus on cultural transformation to excel in safety performance.

As a signatory to the 'Responsible Care' movement, we initiated external review in line with the requirements of RCMS 14000. In the initial phases, the Reliance Corporate Park in Mumbai, and Hazira Manufacturing Division were audited. Life Protection Rules, Safety Best Practices and Safety Procedures have been ingrained



into our culture and are practiced across RIL. We conducted first party audits and second party audits, in line with RIL Group Standards, in the areas of process safety management, workplace safety, contractor safety management as well as fire and distribution safety.

Environment

We ensure that all our manufacturing divisions are assessed for ISO-14001 Environmental Management System (EMS). In most of the manufacturing divisions we have an integrated management system which is audited by a third party and accreditation is provided.

All our manufacturing locations follow a well-mapped procedure in order to select projects, assess impacts on society and environment, and mitigate any adverse impacts. We have instituted a compliance management system which, mandates undertaking an impact analysis and risk analysis study of potential projects prior to commissioning. We conduct environmental impact and risk assessment of all new proposed projects and ensure adequate measures are implemented to protect environment and preserve biodiversity of the region

Quality Management

We continue to deploy Six Sigma in order to improve process capability and reliability. Our Six Sigma process has been standardized, and is now called "Improve Performance", divided into three sub-processes, which are:

- Performance Benchmarking & Gap Analysis
- Idea Management
- Knowledge Management

In the reporting period, 102 employees underwent Six Sigma Green Belt training and 25% of the supervisory employees of manufacturing operations were imparted six sigma awareness training. In FY 2011-12, 23 Six Sigma Black Belts were engaged across manufacturing divisions and 115 Black Belts and Green Belts were involved in improvement projects. 102 six sigma projects were completed during the year, engaging 612 supervisory personnel and resulting in a cost saving of INR 360 million.



Disclosure on Management Approach

Economic Indicators

Our company has seen a robust economic growth over the past decade and has been recognized consistently for innovation and shareholder value creation. We are gearing up for the next phase of augmentation through new initiatives and new partnerships while continuing to generate employment opportunities for thousands across our existing operations and businesses. Our economic policies are formulated based on a number of factors, including market conditions, consumer preferences, our past performance, government regulations and our corporate governance ethics, amongst others. We continue to honour our commitment of making India energy secure and to enhance the quality of life of our stakeholders.

Environmental Indicators

We have well established systems and policies towards maintaining the highest standards of Health, Safety and Environment (HSE) norms while maintaining operational integrity. The board constituted HSE committee is responsible for reviewing and monitoring the implementation of HSE management systems. All our manufacturing divisions and E&P Gadimoga operations received certification for adherence to ISO 14001:2004 environmental management systems. As we align our reporting to new guidelines, we have increased disclosure to include critical data points like hydrocarbon flaring and discharge, produced water and drilling waste. We have laid emphasis on conservation initiatives, especially energy,

water and material conservation. We have also taken efforts to use materials that are environmentally benign in our processes and products. We are compliant with all the environmental laws of countries to which we export our products.

Labour Practices and Decent Work Indicators

We have adopted the best international standards for employee welfare, strongly promoting workers' rights to a decent workplace. We have a Whistle-blower policy which empowers employees to report any wrongdoings without the fear of reprisal. We also ensure that these standards are reflected across its entire value chain. Focused training efforts have resulted in improving the skill levels



of employees across all levels. We have specialized career development and succession planning systems and amply reward employees with performance incentives and recognition. We accord the highest priority to the safety of our people. Our Process Safety Management (PSM) approach has enabled us to adopt best-in-class safety practices and management systems. We have also established consistent audit protocols for our safety management. Our manufacturing divisions and E&P Gadimoga operations have received OHSAS 18001:2007 certification.

Human Rights Indicators

Our codes of conduct and ethics policies cover issues such as bribery and corruption, fraud, insider trading, human

rights and discrimination. They include a commitment to conducting our business in an ethical manner with due regard to the interests of our stakeholders and the environment. We respect human rights at the workplace and follow leading international practices, which ensure the freedom of association, prohibition of child labour, protection of indigenous rights and prohibition of forced and compulsory labour.

Society Indicators

Our well defined CSR execution process demonstrates our approach towards the needs of communities. Our contributions to community development are in health, education, infrastructure development, environment, relief and assistance

in the event of a natural disaster, and miscellaneous activities such as contribution to other social development organizations. We provide and support health services to communities surrounding our operations and work with multiple organizations to combat diseases such as Tuberculosis (TB) and HIV/AIDS. On the education front, our major manufacturing locations provide quality education to the children of employees and also cater to the needs of surrounding villages. We also proactively work towards developing rural infrastructure and ensuring community safety in terms of disasters. We have undertaken several transformational projects in rural areas including construction of roads, anganwadis (kindergarten schools), panchayat offices and community halls. Reliance Foundation, envisioned to become one of the foremost professional philanthropic organizations in the world, was incorporated in 2010 to strengthen our work on India's pressing social challenges.

Product Responsibility Indicators

It is our constant endeavour to minimize the health, safety and environmental impacts of our products across our supply chain. We partner with various agencies to promote end-of-life recycling and reuse of our products. Our R&D efforts are directed towards developing cleaner and safer products and alternatives. We adhere to all Indian laws related to marketing communications, including advertising, promotion and sponsorship.



Strategy and Roadmap

Sustainability is ingrained in the way RIL functions. Sustainability issues are identified through the challenges that our sector faces, peer review and interactions with key stakeholder groups as part of stakeholder engagement exercise. The issues identified are evaluated for their relevance to RIL and the impact on economic, environmental and social aspects. This exercise is performed annually to ensure its relevance to the changing business environment .

We have already identified and prioritized key stakeholders and we continue our engagement with them through various mechanisms such as consultations with local communities, vendor meets, customer/employee satisfaction surveys, investor forums etc. Each year we review the stakeholder universe and add a few more groups. The feedback obtained during our interactions help us in prioritizing the report content and its completeness.

We have developed steering mechanisms and defined protocols through which we measure progress on our sustainability agenda. We have defined six strategic pillars to channelize our efforts and ensure our actions are in line with our commitments. These focus areas span the length and breadth of our business, and we recognize the critical importance of continuous improvement and excellence in each area.

Energy security



We aim to use our strength as an integrated energy company to secure energy supplies to fuel India's development

- In April 2011, we announced a rich gas and condensate discovery in the CYPR-D6 block located in deep-water Cauvery-Palar basin
- Entered into a partnership with BP to leverage its skills in sub-sea engineering and reservoir management to unlock the true potential of our deep-water blocks

Growth through innovation



We rely on innovation to produce world class quality products at affordable rates

- Reliance Technology Group (RTG) is working as a focal point to integrate Research and Technology (R&T) initiatives across the organization
- RTG is also working on breakthrough technologies, such as fuel cells, carbon fibers, bio-fuels, and gasification of several types of feedstock
- We are developing a world class R&T center in Mumbai with best in class physical infrastructure and an environment conducive for attracting and retaining the best global R&T talent

Environment



We recognize the impacts of the Energy sector on the environment and strive to mitigate our impacts

- Our manufacturing divisions and upstream gas handling terminal have instituted ISO-14001 EMS.
- All our manufacturing divisions have been audited for their environment management systems by the British Safety Council
- A group standard and second party audit protocol for electronic waste management was developed in FY 2011 -12.
- A group wide Environment Management Process is under development as part of Business Transformation exercise



Product responsibility



We believe in taking full responsibility for the impacts of our products and are adopting a life cycle approach to evaluate environmental and social impacts across the value chain

- We are a signatory to “Responsible Care” movement and are certified to RCMS 14000 standard confirming to American chemistry council technical specifications
- The year saw the completion of 102 Six Sigma projects in which 612 supervisory personnel were engaged and resulted in annual saving of INR 360 million
- ‘Suraksha Certificates’ which are issued post stringent verification of various aspects of vehicles were made mandatory for MEG transportation during the year to ensure safe transportation
- Developed product ‘Recron 3S’ that aids material conservation through reduction of natural fibre usage in wall paper manufacturing

Health and safety



We focus relentlessly on bettering our record in occupational health and safety practices at the workplace

- We have achieved 0.099 lost time frequency rate at our manufacturing divisions
- Our lost day rate has reduced by 20.6% as compared to last year
- We have further strengthened our auditing process through institution of first party and second party audits in line with RIL Group standards in the areas of Process Safety Management, Workplace Safety, Contractor Safety, Fire and Distribution Safety

Social institution building



We work towards improving the quality of life of our communities especially of the underprivileged sections of our society

- Reliance bij is now present in 9 states
- Launched ‘Reliance Drishti’, India’s first registered national Braille newspaper in Hindi
- Started RK4SD (Reliance Knowledge for Sustainable Development) which aims at capacity building of farmers, fisher folk and micro-enterprises by linking the knowledge seekers and knowledge providers through a common technology platform.

Partnering With Our Stakeholders

Achieving high growth levels is ingrained in the way we work and in the way we foresee RIL's future. We work towards responding to our stakeholders' concerns in a timely and effective manner, and taking necessary measures to fulfill their expectations, the foremost being their growth.

In our previous reports, we presented the process for stakeholder consultation that is adopted by key personnel for each stakeholder group. This year, we have gone a step ahead to detail out the engagement mechanisms that are used as part of our ever-important consultations. This section highlights these mechanisms, together with key priorities identified through them, and how we are working towards them.



Government and regulatory authorities

How do we engage them?

- Regulatory filings
- Participation in policy development discussions on various forums

What are their key priorities?

- Regulatory compliance
- Enhancing energy security
- Shaping up India's energy policies and business environment in oil and gas sector



Employees

How do we engage them?

- Employee satisfaction survey
- Departmental committee meetings
- Publication of internal magazines
- Annual online performance management dialogue
- Staff welfare activities

What are their key priorities?

- Skill development
- Workplace satisfaction
- Healthy and safe operations



Customers

How do we engage them?

- Customer satisfaction survey
- Customer/dealer meets called 'Rishta'
- Product information through appropriate labeling

What are their key priorities?

- Product availability
- Product quality
- Information on safe use of products
- Timely delivery of product



Local community

How do we engage them?

- Community needs assessment activities undertaken in collaboration with independent parties
- Activities undertaken as part of our CSR programme
- Activities undertaken by our trust and foundations
- Public hearings during expansion projects

What are their key priorities?

- Impact of RIL's operations on livelihoods and social infrastructure
- Local socio-economic issues (like employment, health, education, sanitation, etc.)



Investors and shareholders

How do we engage them?

- Investor meetings on business strategy and performance review
- Analyst meets
- Contact through Investor service centres
- Annual General Meetings
- Dissemination of RIL's business performance and outlook through annual reports

What are their key priorities?

- Business growth
- Sectoral policies
- RIL's business strategy
- Transparency
- Good governance practices



Suppliers

How do we engage them?

- Supplier meetings on technical considerations and quality
- Supplier development programmes (like TEAL)

What are their key priorities?

- Timely payments
- Timely availability of product (for dealers)
- Knowledge and infrastructure support
- Regular communication and updates on business plans



Trade Unions

How do we engage them?

- Meetings with trade unions on collective bargaining issues, health and safety and other operational matters

What are their key priorities?

- Regular communication
- Involvement in company initiatives



NGOs

How do we engage them?

- Partnership in programmes
- Discussions on community issues

What are their key priorities?

- Financial support for community programmes
- Managerial support

Voice of Stakeholders



"RIL has been an active member in providing vocational training to the youth and women of my village. In addition to tailoring and embroidery training, RIL has provided me a sewing machine, which has enabled me to draw an income of INR 1500 – 2000 per month that helps me support my family, RIL has truly helped me transform from a house wife to an earning member. Inspired by this many women in the village are now motivated to undergo this training"

- Joshnaben

Thakurbhai, Vadodara



"The open culture wherein designation doesn't become a barrier to discuss grievances instills a sense of belonging and respect. RIL also gives you an opportunity to make decisions and hence accept responsibilities that drives you to work better"

- Vishwajeet Gayakwad,

Employee, Hazira



"From being an ordinary worker in a pantry to owning a small enterprise of my own, RIL has encouraged me in my path of prosperity. In spite of having no educational qualification to count on, RIL has helped me in my journey of setting up my own canteen and car hiring services. RIL has truly helped me in becoming the person who I am today "

- P K Vala,

Jamnagar



"RIL has always been sensitive in understanding the needs of the villagers and has been very forth coming in providing various necessities to them. They not only provide aid in terms of financial and infrastructure support but also encourage celebration of festivals"

- Sanjay,

Swami Sarvajani Mandal,
(NGO, Dahej)

Performance on Commitments

We track the performance on our commitments on a periodic basis. The table below shows the progress made on our commitments.

Commitment	Performance
Controlling GHG emissions	<ul style="list-style-type: none"> A total of 8 projects with total annual estimated emission reduction of 0.137 million t CO₂/year are now registered at UNFCCC Our Greenhouse Gas (GHG) emissions stands at 0.3220 (CO₂ equivalent) per tonne of product manufactured at our manufacturing divisions
Ensuring safety of people and assets	<ul style="list-style-type: none"> No. of lost days have reduced by 821 compared to previous year At our manufacturing divisions, we have achieved the lost time injury frequency rate of 0.0990
Attracting and retaining talented professionals	<ul style="list-style-type: none"> Our attrition rate decreased to 7.57% from 7.91% last year 432 people (Management Cadre, Engineers and Chartered Accountants) were recruited from campus this year
Training 40% of our supervisory staff in Six Sigma in the next 3 years	<ul style="list-style-type: none"> Awareness training in Six Sigma has been imparted to nearly 25% of supervisory employees at manufacturing locations 102 people have undergone Six Sigma Green Belt training and 4 people were certified as Reliance Certified Green Belts
Providing clean fuel to increase the clean energy mix of the nation	<ul style="list-style-type: none"> Entered into a partnership with BP to leverage its skills in sub-sea engineering and reservoir management to unlock the true potential of our deep-water blocks Extensive reservoir studies are underway for augmenting additional production with integrated efforts of RIL and BP's technical team In FY 2011 - 12, we produced 551.31 billion cubic feet of gas from KG-D6 block

Performance Review

Environmental

Manufacturing Divisions	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Total production ('000 tons)	77,930.89	76,401.23	71,446.16	44,526.85	44,626.95	43,509.81
Material consumption						
Raw materials ('000 tons)	76,159.78	74,086.83	68,089.79	41,061.49	43,033.43	41,962.17
Associated materials ('000 tons)	546.13	508.70	528.71	264.73	217.72	197.23
Intermediates ('000 tons)	39.21	44.44	47.35	29.99	34.78	31.60
Packaging material ('000 tons)	64.61	97.54	94.12	82.13	110.81	91.13
Material recycled, Energy, Water						
Materials recycled ('000 tons)	64.88	73.43	74.63	40.08	61.65	52.80
Material recycled (%)	0.08	0.10	0.11	0.10	0.14	0.13
Direct energy consumption ('000 GJ)	391,602.91	382,917.05	369,248.31	247,391.73	253,868.52	236,992.87
Renewable ('000 GJ)	483.18	463.48	522.58	324.84	276.93	236.57
Indirect energy consumption ('000 GJ)	1,350.65	1,378.41	1,196.49	1,572.23	1,707.05	1,642.10
Energy saved due to conservation ('000 GJ)	2,227.76	2,431.33	5,858.14	2,035.00	3,121.51	10,496.17
Total water withdrawal ('000 Cu. M)	120,127.44	120,302.41	107,966.76	97,172.64	97,788.41	95,686.43
Percentage of water recycled (%)	54.52	50.46	44.29	31.09	28.58	26.35
Total effluent discharge ('000 Cu. M)	21,977.98	22,390.69	21,324.14	20,105.38	23,774.00	24,920.44
Greenhouse Gas Emissions						
Direct emissions ('000 tons of CO ₂ e)	24,702.94	23,647.65	19,754.70	16,591.74	16,889.57	16,410.80
Indirect emissions ('000 tons of CO ₂ e)	387.88	391.50	334.58	369.37	368.22	367.42
Reduction in GHGs ('000 tons of CO ₂ e)	435.27	395.46	1,220.25	613.56	877.27	629.07
Total air emissions						
SPM ('000 tons per year)	2.61	2.69	2.95	3.60	3.64	3.52
SO _x ('000 tons per year)	10.14	11.39	12.82	12.51	13.94	13.81
NO _x ('000 tons per year)	28.93	29.42	23.26	18.41	19.07	18.87
VOCs ('000 tons per year)	42.88	40.34	29.23	19.94	19.91	19.67
Waste						
Hazardous waste ('000 tons)	58.74	51.34	56.16	47.07	41.44	40.47
Non-hazardous waste ('000 tons)	49.89	59.34	50.01	35.91	44.87	41.81



Social

Manufacturing Divisions	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Safety Performance						
Injuries (nos.)	73	64	51	123	100	128
Injury rate ² (per 100 workforce)	0.099	0.09	0.07	0.20	0.17	0.26
Lost days ³ (nos.)	3,354	4,112	8,079	11,886	3,338	3,418
Lost day rate (per 100 workforce)	4.54	5.73	11.02	19.11	5.63	6.94
Manhours worked (Million hours)	147.47	143.58	146.68	124.36	118.60	98.53
Fatalities ⁴ (nos.)	2	2	3	8	1	9

² The injury rate and lost day rate have been calculated as per the methodology prescribed by GRI

³ As per global reporting practice, we have reported the number of lost days sans fatalities. From FY 2008-09, we have expanded the scope of injuries and loss days to include injuries and loss days of construction workers in steady-state operations. As per Indian regulations, each fatality is equivalent to 6000 lost days

⁴ One fatality occurred during unloading of catalyst in inert atmosphere during plant shutdown at our Jamnagar plant while the other fatality occurred at our Nagothane Manufacturing Site when a security personnel fell from a watch tower

Environmental

E&P ⁵	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Material consumption⁶						
Associated materials (MT)	2,278.00	1,098.00	742.00	-	-	-
Casings and tubulars ('000 meters)	96.85	66.11	215.63	237.70	199.38	195.41
Chemicals - solid ('000 tons)	12.38	2.15	8.53	76.77	92.82	27.90
Chemicals - liquid ('000 KL)	15.90	43.54	12.48	15.42	14.26	7.31
Energy, Water						
Diesel ('000 GJ)	10.34	2,466.44	2,402.77	2,763.73	2,352.70	1,305.04
Gas ⁷ ('000 GJ)	10,804.01	8,544.13	6,740.67	5,390.24	3,249.00	6,370.56
HFO ('000 GJ)	0.10	1.66	1.91	0.94	0.86	1.29
Indirect energy consumption (GJ)	4,525.00	5,413.00	4,321.15	-	-	-
Water consumption ('000 Cu M)	421.58	461.87	224.42	171.34	64.81	38.86
Produced water ⁸ ('000 m ³)	6,169.72	-	-	-	-	-
Greenhouse Gas Emissions						
Direct emissions ('000 tons of CO ₂ e)	606.76	682.04	582.77	-	-	-
Indirect emissions (tons of CO ₂ e)	942.70	1128	877	-	-	-
Total air emissions						
SPM (tons per year)	0.20	16.63	16.26	-	-	-
SO _x (tons per year)	446.58	319.25	593.88	-	-	-
NO _x (tons per year)	1,466.15	1,253.92	1,575.01	-	-	-
VOCs (tons per year)	977.05	536.41	753.96	-	-	-



Waste						
Hazardous waste ⁹ (tons)	506.24	1,329.92	4,390.24	3,018.54	909.01	463.99
Non-hazardous waste (tons)	1,733.70	413.75	398.99	927.56	974.98	995.12

⁵ 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. This year we have included the data from FPSO (floating production storage and offloading) and CRP (control riser platform) at Gadimoga for the environmental and social performance data for E&P.

⁶ The material consumption values are related to consumables used in the E&P of O&G

⁷ The values are related to PMT operations and steady state operations facility at Gadimoga. We have included the data from FPSO (floating production storage and offloading) for FY 2011-12. The figures have been represented in GJ. The value for FY 2010-11 energy consumption for PMT has been restated post ensuring consistency in data collation techniques.

⁸ We have started reporting on data for produced water from this year in lieu of requirements of the GRI oil and gas sector supplement

⁹ The Hazardous Wastes (Management, Handling and Trans-boundary Movement) Rules 2008, 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

E&P	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Safety Performance						
Injuries (nos.)	13	5	10	28	17	16
Injury rate ¹⁰ (per 100 workforce)	0.21	0.06	0.08	0.1	0.07	0.21
Lost days ¹¹ (nos.)	17	80	142	431	0	14
Lost day rate (per 100 workforce)	0.278	0.99	1.17	1.55	0	0.1877
Manhours worked (Million hours)	12.22	16.1	24.24	55.54	46.17	14.92
Fatalities (nos.)	0	1	2	4	2	0

Enviornmental

Reliance Corporate Park	2011-12
Indirect energy consumption ('000 GJ)	169.86
Energy saved due to conservation ('000 GJ)	2.94
Total water withdrawal ('000 m ³)	621.82
Percentage of water recycled (%)	38.75
Indirect GHG emissions ('000 tons of CO ₂ e)	37.75
Hazardous waste (MT)	91.95
Non-hazardous waste (MT)	35.82

¹⁰ The injury rate and lost day rate have been calculated as per the methodology prescribed by GRI

¹¹ 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. The lost days reported from 2010-11 also includes lost days from the blocks other than PMT which commenced the production in 2009-10



Across RIL

Social

Workforce breakdown	2011-12	2010-11	2009-10
Leader (nos)	1,094	901	880
Manager (nos)	7,937	7,624	7,278
Executive (nos)	4,795	4,832	4,842
Trainees (nos)	357	140	1,067
Apprentice (nos)	527	352	186
Workers (nos)	8,456	8,812	9,112
Total number of employees (nos)	23,166	22,661	23,365
Attrition rate ¹² (%)	7.57	7.91	8.45
HSE expenses (million INR)	966.46	968.94	845.18
Benefits provided to employees (Million INR)	4,284.00	4,449.60	3,722.30
Number of employees availing maternity leave ¹³ (nos)	43	-	-
Number of employees availing maternity leave and completing 12 months after returning to work (nos)	37	-	-

Training	2011-12	2010-11	2009-10
Leader (hours)	14,336	13,566	15,824
Manager (hours)	444,796	372,817	505,129
Executive (hours)	215,953	223,402	214,048
Non-supervisory (hours)	199,518	166,228	177,598
Contract Labour (hours)	298,001	410,291	398,877
Social Expenditure INR Million	2011-12	2010-11	2009-10
Education ¹⁴	750.62	910.10	509.77
Health ¹⁵	910.30	469.90	292.41
Community Development	216.88	283.47	440.84
Environment (Greening activities)	21.50	7.64	1.71
Others ¹⁶	613.39	342.3	540.16
Total	2,512.68	2,013.41	1,784.89

¹² In FY2011-12 there were a total of 1950 new joiners (including 25 expatriates) out of which 169 left the organization within the same year

¹³ Data for employees availing maternity leave and employees returning to work post the leave have been reported for the first time this year in lieu of requirements of the GRI G3.1 guidelines

¹⁴ Education includes all education related aid, donations, scholarships across RIL including Jamnaben Hirachand Ambani Foundation, Hirachand Goverdhandas Ambani Charitable trust and Dhirubhai Ambani Foundation

¹⁵ Health includes medical aid & benefits extended across RIL including Sir H.N. Medical Research Centre, Reliance Drishti and Dhirubhai Ambani Foundation

¹⁶ Others include donations, sponsorship and awards instituted across RIL including Dhirubhai Ambani Foundation, UAA – Dhirubhai Lifetime Achievement Award, RIL CNN IBN Real Indian Heroes Award



Performance Review

Economic Performance

Financial Performance

Our turnover touched a record INR 3,397.92 billion (\$ 66.8 billion) for the financial year ended 31st March, 2012, a growth of 31.4% over the previous year. Our operating and financial results from each of the three core segments – Oil & Gas, Refining and Marketing and Petrochemicals – were outstanding. Of the 31.4% increase, higher prices accounted for 29.2% while higher volumes accounted for the remaining 2.2%. The net profit achieved for the year was INR 200.40 billion (\$ 3.9 billion).

During the year, we maintained our status quo as India's largest exporter accounting for 14% of the country's total exports, with the quantum touching INR 2,080.42 billion (\$ 40.9 billion). Our exports this year increased by 41.84% as opposed to the year ended 31st March, 2011, compared to a 33% increase last year vis-à-vis the year ending 31st March, 2010. In this financial year, we exported to 119 countries around the globe.

Turnover
INR 3397.92 billion
(\$ 66.8 billion)
increase by
31.4 %

Exports
INR 2080.42 billion
(\$ 40.9 billion)
increase by
41.8 %

Exports contributed 61% to our total turnover, of which petroleum products contributed to 88%, with the balance being contributed by petrochemicals. The total economic value generated by RIL increased by 32.20% to INR 34,598.36 billion while the total economic value distributed by us also increased by more than 37.83% to INR 31,693.09 billion. We have contributed INR 281.97 billion (\$ 5.5 billion) to the national exchequer in the form of various taxes and duties.

Key Financial Indicators

- Total Assets: INR 2,951.40 billion (US \$ 58 billion)
- PBDIT: INR 398,11 billion (US \$ 7.8 billion)
- Cash Profit: INR 319.94 billion (US \$ 6.3 billion)
- Net Profit: INR 200.40 billion (US \$ 3.9 billion)
- Net debt / equity ratio: Nil

- Market capitalization is 4% of the total market capitalization of India.
- Contribution of 5.5% of the Government of India's indirect tax revenues.
- Weightage in BSE Sensex: 9.3%.
- Weightage in NSE Nifty Index is 7.8%.

During the year we increased employee payout by 9% to INR 28.62 billion (\$ 563 million) vis-à-vis INR 26.24 billion for the year ended 31st March, 2011. Our basic Earnings Per Share (EPS) for the year ended 31st March, 2012 was pegged at INR 61.21 as opposed to INR 62.0 for the last financial year.

Profit Before Tax
INR 257.50 billion
(\$ 5.1 billion)
increase by
2 %

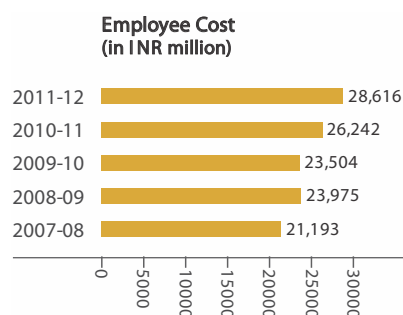
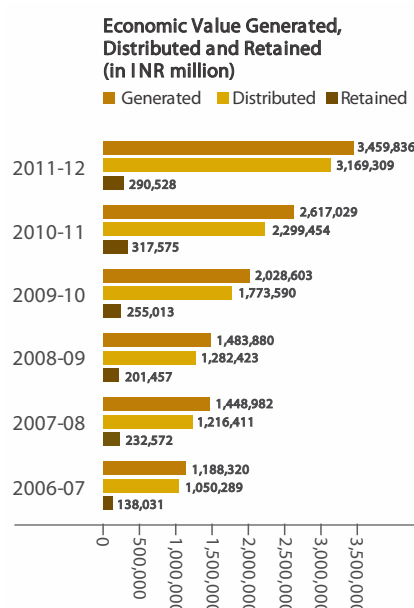
Successful Operation of New Projects

Our partnerships with Chevron and Carrizo in Marcellus, and Pioneer in South Texas, which came about in 2010, have been very successful. We currently operate 12 rigs with Pioneer, where our strategy of prioritizing drilling in liquid rich areas





is bearing fruit. Approximately 59% of the production from this JV has been of fluids. Our share from this JV was 41.7 BCFe for the year, while with Chevron, where we operated 5 rigs, our attributable production is 8.9BCFe. The Carrizo JV too went off without hitches for the year, with 1.8 BCFe being attributable to Reliance with two operations rigs.



Continuing Success in Exploration & Production

FY 2011-12 marked another successful year for our Exploration & Production business.

In April, 2011, we announced a rich gas and condensate discovery in the CY-PR-DWN-2001/3 (CYPR-D6 block) located

in deep-water Cauvery-Palar basin. The block, which covers an area of about 8,600 square kilometers was awarded to us under the bidding round of NELP-III. RIL holds 70% Participating Interest (PI) in the block.

New Partnerships

This year, we expanded our national and international presence, tying up with sector leaders across various categories. Our aim in establishing these partnerships is to ensure that we achieve sustained growth and effectively address needs of the Indian market, while simultaneously providing us with access to global markets.

On August 30, 2011, BP completed its acquisition of a 30% stake in 21 oil and gas production sharing contracts that we operate in India. We also announced the incorporation of India Gas Solutions Private Limited, a 50:50 joint venture company which will focus on global sourcing and marketing of natural gas in India. Our focus through this JV will also be on the development of infrastructure in order to accelerate the transportation and marketing of natural gas in India.

During February, 2012, we partnered with SIBUR, East Europe's largest petrochemical company, and we have now formed a joint venture under the moniker, Reliance Sibur Elastomers Private Limited to produce 0.10 million tonnes of butyl rubber per year at our Jamnagar Refinery.

We will continue to build alliances that benefit us across bottom lines, in order to build value for our various stakeholders and interest groups.

Ratings

Sturdy credit ratings by leading international agencies on the financial front are a reflection upon our discipline and prudence. Our domestic credit ratings by CRISIL and FITCH were maintained at the highest level of AAA, while we also reaffirmed our investment grade rating for international debt from Moody's and Standard & Poor at Baa2 and BBB

RIL
contributed to
14%
of India's
total exports

respectively. Our international rating from Standard & Poor continues to be higher than the country's sovereign rating. We featured for the 7th consecutive year on the Fortune Global 500 list among the world's largest corporations, and were ranked 99th based on revenue.

For more information on our Economic Performance, please refer our Annual Report for FY 2011-12 available on RIL website: www.ril.com



Performance Review

Energy Security

Energy security is one of the important components of our business strategy and is also one of the biggest challenges globally. As we move into the future, we are looking at depleting energy sources and a global scramble to secure these sources. India, together with China, is poised to account for more than half of the projected growth in global energy use till 2035 (WEO 2010). We see this as an opportunity and focus our efforts towards securing our energy supplies. We have taken two important measures over the past few years – securing energy resources by backward integration into our exploration and production business, and identifying and harnessing cleaner fuels to put us as a vital energy player in the Indian sub-continent in the future.

Increasing our Footprint in Upstream Operations

Over the past few years, we have invested significantly into our upstream activities. This presents us with a huge business opportunity against the backdrop of India's huge oil imports, which account for about two-thirds of its crude oil requirement and the significantly lower contribution of natural gas to its energy basket as against the world average of about 24%.

During FY 2011-12, our crude oil and natural gas production witnessed a significant decrease of 32.61% and 34.64% respectively over FY 2010-11. This is primarily because production from the KG-D6 block has been adversely impacted due to unforeseen reservoir complexities

and water ingress in the producing fields. Significant steps have been taken by the joint technical teams in assessing options for overall reservoir management based on which, an integrated plan for work-overs and additional wells can be executed, after necessary regulatory and government approvals.

FY 2011 -12 was a year of continued thrust on global strategic partnerships such as with BP for upstream operations and with Chevron, Carizzo and Pioneer for shale gas. These partnerships with experienced and successful operators in the fast growing resource base of shale gas in North America has helped us in gaining access to the most strategically located assets within the premier shale plays of US.

Table 1: Total production over the last two years

	Units	FY 2010-11	FY 2011-12
Crude Oil	Million MT	1.38	0.93
Natural Gas	Million m ³	19622	12824

Seeking Alternative Energy Opportunities

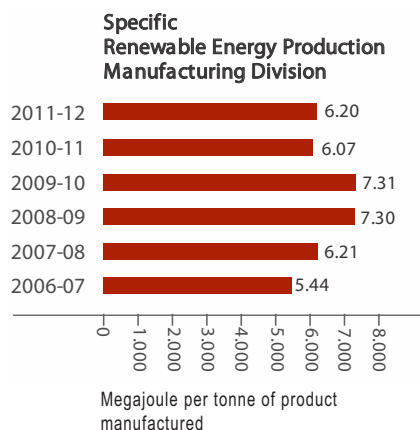
In our endeavor to become a key global energy player, we have strengthened our focus in recent years on opportunities to harness alternative energy sources.

As on 31st March 2012, we have a cumulative installed capacity of 31.2 MW of renewable energy, with wind energy



HIV/DOT Centre at Hazira powered by solar and micro wind system

being the major contributor, amounting to nearly 49% of this capacity. During the year, we installed 5 MW of solar power at Khinswar, Rajasthan. Additionally, our manufacturing units also consumed 0.48 million GJ of renewable energy,



accounting for 0.1% of our total energy consumption. Assuming replacement of grid-based power, this renewable energy consumption has also led to a reduction of approximately 0.107 million tCO₂e. Our major sources of renewable energy include solar and wind energy.

Instilling Innovation in Energy Use

Increasing energy efficiency across all manufacturing divisions forms an integral part of our operations. Each of our facilities place special emphasis to identify and undertake initiatives to enhance their energy efficiency. During FY11-12, our energy efficiency improvement efforts led to annualized energy savings of 2.23 million GJ, subsequently leading to annualized GHG emission reduction of 0.13 million tCO₂e.

Some of the key energy conservation measures carried out during the year FY 2011-12 are listed below:

Allahabad Manufacturing Division

- Reduction of steam consumption by switching from pressure regulated valve to control valve and process optimisation.
- Saving on fuel oil by using control valve mechanism to regulate column temperature, thereby reducing heat load.

Barabanki Manufacturing Division

- Installation of Solar Lights.

Dahej Manufacturing Division

- Increased the residue gas exchanger area in the Gas cracker unit (GCU).
- Gas Turbine uprated in Captive power plant (CPP).
- Rerouting of recycle water for better heat recovery in MEG plant.

Hazira Manufacturing Division

- Advanced Process Control (APC) implementation in Gas Turbine GT-2 and steam networking.
- Uprating Gas turbine capability of GT-2 and GT-7 at CPP&U plant.
- Improvement in waste heat recovery performance of Make Up Water Heaters at CPP&U plant.
- Reduction in steam and power consumption in CP-2 & CP-3 by commissioning of glycol ejector in place of steam ejector.
- Reduction in steam consumption by reducing the water/aqueous Ethylene Oxide (EO) ratio in glycol reactors at MEG-I plant.
- Utilization of waste steam generated from Flash Drum to POY plant resulting

in LP Steam savings at PTA-I plant.

- Reduction in N₂ consumption by implementation of various N₂ conservation measures and consumption optimization in various areas of CP operations at POY/PET plant.
- Provision of steam distribution pipes inside the pre-crimper & draw steam box and installation of sparger pipes in DM-8 resulting in steam savings at PSF plant.
- Power consumption reduction by installation of "auto-control logic" in Quench Air Humidification Units (AHU's) of 12 spinning machines in Du-Pont plant.
- Reduction in operating pressure of 3rd PTA Crystallizer resulting in SHP steam savings at PTA-I plant.
- Reduction in 2nd Combuster Preheater condensate temperature resulting in SHP steam savings at PTA plant.

Hoshiarpur Manufacturing Division

- Power saving due to non operation of return air fan of POY quench AHU.

Reliance Energy Management Systems:

Reducing energy intensity in our manufactured products is the surest way of reducing the adverse impact of our operations on the environment; in addition, this also has an advantageous effect of improving the bottom line. In order to accelerate our drive in this direction, we have established the Reliance Energy Management System and have collaborated with a leading consultant in the field of energy management for developing a master plan for reduction in the energy consumption at all our manufacturing sites to the standards of "Best In Technology" plants.

Based on internal studies, several best practices manuals have been prepared on critical energy intensive systems and are being implemented to achieve significant reduction in energy consumption. We are also installing a real time optimizer at two of our bigger sites to track the fuel consumption and identify corrective actions to minimize fuel consumption.

We are also working on enhancing the skills of our employees to help them focus on energy conservation. We have developed standard work processes for effective energy management and these work processes will be rolled out across all Reliance manufacturing sites at an accelerated pace.



Jamnagar Manufacturing Division (DTA)

- Fuel reduction in heaters through excess air reduction, maximizing heat recovery in convection section & air preheaters.
- Reduction of LP steam consumption in amine treating units by increasing amine concentration thereby reducing lean amine circulation rate.
- Reductions in fuel consumption in Diesel Hydrotreater (DHT) unit, by routing Hot Heavy Kerosene directly from crude unit to DHT feed bypassing tank farm.
- Heat up by MP steam eliminated by optimizing reformer splitter feed temperature.
- Reduction in power by reducing recycle flow in Plat former Net-Gas Compressor.
- Power output increased by maximizing flue gas flow through expander after tuning inlet valve in Fluidized Catalytic Cracking (FCC) unit.
- Flare loss reduction by continuous monitoring/identification/rectification of passing valves, reducing N₂ purge to flare system and maximizing recovery through fuel gas recovery system.
- Online cleaning provision of convection section coils provided for additional heat recovery from Plat former Heater flue gas. Earlier coils were inaccessible for cleaning online.
- Power consumption reduction by maximizing flow through power recovery turbine in Vacuum Gas Oil Hydrotreater (VGOHT) units.

Jamnagar Manufacturing Division (SEZ)

- Fuel reduction in process heaters through excess air reduction, maximizing heat recovery in convection section and air preheaters, operating combustion control system in auto mode.
- Stopping one gas turbine out of five during winter months thereby improving the heat rate
- Stoppage of one Back Pressure Turbine (BPT) out of two, in CPP to improve the efficiency of operation.

Reduction in steam consumption at Dahej:

In order to identify opportunities for energy savings, Pinch Analysis study of heat exchanger network of the Gas cracker plant was carried out at Dahej. Pinch Technology is a concept that is utilized for optimizing the energy consumption in a plant. Pinch Analysis rules help the process engineer to steer towards thermally efficient process by increasing process to process heat transfer and thereby reducing external utility consumption of steam and cooling water. To achieve the utility savings identified in the scheme, a new exchanger was designed to achieve the desired benefit by increasing the area of the existing exchanger. This initiative enabled an energy saving of 0.52 MMkcal/hr and achieved a GHG emission reduction of 1079 tons of CO₂ per year. In addition the same concept was applied in bringing about alteration in the recycle water route with the objective of improved heat recovery in the MEG plant wherein a new plate and frame exchanger having higher area than the existing exchanger was installed. This initiative resulted in a reduction of steam consumption leading to an energy saving of 0.49 MMkcal/hr and achieving a GHG emission reduction of 1025 tons of CO₂ per year.

- Routing hot Vacuum Gas Oil (VGO) to FCC from VGO HT-4 bypassing LP Steam generator and thus reducing LP steam dumping.
- Saving of power & LP steam dumping by interconnection of CPP Boiler Feed Water (BFW) header & refinery header.
- Provision to feed hot Coker Kerosene directly to Diesel Hydro Desulfurization (DHDS) Unit to avoid cold feed processing.
- Routing of vent gases from degassing column to Fuel Gas header in Poly Propylene (PP) Unit for reducing the flaring.
- Installation of Magnetic Resonator in fuel gas line to burners in crude furnace for the reduction of fuel.
- Reduction in 4th stage discharge pressure in hydrogen compression system to reduce the power consumption.
- Increasing the level span of the Coker Unit flare system seal pot for preventing LLP Flaring.

Nagothane Manufacturing Division

- Reduction of steam consumption at LDPE plant
- Anti-corrosion coating (Corro-coating) of cooling water pumps

Patalganga Manufacturing Division

- Burners of LAB Heaters changed from oil fired to dual fired. Burner tips of one LAB heater (already dual fired) were replaced at NG project Phase 2 in the LAB plant resulting in the energy savings.
- Power saving due to Staggered switching to ensure one pump running instead of 2 pumps in EC plant.
- Replacement of faulty traps at the site resulting in steam savings.
- Power saving due to Corrocoating of CP7 cooling water pumps.

Silvassa Manufacturing Division

- Replacement of old DTY machines with energy efficient new DTY Machines in Plant I.

Vadodara Manufacturing Division

- Refractory replacement for reduction



in radiation heat losses in Naptha Cracker heaters .

- Modification done to supply excess O₂ to Acrylonitrile (ACN) plant from UB2 air separation unit thereby stopping of BBP N₂O₂ plant.
- Repair and replacement of steam traps of Poly Propylene Co-Polymer (PPCP) plant.
- Installation of new tandem type design bypass damper with air sealing to reduce flue gas losses from bypass damper.
- Heat rate reduction by uprating GT2.
- LMP steam header pressure reduction thereby giving a considerable reduction to Gas Turbine Power Plant (GTPP) stack temperature.
- Minimisation of heat losses from both GT's hot flue gas duct at GTPP.

Mitigating Climate Change

We are cognizant of the contribution of conventional energy use towards climate change. Being a responsible energy company, we are working towards mitigating the impact of climate change through energy conservation, usage of cleaner fuels and improving energy efficiency.

GHG management forms an integral part of annual plans across our company. During FY 2011-12, our manufacturing divisions emitted 24.7 million tCO₂e of GHG , an increase of 4.5% over last year.

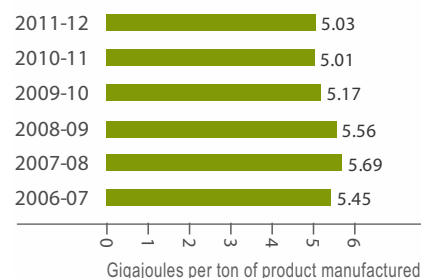
While our climate change mitigation efforts focus on mitigation potential and risks it poses to our operations, there are opportunities that our focus brings leveraging on the flexibility mechanisms such as Clean Development Mechanism (CDM). As on 31st March 2012, we are pursuing CDM opportunities for 8 of our projects. The following projects were registered with UNFCCC during the year FY 2011-12:

Table 3: CDM projects registered during FY 2011-12

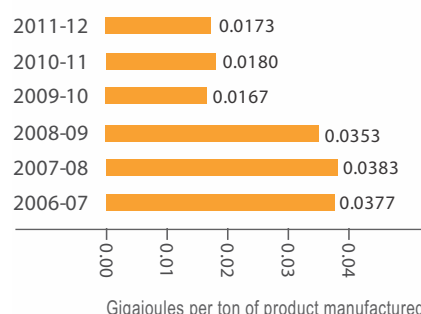
Site name	Description of CDM project	Annual CERs generated
Vadodara	Energy efficiency through heat recovery at Vadodara manufacturing complex	21,157
Barabanki	Biomass based process steam generation project at Barabanki Manufacturing Division	21,019
Khinswar	Solar Power Generation Project at Khinswar,Rajasthan	7,184

Apart from looking inwards at our operations to contribute to climate change mitigation, we actively participate in policy development initiatives at national and global level on climate change mitigation and adaptation.

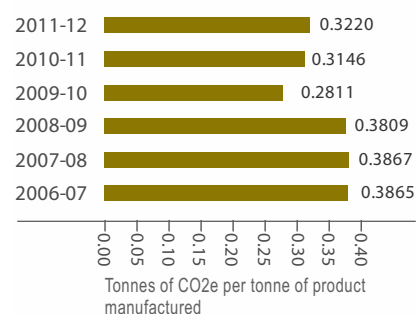
Specific Direct Energy Consumption -Manufacturing Divisions



Specific Indirect Energy Consumption -Manufacturing Divisions



Specific GHG Emissions -Manufacturing Divisions



Flare gas recovery at Jamnagar:

This project is aimed at minimizing hydrocarbon loss by recovering flare gas and reuse as fuel gas. An ejector system having multiple ejectors in parallel, was developed in-house and installed to recover blow down gases from the blow down settling drum. These gases were fed into the Fractionator overhead drum and routed to the gas plant through a compressor. This initiative have helped in recovering 110,170 tonnes of fuel equivalent to 315,065 tCO₂e GHG emissions during the FY 2011-12.



Performance Review

Growth Through Innovation

Research & Development (R&D), technology development and innovation continue to be an integral part of our business agenda. “Reliance Technology Group” (RTG) is working as a focal point to integrate Research and Technology (R&T) initiatives across the organization. We have leveraged diverse skills and competencies available across functions.

In the refining area RTG has expanded its horizon to include thermal cracking and hydro-processing as key areas of research besides continuing to pursue research in the area of fluid catalytic cracking, crude processing and providing advanced technical support through computational fluid dynamics and other advanced simulation tools.

In the petrochemicals area, RTG is providing technology support to olefin crackers, polymers, fiber intermediates, linear alkyl benzene (LAB), and polyester. The focus areas in petrochemicals include efficient asset utilization, development

of specialty product grades/materials, development of catalysts/additives for cost reduction, value addition to by-product streams, and leveraging opportunities at the chemicals/oil interface. RTG is also working on breakthrough technologies, such as fuel cells, carbon fibers, bio-fuels, and gasification of several types of feedstock.

Some major on-going projects include:

- Development of special additive for maximizing refinery propylene production.
- Processing of variety of heavier crudes to produce valuable products.
- Development of a highly active fluidized catalytic cracking (FCC) catalyst for improved production.
- Development of superabsorbent polymers to produce disposable diapers at affordable price.
- Development of self-healing elastomers to enhance life of products such as automobile tyres.
- Development of technology for regeneration and alternate applications of spent catalysts and adsorbents.
- Development of microbial and photocatalytic processes for effluent treatment avoiding hazardous waste discharge.
- Development of a process for chlorinated polyvinyl chloride. This development will enable the expansion of hot water systems for sanitation.

- Development of technology for methanol to olefins conversion using micro porous materials. This technology will reduce the energy consumption for a wide range of chemical products.

- Improvement in our existing purified terephthalic acid process for reducing energy consumption and by-product generation.

- Development of more environmentally friendly processes for purified terephthalic acid manufacture.

- Development of insect repellent yarns. This development will help reduce the

Energy efficiency through uPVC windows:

We are working for the promotion of uPVC windows through the Bureau of Energy Efficiency (BEE). These windows have potential to avoid heat gain/loss as against conventional windows. Today uPVC is included as a construction material under the Energy Conservation Building Code (ECBC). We are actively involved with BEE for the development of windows star rating system. Besides this, we are working with other building codes such as TERI GRIHA and ECO HOMES for enlisting uPVC as a eco-friendly construction material.

RTG is a focal point to integrate Research and Technology across the organisation



spread of malaria in India and around the world.

- Development of fire retardant yarns. This development will improve the safety of children and other people around the world.

RTG is actively participating in various collaborative projects in India and overseas with institutes such as IIP Dehradun, IIT Mumbai, PARC USA, Tulsa University USA, PDDU, Ahmedabad etc. to jointly develop new breakthrough technologies and establish synergies with academia and industrial R&D. We continue to be the sole industry partner in the New Millennium Indian Technology Leadership Initiative (NMITLI) project on indigenous PEM Fuel Cell technology development.

RTG has built in-house capacity to develop greenhouse gas (GHG) reduction project under flexibility mechanism (clean development mechanism) and obtain the registration and issuance of the same in the form of certified emission reductions (CERs) from the United Nations framework convention climate change (UNFCCC).

LEAP -
An Initiative
to inspire
human resource
through talks
and lectures by
global innovation
leaders



Preventing erosion through PP Geobags:

We envisaged the use of PP Geobags as embankments for protection of the coast. We provided awareness about the benefits of PP Geobags to Navsari irrigation department and supervised the implementation of the project.

Reliance Innovation Council

Reliance Innovation Council (RIC) comprising of global thought leaders including Nobel Laureates and other luminaries of stature. The Reliance Innovation Leadership Centre (RIL-C) under the aegis of the council, implements the innovation agenda throughout the organization. Its primary focus is to design and deploy innovation programmes that would help make us one of the most innovative companies in the world.

RIC instituted the Leading Expert Access Programme (LEAP), an initiative which strives to inspire our human resource through talks and lectures by global innovation leaders. These leaders share their work, life and experiences, which leave indelible marks on the minds of our people. From Nobel Laureates to corporate leaders and from social crusaders to policy makers, LEAP speakers have enthralled and inspired our people.



Performance Review

Environmental Stewardship

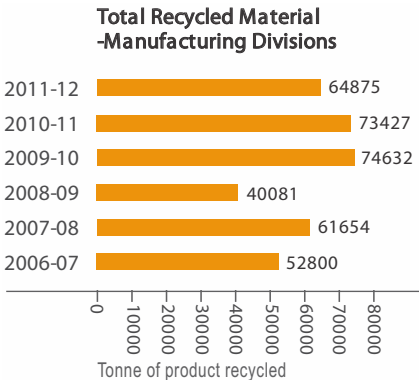
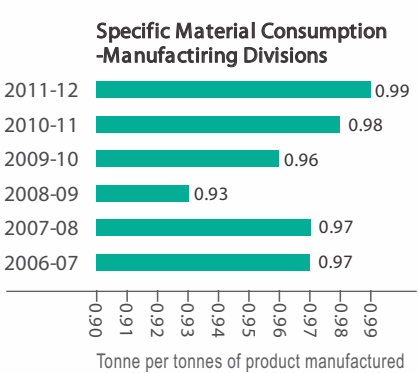
We strive to inculcate the responsibility of environmental preservation and management in not only our employees but among other stakeholder groups such as contractors, suppliers, and customers. We have a framework for addressing environmental issues across our operations with clear goals and targets. We ensure adherence to our, group standards on environment through regular audits and training to achieve environmental excellence.

Zero effluent discharge at
Hoshiarpur,
Nagpur, Silvassa

Product Responsibility in Packaging

RIL is a major consumer of packaging materials for its Polyester & Polymer business. Major raw materials for these packaging materials are paper and plastic. To mitigate its impact on the environment, the company deliberated on the 3 R's (Reduce, Reuse, Recycle) for packaging procurement. Various initiatives have thus been taken:

- Consumption was reduced by optimizing specification and alternate product development. Paper consumption for Hazira unit was brought down from 4550 tonnes/annum in FY 2006-07 for corrugated products to 3025 tonnes/annum in FY 2010-11.
- Packaging material was reused. Paper tubes used for POY packing were recovered from RIL-Silvassa for reuse at Hazira. Further, a returnable plastic unit was developed for POY packing, thereby reducing consumption of corrugated plates (i.e. paper) and pallets (i.e. wood) substantially.
- Waste was recycled and used as packaging material. Recycled plastic was used for manufacturing plastic locators/cups used for POY packing. Consumption of recycled plastic in FY 2011-12 was 500 tonnes. PET strap was used for PSF packing made out of recycled flakes and consumption of recycled PET was 300 tonnes this year.



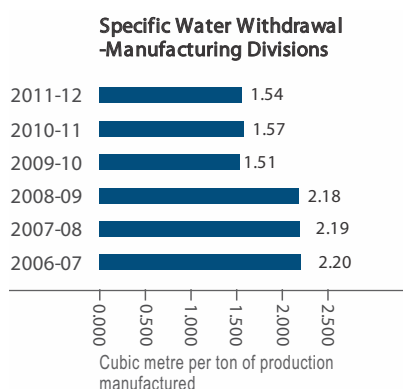
Enhancing Resource Productivity

It is our endeavour to optimize resource consumption and backward integration has helped us achieve a superior productivity. The focus is on increasing the share of recycled materials in our production processes and converting non-product outputs into inputs. In FY 2011-12 we consumed 64,875.4 tonnes of recycled materials.



Water Conservation

Water is one of the essential commodities for us and we realize the impact of water availability in the areas of our operations. We ensure that none of our operations consume more than 5% of the annual average volume of the water source by volume. In FY 2011-12, our specific water consumption was 1.54 m³ per tonne of product as compared to 1.57 m³ per tonne of product in 2010-11 at our manufacturing operations. The total amount of hydrocarbon discharged in the wastewater stream at our manufacturing operations during FY 2011-12 was 52.62 tonnes. At our E&P operations the specific water consumption was 0.042 m³ per tonne of product in FY 2011-12 as compared to 0.025 m³ per tonne of product in FY 2010-11.



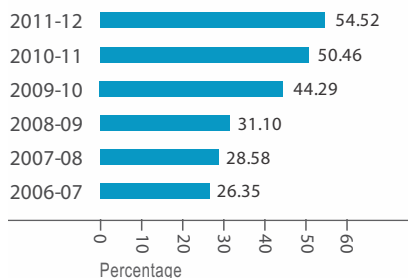
We have started tapping rainwater at most of our manufacturing operations. During FY 2011-12 we utilized a total of 52,246 m³ of rainwater thereby reducing our dependence on surface and ground water.

In FY 2011-12 we increased our recycled water percentage to 54.52% from 50.46% in FY 2010-11.

During the year 2011-12, our E&P operations generated around

54.52 %
of water
recycled at
manufacturing
divisions

Water Recycle & Reuse -Manufacturing Division



More than
52,000 m³
rainwater
used

6.17 Million m³ of produced water as a result of exploration activities. Our exploration activities also resulted in the generation of 6,934 tonnes of drill mud and cuttings due to the use of non-aqueous drilling fluid.

Biodiversity Preservation

We are cognizant of the impacts of our operations on the surrounding ecosystem which is critical for the survival of the local species. Preservation of these local species and minimizing our impacts on their habitats forms an integral part of our biodiversity preservation approach. We take up various initiatives for preservation of biodiversity such as plantation and maintenance of mangroves in the coastal areas. Through a unique partnership with Ministry of Environment and Forests, Government of India and Gujarat Ecological Commission, we are involved in setting up the National Centre for Marine Biodiversity (NCMB) - India's first Centre of Excellence for the study of India's coastal biodiversity at Jamnagar.



A lush green cover is a common feature in all our manufacturing divisions and E&P operations. In FY 2011-12, we planted more than 2 million saplings, with an average survival rate of 80%.

11 of our manufacturing divisions are located either in declared industrial development areas or environmentally non-sensitive areas. Local and national laws guide us with respect to fulfilling regulatory requirements and managing

More than
2 million
saplings planted

bio-diversity in our areas of operation, including those located in environmentally sensitive zones. We conduct environment impact assessments for all new and expansion projects and engage external experts to undertake periodic monitoring of our impacts on bio-diversity. Based on the recommendations we review our biodiversity management plans.

The right of way (ROW) for pipelines and the marine facilities at our Jamnagar refinery complex are located between 'inter-tidal mudflats', a protected marine ecosystem under national legislation. We have taken several measures to mitigate our impacts on marine biodiversity including:



From waste to Bio-mannure at Naroda

At our Naroda manufacturing unit, the entire industrial waste was converted into manure through vermi composting, significantly reducing the waste discharged from the plant. The Effluent Treatment Plant (ETP) at Naroda used to generate around 8MT of sludge per month which is now utilized to generate 'bio-manure' through vermi-composting method. The manure produced was used in the orchards and lawns within our premises. This 'bio manure' has enabled us to limit the use of chemical fertilizer and has also helped to detoxify the soil and the plants.

- Discharge of desalinated brine water in the sea away from the mudflats through a scientifically designed diffuser, which ensures that the brine attains ambient temperature within 50m from diffuser.
- Only segregated ballast tank (SBT) vessels are chartered for trading to the marine terminal that is located away from the mudflats.
- Mangroves plantation done over 50 hectare of land during FY 2011-12.



Waste Minimization

We follow environmentally sound practices for waste management at all our operations. Our priority is reducing waste generation at the source. It is our effort to maximise recycle and reuse the waste generated at our facilities. The remaining waste is sent to a secured landfill or is incinerated as per regulatory requirements.

Replacement of steam ejector with glycol ejector at Hazira

At our Hazira manufacturing division, we replaced the steam jet with glycol jet to reduce energy consumption and liquid effluent generation. Glycol jet uses glycol vapor as motive fluid, avoiding liquid effluent generation. It resulted in higher efficiency and overall CO₂ reduction of 1993 MT per year.

We treat the effluent generated from our manufacturing processes to meet statutory norms and strive to minimize the amount of effluent discharged. Our manufacturing divisions at Hoshiarpur, Nagpur and Silvassa are zero-effluent discharge units and we aim to replicate the same at all other manufacturing divisions. In FY 2011-12, we discharged a total of 21.98 million m³ of treated effluent from our manufacturing divisions.

Air Emissions

We monitor the impact of our manufacturing and E&P operations on the air quality of the surrounding region by measuring the quantum of major air pollutants that we generate. Our



operations monitor on a continuous basis, emission of Suspended Particulate Matter (SPM), Oxides of Sulphur (SOx) and Oxides of Nitrogen (NOx). In addition to these our refinery at Jamnagar also monitors the generation of Volatile Organic Compounds (VOCs). In an attempt to minimize our air emissions, many of the operations have switched to gaseous energy sources. At manufacturing divisions, the specific SPM, SOx and NOx emissions for the year were 0.033, 0.130 and 0.371 kgs per tonne of product manufactured respectively. VOC emissions were 0.550 kgs per tonne of product manufactured. For our E&P business, during the year SPM, SOx and NOx emissions were 0.02, 44.97 and 147.65 grams per tonne of production and the VOC emissions for the year were 98.39 grams per tonne of product manufactured.

In our manufacturing divisions the total amount of flared and vented hydrocarbons during FY 2011-12 was 25,273 tonnes.

Managing Spills

We take adequate measures and strive to avoid spills during handling and transportation of materials. In the event of any spill we take appropriate action to contain and recover the same. We monitor the spills at our manufacturing divisions through an online incident reporting system. This year, we had no significant spills or leaks at manufacturing divisions and at E&P business.

Nagothane, in harmony with nature

Our Nagothane Manufacturing Division is one of the greenest petrochemical complexes in India. Situated around 100 Km from Mumbai, this plant has taken up a commitment to develop in harmony with nature.

Biodiversity preservation initiatives at Nagothane include afforestation, green belt development, water conservation, recycling effluent for horticultural activities, landscaping, rainwater harvesting and floriculture initiatives. Green belts spreading over 550 hectares with around 18 lakh trees were developed in and around the campus. We have dedicated around two-third of the area available to the development of green belts which is much more than the statutory requirement.



Performance Review

Product Responsibility

We consider the safety and compatibility of our products as one of our foremost priorities. We have aligned ourselves to the Responsible Care initiative, and our petrochemical business has been certified for Responsible Care (RC) 14001. As part of our extended producer responsibility, we ensure that all raw materials are transported in a secure manner within our supply chain framework, in order to ensure the safety of our customers, carriers, suppliers, distributors and contractors. We ensure adherence to EU-REACH regulations aimed at ensuring that every chemical substance that is manufactured in or imported into Europe is safe to use.

Producing Pioneering Products

Our investment in infrastructure aims to create innovative products that adhere to stringent standards across the globe. We ensure that our refineries do not use lead based additives for gasoline products and we are the biggest refinery in India to produce totally lead free gasoline to Indian market. Since its inception in FY 2008-09, our SEZ refinery at Jamnagar has been capable of producing and meeting customers' need for Euro V equivalent fuel which is ahead of the requirements for the Indian market. Further, the gasoline produced at the SEZ refinery is by design less than 1% volume of lead.

Sustainable Purchasing Practices

We establish long term relationship with our vendors and include them in our growth story. In addition to techno-commercial

aspects in vendor selection, emphasis is given on implementation of EHS Practices, monitoring of reportable incidents and their closures, reporting near misses and development of preventive action plans. Our Procurements & Contracts Cell (P&C) has a rigorous procedure for selecting vendors and environment and safety are paramount concerns woven into this process.

We provide technical and R&D support to vendors and share best practices with them. We interact with them on a regular basis and also conduct periodic audits of their facilities. To develop optimal synergy,

Petrochemicals
business
certified for
Responsible
Care 14001

we involve key vendors in our product development at an early stage. As a part of our strategic sourcing roadmap, we typically enter into contracts with vendors with time period not less than 3-5 years.

Our engagement with our suppliers goes beyond selection and periodic assessments. We are committed to making our suppliers an integral part of our growth

story and we thus take several steps for their development. We have dedicated teams which take vendor seminars at site and aid them in understanding and implementing tools such as Six Sigma for process improvements.

Developing Local Vendors

In order to ensure a positive impact of our raw materials and products, we support, encourage and develop local vendors. Last year, thus, we developed a local vendor for the supply of Tri Ethyl Aluminium, a highly hazardous chemical. This year, the same facility has been extended to the supply of two more chemicals Di ethyl Aluminium Ethoxide and Di ethyl Aluminium Chloride.

Various contracts have also been awarded to more than 1200 local villagers in vehicle hiring, material handling, housekeeping, waste handling and horticulture. These contracts have led to entrepreneurship development around the manufacturing sites and have created employment for the local populace. In other examples, local vendors were developed for TEAL, another hazardous material and for indigenous alternative of spin finish oil, both with the active support from the company. This step had several advantages including cost benefits of import substitution, creation of job opportunities for locals, lower landed cost for RIL and safer movement of finished goods.

Product Responsibility in Supply Chain Management

Di ethyl Aluminium Ethoxide and Di ethyl



Aluminium Chloride, both hazardous materials from the Methyl Alkyl family, are used in our production process. Both of these chemicals are hazardous, and catch fire when exposed to air. Earlier these were imported from Europe in special containers, and the logistical hazards of transport were beyond our control. Reverse logistics of carrying empty containers also posed a big problem as shipping lines were not always willing to carry them, given the volatile nature of the product they stored. We worked in order to develop these two raw materials and successful tests have been conducted at the laboratory scale.

To demonstrate our environmental responsibility in supply chain management, preference is given to RC 14001 compliant suppliers. Despite marginal cost disadvantages, we have approved only Heat Treatment (HT) process for pallet treatment as per ISPM standards and banned ASCU, which had arsenic content but was widely used in the industry.

Ensuring Safe Transport and Usage

On account of the nature of our products, we take care during transportation and ensure all the checks and measures are in place for a safe and secure delivery. We have made 'Suraksha Certificates' mandatory for MEG transportation that are issued post stringent verification by a third party. Aspects that require adherence under the 'Suraksha Certificate' are tank body inspection, top mountings and fittings inspection, road worthiness of the vehicle and presence of all the required documents.

The transportation tanks are sealed completely to prevent any mishaps and pilferage. In addition pre supply inspection of vehicles is taken up and safety reports are generated. As extended responsibility, we undertake safety seminars at the customer's premises to highlight the importance of safe product transportation and handling. A network of ever ready on-road emergency support across our sites has been established in case of any emergencies enroute. We ensure that highly hazardous substances like peroxides are transported in dedicated and specialized reefer trucks equipped with GPRS and trained crew (2 trained and tested drivers and one Transport Safety officer) for each trip. Additional curbs

include driving speed restriction to 50 kmph and 'No driving during the night'.

Largest Refinery in India which produces lead free gasoline

Further, our suppliers have chlorine transport emergency response and contingency plan (ERCP) in place with district-wise responsible agencies. Peroxides are transported in dedicated and specialized reefer trucks with GPRS system and trained crew. We thus thoroughly impress upon our suppliers safety and environmental standards to make them partners in our sustainability journey.

Pipeline Integrity Management

We have a vast network of pipelines in our infrastructural set up and we have taken steps to prevent loss of containment and avoiding adverse impact on environment. We maintain integrity of our cross country pipelines carrying hazardous goods and avoid loss of containment by having defined organograms, processes and systems. We have deployed advanced tools, procedures and checks to ensure safe operations. We have also evaluated state of the art technology capable of warning in case of any intrusion.

Pet Bottle Recycling

We have been one of the harbingers in recycling post-consumer packaging bottles in the country. We put up one of India's finest recycling plants to process PET bottles, which recycles about 2.5 billion bottles annually preventing them from ending up in a landfill. On a large scale, we work closely with Indian Centre for Plastics in the Environment (ICPE) on a voluntary basis lending our technical and financial support to help the organization plan and implement

initiatives identified by the industry.

Making Responsible Products

Our product 'Recron 3S' which is used in the construction and paper industry is a substitute for hazardous asbestos fibre in asbestos cement production. This product has also helped in material conservation through reduction of natural fibre usage in wall paper manufacturing. It is being used across leading manufacturers in Europe. Further, it finds its place in the filtration industry as it doubles the life of filtration for automobiles and beverages.



Performance Review

Occupational Health & Safety

Providing our human capital with the safest and healthiest work environment is our constant endeavour. We preach as well as practice the motto of 'safety first' in all our operations.

Creating A Healthy Workforce

We have undertaken 'Mission Wellness' at all our manufacturing locations, E&P locations as well as offices to ensure employee wellness. Our well equipped Occupational Health Centres (OHC) conduct preventive counselling and monitor health of employees on regular basis. Information regarding management of personal health is disseminated through e-mails and daily health tips.

Our OHCs are equipped with modern equipment and provide both diagnostic and therapeutic facilities. The OHCs have 24x7 ambulance service to ensure quick transportation to the nearby hospitals in case of a medical emergency and are supported by visiting specialists. The medical facilities extended by OHCs

are also applicable for our contractual workforce. A high alert system has been developed based on the medical records of an individual to prevent medical complications

We monitor the occupational health of employees working in designated hazardous areas on a periodic basis, for exposure to hazardous chemicals and processes. Even in our offices we monitor our employees for any indications of lifestyle or work-style related diseases such as hypertension, heart problems and diabetes. A noteworthy addition this year is the establishment of state of the art Special Burns Treatment unit at the hospitals at Dahej, Nagothane and Baroda.

Awareness sessions are conducted to prevent and manage diseases such as heart problems, hypertension, diabetes and communicable diseases such as malaria, tuberculosis and HIV/AIDS. These facilities are also provided to employees' family members. We have full-fledged

hospitals at our townships at Jamnagar, Vadodara, Nagothane and Patalganga.

Regular training sessions are provided to food handlers in our canteens to ensure food and water safety and audits are conducted to ensure health and hygiene. We have launched the 'Work Life Project';

821
Reduction
in lost days
from
last year

wherein sensitivity is shown towards emotional and psychological well being of employees.

Our flagship HSE programme, Change Agents for Safety, Health and Workplace Environment (CASHe), has grown to become a company-wide movement for bringing about a continual improvement in our processes and safety performance.

Ensuring Safety

Our intent is to create a culture of safety which is ingrained in our entire workforce and is upheld by their complete and continuous involvement in safety procedures and discussions. A testament to our commitment to safety is that we



Polyester spinning plant, Hazira



have achieved a year-on-year reduction in our injury rate and lost time rate. This has been made possible through good housekeeping habits, great teamwork, strong channels of communication, safety awareness, robust checking systems and sound training practices. Further, we have embarked on a journey to drive the industry best safety practices in a strategic partnership with M/s Dupont Sustainable Solutions.

HSE Management System

We have an established HSE Management System formulated by adopting industry best practices in HSE management. Standardization of HSE processes and their integration into business processes was undertaken as a part of our Business Transformation initiative which included defining safety related controls. We continued to institutionalize the RIL HSE-MS at our Petrochemical and Refinery manufacturing facilities by making the line management responsible for HSE implementation through safety subcommittee approach. We further strengthened our Risk Management and Process Hazard Analysis which enable risk mitigation and emergency planning.

Health and Safety Principles

Our health and safety principles guide us in making business decisions to ensure a safe and healthy workplace while maintaining operational integrity. The principles are supported by systems of proactive hazard identification, risk management, internal controls, frequent training, continuous process, improvement and rigorous audits. Additionally, a set of 'Life Protection Rules' (LPR) were introduced in FY 2010-11 which focus on 10 high risk activities across the organization. Complying with the LPR is mandatory for all our employees and contractual workforce. LPR complements our 'Safety Best Practices' and 'Safety Procedures' to be followed at all locations. We also launched 18 HSE standards and 57 associated HSE procedures to be implemented across our E&P operations which will enable us further improve our HSE performance.

Due to the complex nature of risks in our oil and gas operations, our asset integrity management is integrated with

Contractor safety management

At our Jamnagar plant we have implemented the Contractor Safety Management initiative which aims at preventing accidents by creating a safe work culture amongst all, especially the frontline workers executing the job and their supervisors. It follows a six-step procedure for ensuring an effective implementation as follows:

- 1. Contractor selection:** Pre-qualification of contractors based on an objective assessment of their HSE management capability;
- 2. Contract preparation:** Preparation of HSE interface documents for all major ARC (annual rate contract) jobs;
- 3. Contract award:** Screening and validation of contractors by safety department representatives;
- 4. Training and orientation:** Trainings including mandatory safety induction training, one-day safety workshops for supervisors, plant-specific safety trainings and job specific safety trainings;
- 5. Contractor field audits:** Weekly field audits conducted and performance monitored for contractors;
- 6. Contractor job evaluation:** online system for six-monthly job evaluation for all ARC contractors;

the HSE management system which follows a continual improvement cycle of Plan, Do, Check & Act (PDCA) and a risk management cycle of identify, assess, prevent and control. Risk Assessment and Treatment is an important part of the Asset Integrity Management. Risk assessment includes hazard identification, risk analysis and risk evaluation whereas risk treatment involves considering all the feasible options and deciding on the optimal combination to mitigate risk. Monitoring of asset integrity performance is carried out through establishing key performance indicators (KPI). It is ensured that leading and lagging KPI's cover all three aspects of incident prevention – plant, process and people

Process Safety Management

Process Safety Management (PSM) has been implemented across all our manufacturing divisions and E&P operations with defined roles and responsibilities. One of the focus areas during the year was to conduct self

assurance studies for the safety of the community through Process Hazard Analysis (PHA) and Quantity Risk Assessment (QRA) in plants, prioritized on risk basis. Implementation of



recommendations emerging from such studies has resulted in evolving inherent safer measures in operations of such plants. In FY 2011 - 12, we have started monitoring Tier I safety events as per the requirement of Oil and Gas sector supplement which records the type of incident, quantity of material release to the environment. In total 13 Tier I process safety incidents occurred in the reporting period.

Safety Audits

We have adopted a central HSE audit programme which is a critical component of the HSE governance process. The audit programme is specifically designed to ensure that stakeholder expectations, HSE Policy and HSE-MS are being effectively implemented across the organization. The audit programme also identifies internal best practices that can be shared across locations. Further, we have reinforced our ties with global institutions like the Centre for Chemical Process Safety, the American Institute of Chemical Engineers, American Chemical Council and the British Safety Council which gives us access to industry best practices.

Security Training

We have a security policy in place to ensure security of our people and operations by thorough preparedness. All our security professionals are trained on security policy and on various aspects of security management. The security professionals are trained through basic officer training, as well as, on the job training. The basic

officer training is aimed at training the security professional on Human Rights, Industrial and Labour Laws etc. On the job training is a continuous learning process wherein the skills of perseverance and negotiation are enhanced through daily briefing and training on reading mob psychology and response. The training is also given to all the security personnel on rescue of accident victims, providing first aid to highway casualties, extinguishing fire as part of mutual aid and providing community help through CSR initiatives. Apart from the training provided to security professionals, all our manufacturing staff and contractors undergo security awareness programme to respect the law of land and prevention of cruelty.

Safety Performance

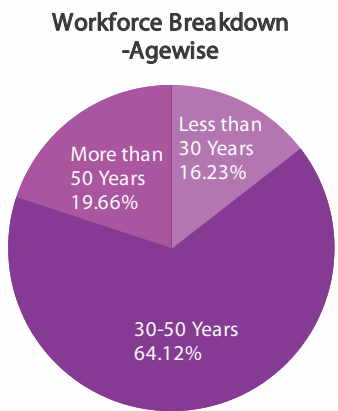
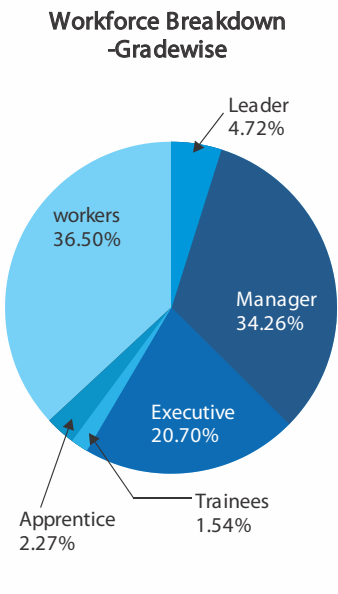
We have an elaborate monitoring mechanism for all incidents across our operations. Periodic performance reviews at the apex level by board-level HSE committee ensure that the HSE-MS is functioning well and is reducing the safety incidents on a continuous basis. During the year FY 2011-12, at our manufacturing divisions, we recorded an injury rate of 0.099 per 100 workforce; while our lost day rate reduced to 4.54 as compared to 5.73 in FY 2010-11. For our E&P business, the injury rate was 0.21 per 100 workforce; while the lost day rate was 0.278 as compared to 0.99 in FY 2010-11. We strive to improve upon our safety performance to ensure a safe working environment. The data for reportable injuries and fatalities did not include any female employees for the reporting period.





Social Institution Building

Whether our internal stakeholders, our employees or our external stakeholders, our communities, we believe that people grow with us and we take responsibility to foster their development



Human resources development

Our total workforce as on March 31, 2012 stood at 23,166 with a gender-wise split of 95.24% male and 4.76% female employees. Keeping in view the need of the current times, the organizational structure of HR has undergone significant change. During the year the focus has been on the establishment of ‘Centres of Excellence’ focused specifically on talent acquisition, talent management, learning and development, compensation and benefits and industrial relations.

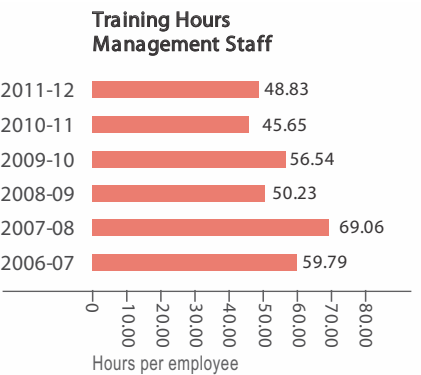
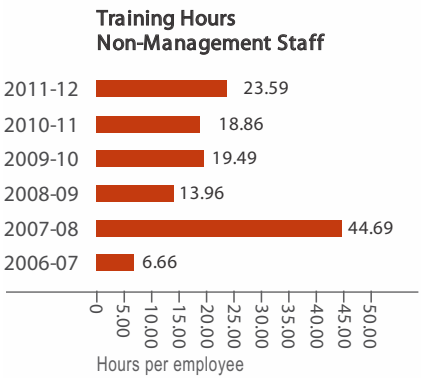
Striding towards creation of an “Employer Brand”

The Business Transformation (BT) journey that we had embarked over a year ago is turning out to be truly transformational. To specifically work on the BT initiative, we recruited 37 bright young professionals, primarily from the consulting industry, in the experience bracket of 4-7 years. Our HR policies and framework are defined in a way that steers employee behaviour towards excellence.

Creating a robust pipeline of leaders

The year gone by has seen a huge focus on building a truly global talent base. We give significant emphasis on leadership hiring to cater to both our current and future requirements. The endeavour to seek out and recruit the best talent in the world has paid rich dividends, with close to 100 leadership recruitments in the current year consisting of a diverse mix of expatriates. The Reliance Accelerated Leadership Programme [RALP], the centre piece of our

people strategy, is driven towards investing in youth and building young talent for the future. The hiring process for RALP was through an extremely robust and stringent recruitment process. 32 professionals across four functional streams – IT, HR, FC&A and P&C, in the age bracket of 27-34 are being groomed to occupy leadership positions over the next few years. Our campus recruitment initiatives, continues to grow from strength to strength. During the current year we hired 55 Management Graduates 37 Chartered Accountants and 340 Graduate Engineers from leading institutes across the country.



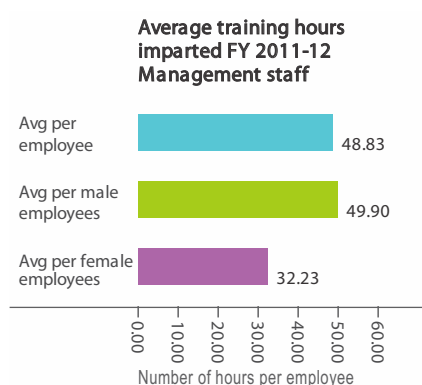
0.87
million
manhours[#]
of training
imparted

Learning and Development

Employees feel a sense of commitment when they believe their growth is linked to our progress. We believe in keeping our people abreast with the changing technologies and market needs that cater to the development of their capabilities. Well developed skill sets further enable an organization to gain a competitive edge in a demanding and an unpredictable market. Our employees[#] received a total of 0.87million man-hours of learning which was delivered in the current year including six sigma training of 21,156 man-hours. The training provided comprise of internal trainings as well as trainings from reputed institutions.

We aim at providing a minimum of 64 hours of training per employee per year in the supervisory cadre. The broad categories of our training include:

- Health, Safety and Environment training
- Function specific Technical training
- Cross-functional training
- Soft-skills training
- Site-specific training



[#] Excluding trainees and contract labor

These trainings are provided across levels. We pay special attention to our non-supervisory employees to build their capacity for handling semi-skilled and skilled jobs, enabling them to enhance their level of engagement and their role within the organization.

Keeping in line with our commitment to develop in-house talent, the first in the series of academies, was rolled out in the form of the FC&A Academy. The coming year will see us partner with leading institutes across the world to establish the Leadership Academy, the Manufacturing Academy and the Other Functional Academies.

Leadership development was our area of focus during this year. We built a 'Leadership Competency Framework' and initiated an executive coaching programme. The Reliance Leadership Framework was developed to define a consistent set of core leadership behaviours, including three major components:

- Fundamental business principles
- Essential personal qualities of leaders
- Leadership behaviours to achieve premier business results

This framework was designed to:

1. Address the lack of core RIL leadership competencies: The identification of leadership gaps within the organization or within an individual was referenced to a framework of 12 competencies.

2. Reflect the 10 core RIL values: The framework was fully compatible with our values: Care, Citizenship, Fairness, Honesty, Integrity, Purposefulness, Respect, Responsibility, Safety and Trust.

3. Reflect the Manufacturing Mission Statement: "Safe, Reliable, Flexible, Productive, Eco-friendly and Sustainable Pace-setter Operations".

4. Incorporate Safety Management "Felt Leadership" Concepts: These

Finance control and accounting academy

Our Chairman, Mr. Mukesh D. Ambani inaugurated the Finance Control and Accounting Academy on December 28, 2011. The academy will enable our employees to access five basic subjects in finance and accounting including: Overview of Finance, Basics of Accounting, MS Excel for Finance, Macroeconomics and Finance for the Non-finance. The objective of the academy is:

- To create a pool of domain experts
- To integrate new joiners in 30 days and reduce the learning curve by 30%
- To ensure robust succession planning including career path determination and cross-functional exposure
- To fill internal positions with trained/certified pool of functional experts
- To improve internal and external customer satisfaction scores and create and document structured intellectual capital for our company.

The academy comprises of 81 courses, and makes available 443 hours of e-learning material for the employees. Speaking on the occasion, our Chairman reiterated the company's dedication to meritocracy and stated that we should constantly create opportunities to learn and excel.





“At Reliance Foundation, we are inspired by the power of innovation and the spirit of inclusion as we endeavour to shape an equitable and holistically progressive India. Let’s marshal our energies imaginatively and participate passionately in this movement, to make the greatest impact possible.”

Nita M. Ambani
Chairperson,
Reliance Foundation



Leadership Competencies were built after 360 degree feedbacks and were mapped across to the criterion of Capacity, Achievement, Relationships and Domain (CARD), reflecting the desired intellectual, motivational, and interpersonal qualities of our leaders.

With the aim to expand individual's capacity to make a difference, we implemented the Executive Coaching Programme (ECP). The programme involves challenging and supporting individuals to be outstanding leaders, as well as achieving the highest levels of performance for themselves and their teams. ECP is set to cater to the development needs of over 900 employees with customized streams catering for various age groups and levels of potential.

Performance Management and Compensation

We have a transparent performance appraisal system. All levels of employees undergo an annual performance review that demonstrates their level of potential and competency. The rewards and compensation incentives are rolled out based on the employees' performance and their job role requirements. We seek the power of collective thought and action and ensure that the non-supervisory workforce is included in organizational decision-making through joint committees and meetings with recognized labour unions. 100% of our non-supervisory workforce is unionized and management carries out constructive dialogue with these unions on matters pertaining to health and safety, employee benefits, wage settlements and amicable resolution of any concerns raised by the workers. We extend several benefits to our contract employees including canteens, access to health centres and various educational inputs. We also ensure that the payment to the contract workers is above the minimum pay scale. This is in line with our commitment to honour the basic human right for dignity.

Ethics and Human Rights

We believe that a sustainable organization rests on a foundation of ethics and respect for human rights. Our units aspire towards 100 percent compliance with the local and national laws regarding ethics and human rights. Every employee is exposed

to these topics through organised training programmes. We are a politically neutral organisation, willing to work with all parties to achieve the vision of inclusive growth. At our manufacturing divisions, we ensure regular, constructive dialogue with unions that represent close to 100% of our non-supervisory workforce. We enter into long-term wage settlement agreements every 4-5 years with unions. These agreements are applicable to all non-supervisory staff and cover several topics in addition to wages including health and safety, rules for promotion, etc.

We adhere to the principles of United Nation's Universal Declaration of Human Rights. We are against employment of child labour at any of our facilities. We fully comply with India's Factories Act, which embodies some of the human rights principles of prevention of child labor, forced labour and compulsory labour. Additionally, we have tried to ensure the same principles at our vendors end, and take a written undertaking from them to this effect wherever possible.

Instilling a sense of sustainable mobility at RCP

With the objective of reducing the carbon footprint of our company and our employees we encourage people to use bicycles at work to move around in the campus. We have also introduced golf carts that are battery operated to transport people which have substituted the use of the bus shuttle service, thus encouraging employees towards environmental conservation. In addition we encourage car pooling for employees and have an online portal that invites registration for the same. Till date 1333 employees have registered on the portal and use the car pooling service on a daily basis at RCP.

Community Development

We believe that serving communities is integral to our business. Towards this end, we have built a comprehensive community development programme to support initiatives in the field of education, healthcare, disaster relief and skills training that are implemented in and around our manufacturing units. A snapshot of our programmes during the year is given below:

Education

We aim to improve the access to and quality of education. With this objective, we have undertaken various programmes to create infrastructure for education, where none exists; to upgrade educational facilities to attract students to enrol and stay in school; to introduce extra-curricular activities for all round development of students; to provide scholarships for promoting retention in school and to lend support to institutions that focus on education.

RIL Schools: We have developed a network of 11 schools in and around our manufacturing units in Jamnagar, Surat, Vadodara, Lodhivali, Nagothane and Nagpur. These schools were either built from scratch or were taken over by the company with the objective of providing quality education. These educational institutions include children from the



underprivileged communities whose fee is completely or partially waived. One such school, the J. H. Ambani School, Patalganga, provided education to nearly 90 underprivileged children from local villages in Lodhivali in FY 2011-12.

Encouraging retention: We distributed school kits including books, uniforms, shoes and stationary items to students from schools falling under Nagpur, Allahabad, Gadimoga and Bhairavapalam Panchayats. At Hazira, an initiative, Vanche Vidhyarthi, was launched to inculcate the habit of reading in children wherein more than 2600 books were distributed to 5 schools. We also organized extra-curricular activities including sports and competitions. More than 1300 students from over 300 schools participated in the Reliance Dhirubhai Ambani Quiz, which is a district level quiz competition held with the active support of the District Education Department in Andhra Pradesh.



Institutional Support: We support educational institutions through infrastructure development and also provide financial aid. Additional classrooms, toilet blocks, kitchen sheds and compound walls are constructed and the classrooms are provided with school furnishings such as student benches, tables and chairs for teachers, almirahs for record keeping, ceiling fans and tube lights. Our team in Gadimoga successfully renovated the buildings of all the seven Government primary and upper primary schools falling under Gadimoga Panchayat and one high school in the Bhairavapalem Panchayat. In addition, we provided financial aid to Lions School run by Lions Club of Naroda Charitable Trust. This school, run both in Gujarati and English medium, caters to the dire educational needs of over 1400 children of labourers working in GIDC, Naroda. In addition, the J. H. Ambani School in Patalganga supported a network of institutions working towards the education of differently abled children. A school for the differently abled also run at Hazira sought to address the issues relating to learning disability and dyslexia in children.

Reliance Dhirubhai Ambani Protsaham Scheme: We have taken steps towards encouraging the meritorious poor students to pursue higher studies through scholarships. The students who secure high marks in SSC examination are provided free education at intermediate level in leading residential colleges. So far, the scheme has enabled over 900 students to gain access to quality education, unburdened by financial constraints. During FY 2011-12, the scope of this scheme was further extended to provide financial support to the deserving toppers of the Protsaham Scheme to pursue their professional courses in Engineering and Medicine.

Mumbai Indians' Education for All Initiative: We raised over INR 1 million for each of the 5 partnering NGOs of Mumbai Indian's Education for All initiative. In addition to the funds raised, awareness was spread by Mumbai Indians about the work of these partner NGOs through sale of Mumbai Indians' Education for All wristbands, official Mumbai Indians

videos, TV commercials, coverage over radio and announcements during the IPL matches. 100 children from these

₹ 1 million
raised for each NGO
through
Mumbai Indians'
Education for All

partner NGOs were also invited to each of the Mumbai Indians match played in Mumbai and these experiences motivated the children and aided their personality development.

Healthcare

We aim to improve health conditions of the communities in which we operate. Towards this end, we provide curative and preventive healthcare services through constructing and operating health centres, providing roadside assistance in case of



accidents, running mobile medical clinics, organizing health awareness programmes, catering to sanitation needs and providing clean drinking water to communities.

Community Health Centres: We have established medical centres in regions we operate. In one such example, we created a society named the 'Dahej Health & Welfare Society' (DHWS) to run a 50 bedded hospital for secondary level healthcare facilities at Dahej in partnership with the Government of Gujarat. This hospital will provide free treatment to the BPL families and will extend upto

70% subsidy to the patients referred by the Primary Health Centres (PHC). The hospital will also provide outdoor medical services and organize health awareness camps for the nearby communities. In addition a Primary Health Centre has also been established in Andhra Pradesh, that serves nine villages of Gaadimoga and Bhairavapalem. This health centre has a provisions of 30 beds and is ready to be handed over to the Government of Andhra Pradesh.

Mobile Medical Vans: We also provide curative healthcare through mobile medical vans. Equipped with a qualified doctor and a nurse, free consultation and

Mobile medical
services benefited
around
12,000
villagers in
Hazira

medicines are given to the underprivileged. During the year, more than 400 villagers residing in 4 villages of Allahabad and around 12000 villagers in Hazira gained from our mobile medical services.

Preventive Healthcare: We hold regular awareness camps and vaccination drives in the communities. Over 2000 villagers benefited from our health and eye camps organized in villages in Hoshiarpur and more than 2000 village school children benefited from our eye and dental camps held at Patalganga. Blood donation camps were also organized in various locations and more than 700 units of blood were collected at Reliance Corporate Park.

Health & Sanitation: To further the cause of health and sanitation we conduct awareness campaigns, followed by construction of toilets at individual household level. Around 300 families of Gadimoga Panchayat villages benefited from the individual sanitary facilities.



Clean water supply reduces the incidence of water borne diseases. Thus, pipelines were laid to provide drinking water facility to two villages at Allahabad and also 1200 residents of the Dahali and Rahadi villages in Nagpur benefited from drinking water supplies.

Healthcare for the Differently Abled: We started an Early Intervention Centre for the differently abled at Tallarevu. The services offered at the centre include conducting a base line survey to identify children with different abilities and motivating them to



access the centre, providing physiotherapy, speech therapy and pre-vocational training to the enrolled children and maintaining a repository of case studies to facilitate assessment by multi-disciplinary team and follow-up.

Healthcare for HIV/AIDS & TB: We are committed to raising awareness and providing treatment for HIV/AIDS. Amongst our various initiatives for prevention, testing and treatment of HIV/AIDS and TB, an anti-retroviral treatment (ART) clinic, run at Dhirubhai Ambani Hospital, Patalganga, in partnership with the CII and NACO, has provided free consultation, counselling and investigation to over 2500 patients since 2009. Our employees also contribute to supporting children affected by AIDS and supply them with nutritive kit every month, as per the WHO standard. More than 100 children have benefited by "Chirudeepam" and "Project Hope", launched by our employees at E&P sites and the Reliance Ladies Club at Hazira respectively.

Reliance Drishti:

Reliance Drishti is an initiative launched in partnership with the National Association for the Blind (NAB) in 2003. By the end of

FY 2011-12, the project completed over 10,000 free cornea grafting procedures for the underprivileged. In addition to the cornea transplant drive, 100,000 children were checked for blindness under the supervision of NAB. Marking a historic event, Reliance Drishti launched India's first registered national Hindi



newspaper in Braille on 19th March, 2012. This newspaper will be widely circulated through institutional partners to over 25,000 visually impaired persons across the country and will help bring to them the vast knowledge about the world including news coverage.

Livelihood Support

We believe in empowering the youth of the country through skill enhancement. For the purpose, various vocational and technical skills up gradation programmes are conducted in various trades including refrigerator & air conditioner repairing, electrical technician, light motor vehicle driving, basic computers, dress making, designing & embroidery, jewellery articles making, plumbing & hand pump repairing, helpers for hospitals & nursing homes, agarbati making, construction skills and skills on aquaculture. In FY 2011-12, more than 200 men and women were trained in

Vadodara and more than 50 women from Self Help Groups were trained in E&P.

Heritage Conservation

We completed the construction of Dwarka Parisar in a record time of one and half years. Constructed on a fifty-fifty Public-Private Partnership with the Government of Gujarat, the Dwarka Parisar comprises of pilgrims centre, religious and spiritual displays, visitors' lounge, drinking water facilities, wash-rooms, office of the Dwarka Devasthan Samiti, information kiosk and a CCTV control room. This facility was dedicated to public in May 2011. A public road was also constructed at Dwarka and ghats on Gomati River were cleaned. Our Kokila Dhiraj Dham at Dwarka continued to provide reasonable accommodation to pilgrims. We also renovated the village temples in Gadimoga Panchayat. Encouraging the celebration of traditions, we continued to give annual festival grants to all the temples of Gadimoga Panchayat and partly financed the annual village temple carnival at Bairovpaalem.

Disaster Relief

In 2011, we provided tarpaulins for cyclone affected people in Puduchery. Clothes, food materials and A/C sheets were provided to the fire affected villagers in Allahabad. For a swifter response, a free of cost Fire Tender service was extended both in Allahabad and Patalganga. The service in Patalganga responded to 6 emergency calls in FY 2011-12, providing relief in cases of fires in Uran, Mumbai-Pune Expressway, Khopoli, MIDS, Patalganga and Karjat village. Also, as part of the flood relief work, we built flood gauges along the entire Krishna river flood banks.

Launch of India's First Registered National Hindi News Paper

Marking a historic event, Reliance Drishti launched India's first registered national Hindi newspaper in Braille on 19th March, 2012. This newspaper will be widely circulated through institutional partners to visually impaired persons across the country and will help bring to them the vast knowledge about the world including news coverage.

At the event launching the newspaper, our Chairperson for Reliance Foundation, Mrs. Nita M. Ambani said that the newspaper was a small step for opening up a world of information and knowledge for the visually impaired.

Sports

We continue to support the spirit of sportsmanship by sponsoring several sports events in athletics, cricket, volleyball, hockey, Kabaddi and Taekwondo at the State, District and Mandal levels and during inter-school meets. We sponsored a young boy from East Godavari District,



who belonged to a poor family but had the talent to win the Junior Asian Chess Champion. Keeping in line with the spirit of promoting sports in India, we have instituted the IMG Reliance Scholarship. This scholarship was awarded to 28 aspiring Indian sportspersons for full time training and coaching at one of the best Sports Training Facilities in the World – the IMG Academies, Florida. These talented young sportspersons are from varied fields including Tennis, Basketball and Football.

Safety Initiatives for Community

We undertook several initiatives to raise awareness regarding safety in the communities. Poster competitions in village schools were organized in Allahabad. 400 students took part in the Road Safety Awareness Rally at Vadodara. Safety films were screened to raise awareness for over 2.7lakh drivers in Surat. Further,



road reflectors and road studs were fixed at Dewa Road, Barabanki, to ensure public safety. A Truckers' Safety Training Centre was established at Hazira. This centre is fully equipped with air conditioning and audio-video equipment. The driver trainings provided at the centre include safety rules, efficient driving techniques, understanding hazards associated with various materials and responses in case of emergencies. Booklets on safe driving, quick reference guides, transport emergency cards and truck driver training card are issued to every driver upon completion of their training course. More than 100,000 drivers have been trained through this initiative since its inception in 2005.

Environment Initiatives for Community

We take several steps to raise awareness and conserve the environment. We participated in Paryavaran Rath Yatra, a rally organized at Dahej to spread the message of environment protection and preservation. We also undertook large plantation drives where more than 2800 saplings in villages in Vadodara, 500 saplings in two tree plantation drives in Patalganga, 250 medicinal plants



in Reliance Corporate Park (RCP), 500 saplings in Ghansoli gaon and 700 saplings in Gavalidev hill, Ghansoli were planted in FY 2011-12. A programme was also initiated to make the HIV DOTS centre at Mora Village, Hazira, a "Model Renewable Village Centre" through power generation from renewable sources.

RRDT constructed
219 Anganwadi
buildings,

41 cement
concrete roads and
one check dam

Dhirubhai Ambani
Foundation conferred
144 rewards &
99 scholarships
to the differently
abled category

Trusts and Foundations

We have instituted registered Trusts and Foundations to cater to the pressing developmental needs of the country at large. A snapshot of the work and national footprint of these Trusts and Foundations is summarized in the table below:

Institution	Description
Reliance Rural Development Trust (RRDT)	<p>RRDT was set up in Jamnagar, Gujarat with the objective of ensuring development of the entire region. During FY 2011-12, RRDT undertook 382 new works in 354 beneficiary villages of 79 talukas under 24 districts of Gujarat. Constructions of over 250 facilities were completed including 219 Anganwadi buildings, 41 cement concrete roads and one check dam with 0.6 mcft water storage capacity.</p> <p>Catering to the health and sanitation needs of the villages, Moti Khavdi Medical Centre and a Mobile Medical Van continued to serve the rural community. Awareness camps were vastly organized. For creating a more permanent solution to the water shortage problems in the area, water pipelines were laid in Padana village. Sulabh International, a sanitation agency, was engaged to keep the public places in the entire Meghpar village clean on a daily basis.</p> <p>Catering to the educational needs of the communities, the Trust constructed a school building for Meghpar village. Over 1500 school-kits were also distributed to students of 69 schools in 42 villages in Jamnagar and Lalpur Taluka on commencement of the academic year 2011-12.</p> <p>Liberal support to individuals and institutions including NGOs in the areas of education, health, culture, business and sports was extended by RRDT. Donations were made to tribal schools, Sanskrit schools; students were sponsored for higher studies; events like van mahotsavs, medical conferences, seminars of environmental importance and discourses on maritime security and anti-piracy were sponsored; traffic islands and beautification of airports was carried out and festival donations were made. Some of the known institutional beneficiaries included Gujarat Cricket Association, Gujarati Sahitya Parishad, Gujarat Industries Navratri Festival Society (GINFS), Gujarat Chamber of Commerce and Industries, National Council for Climate Change, Sustainable Development and Public Leadership, Gujarat State Football Association and Jamnagar District Football Association.</p>
Dhirubhai Ambani Foundation (DAF)	<p>DAF focuses on Education. The Foundation's "Dhirubhai Ambani Undergraduate Scholarship Scheme" has been motivating students excelling at the +2 level and assisting them to pursue higher education. The Foundation's "Dhirubhai Ambani SSC Merit Reward Scheme" has been recognizing the Board toppers of Std. X exams. These Schemes make special provisions to reach out to the physically differently abled and the girl child. Both these Schemes are implemented in Maharashtra, Goa, Gujarat, Daman, Diu and Dadar Nagar Haveli on a district-wise basis for the State Education Boards and state-wise basis for CBSE. In the rest of the country, these Schemes cover only the physically differently abled category of the State Boards. In FY 2011-12, DAF conferred 329 rewards and 289 scholarships. Of these, 144 rewards and 99 scholarships went to the physically differently abled category. Till date, these Schemes have benefited 8734 students, 1596 of whom are physically differently abled.</p>



Institution	Description
Reliance Foundation (RF)	<p>RF was incorporated in 2010 and focuses on five core pillars: Rural Transformation, Education, Health, Urban Renewal and Arts, Culture & Heritage.</p> <p>RF seeks to amalgamate the professionalism of corporate systems and processes into the social sector with the overall aim to create and support meaningful and innovative activities that will address some of India's most pressing developmental challenges.</p> <p>Towards meeting its objective of encouraging development in all aspects of rural life, RF launched Reliance BIJ in October 2010. Reliance BIJ focuses on supporting marginalized farmers, who are plagued by constraints of low farm productivity and increasing natural resource degradation. BIJ, which stands for 'Bharat India Jodo', aims to bridge the gap between the rural and the urban parts of the country. Reliance bij is driven by a vision "to make farming a first choice profession" and is present in the states of Andhra Pradesh, Chhattisgarh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, and Tamil Nadu. It is set to expand to cover most of the agro-climatic zones of India.</p> <p>Towards meeting its objective of promoting education at all levels, RF launched an initiative to set up a world-class multidisciplinary university in Maharashtra. The Foundation is setting up the Reliance Institute of Technology in Jamnagar and the Reliance Polytechnic in Dwarka, in partnership with the Gujarat government. Additionally, Reliance Foundation and its associate institutions provided education to 15,000 children across 11 schools.</p>

Institution	Description
<p>Sir Harkisondas Nurrotumdas Hospital and Research Centre</p>	<p>With an aim of promoting healthcare, RF is revamping and creating a world class tertiary care hospital in Mumbai. The Foundation initiated healthcare programmes in Shahdol district.</p> <p>Dhirubhai Ambani Foundation (DAF), with the financial and technical services support from the Reliance Group, has joined the Management of Sir Harkisondas Nurrotumdas Hospital and Research Centre (HNHRC), a charitable hospital offering multi-specialty tertiary health care facilities to all strata of the society.</p> <p>During the FY 2011-12, nearly 5000 patients received free/subsidized treatment. About 30,000 patients availed of the OPD services at P.T. Clinic, the free outdoor clinic of the Hospital. The Hospital continued its age-old tradition of rendering free service to all in the Casualty/Emergency section and about 2000 surgeries were performed at the hospital which included complex open heart surgeries, onco-surgeries and transplants.</p> <p>The Hospital provided free bi-monthly health check-up at Aaji-Ajoba Udyan, Shivaji Park for the benefit of senior citizens and at Europark, Dadar for the elders and/or the physically differently abled.</p> <p>Reliance Foundation is revamping and creating a world-class, tertiary-care hospital in Mumbai, which will be open to public in FY 2012-13.</p>



Assurance Statement



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Independent Assurance Statement

To the Management of Reliance Industries Limited

Introduction

We were engaged by Reliance Industries Limited (RIL) to provide independent assurance on their Sustainability Report ('the Report') for the Financial Year (FY) 2011-12. Our responsibility is to provide "limited assurance" on the report contents as described in the assurance scope.

Management's responsibility

The Management of RIL is responsible for developing the Report contents, which includes designing, implementing and maintaining systems and processes relevant for the report development.

Our responsibility

Our responsibility is to express our conclusions in relation to the assurance scope mentioned below. We conducted our engagement with a multidisciplinary team including specialists in ISAE 3000, stakeholder engagement, auditing environmental, social and economic information and with experience in similar engagements in the Oil and Gas sector.

This statement is made solely to RIL in accordance with the terms of our engagement. Our work has been undertaken so that we might state to RIL those matters we have been engaged for. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than RIL for our work, for this statement, or for the conclusions we have reached.

By reading this statement, stakeholders agree and accept the limitations and disclaimers mentioned in the assurance statement.

Standards and reporting criteria

For this engagement, we have used ISAE 3000 assurance standard. We have conducted this engagement in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence.

RIL applies its own sustainability performance reporting criteria, derived from the Sustainability Reporting Guidelines (G3.1) of the Global Reporting Initiative including the newly released oil and gas sector supplement, API/IPIECA 2010 guidance, UNGC principles, WBCSD focus areas and National Voluntary Guidelines on Social Economic and Environmental responsibilities of business, as detailed in the 'Scope of the Report'. We believe that these criteria are suitable in view of the purpose of our assurance engagement.

Assurance scope

The assurance is provided on the data and information in line with agreed scope for the FY 2011-12. We have covered economic (excluding financial), environment and social indicators and carried out site visits to manufacturing divisions at Allahabad, Barabanki, Dahej, Hazira, Hoshiarpur, Jamnagar, Jamnagar SEZ, Nagothane, Nagpur, Naroda, Patalganga, Silvassa and Vadodara and Exploration and Production of Oil & Gas business at Gadimoga and business divisions including Chemical, Fibre Intermediates, Polyester, Polymers, Petroleum, Supply & Procurement, Dhirubhai Ambani Foundation, Reliance Rural Development Trust and Reliance Foundation and the corporate office at Reliance Corporate Park.





Specific limitations

We have not been engaged to:

- Determine which, if any, recommendations should be implemented
- Develop/ prepare source documents on transactions
- Verify financial performance indicators sourced from RIL's audited annual report for FY 2011-2012

Work undertaken

- Assessment and review of materiality and stakeholder engagement framework deployed at RIL
- Review of sustainability governance framework at RIL
- Assessment of the systems used for data collection and reporting for the selected social and environmental performance indicators
- Review the data collection systems
- Interviews with RIL personnel responsible for data collection, collation and reporting
- Testing on a sample basis, evidence supporting the data presented in the report
- Assessment of the consistency between the data for the selected social and environmental performance indicators and the related written comments in the narrative of the Report

During the assurance process we discussed changes to the various drafts of the Report with RIL, and reviewed the final version of the Report to ensure that it reflected our findings.

Our procedures selected depend on our judgment, including the assessment of the risks of material misstatements of selected performance indicators and disclosures and our assessment of the internal controls relevant to the RIL's preparation and presentation of the sustainability information in the 2011-12 Report. Our procedures were designed to gather sufficient appropriate evidence to determine that the selected performance information is not materially misstated.

Conclusion

Based on the procedures, as described above, nothing has come to our attention to suggest that the information in The Report is unfairly presented in accordance with the criteria as outlined above.

Key observations

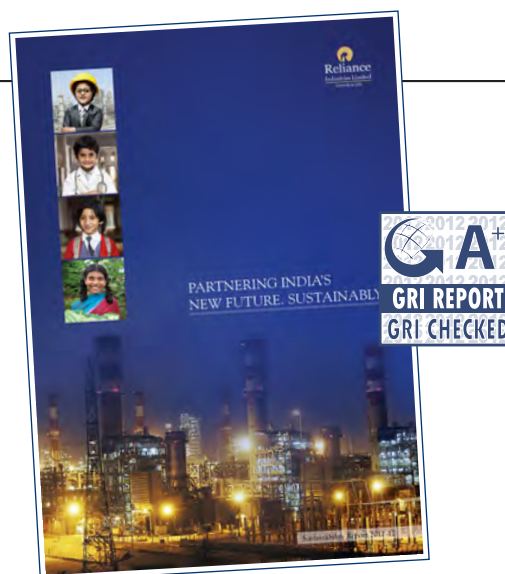
Without affecting the conclusions, we would like to draw readers' attention to the following;

- The Report presents update on performance against the six strategic pillars of sustainability.
- The Report presents external stakeholder's views and RIL's approach towards stakeholder engagement.
- The progress on commitment section presents key highlights of sustainability performance of RIL during the reporting period.
- RIL has self declared GRI G3.1 A+ application level and based on our review the report meets the A+ application level criteria of GRI G3.1 guidelines

Arvind Sharma
Authorized Signatory
KPMG
July 5, 2012



GRI Application Level



To indicate that a report is GRI-based, report developer declares 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	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
	Disclosures on management approach OUTPUT	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach disclosed for each Indicator Category	
	Performance indicators & Sector Supplement Performance Indicators OUTPUT	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic, and environment.**		Report fully on a minimum of any 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.***		Respond on each core 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

**Performance Indicators may be selected from any finalized Sector Supplement, but 7 of the 10 must be from the original GRI Guidelines

***Performance Indicators may be selected from any finalized Sector Supplement, but 14 of the 20 must be from the original GRI Guidelines

The RIL Sustainability Report for FY 2011-12,
'Partnering India's New Future. Sustainably.' is a
'GRI Checked' Application Level A+ Report

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





Statement GRI Application Level Check

GRI hereby states that **Reliance Industries Limited** has presented its report "Partnering India's New Future . Sustainably" (2011) to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 1 August 2012

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because **Reliance Industries Limited** has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance.
www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 23 July 2012. GRI explicitly excludes the statement being applied to any later changes to such material.



GRI Content Index

STANDARD DISCLOSURES PART I: Profile Disclosures

1. Strategy and Analysis

Description	Reference	Extent of reporting	Explanation
1.1 Statement from the most senior decision-maker of the organisation	08 - 09	Full	
1.2 Description of key impacts, risks, and opportunities.	30 - 31	Full	

2. Organisational Profile

2.1 Name of the organisation.	88	Full	
2.2 Primary brands, products, and/or services.		Full	RIL Annual Report FY 2011 – 2012 (Pg 9 -12) http://ril.com/rportal1/DownloadLibUploads/1337076407252_AR08052012R.pdf
2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.		Full	RIL Annual Report FY 2011-12 (Pg 191-195) http://ril.com/rportal1/DownloadLibUploads/1337076407252_AR08052012R.pdf
2.4 Location of organisation's headquarters.	88	Full	
2.5 Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	14 - 15	Full	
2.6 Nature of ownership and legal form.		Full	RIL Annual Report FY 2010-11 (Pg 79) http://ril.com/rportal1/DownloadLibUploads/1337076407252_AR08052012R.pdf
2.7 Markets served (including geographic breakdown, sectors served, and types of customers / beneficiaries).	14 - 15	Full	
2.8 Scale of the reporting organisation.	14 - 15, 40 - 41	Full	
2.9 Significant changes during the reporting period regarding size, structure, or ownership.	14 - 15, 40 - 41	Full	
2.10 Awards received in the reporting period.	20 - 21	Full	

3. Report Parameters

3.1 Reporting period (e.g., fiscal/calendar year) for information provided.	16	Full	
3.2 Date of most recent previous report (if any).		Full	RIL Annual Report FY 2011-12 is available at http://www.ril.com/rportal1/DownloadLibUploads/1337076407252_AR08052012R.pdf RIL Sustainability Report FY 2010-11 is available at http://ril.com/downloads/pdf/ril_sr2010_11.pdf Press Releases available on RIL website.
3.3 Reporting cycle (annual, biennial, etc.)		Full	Annual
3.4 Contact point for questions regarding the report or its content.	87	Full	
3.5 Process for defining report content.	30 - 31	Full	
3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	16 - 17	Full	
3.7 State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	16 - 17	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 organizations.		Full	We continue to report on all domestic operations of RIL, downstream as well as upstream businesses including of our upstream operations where we are 30% joint-operators.
3.9 Data measurement techniques and the basis of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	16 - 17, 36 - 39	Full	



GRI Content Index

Description		Reference	Extent of reporting	Explanation
	Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.			
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statements (e.g., mergers / acquisitions, change of base years / periods, nature of business, measurement methods).		Full	This year, we have further consolidated our sustainability reporting practice. For some KPI's the figures have been reworked, regrouped and rearranged. Restatements of data have been specified where applicable
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	16 - 17, 36 - 39	Full	
3.12	Table identifying the location of the Standard Disclosures in the report.	72	Full	
3.13	Policy and current practice with regard to seeking external assurance for the report.	68 - 69	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.	23 - 25	Full	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	23 - 25	Full	
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	23 - 25	Full	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	25, 28	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).		Full	RIL Annual Report FY 2011-12 (Pg 73-74) http://ril.com/rportal1/DownloadLibUploads/1337076407252_AR08052012R.pdf
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	23 - 25	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.		Full	RIL Annual Report FY 2011-12 (Pg 60-66, 72) http://ril.com/rportal1/DownloadLibUploads/1337076407252_AR08052012R.pdf
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.	18 - 19 25 - 27	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.	23 - 25	Full	
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	25 - 27	Full	RIL Annual Report FY 2011-12 (Pg 68 - 74) http://ril.com/rportal1/DownloadLibUploads/1337076407252_AR08052012R.pdf
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	23 - 25	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.	16 - 17, 80 - 83	Full	

GRI Content Index

Description		Reference	Extent of reporting	Explanation
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations 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.	16 - 17 82 - 83	Full	
4.14	List of stakeholder groups engaged by the organisation.	32 - 33	Full	
4.15	Basis for identification and selection of stakeholders with whom to engage.	32 - 33	Full	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	32 - 33	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.	32 - 33	Full	
STANDARD DISCLOSURES PART II: Disclosure of Management Approach				
DMA EC	Disclosure on Management Approach EC	28, 40 - 41, 42 - 43, 45, 53, 61 - 63	Full	
DMA EN	Disclosure on Management Approach EN	28, 42 - 43, 45 - 51, 52	Full	
DMA LA	Disclosure on Management Approach LA	28, 23 - 25, 54 - 55, 58 - 59, 61	Full	
DMA HR	Disclosure on Management Approach HR	29, 56, 61	Full	
DMA SO	Disclosure on Management Approach SO	25, 29, 52 - 53, 56, 61 - 67	Full	
DMA PR	Disclosure on Management Approach PR	29, 32 - 33, 52 - 53	Full	
STANDARD DISCLOSURES PART III: Performance Indicators				
Economic Performance Indicators				
EC1	Direct 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.	39, 40 - 41	Full	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	42, 43, 45	Full	
EC3	Coverage of the organisation's defined benefit plan obligations.	39, 41	Full	
EC4	Significant financial assistance received from government.	40 - 41	Full	
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.		Full	Across locations, the minimum wage offered by us 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.	52	Partial	We are committed to sourcing materials from local (India based suppliers) as and when feasible from technical , competency , quality and commercial perspective . The case study on TEAL supplier development is one such example. Further our presence in various geographies and our expansion projects has led to the local business development .
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.		Full	Currently, we do not have any specific procedures for local hiring of senior management. The hiring is based on merits, irrespective of the 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.	39, 61 - 63	Full	



GRI Content Index

	Description	Reference	Extent of reporting	Explanation
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	61 - 63	Full	
Environmental Performance Indicators				
EN1	Materials used by weight or volume.	36 - 37, 48	Full	
EN2	Percentage of materials used that are recycled input materials.	36, 48	Full	
EN3	Direct energy consumption by primary energy source.	36 - 37, 42 - 43	Full	
EN4	Indirect energy consumption by primary source.	36 - 37, 38	Full	
EN5	Energy saved due to conservation and efficiency improvements.	36, 38, 42 -45	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.	46 - 47	Full	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	46 - 47	Full	
EN8	Total water withdrawal by source.	36 - 39, 49	Full	
EN9	Water sources significantly affected by withdrawal of water.	49	Full	
EN10	Percentage and total volume of water recycled and reused.	36 - 38, 49	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.	49 - 51	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.	49 - 51	Full	
EN13	Habitats protected or restored.	49 - 51	Full	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	49 - 51	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.		Full	No IUCN Red List species within area of operations based on latest EIA Report
EN16	Total direct and indirect greenhouse gas emissions by weight.	36 - 38, 45	Full	
EN17	Other relevant indirect greenhouse gas emissions by weight.		Not Reported	On account of spread of our activities across regions, data related to indirect GHG emissions such as employee travel and emissions saved by tele-conferencing and video conferencing was not tracked and captured. We are working on this and intend to address this in the next 2-3 years.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	36 - 37, 38, 45	Full	
EN19	Emissions of ozone-depleting substances by weight.		Full	We do not use ODS in our production processes
EN20	NOx, SOx, and other significant air emissions by type and weight.	36 - 37, 50 - 51	Full	
EN21	Total water discharge by quality and destination.	36 - 37, 49	Full	
EN22	Total weight of waste by type and disposal method.	36, 38, 50	Full	
EN23	Total number and volume of significant spills.	51	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.		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.	49 - 51	Full	

GRI Content Index

	Description	Reference	Extent of reporting	Explanation
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	46 - 47	Full	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.		Not Reported	Products sold are hydrocarbon derivatives in the form of upstream oil & gas , refined product polymer , polyester and bulk chemicals used as feedstock and are not reclaimable . Most of the products are transported through ships/tanker and pipelines . However , we have initiated the process to capture the reclaimed packaging material wherever possible and we intend to report in the FY 2013-14 report
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.		Full	No monetary fine of any significant value has been imposed on any of our manufacturing locations in FY 2011-12. We have not faced any non-monetary sanctions for non-compliance with environmental laws and regulations.
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	45	Full	
EN30	Total environmental protection expenditures and investments by type.	39	Full	
Social: Labour Practices and Decent Work				
LA1	Total workforce by employment type, employment contract, gender and region.	39, 58	Full	At RIL, we do not make distinction between geographical areas within India and consider India as one region. The employment information is monitored as people of Indian origin and expatriates. As on 31 March 2012, we had 23115 of Indian origin and 51 expatriates. The information on the gender diversity is available on page no.58 of the report.
LA2	Total number and rate of employee turnover by age group, gender, and region.	39	Full	At RIL, we do not make distinction between geographical areas within India and consider India as one region. The employment turnover information is monitored as people of Indian origin and expatriates. During FY 2011 -12 only 5 expatriates separated from the organisation while the others separated were of Indian origin. The employee turnover includes 93 % males and 7 % females. The new employee hires include 92 % males and 8 % females.
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	39	Full	
LA4	Percentage of employees covered by collective bargaining agreements.	61	Full	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.		Full	We follow the requirements of the Industrial Disputes Act, India, 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 programmes.	54 - 55	Full	We have established joint safety committees at all our manufacturing locations with equal participation from management and non-management staff
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and gender.	37 - 38, 56	Full	
LA8	Education, training, counseling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	54	Full	
LA9	Health and safety topics covered in formal agreements with trade unions.	54, 55, 61	Full	All our wage settlement agreements with unions contain topics including health and safety such as use of PPEs
LA10	Average hours of training per year per employee by employee category and gender.	38, 39, 58, 59	Full	



GRI Content Index

	Description	Reference	Extent of reporting	Explanation
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	59	Full	
LA12	Percentage of employees receiving regular performance and career development reviews by gender.	61	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.	23 - 25	Full	
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.		Full	There is absolutely no difference between the basic salaries of men to women. We are firm believer of equal opportunity principle. The ratio of basic salary of men to women is 1:1
LA15	Return to work and retention rates after parental leave, by gender	39	Full	
Social : Human Rights				
HR1	Percentage and total number of significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening	61	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, contractors and other business partners that have undergone screening on human rights and actions taken.	61	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 with 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.	61	Full	We do not have specific training modules on human rights but our existing induction programmes cover the basics of human rights.
HR4	Total number of incidents of discrimination and corrective actions taken.		Full	This year, there was no incident of discrimination across our locations
HR5	Operations and significant suppliers 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.		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 and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.		Full	This year, there was no operation identified as having significant risk for incidents of child labour
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.		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.	56	Full	All our refineries, petrochemical and exploration sites have armed security personnel (outsourced) to protect them from any external threats.
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.		Full	This year there were no incidents of violation involving rights of indigenous people across locations
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments		Full	We follow the laws in India pertaining to human rights and conduct human rights reviews on an ongoing basis. All our operations are subjected to this review.
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms		Full	None during the reporting period



GRI Content Index

Description		Reference	Extent of reporting	Explanation
Social :Society Performance Indicators				
S01	Percentage of operations with implemented local community engagement, impact assessments and development programs.	61 - 67	Full	All our operations have implemented local community engagements and development programs
S02	Percentage and total number of business units analyzed for risks related to corruption.	25	Full	
S03	Percentage of employees trained in organisation's anti-corruption policies and procedures.	25	Full	
S04	Actions taken in response to incidents of corruption.		Full	This year, there were no incidents involving acts of corruption
S05	Public policy positions and participation in public policy development and lobbying.	52 - 53	Full	
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.		Full	We do not support any specific political party
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.		Full	This year, there was no legal action initiated against RIL for anti-competitive behavior, anti-trust and monopoly practices.
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.		Full	This year, there was no fine or non-monetary sanction imposed on RIL for non-compliance with laws and regulations
S09	Operations with significant potential or actual negative impacts on local communities		Full	During our community engagement programs and assessments, we have not come across any significant negative impacts on the community due to our presence in the area
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative Impacts on local communities		Full	Not applicable
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.	52 - 53	Partial	All our significant products and services comply with health and safety related regulatory requirements. Additionally we are supporting life cycle assessment study being done by ICPE and we are also working with Bureau of Indian Standards for formulating standards and guidelines .This is an on going exercise. Further more , several of our products form the base or intermediate products which are then converted into various final products using incremental materials and /or processes . Given the heightened degree of intermediation and the involvement of technical convertors, it is not feasible for us to track final products made from our products and hence, we are not in a position to conduct comprehensive health and safety impact assessments at the use and service, disposal and recycle stages of the product life cycle. In so far as our products are concerned, we comply with all regulatory health and safety impact mandates
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.		Full	No significant 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.	52 - 53	Partial	Our core / major products are derived by processing hydrocarbon materials including crude oil, condensates and natural gas. These follow all regulatory requirements for product and service information. Awareness is imparted to customers on safe use of product and services. Since, our core raw



GRI Content Index

Description		Reference	Extent of reporting	Explanation
				material is hydrocarbon, which is sourced globally; it is not feasible to inform consumers about its sourcing. Our products are provided with Material Safety Data Sheets which clearly delineate information on environmental impacts on the content of the substance, safe handling and disposal of the products.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.		Full	No significant 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.	32 - 33	Full	
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.		Full	We are members of the Advertisement Standards Council of India (ASCI) and adhere to all laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship
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.		Full	No significant 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.		Full	No significant 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.		Full	No significant fine for non-compliance with laws and regulations concerning the provision and use of products and services
Oil and Gas Sector Supplement				
OG1	Volume and type of estimated proved reserves and production	42	Full	As on 31 st March 2012, our proved developed reserves for oil and gas stood at 2.42 million tonnes and 25,159 million m ³ respectively
OG2	Total amount invested in renewable energy		Full	In FY 2011-12 we have invested a total of INR 0.44 Million towards enhancing our renewable energy capacity
OG3	Total amount of renewable energy generated by source	43	Full	
OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored	49 - 51	Full	
OG5	Volume and disposal of formation or produced water	49	Full	
OG6	Volume of flared and vented hydrocarbon	51	Full	
OG7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal.	49	Full	
OG8	Benzene, lead and sulfur content in fuels	52		
OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place		Full	None of our operations are present in areas having population of indigenous people. There were no instances of them being affected during the year.
OG10	Number and description of significant disputes with local communities and indigenous peoples		Full	There were no significant disputes with local communities and indigenous people during the FY 2011-12
OG11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned.		Full	None of our sites have been decommissioned or were in the process of decommissioning during the FY 2011-12
OG12	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process.		Full	No resettlement took place during the FY 2011-12 at any of our operational sites.
OG13	Number of process safety events, by business activity	55 - 56	Full	
OG14	Volume of biofuels produced and purchased meeting sustainability criteria		Full	We did not produce or purchase any biofuels during the reporting period

UNGC – Communication on Progress

Global Compact Principles		Our Response
Human Rights	Support and respect the protection of internationally proclaimed human rights within the business' sphere of influence	We believe that a sustainable organization rests on a foundation of ethics and respect for human rights. We comply with all labour laws formulated by the Constitution of India. We have a robust grievance mechanism which is equipped to address all employee grievances related to work environment and company policies.
	Ensure that the business is not complicit in human rights abuses	Our code of conduct and ethics policies cover issues such as bribery and corruption, fraud, insider trading, human rights and discrimination and is applicable to all employees. We do not have any instance of human right abuses in FY 2011 -12.
Labour Standards	Uphold the freedom of association and effective recognition of the right to collective bargaining	At our manufacturing divisions, we ensure regular, constructive dialogue with unions that represent close to 100% of our non-supervisory workforce. We comply with all the regulations enacted by Government of India developed to address labour issues. We have trade unions representing workers and disputes are dealt in accordance with the Industrial Disputes Act of 1947. No workdays have been lost in FY 2011-12 on account of any labour dispute.
	Uphold the elimination of all forms of forced and compulsory labour	We fully comply with India's Factories Act, which embodies some of the human rights principles of prevention of child labor, forced labour and compulsory labour. Additionally, we have tried to ensure the same principles at our vendors end, and take a written undertaking from them to this effect wherever possible. The Forced Labour Convention (29) and the abolition of Forced Labour Convention (105) has been ratified by India and we adhere to all labour laws in this respect
	Uphold the effective abolition of child labour	We firmly follow the equal opportunity principle and there is absolutely no discrimination in respect of caste, creed, gender or any other factors. Employees are hired and rewarded purely on merit.
	Uphold the elimination of discrimination in respect of employment and occupation	





Global Compact Principles		Our Response
Environment	Support a precautionary approach to environmental challenges	<p>We have a comprehensive environmental policy in place with a focus on conserving and improving the environment. The challenges faced by our industry, whether in terms of depleting crude resources, climate change, or end-of-life of petroleum- based products need to be addressed on a continuous basis and we are at the forefront of the same.</p> <p>We ensure regulatory compliance and also conduct environmental impact assessments for all our expansion projects.</p> <p>Our manufacturing plants are ISO 14001:2004 certified and have specific goals and targets which are monitored at regular intervals.</p>
	Undertake initiatives to promote greater environmental responsibility	<p>Being a responsible company, we are working towards mitigating the impact of climate change through energy conservation, usage of cleaner fuels and improving energy efficiency. We have a dedicated CDM cell which looks into opportunities for GHG reduction. It is our endeavour to optimize resource consumption and backward integration has helped us achieve a superior productivity. (Refer our growth through innovation section for further details)</p>
	Encourage the development and diffusion of environmentally-friendly technologies	<p>We aim to use our strength as an integrated energy company, to secure energy supplies to fuel India’s development. Increasing energy efficiency across all manufacturing divisions forms an integral part of our operations and we are also investing in alternate energy sources such as solar, wind and biomass. (Refer our environmental section for further details)</p>
Anti-corruption	Work against all forms of corruption, including extortion and bribery	<p>Our Code of Conduct includes a commitment to conducting our business in an ethical manner and a commitment to conduct business with due regard to the interests of our stakeholders and also the environment. Further, we invest in making employees aware of the implications of non-ethical behavior and have a structured mechanism to deal with miscreants if any.</p>



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The World Business Council for Sustainable Development

The World Business Council for Sustainable Development (WBCSD) is a CEO-led, global association of around 200 companies dealing exclusively with business and sustainable development.

On invitation to Mr. Mukesh D. Ambani, Reliance Industries Limited became a Council Member of WBCSD in 2007. Mr. Ambani was elected as Vice Chairman of the WBCSD Executive Committee in 2008 and had been re-elected as Vice Chairman in 2010.

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 a mindset beyond corporate philanthropy, to build inclusive business models that create new revenue streams while serving the needs of the people of India through sound commercial operations. We have presented many such examples in this report that clearly demonstrate 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 we have taken numerous initiatives to mitigate our GHG emissions and minimise the impact of our activities on climate change.
- Our foundation focuses on holistic community development, and we have partnered with various NGOs and initiated various community related programmes. These programmes are aimed at inclusive growth and empowering people to help them move into formal economic activities.
- We aim to enhance to quality of life in society across the entire socio – economic spectrum through our various initiatives and also seek to define the Business Roles we will play in tomorrow's society by actively engaging with stakeholders
- We believe that Ecological balance is one of the three pillars of sustainable development and without it, business cannot function. Environmental excellence is one of the pillars of our sustainability strategy. We are also investing in various initiatives that will mitigate the impact on our ecosystem.



Abbreviations

AAA	One of the highest credit ratings of financial instruments given by rating agencies, reflects highest financial strength to meet repayment obligations	CDM	Clean Development Mechanism
ACC	American Chemistry Council	CERs	Certified Emission Reductions
AGM	Annual General Meeting	CGSI	Corporate Governance and Stakeholders' Interface
AHU	Air Handling Unit	CHT	Centre for High Technology
AIDS	Acquired Immune Deficiency Syndrome	CII	Confederation of Indian Industries
ANAB	American National Accreditation Board	CO ₂	Carbon Dioxide
API	American Petroleum Institute	CMD	Chairman & Managing Director
ARC	Annual Rate Contract	S&P CNX	Standard & Poor's CRISIL NSE Indices
ART	Anti-Retroviral Treatment	CO ₂ e	Carbon Dioxide Equivalent
ASCI	Advertising Standards Council of India	CRISIL	Credit Rating Information Services of India Limited
ASCU	Arsenic Copper Mixture	CSR	Corporate Social Responsibility
ASTD	American Society for Training & Development	DAF	Dhirubhai Ambani Foundation
Baa2	Moody's long term obligation ratings are opinions of the relative credit risk of fixed income obligations with an original rating of one year or more.	DHT	Diesel Hydrotreater
BBB	Standard & Poor's is a division of McGraw Hill that publishes financial research & analysis stocks & bonds. It is one of the top three in this business, along with Moody's and Fitch Ratings. BBB denotes medium class companies, which are satisfactory at the moment.	DMA	Disclosure on Management Approach
BCF	Billion Cubic Feet	DNV	Det Norske Veritas
BCG	Boston Consulting Group	DSIR	Department of Scientific & Industrial Research
BID	Business Initiative Directions	E&P	Exploration & Production
BMCI	Bureau of Mining Correlation Index	EBITDA	Earnings Before Interest, Tax, Depreciation & Amortization
BP	British Petroleum	EC	Economic Indicators
BSC	British Safety Council	EMP	Environment Management Process
BSE	Bombay Stock Exchange	EN	Environmental Indicators
CARD	Capacity, Achievement, Relations and Domain	EU-REACH	European Union – Registration, Evaluation, Authorisation and Restriction of Chemicals
CBSE	Central Board of Secondary Education	FC&A	Finance, Control and Accounting Academy
CCPS	Centre for Chemical Process Safety	FCC	Fluidized Catalytic Cracking
CCR	Continuous Catalytic Regeneration	FY	Financial Year
		G3.1 Guidelines	The new set of Sustainability Reporting Guidelines, launched by GRI in 2010
		GCU	Gas Cracker Unit
		GHG	Green House Gases



Abbreviations

GTTP	Gas Turbine Power Plant	MMCFPD	Millions of Cubic Feet Per Day
GIDC	Gujarat Industrial Development Corporation	MMSCMD	Million Metric Standard Cubic Metre Per Day
GJ	Giga Joules	MoPNG	Ministry of Petroleum and Natural Gas
GRI	Global Reporting Initiative	MP	Medium Pressure
GT	Gas Turbine	MSDS	Material Safety Data Sheet
HIV	Human Immunodeficiency Virus	MT	Metric Tonnes
HP	High Pressure	MTBE	Methyl Tertiary Butyl Ether
HR	Human Resources /Human Resources Indicators	MW	Mega Watts
HS&E	Health, Safety and Environment	NAB	National Association for the Blind
HSE-MS	HSE Management System	NCMB	National Centre for Marine Biodiversity
ICC	Indian Chemical Council	NEERI	National Environmental Engineering Research Institute
ICPE	Indian Centre for Plastics in the Environment	NGOs	Non-Government Organisations
ICQCC	International Convention for Quality Control Circles	NIO	National Institute of Oceanography
ILO	International Labour Organisation	NMITLI	New Millennium Indian Technology Leadership Initiative
IPIECA	International Petroleum Industry Environmental Conservation Association	NOx	Oxides of Nitrogen
IQPC	International Quality & Productivity Center	NVG-SEE	National Voluntary Guidelines for Social, Environmental & Economic Responsibilities of business
ISO	International Organisation for Standardisation	OGP	International Association of Oil and Gas Producers
IT	Information Technology	OHC	Occupational Health Centre
IUCN	International Union for Conservation of Nature	OHSAS	Organisational Health and Safety Assessment Series
JUSE	Union of Japanese Scientists and Engineers	OISD	Oil Industry Safety Directorate
KG D6	Exploration Block in Krishna-Godavari Basin	OS	Organisational Stakeholders
KPIs	Key Performance Indicators	OSHA	Occupational Safety and Health Administration
LA	Labour Indicators	P&C	Procurement & Contracts
LAB	Linear Alkyl Benzene	PBDIT	Profit Before Depreciation, Interest and Tax
LEAP	Leading Expert Access Programme	PBR	Poly Butadiene Rubber
LP	Low Pressure	PEM	Proton Exchange Membrane
MBPD	Million Barrels Per Day	PET	Polyethylene Terephthalate
MEG	Mono Ethylene Glycol	POY	Partially Oriented Yarn
MENA	Middle East & North Africa	PPCP	Poly Propylene Co-Polymer
MKOPSC	The Mary Kay O'Connor Process Safety Centre		



Abbreviations

PR	Product Responsibility Indicators	SEBI	Securities & Exchange Board of India
PSM	Process Safety Management	SEZ	Special Economic Zone
PTA	Purified Terephthalic Acid	SHP	Superheated & Pressurised Steam
PX	Paraxylene	SO	Social indicators
QCFI	Quality Circle Forum of India	SOx	Oxides of Sulphur
RALP	Reliance Accelerated Leadership Programme	SPM	Suspended Particulate Matter
RC	Responsible Care, an Initiative of the Chemical Industry	SSC	Secondary School Certificate
RCP	Reliance Corporate Park	TB	Tuberculosis
RF	Reliance Foundation	TEAL	Triethyl Aluminium Alkyl
RIC	Reliance Innovation Council	TQM	Total Quality Management
RIL	Reliance Industries Limited	UHMWPE	Ultra-High Molecular Weight Polyethylene
RRDT	Reliance Rural Development Trust	UNFCCC	United Nations Framework on Convention for Climate Change
RTG	Reliance Technology Group	UNGC	United Nations Global Compact
S&P	Standard & Poor's	VOC	Volatile Organic Compounds
SBT	Segregated Ballast Tank	WBCSD	World Business Council for Sustainable Development
SCM	Supply Chain Management	WEF	World Environment Foundation



Nation Building - The Reliance Way



Reliance Drishti launched India's first registered Braille newspaper in Hindi.

Feedback

The current Sustainability report, previous editions of our report and additional information can be found at www.ril.com.

We value your suggestions and invite your feedback on this report.

Please e-mail your suggestions / views / opinions at sustainability.report@ril.com





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