



# Reliance

Industries Limited

Growth is Life



**Invest. Innovate. Inspire.  
For a new India.**

ANNUAL REPORT 2014-15



**India is at the threshold of a new era of growth and opportunity. This is driven by increasing economic activity, ongoing ‘Make in India’ initiatives and a demographically well-placed, aspirational society.**

Reliance Industries Limited (RIL) continues to be a partner in India’s ongoing journey towards economic and social well-being, and remains committed to investing in and innovating for India. RIL is striving to meet and exceed global benchmarks in product quality and customer service with inspiring ideas and strategic investments. From the manufacturing landscape to high-growth consumer service sectors, RIL is achieving superior outcomes that facilitate India’s drive for global leadership.

RIL is delivering industry-leading performance through consistent efficiency in operations and prudent configuration of assets. RIL is making sizable capital investments, focusing on technology and expanding its level of services from the hydrocarbons sector to consumer businesses. RIL innovates for existing businesses and also focuses on developing new business models to deliver significant value for its growing stakeholder fraternity. In this effort, it collaborates with leading global institutions to help usher in a new era of possibilities.

RIL’s focus is to continue growing as a responsible organisation, thereby inspiring progress in the lives it touches.

RIL’s financial and operational performance reflects the strength and extent of integration in its operations. It also highlights its robust risk management strategies, proficiency of its people and efficiency of its processes. The projects that RIL has undertaken and the investments that it has planned will help it propel the next phase of growth for itself and India.

RIL is contributing substantially to strengthen India’s energy landscape. At the same time, it is creating value for society in retail and telecom spheres and reinforcing community engagements.

Contributing to India’s economic growth and social uplift is RIL’s priority, and it sees its present and future role through the prism of national progress.

RIL remains committed to **Invest, Innovate and Inspire.**  
**For a new India.**

**“We must forge a new partnership for a great India. A strong and constructive partnership between industry, government and society.”**

**Late Shri Dhirubhai Ambani**  
Founder Chairman

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## OTHER REPORTS AND INFORMATION

Corporate sustainability related information	<a href="http://www.ril.com/Sustainability/CorporateSustainability.aspx">www.ril.com/Sustainability/CorporateSustainability.aspx</a>
Quarterly results and investor presentations	<a href="http://www.ril.com/InvestorRelations/FinancialReporting.aspx">www.ril.com/InvestorRelations/FinancialReporting.aspx</a>



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**On the cover:**  
The cover depicts RIL’s commitment to the growth and progress of all stakeholders through consistent investments and innovations across the energy and consumer businesses. RIL has always partnered India’s all-round progress in line with its philosophy of ‘Growth is Life.’

View the Annual Report online at [www.ril.com/ar2014-15](http://www.ril.com/ar2014-15)

RELIANCE AT A GLANCE

RIL is India’s largest private sector Company on key financial parameters. It is a significant global player in the integrated energy value chain, and has a growing presence in retail and digital services in India. Built on strong values, RIL is steadfastly rooted in the culture of safety, integrity and commitment. RIL is dedicated to its vision of partnering India’s economic growth and social wellbeing. RIL strives to be a product and service leader across its industries, a great work-place and above all, to create value for its stakeholders and society.

BUSINESSES AT A GLANCE\*

All figures in ₹ crore



**Refining & Marketing** Revenue **3,39,890** • EBIT **15,827**  
**Petroleum refining**  
Owns and operates two of the world’s largest and most complex refineries with crude processing capacity of 1.24 MMBPD



**Petrochemicals** Revenue **96,804** • EBIT **8,291**  
**Polymers, Polyester, Fibre intermediates, Elastomers and Chemicals**  
Integrated petrochemicals player with Top 10 rankings in key products globally



**Oil & Gas** Revenue **11,534** • EBIT **3,181**  
**Exploration and Production of oil and gas**  
Interests in onshore and offshore exploration and production in India and significant presence in US shale



**Retail** Revenue **17,640** • EBIT **417**  
**Pan India footprint in organised retail**  
Retail market leader in several segments with over 12.5 million sq. ft. of retail space and having presence in 200 cities



**Jio Infocomm**  
**Digital services**  
Building a countrywide broadband next generation infrastructure to deliver digital content, applications and services



**Media & Entertainment** Revenue **2,747\*\*** • EBIT **135\*\***  
**Broadcasting and Digital properties**  
Interests in television, digital content, filmed entertainment, digital commerce, magazines, mobile content and allied businesses

\*\*For 9 months

\*Refer- Page 300 for details (Consolidated Segment Information)

**\$ 62.2 billion**  
₹ 3,88,494 crore  
Annual revenue

**\$ 3.8 billion**  
₹ 23,566 crore  
Net Profit

**148**  
Major products and brands across energy and service sectors

**2nd Largest**  
Producer of polyester fibre/yarn, globally

**5th Largest**  
Producer of PTA, globally

**6th Largest**  
Producer of PP, globally

**7th Largest**  
Producer of PX, globally

**8th Largest**  
Producer of MEG, globally

**12**  
Conventional E&P blocks

**2,621**  
Retail stores across India

**Jio**  
Setting up pan India telecom network to provide high speed internet and digital services

KEY PERFORMANCE INDICATORS

PROFIT & LOSS METRICS (Consolidated)

(PROFIT AFTER TAX CAGR OF 27.4%)\*

Turnover (₹ crore)

↓ **13.0%** (year-on-year)

14-15	<b>3,88,494</b>
13-14	4,46,339
12-13	4,08,392
11-12	3,68,571
10-11	2,76,372

Profit After Tax (₹ crore)

↑ **4.8%** (year-on-year)

14-15	<b>23,566</b>
13-14	22,493
12-13	20,879
11-12	19,724
10-11	19,294

Earnings per Share (₹)

↑ **4.7%** (year-on-year)

14-15	<b>80.1</b>
13-14	76.5
12-13	70.7
11-12	66.2
10-11	64.8

BALANCE SHEET METRICS (Consolidated)

(NETWORTH CAGR OF 31.1%)\*

Networth (₹ crore)

↑ **9.9%** (year-on-year)

14-15	<b>2,18,482</b>
13-14	1,98,670
12-13	1,82,030
11-12	1,69,445
10-11	1,54,093

Debt Equity Ratio

↑ **5.7%** (year-on-year)

14-15	<b>0.74</b>
13-14	0.70
12-13	0.59
11-12	0.55
10-11	0.55

Book Value per Share (₹)

↑ **9.8%** (year-on-year)

14-15	<b>742.3</b>
13-14	675.9
12-13	619.9
11-12	568.9
10-11	516.9

SHAREHOLDERS METRICS

(MARKET CAPITALISATION CAGR OF 31.7%)\*

Market Capitalisation (₹ crore)

↓ **11.2%** (year-on-year)

14-15	<b>2,66,847</b>
13-14	3,00,405
12-13	2,49,802
11-12	2,44,757
10-11	3,42,984

Dividend per Share (₹)

↑ **5.3%** (year-on-year)

14-15	<b>10.0</b>
13-14	9.5
12-13	9.0
11-12	8.5
10-11	8.0

India’s **first** private sector company to feature in Fortune Global 500 list of ‘World’s Largest Corporations’, currently ranking 114<sup>th</sup> in terms of revenue and 155<sup>th</sup> in terms of profit, and continues to be featured for the 11<sup>th</sup> consecutive year

Ranks **194<sup>th</sup>** in the Financial Times’ FT Global 500 2014 list of the world’s largest companies

RIL is **India’s greenest** and most environment-friendly company, ranking 185<sup>th</sup> among the world’s largest 500 companies, according to Newsweek’s Green Rankings 2014

SOCIAL METRICS (STANDALONE)

CSR Expenditure (₹ crore)

↑ **6.9%** (year-on-year)

14-15	<b>761</b>
13-14	712
12-13	351
11-12	251
10-11	201

Injury Rate (per 100 workforce)

↓ **42.2%** (year-on-year)

14-15	<b>0.048</b>
13-14	0.083
12-13	0.095
11-12	0.099
10-11	0.090

\* since IPO, i.e. 37 years



LETTER TO SHAREHOLDERS



Mukesh D. Ambani, Chairman and Managing Director

Dear Fellow Shareowners,

I am delighted to write to you once again to update you on the performance of Reliance Industries Limited. Reliance continues to set new benchmarks and records despite a challenging global economic scenario marked by volatile commodity prices, weak growth in certain major economies and dollar appreciation against most major global currencies.

Reliance has always believed in investing in India and in businesses of the future. FY 2014-15 was a landmark year for our company. We have invested over \$ 16 billion or over ₹ 1,00,000 crore in creating growth engines for the future. This is the highest ever in the history of our company and is a testimony to our project execution capabilities. This is also the highest by any Indian corporate in a single year and is about 0.8% of India's GDP.

The global economy in FY 2014-15 saw a steep decline in oil prices, which had significant impact on energy businesses. This coupled with slowing growth in some of the leading global economies impacted currencies. But, there was positive news in terms of faster-than-anticipated economic growth recovery in the United States, which provided momentum for the global economic recovery.

India's economy is in the midst of a recovery with lower fiscal and current account deficit, lower inflation and weak commodity prices. Our country's growth seems poised to return to a high-growth path.

It is in this context that Reliance continues its quest for sustained growth. I am pleased to inform you that Reliance achieved its highest ever consolidated net profits of ₹ 23,566 crore (\$ 3.8 billion) during the year.

Both our energy businesses and consumer businesses continue to show strong growth potential.

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■ Letter to Shareholders				

₹ 23,566 crore

Highest ever consolidated net profit in 2014-15

₹ 15,827 crore

Record EBIT of Refining & Marketing Business

₹ 1,00,000 crore

Invested in creating growth engines for the future

Our refining business delivered a record profit with a healthy gross refining margin. Our Petrochemicals business margins improved on the back of healthy polymer and polyester deltas, partly offset by weak fibre intermediate deltas.

Domestic upstream production was lower due to natural decline in the producing fields. Reliance and its partners are trying to augment production through interventions to partly offset the natural decline. Our US shale business recorded its highest production and is a material contributor to our earnings.

Reliance further strengthened its leadership position as India's largest retailer. We have increased our presence to 200 cities.

Our efforts to provide 4G services across the country is gathering momentum. During the year, based on our acquisition of additional spectrum, we have emerged as the largest holder of liberalized spectrum in India. This will truly be a transformational initiative that will once again validate Reliance's ability to conceive and execute large projects across the country.

During the year, Independent Media Trust, of which RIL is the sole beneficiary, acquired the control of Network18 and its subsidiary TV18. This acquisition will enhance the offering to the customers by integrating telecom, web and digital technologies.

REFINING & MARKETING

The world's largest refinery complex at Jamnagar maintained a high operating rate of 110%, processing 67.9 MMT of crude oil during the year. This is in comparison to the average refinery utilization rates of 86.9% in North America, 80.7% in Europe and 83.5% in Asia. This is a testimony to our operational excellence and world-class assets. The high capacity utilization was supported by Reliance's ability to process advantaged feedstock, flexibility to upgrade low value products and place products in a dynamic market environment.

Our Refining business delivered record EBIT of ₹15,827 crore and gross refining margins of \$ 8.6/bbl.

During the year, over 300 fuel retailing outlets were commissioned, with plans to re-commission the entire network of 1,400 outlets by the end of FY 2015-16. Our focus is to ensure consistent and superior customer experience through several technology-enabled initiatives.

Our petcoke gasification project, designed to convert low-value petroleum coke into high value syngas is under execution. This will enable increasing self-sufficiency in energy at Jamnagar and also manufacture of other value-added chemicals. This project will also significantly reduce energy costs for Jamnagar refineries and make them competitive compared to the North American refineries which are benefiting from the shale gas revolution.

PETROCHEMICALS

The steep decline in global energy prices and increased supply from the US led to sharp decline in petrochemical products and feedstock prices. Our integrated operations and diversified feedstock slate coupled with global cost competitiveness helped mitigate some of the risks.

RIL is creating significant capacities to further enhance its position amongst the world's largest producers of petrochemicals, with global scale capacities across the polymer and polyester chain. During the year, our focus was on creation of new capacities with several new plants being added and stabilizing the operations of the new facilities.

During the year, the operations of the new Polyester Filament Yarn (PFY) facility at Silvassa were stabilized and this strengthened our position as one of the global leaders in production of polyester fibre and yarn.

In the current year, RIL started India's largest Styrene Butadiene Rubber (SBR) Plant at Hazira with capacity of 150 KTPA. We also expanded our Poly-Butadiene Rubber (PBR) capacity. This will help in reaffirming our domestic leadership position in the elastomers segment.

RIL also started new 650 KTPA PET plant at Dahej, which is one of the world's largest bottle grade PET resin capacity at a single location. Our new PTA facility at Dahej with a capacity of 1,150 KTPA was also commissioned

LETTER TO SHAREHOLDERS (CONTINUED)

“During the year Reliance and its subsidiaries tied-up long-term facilities of nearly \$ 6.5 billion. Our facilities with Export Credit Agencies were accorded ‘Better than Sovereign’ rating by all the ECAs – this was the first time that these multiple agencies accorded such a rating to any corporate in their history.”

Refining & Marketing

The world’s largest refinery complex at Jamnagar continued to operate at 110% operating rate processing 67.9 MMT of crude oil during the year.



Petrochemicals

The operations of the new Polyester Filament Yarn (PFY) facility at Silvassa were stabilized and this strengthened our position as the global leader in production of polyester fibre and yarn.



Exploration & Production

Development effort at the two CBM blocks in Sohagpur East and Sohagpur West is making significant progress. Reliance expects first production from these two blocks in FY 2015-16.



Consumer Businesses

Our Retail business sustained its growth momentum by generating record revenues of ₹ 17,640 crore. Reliance Jio’s ambitious project to provide 4G internet services continues to gather speed. Independent Media Trust, of which RIL is the sole beneficiary, acquired the control of Network18 and its subsidiary TV18.



during the year. This increases Reliance’s global capacity share to 4%.

Demand for petrochemicals is strongly linked to economic growth. India’s expected economic growth bodes well for the growth of this business. We are bringing several new capacities on-stream in time to leverage the expected spurt in demand.

We are building one of the world’s largest ethylene crackers taking advantage of refinery integration at Jamnagar. The new cracker will be in the top decile in terms of global cost competitiveness on an integrated basis among all the new crackers that are being built. With implementation of all the petrochemicals expansion projects, RIL is likely to be among the top 10 global petrochemicals producers in the world.

EXPLORATION AND PRODUCTION

Our domestic gas production from the KG-D6 block was lower due to natural decline during the year. RIL and its JV partners stepped-up their efforts to augment production from the field through interventions like side-track wells and onshore terminal booster compressor to partly offset the natural decline in the field.

Development effort at the two CBM blocks in Sohagpur East and Sohagpur West is making significant progress. RIL expects first production from these two blocks in FY 2015-16.

Despite extremely challenging pricing environment especially in oil, the

26%

Year-On-Year production growth in Shale Gas JV

₹ 761 crore

CSR Expenditure representing 3.35% of post-tax profits

31% CAGR

Growth in retail business over 5 years making Reliance the largest retailer in India

US shale business showed strong operational performance. During the CY 2014, gross JV production showed a 26% year on year growth.

CONSUMER BUSINESSES

Our Retail business sustained its growth momentum by generating record revenues of ₹ 17,640 crore. This is a growth of 31% CAGR over the last five years. We also enhanced our presence with 2,621 stores spread across 12.5 million square feet in 200 cities. During the year, we had a net addition of 930 stores – at almost 18 new stores every week. We continue to strengthen our retail offerings to provide unmatched choice and affordable pricing. We are building on our leadership positions in all the format sectors of grocery, apparel and digital products.

Reliance Jio Infocomm’s ambitious project to provide reliable (4G) high speed internet services with rich communication and digital services continues to gather speed. We have made significant progress including physical network infrastructure, systems and processes, sales and distribution network, applications and services and content. We are currently working with several strategic partners in deployment and testing activities currently underway.

During the year, we were successful in acquiring right to use spectrum in 800 MHz or 1800 MHz bands or both in 13 key circles across India. With this, Reliance Jio Infocomm has spectrum in either 800 MHz or 1800 MHz or both

in 20 out of 22 circles in the country. This is in addition to the pan India spectrum in the 2300 MHz band.

ROBUST BALANCE SHEET

RIL enjoys top-notch credit ratings as a result of its financial prudence and strong balance sheet. During the year RIL and its subsidiaries tied-up long-term facilities of nearly \$ 6.5 billion. Our facilities with Export Credit Agencies were accorded ‘Better than Sovereign’ rating by all the ECAs – this was the first time that these agencies have accorded such a rating to any corporate in their history.

RIL has always been in the forefront of investing in India and its growth. During the year, as part of our largest capital expenditure cycle, we invested over ₹ 1,00,000 crore. This large investment spread across all our businesses will create sustained and significant value for our stakeholders.

BUSINESS TRANSFORMATION

Our work on Business Transformation and next-gen people practices continued at an accelerated pace. It is an integral part of Reliance’s strategy to build competitive advantage and use technology for its advantage. We rolled out “Our Values & Behaviours” to guide Reliance and its talent through our vision and mission in the coming years.

COMMITMENT TO SOCIAL WELLNESS

As a responsible corporate citizen, Reliance serves the society, through Reliance Foundation, in the domains of Rural Transformation, Education,

Healthcare, Urban Renewal and Arts, Culture and Heritage. Our relief and rehabilitation efforts in Kashmir and other areas affected by natural calamities earned significant respect. During the year, Reliance contributed ₹ 761 crore towards CSR activities, accounting for 3.35% of profit after tax.

I would like to thank all my colleagues across the country and the globe for their unflinching dedication, commitment and contribution to strengthening Reliance. We are looking forward to continue on our mission of generating sustained value for our stakeholders and India.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our stakeholders for their continuing faith in Reliance.

With best wishes,

Sincerely  
**Mukesh D. Ambani**  
Chairman & Managing Director  
April 17, 2015



THE BOARD OF DIRECTORS



1  
**Shri Mukesh D. Ambani**  
Chairman and Managing Director  
**Chairman:** Finance Committee

2  
**Smt. Nita M. Ambani**  
Non Executive,  
Non Independent Director

3  
**Shri P. M. S. Prasad**  
Executive Director  
**Member:** Health, Safety and Environment Committee, Risk Management Committee

4  
**Prof. Dipak C. Jain**  
Independent Director

5  
**Shri Nikhil R. Meswani**  
Executive Director  
**Member:** Stakeholders' Relationship Committee, Corporate Social Responsibility and Governance Committee, Finance Committee

6  
**Dr. Dharam Vir Kapur**  
Independent Director  
**Member:** Human Resources, Nomination and Remuneration Committee, Corporate Social Responsibility and Governance Committee, Health, Safety and Environment Committee

7  
**Shri Mansingh L. Bhakta**  
Independent Director

8  
**Shri Yogendra P. Trivedi**  
Independent Director  
**Chairman:** Audit Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility and Governance Committee  
**Member:** Human Resources, Nomination and Remuneration Committee

9  
**Shri Hital R. Meswani**  
Executive Director  
**Chairman:** Health, Safety and Environment Committee  
**Member:** Stakeholders' Relationship Committee, Finance Committee, Risk Management Committee

10  
**Prof. Ashok Misra**  
Independent Director  
**Member:** Stakeholders' Relationship Committee

11  
**Dr. Raghunath A. Mashelkar**  
Independent Director  
**Member:** Audit Committee, Human Resources, Nomination and Remuneration Committee, Corporate Social Responsibility and Governance Committee

12  
**Shri Adil Zainulbhai**  
Independent Director  
**Chairman:** Human Resources, Nomination and Remuneration Committee, Risk Management Committee  
**Member:** Audit Committee

13  
**Shri Pawan Kumar Kapil**  
Executive Director  
**Member:** Health, Safety and Environment Committee

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Featured on this page from left to right in order of appearance



# INVESTING FOR THE NATION



RIL demonstrated its deep commitment to India's growth by investing \$ 16 billion in its integrated energy chain and India-centric consumer businesses in FY 2014-15.

At this stage of development, India needs large-scale employment creation through investments in manufacturing, infrastructure, services and agriculture. RIL is currently in the midst of its largest ever capital investment programme aimed at the energy and digital value chain. These investments will create high levels of employment and self-employment opportunities along with productivity gains. RIL is invested in the promise of an empowered and energised India.

RIL has been a pioneer and continues to be at the forefront of 'Make in India' campaign. RIL sees its investments as a contribution towards sustainable economic growth and social prosperity for India.

## CREATING VALUE THROUGH TECHNOLOGY, INTEGRATION AND SCALE

### PETCOKE GASIFICATION PROJECT

#### 'Bottom-of-the-barrel' upgradation

- Designed to convert low-value petroleum coke into high value Syngas for further use as fuels and for hydrogen and chemicals production.
- Based on the 'E-gas technology' (of CB&I), it has operational flexibility to use coal and petcoke as feedstock, providing competitive energy costs for the integrated refining complex, thus reducing volatility in earnings.

### PETROCHEMICALS EXPANSION

#### Foundation for economic growth

- RIL's petrochemical products touch every facet of life through apparel, household goods, electronic goods, automobiles and food packaging.
- RIL has undertaken the single largest expansion in the petrochemicals sector in the world – 65% overall volume expansion.
- Creating a larger and more diversified portfolio of products.
- Building one of the world's largest ethylene crackers – securing the benefits of economies of scale and integration with refineries at Jamnagar; this will enable the plant to be among the top decile in global cost competitiveness.

### DIGITAL SERVICES

#### Transforming Communication

- Work underway to provide end-to-end solutions to address the complete digital value chain by setting up a world-class broadband network
- 4G initiative will build scale based on technological superiority, affordability and providing an unparalleled range of services
- Leveraging the digital and information technologies to improve the quality of life of billion-plus people in India.

Creating sustainable  
cost advantage

To be among top 10 global  
petrochemicals producers

Digital platform to  
empower India







# INNOVATING FOR THE FUTURE

The Reliance Innovation Council (RIC) sets an agenda to actively nurture innovation within RIL in order to safeguard its standing as a unique corporate entity. The council consists of:



**SHRI MUKESH D. AMBANI**  
Chairman and Managing Director of RIL. He is a Member of Millennium Development Goals (MDG) Advocacy Group (MDG Advocate) constituted by United Nations (UN) and a Member of The Foundation Board of World Economic Forum. He is also a member of the Prime Minister's Council on Trade and Industry, Government of India and the Board of Governors of the National Council of Applied Economic Research, New Delhi.



**DR. RAGHUNATH A. MASHELKAR**  
An eminent scientist and the President of Global Research Alliance. Formerly, he was the Director General of the Council of Scientific and Industrial Research (CSIR) and also the President of Indian National Science Academy (INSA). For his various contributions to India, he has been honoured with some of the highest civilian honours bestowed in India including the prestigious Padma Vibhushan award.



**DR. GEORGE M. WHITESIDES**  
A Professor at Harvard University and the world's foremost chemist. He has held advisory positions on the National Research Council, National Science Foundation and the Defense Advanced Research Projects Agency (DARPA) of the Department of Defense, and is a member of the American Academy of Arts and Sciences, National Academy of Sciences, National Academy of Engineering, and the American Philosophical Society, among other organizations.



**PROF. JEAN-MARIE LEHN**  
A professor at the Collège de France in Paris, who was awarded the Nobel Prize in Chemistry in 1987 for his studies on the chemical basis of 'molecular recognition'. Author of more than 800 scientific publications, he is a member of many academies and institutions.



**PROF. GARY HAMEL**  
One of the world's foremost management experts and authors, he has been called "the world's most influential business thinker" by The Wall Street Journal and "the world's leading expert on business strategy" by Fortune magazine. He also works with governments on matters of innovation policy, entrepreneurship and industrial competitiveness, and is a Fellow of the World Economic Forum.



**DR. WILLIAM A. HASELTINE**  
He is the chairman of Haseltine Global Health LLC, a pharmaceutical company. He is also president of the Haseltine Foundation for Medical Sciences and the Arts, a foundation that supports access to high-quality health for the poor and middle class of developing countries and that also fosters a dialog between sciences and the arts. He is also well-known for his pioneering work in cancer and HIV/AIDS.



**PROF. ROBERT GRUBBS**  
He is a Victor and Elizabeth Atkins Professor of Chemistry at California Institute of Technology. He received the 2005 Nobel Prize in Chemistry, along with two others, for his work in the field of olefin metathesis.

Innovation not only unveils new opportunities in existing business verticals, but also helps create the roadmap to develop new business models. RIL is passionate to find new pathways to progress through consistent innovation.

### CREATING AND NURTURING INNOVATIVE IDEAS:



**MISSION KURUKSHETRA (MK)**  
RIL recognises that every mind is creative. MK is a step towards democratising creativity and innovation within the organisation.



**BEYONDERS PROGRAMME**  
This programme aims to create innovation leaders within RIL who can take on substantial innovation initiatives and introduce the 'next big thing' to the world.



**D4 (DEFINE-DISCOVER-DEVELOP-DEMONSTRATE)**  
This programme aims to enable and empower middle management to ideate and innovate; hence challenging the assumption that innovation comes only from top leadership.



**LEADING EXPERT ACCESS PROGRAMME (LEAP)**  
LEAP was born with the aim of providing people at RIL with access to global thought and innovation leaders through interactive sessions.

### GLOBAL INNOVATION HUB

In a move to spur innovation in industry, GenNext Ventures, a RIL sponsored Venture Capital fund and Microsoft Ventures, have floated the Global Innovation Hub. This globally competitive platform will support entrepreneurs shape their disruptive ideas in a resourceful setting, with help and guidance from leaders across industries and functionalities.

### INITIATIVES FOR INNOVATIVE AND SUSTAINABLE PRODUCTS

3,00,000 sq. ft. of space, including 1,20,000 sq. ft. of laboratory space, with **state-of-the-art** R&D facilities in Reliance Technology Group (RTG) Laboratory at Navi Mumbai

RTG has transitioned from a smart buyer of technology to a **fast customizer and flagship developer of technology**

**Investments in R&D** in various businesses, biofuels & bio-chemicals, breakthrough technologies and health, safety & environment

Strong steps towards **product stewardship** in various businesses







# INSPIRING PROGRESS



The Reliance story is a tribute to India’s entrepreneurial spirit. RIL has co-created growth and built a culture of excellence, that is inspired by the will of its people, and in turn, inspires holistic progress for all stakeholders.

### INSPIRING PEOPLE

RIL inspires its people to pursue goals in the face of challenges, and convert those challenges into opportunities.

RIL believes in creating a competency framework. This enables it to institutionalise the spirit of entrepreneurship and develop an ecosystem of collective ownership. RIL employs over 24,000 people, each of whom are encouraged to lead the value-creation journey, and become examples of inspired thinking. RIL’s employees are its partners in progress.

RIL continues to focus on implementing a robust Human Capital Management system to support its global, multi-geographical and diversified organisation on one common platform.

R-HR Transformation journey was initiated to revamp its people processes and implement world-class HR practices. At RIL, the leadership team inculcate a culture of inspiring people through six basic tenets:

- Clear communication of vision and purpose
- Motivate and inspire employees to succeed and aspire for the best globally
- Develop capability through continuous learning
- Show passion to excel
- Effective teamwork, trust and collaboration
- Integrate diverse perspectives

### INSPIRING SUSTAINABILITY

Sustainability at RIL is a combination of small, but critical steps, which help redefine the future for businesses and for the nation. RIL’s sustainability initiatives are geared by the dream of its Founder Chairman Late Shri Dhirubhai Ambani, who envisioned India as a superpower in which the industry, government and society partner each other constructively.

RIL’s CSR initiatives help elevate the quality of life of millions. It seeks to touch and transform lives by promoting healthcare, education, rural wellbeing and employment opportunities. RIL aims to continue its efforts to build on its tradition of social responsibility to empower people and deepen its social engagements.

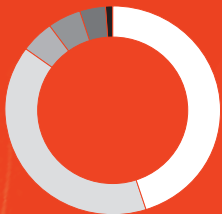


CSR Expenditure FY 2014-15 (₹ in crore)

Healthcare	Rural Transformation	Education	Others	Environment	Total
608	126	22	4	1	761

### VALUE ADDED STATEMENT FOR FY 2014-15 (Standalone)

Value Added is defined as the value created by the activities of a business and its employees.



Stakeholders	%	₹ in crore	Stakeholders	%	₹ in crore
Contribution to National Exchequer	46	33,322	Employee Benefits	5	3,686
Reinvested in the Group to maintain and develop operations	39	28,263	Providers of Equity Capital	4	2,944
Providers of Debt	5	3,429	Contribution to Society	1	761
		Total Value Created			₹ 72,405 crore





# DIMENSIONS OF SUSTAINABLE GROWTH - 4Ps

To ensure a robust sustainability practice that will help advance business priorities, drive innovation, and achieve a competitive advantage, RIL's '4P approach', along with key focus areas, delineate actionable points in order to percolate sustainability within every facet of the organisation.

During FY 2014-15, RIL has undertaken numerous initiatives directed towards these four categories:

17,31,000+

Saplings planted till date

₹ 1,220 crore

R&D expenditure

42.2%

Reduction in injury rate

₹ 3,559 crore

Highest ever dividend payout

PLANET



- 1,63,500+ tonnes of soil has been conserved till date
- 17,31,000+ saplings have been planted till date

2.5% ↑

Increase in renewable energy consumption

4.1% ↑

Increase in materials recycled

3.1% ↓

Reduction of direct GHG emission

11.7% ↓

Reduction of air emission (SOx)

4.5% ↓

Reduction of air emission (NOx)

PEOPLE



- Reduction in injury rate by 42.2%
- Reduction in lost day rate by 38.4%
- 1,533 students supported till date through Reliance Dhirubhai Ambani Protsaham scheme
- Disseminated 10,489 advisories to farmers and fisher folks through 54,59,347 calls during the year
- Programmes conducted to enhance the skill and knowledge 1,87,415 small and marginal farmers during the year
- Re-built Sir H.N. Reliance Foundation Hospital and Research Centre in Mumbai with state-of-the-art facilities

1.76 mn

Man hours of training ↑

4% ↑

Increase in the number of women employees

PRODUCTS & PROCESSES



- Rice Husk PVC composite boards for construction and furniture applications to save forest coverage, reducing the demand for wood
- PE Flexible Silo Bags for food grain storage to reduce wastage
- Recron Green Polyester Staple Fibre is eco-friendly fibre that addresses environmental concerns
- R&D Expenditure: ₹ 1,220 crore
- Number of patents granted during the year: 22
- More than 800 professionals working in research and technology activities under Reliance Technology Group
- Harnessing natural resources through 'Algae to Bio-crude' efforts and 'Jatropha based biodiesel'

PROFITS



- Highest ever dividend payout of ₹ 3,559 crore (including dividend distribution tax) recommended for this year
- Largest ever capital expenditure programme to significantly enhance profits

5% ↑

PBDIT increased to ₹ 45,977 crore (\$ 7.4 billion)

4.8% ↑

PAT increased to ₹ 23,566 crore (\$ 3.8 billion)

For more information, please refer 'Financial Performance and Review' of Management's Discussion and Analysis on page 49