

## **CHAPTER – IV**

### **RESEARCH SETTING**

This study has been conducted in three major industrial groups of Gujarat. They are :

1. Reliance Industries Limited.
2. Essar Industries Limited.
3. Adani Group of Industries Limited.

This chapter deals with the profiles of these organizations with specific emphasis on there Human Resources policies and Corporate Social Responsibility (CSR).

#### **RELIANCE INDUSTRIES LIMITED**

The Reliance Group founded by Dhirubhai H. Ambani (1932-2002) before split was India's largest business house with total revenues of over Rs 99,000 crore, cash profit of Rs 12,500 crore net profit of Rs 6,200 crore and exports of Rs 15,900 crore.

The Group's activities span exploration and production of oil and gas, refining and marketing, petrochemicals, textiles, financial services, insurance, power, telecom and infocom initiatives. The Group exports its products to more than 100 countries the world over. Reliance emerged as India's Most Admired Business House, for the third successive year in a TNS Mode survey for 2003.

Reliance Group revenue is equivalent to about 3.5% of India's GDP. The Group contributes nearly 10% of the country's indirect tax revenues and over 6% of India's exports. Reliance is trusted by an investor family of over 3.1 million - India's largest.

RIL emerged as the only Indian company in the list of global companies that create most value for their shareholders, published by Financial Times based on a global survey and research conducted by PricewaterhouseCoopers in 2004. RIL features in the Forbes Global list of world's 400 best big companies and in FT Global 500 list of world's largest companies.

RIL emerged as the 'Best Managed Company' in India in a study by Business Today and A.T. Kearney in 2003. The company emerged as 'India's biggest wealth creator' in the private sector over a 5-year period in a study by Business Today - Stern Stewart in 2004.

RIL alone accounts for:

- 17 per cent of the total profits of the private sector in India
- 7 per cent of the profits of the entire corporate sector in India
- 6 percent of the total market capitalization in India
- Weightage of 13 per cent in the BSE Sensex
- Weightage of 10 per cent in the Nifty Index

One out of every four investors in India is a Reliance shareholder.

With globally competitive capital and operating cost positions, Reliance Group dominates the rapidly growing Indian market deriving over 80% of its revenues from the domestic market.

The Reliance Group Companies include: Reliance Industries Limited, Reliance Capital Limited, Reliance Industrial Infrastructure Limited, Reliance Telecom Limited, Reliance Infocom Limited, Reliance General Insurance Company Limited, Indian Petrochemicals Corporation Ltd. and Reliance Energy Limited.

Reliance believes that any business conduct can be ethical only when it rests on the nine core values of Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility, Citizenship and Caring.

'We are committed to an ethical treatment of all our stakeholders - our employees, our customers, our environment, our shareholders, our lenders and other investors, our suppliers and the Government.' - This is a firm belief that every Reliance team member holds is that the other persons' interests count as much as their own.

The essence of these commitments is that each employee conducts the company's business with integrity, in compliance with applicable laws, and in a manner that excludes considerations of personal advantage.

They do not lose sight of these values under any circumstances, regardless of the goals we have to achieve. To us, the means are as important as the ends.

The spirit of Reliance can be well perceived by the views and opinions expressed by few key dignitaries associated with Reliance Industries for long.

1. 'I don't think there is a precise word for the spirit. I was working for a Saudi Arabian petrochemical company when I got this call from Reliance asking if I would be interested in joining them. I said no. I mean I was comfortable working abroad and why the hell would I have wanted to kick it all up for working 30 kms from a place like Jamnagar? But Reliance persisted: Come and just have a look, even if you want to say no. They sent me a ticket. I came down quite amused. Why was Reliance blowing up money, I said, on a fellow who has no interest in them. When I reached Jamnagar, they asked me to drive around to get a feel of the place. Oh god, I said, what can you show a man who has worked for 40 years in the construction industry? So to humour them I said okay. I drove around the site. I saw 45,000 people working. After 45 minutes, I said stop. I went to the nearest phone and called

Mukesh Ambani in Bombay. 'This is it !' I told him. The answer is yes. I have finally got a story I can tell my grandchildren.'

A.G. DAWDA,  
President

2. 'Dikhaana hai ! That is the unwritten rallying cry of Reliance. A proven technique for getting Reliance to do something is to say that it is impossible. Then sit back and watch the fun.'

NILESH SHAH  
Investor Relations

3. 'Raw enthusiasm. We failed at least 50 times to get precisely the right sub-grade of PVC that Caprihans – a major customer wanted. Each time we would go back, tweak a little here and a little there but each time the customer would say that we needed to do just that bit extra. A lot of people in our place would have said what the hell, let us move to the next client. In fact, Caprihans was quite surprised because our chaps just kept going back. Eventually when we cracked the code, the consumption of our material by Caprihans jumped from 20 percent to 80 percent!'

K. RAMAMURTHY  
President

4. 'Meticulousness. We had taken around 400 analysts to Hazira in April 1997 and the brief was simple : No one should return unhappy. We planned to minute detail: from the rose stem which had to be plucked at 3 a.m. so that it would be fresh by the time the team left, to booking four bogies on the Shatabdi Express to Surat, to getting the Taj to cater to the guests on the train, to arranging a mix of newspapers to be placed on each seat on the train before the guest got on, to having a man with the cash ready at the toll counter on the road from Surat to Hazira so that the transit buses would not have to stop even for 30 seconds. When the visit was over, an analyst remarked: 'If you guys can do this so well, we are convinced that you will run the cracker efficiently and profitably.'

R. BALLA  
Financial Analyst

5. 'It is a family spirit. Not just in words but through deeds. When my father died in 1978, the first telegram of condolence that I received was not from my relatives - but from the chairman. It was a longish message in which he said 'This happens. Don't worry. We are there with you. I was only 26 then - and it made a difference'

SURYAKANT SHAH  
Vice President, Marketing

6. Defying conventional thinking - That is what Reliance stands for. In 1983, there was a slowdown in fabric off take and there was a theory amongst my level of executives whether we should slow production down. Dhirubhai would hear none of it. On the contrary, he issued orders to buy all the waste that we could get from the market and maximise output. We thought we were headed for trouble. But Dhirubhai immediately scribbled out the numbers. He said "There are 80 crore people in this country. If each one was to possess one shirt, that would be a consumption of two-and-a-half metres of cloth per capita. Or an annual consumption of 200 crore metres of cloth. Do we have a national capacity that can produce as much? Since the answer is no, why are you worried No recession can last long." He was right. Within two months, the textile market had picked up. Reliance encashed the opportunity'

KISHORE DOSHI  
Vice President, Manufacturing

7. 'Different from the culture one has in the outside world. I worked at Reliance between 1987 and 1994, left and joined again. Having been an insider and an outsider, let me say that it is difficult for a Reliance man to survive in the outside world. There is a different culture here which is not found anywhere. I suppose that is why people at Reliance don't leave the company'

V.K.S. UNNI  
Manager -Mechanical Power Plant at Hazira

8. 'It is a spirit of thumbing your nose against the biggest reputations in the world. When we embarked on the process of importing ethylene through a lighterage operation at Hazira a few years ago, the experts said, that it

couldn't be done the way we wanted to do it : non-stop for 365 days a year and with our infrastructure. Besides, we were handling volatile temperatures so the risks were high. After we had successfully implemented the project and run it for a few years, we had a number of these people coming and asking: Can you explain how you did it ?'

P. RAGHAVENDRAN  
Sr. Vice President, Reliance Petroleum

9. 'Paranoid. We placed an order with a South Korean company for the supply of machinery. The South Korean company sub-contracted that to a Chinese company. Soon enough, two fellows from Reliance turned up in China asking if the machinery that was to be delivered to them was being done as per their schedule - and to solve problems on the spot.'

M. GANAPATHI  
Reliance Petroleum

10. 'Driven. Each person at reliance is obsessed with the desire to make a difference - 18000 unique people working for a unique company'

J. MANDLEKAR  
Reliance Petroleum

11. 'The spirit of being ahead - by a mile. When Reliance set up water-jet looms at Ahmedabad in the Seventies and furiously expanded the retail network throughout the country, most corporate observers concluded that the company was bullish on fabrics. They missed Reliance's real focus: polyester. Dhirubhai's argument went like this: if I don't create the front-end demand for polyester fabric where will I sell my yarn when I integrate backwards? That is what amazes me about the company. What the company might be doing today might look reckless to people. But when the jigsaw puzzle falls into place some years later, the full picture suddenly stares you in the face.

K R ANKLESARIA  
V President Marketing

12. Totally seized. Some years ago there was a transporters' strike in the north which meant that we would not be able to get our Polyester Staple Fibre

across to spinners who are our clients in Ludhiana. If we failed to deliver, the customers would understand. After all, trucks were not plying. Our marketing team would not be deterred! It packed the consignment into suitcases, posed as commuters, bought of all the tickets on a tourist bus, plying from Delhi - and delivered it to the customers' doorstep on dot.

C S GOKHALE  
Sr. Exec. V. President

13. The century bond based exemplifies the spirit of Reliance. The daring to dream, the timing and the execution looks almost impossible at first, but we did it. Reliance still is the only split-rated issuer to raise 100-year money from the US capital market. As I went to sleep at 3.30 a.m. after closing the deal, I remembered murmuring to my bleary-eyed wife: We've made History!

ALOK AGARWAL  
Treasurer

#### HR Vision – 'Growth is care for our People'

'At Reliance, we stress on quality of life. We are building with care, a workplace that proactively fosters professional as well as personal growth. There is freedom to explore and learn; and there are opportunities that inspire initiative and intrinsic motivation. We believe that people must dream to achieve, that these dreams will drive the company's excellence in all its businesses. Reliance thinks, behaves, lives and thrives with a global mindset, encouraging every employee to reach his / her full potential by availing opportunities that arise across the group.

- With presence in 36 countries, Reliance offers global opportunities.
- With steady organic growth and consolidation of businesses, Reliance offers possibilities for cross-organisation, cross-discipline and cross-country career opportunities. We now have 12,113 employees with an average age of 37 years. Programmes for training and capacity building are given prime

importance. This endeavour targets the technical and professional growth of our people.

- Reliance is associated with the Indian Institute of Management (IIM), Bangalore and the Indian Institute of Technology (IIT), Bombay. We have sponsored the participation of over 250 engineers in a customised Management course - MPRE (Management Program for Reliance Engineers) at IIM-Bangalore.
- We sponsored 91 science graduates and diploma holders to complete a Reliance Certified Engineering course with IIT-Bombay.
- Reliance conducted over 160,000 man-hours of training and 1,448 training programmes, covering 7919 employees. The Company also supported development of all other employees with a highly scientific Key Result Area (KRA) based Performance Management System and Career Mapping exercises.
- Reliance has embarked on developing a performance linked incentive scheme for all its employees with the assistance of reputed international consultants.
- The company also started a 'Manufacturing Leadership Programme' for its Senior Executives from Manufacturing, in association with Hewitt Associates.

#### Corporate Social Responsibility - Corporate citizenship – CSR

At Reliance, we think beyond business. As corporate citizens, we invest in social infrastructure, believing strongly that our business strength fuels our social contributions. To this end, Reliance encourages, funds and develops numerous education, health, human capital and infrastructure initiatives. These initiatives are undertaken through partnerships with nongovernmental organisations, corporate and trusts.



### Educational Initiatives

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

Dhirubhai Ambani Institute of Information and Communication Technology (DA-IICT), Gandhinagar, India

2004-05 was a landmark year for DA-IICT, Gandhinagar. It held its first Convocation in December 2004, where 95 graduates of its three postgraduate programs - M.Tech (ICT), MS(IT) and MS(IT Agri) - were awarded degrees.

DA-IICT, Gandhinagar, is a statutory university as per an enactment of the Government of Gujarat in the year 2003. Its status has been further acknowledged in November 2004 when the University Grants Commission (UGC) notified its inclusion in the list of universities maintained by it under Section 2(f) of the UGC Act.

- All eligible students of the first batches of the Institute's postgraduate and undergraduate programs have been placed in leading companies.
- With the rapid growth in information technology and communications, there is a concurrent rising demand for ICT professionals. To meet this demand Reliance, through the DAIICT Society, Gandhinagar proposes to expand DA-IICT's initiatives to other states. To begin with, two new DA-IICTs are proposed to be established at Kolkata and Srinagar. These will also be developed as world-class centers for higher education and knowledge management.

Dhirubhai Ambani International School, Mumbai

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

- The school prepares students for the Indian Certificate of Secondary Education (ICSE), Cambridge University's International General Certificate of Secondary Education (IGCSE) and the International Baccalaureate Diploma (IB) examinations. The school has 940 students. 90 faculty members with a rich experience in national and international curricula educate, mentor and guide the children through these developmentally critical years of growth.
- The very first batch of IB students has created an impressive record by securing admissions into prestigious universities in the US and UK. Out of 57 IB students, 47 applied to universities in the US and UK. All 47 have gained admission to schools of their choice.
- The school seeks to develop the creative potential in children, shaping them to be critical thinkers who appreciate cultural diversity and a global outlook. It hopes to achieve this through a blend of national and international curricular content and method as well as a synthesis of internationally acclaimed educational practices with India's rich educational and cultural heritage.
- As a step towards creating the idea of a human community, the school has recently opened the "Dhirubhai Ambani International School Akanksha Centre", in association with the Akanksha Foundation, an NGO working to educate slum children.
- The school served as a centre for collecting relief materials for those affected by the recent tsunamis. The response was warm and overwhelming.

#### Rewards and Scholarships

The Dhirubhai Ambani Foundation (DAF) has instituted several rewards and scholar schemes over the years.

The Dhirubhai Ambani SSC Merit Reward Scheme and Dhirubhai Ambani Undergraduate Scholarship Scheme encourage and assist district level meritorious students to pursue professionally oriented higher education. Both the schemes, instituted in June 1996, are currently applicable in the states of Gujarat, Maharashtra, Goa and the Union Territory of Diu, Daman, Dadra and Nagar Haveli.

- These schemes are also suitably designed to encourage education of the girl-child and to mainstream the physically challenged.
- This year 575 meritorious students received Rewards and Scholarships under the schemes. Over the past 9 years, DAF has covered 4,234 students under these two schemes. Of these 314 are physically challenged.

The Reliance Kargil Scholarship Scheme was launched with the generous contribution of Reliance employees. It continued to support 383 children from 103 families of martyrs of the Kargil war as well as disabled soldiers.

The Dhirubhai Ambani Scholars Scheme was announced in 2003 to commemorate the silver jubilee of the company's listing on the Bombay Stock Exchange.

- Under the scheme, 900 meritorious children of Reliance shareholders were selected for the scholarships.
- More than 50 percent have joined Engineering Colleges while 13 percent are pursuing degree courses in Medicine. The rest are pursuing degree or diploma courses in various disciplines.

### Healthcare Initiatives

As with education, Reliance stresses one more key contributor to the country's human index factor - programs and projects in areas of health awareness and management. Along with other pre-occupations, social infrastructure is foremost in our minds. Greater importance will be assigned to these efforts in the coming years.

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

The Dhirubhai Ambani Foundation joined the management of Sir Hurkisondas Nurrotumdas Hospital and Research Centre in December 1997 with the commitment to restore the hospital to its erstwhile glory by re-structuring the hospital services and setting up state-of-the-art technology in the field of healthcare that will conform to international standards. HNH&RC offers tertiary level healthcare facilities that include cardiology, cardio-thoracic surgery, neurology and neuro-surgery, oncology, urology, nephrology, pediatric and neonatal surgery, gastroenterology, micro-ear surgery, retinal surgery and other services. Over 258 consultants in various areas of specialization drive and manage the activities. They are assisted by a staff of 1,000, including paramedical and other support. The centre also provides free and subsidized out-patient and in-patient treatment to the needy. HNH&RC offers postgraduate qualifications in various specializations awarded by the College of Physicians and Surgeons (CPS) and Diploma of the National Board (DNB). HNH&RC offers M.Sc. and Ph.D. programs and also runs a Nursing School.

Sir Hurkisondas Nurrotumdas Medical Research Society (HNMRS), Mumbai

At HNMRS researchers are encouraged to move out of the four walls of the hospitals to carry out community-based studies.

- Recent projects include studies focusing on children. These include a study of acute and chronic adrenal insufficiency in severely ill children, and a study of calcium and Vitamin D status in children under 5 years of age.

- Studies on Tuberculosis in HIV positive cases and on the role of pseudomonas in nosocomial infections are nearing completion.
- A community based study on the prevalence of Type 2 diabetes was undertaken in a rural population in Malwan in Sindhudurg District.
- Microbiological studies on transfusion transmitted viruses received two prizes in two consecutive years at the All India Conference of Medical Microbiologists.

#### **Dhirubhai Ambani Hospital, Lodhivali, Raigad**

This state-of-the-art hospital was established seven years ago. It has served the population in the industrial and rural areas of Raigad District, Maharashtra.

- Besides taking care of hospitalization requirements, the hospital provides poor patients and senior citizens free outpatient and subsidized inpatient treatment.
- It has provided critical intervention in the case of numerous highway accidents and saved lives by providing prompt, specialized and free life saving treatment. A total of 375 highway accident cases were treated last year.

#### **Community Development**

At all manufacturing locations, care is taken to improve the quality of life in the surrounding communities. These community development programs focus on key areas of healthcare, education, child welfare, and infrastructure development. Reliance offers medical services at all its locations. This includes free outdoor medical services for nearby communities, outreach mobile medical services, family planning camps, blood donation drives, antenatal check-ups, vaccination centers, pulse polio camps, school health check-ups, diagnostic multidisciplinary camps, eye camps and other outreach programs.

#### At Jamnagar

- These included: cattle feed supply to cowsheds; organization of community meals programs benefiting 19,000 villagers in surrounding villages; safety awareness programs to educate villagers in community safety; mobile medical van service to surrounding villages, multi-diagnostic medical camps and a village medical center
- They carried out repairing of village roads, supply of drinking water through water tankers on need basis during the year.
- Reliance continued to support the Jamnagar Municipal Corporation and citizens in various community celebrations and activities.
- Support to the development of Dwarka continued; a project to construct a bypass road from the state highway to Gomati ghat was taken up for implementation.

#### At Hazira

- In fulfillment of the Millennium Development Goals and Agenda 21 guidelines, Reliance initiated a major outreach program towards HIV/AIDS and TB intervention, by the creation of a DOTS (Directly Observed Therapy Short-term) centre. This unique and first of its kind Public-Private Partnership project, with 4,154 registered patients, has been recognized by UNDP and has been widely acclaimed. A campaign has been launched to replicate sustainable models countrywide.
- Eye camps, blood donation camps, a mobile dispensary catering to nearly 15,000 patients and a physiotherapy centre for mentally challenged children constituted some of the other healthcare initiatives at Hazira.
- As part of its education outreach, Reliance felicitated students and teachers, provided infrastructure, and initiated a 'Train the Teacher' program to benefit community schools.

#### At Patalganga

- The complex hosted the 66th Senior National and Inter-State Table Tennis Championship in January 2005. Reliance organized the entire tournament and took care of the accommodation, food and transport for 654 participants.
- The Patalganga complex undertook several community health initiatives. These included organizing an HIV awareness drive benefiting 500 tanker drivers, and a blood donation camp.
- The Patalganga team played an active role to protect the lives, environment and property of the neighboring community by providing active support for various accidents and incidents related to fires and leaks.

Reliance has undertaken several initiatives near the E&P project site in Andhra Pradesh. These include financial as well as administrative support for supplying drinking water, establishment of a primary health centre and distribution of books to children.

The scope of the Gokul Gram Yojana, being carried out under the Reliance Rural Development Trust (RRDT) with the support of the Government of Gujarat, was extended to 23 districts.

- Construction of 44 village roads, 151 community halls, 63 panchayat houses and 16 anganwadis was completed.
- Construction work on 447 new projects commenced in the villages - these include 14 village roads, 111 community halls, 67 panchayat houses and 255 anganwadis.

#### The Harmony Initiative

Harmony, an initiative of the Dhirubhai Ambani Memorial Trust, is dedicated to the cause of a growing population of Senior Citizens. The initiative, at present, has focus on three main areas.

- The Harmony Interactive Centre, in South Mumbai, provides a unique opportunity for senior citizens to interact and connect with their peers in a space of their own. The Centre also aims to sensitize people on issues pertaining to the elderly. Over the next few years, several such Centers will be established to further the Harmony vision.
- The magazine Harmony-Celebrate Age symbolizes the inspiring and motivational voice of every Silver Citizen. The magazine is aimed at the 55 plus middle and upper middle class, English-speaking urban reader. The paperless medium- [www.harmonyindia.org](http://www.harmonyindia.org)-is positioned as the future voice of Harmony. The portal aims to create networking and awareness about the needs of the elderly and highlights the resources and opportunities available for seniors in India and their NRI friends and counterparts overseas. It reflects the overall image of Harmony as a single window information centre, a virtual platform meant to reach out to people from all strata of society globally and to create an opportunity for self-expression.

Over 1000 enthusiastic Senior Citizens came together to Celebrate Age in the Harmony initiated 5 kms Senior Citizen Special Run, held in association with the Standard Chartered Mumbai Marathon 2005 on January 16, 2005. The event placed the image of senior citizens in the forefront, helping increase awareness and sensitivity towards them.

### JAMNAGAR REFINERY

Reliance's Jamnagar complex represents the largest industrial project ever implemented in the Indian corporate sector.

The Jamnagar manufacturing complex is a fully integrated manufacturing complex, with a petroleum refinery complex, an aromatics/petrochemical complex, a power generation complex, a port and terminal complex, as well as access to a pipeline network. This high degree of integration at the Jamnagar



complex allows for feedstock and product linkages that will lead to higher efficiencies and enhanced value addition.

#### Location

Situated on the north-west coast of India, the integrated refinery-cum-petrochemicals complex of Reliance is located in the state of Gujarat at village Motikhavdi, Taluka - Lalpur, District - Jamnagar.

The complex being about 815 kilometers by road away from Mumbai and approximately 25 kilometers from the city of Jamnagar is located in proximity to the Gulf of Kutch, a sheltered bay close to the Middle-East crude oil sources.

#### Total area

The entire Jamnagar complex consisting of manufacturing and allied facilities such as utilities and off sites, port facilities and a township for the employees sprawls over more than 7,500 acres.

If the complex were to be located in Mumbai or London, its area would have covered more than half of these metropolises.

#### Total investment

The entire Jamnagar complex entailed a total investment of about Rs.25,000 crores which comes to about US\$ 6 billions.

#### Making of Jamnagar complex

Created in a record time of less than three years, the Jamnagar complex will always remain a very special experience and a subject of study. A project of titanic proportions that took, for its completion, millions of engineering man-hours spread over many international engineering offices, hundreds of thousands of tones in equipment and material procured from leading suppliers all over the globe, highly advanced construction equipment of unbelievable sizes, construction workforce of over 75,000 working round the clock for months, a

great number of innovative techniques of project execution and the divine desire gave shape to this complex.

#### A vast complex

The size of the Jamnagar complex is perhaps better appreciated through the following indicators:

- Total structural steel tonnage required for completing the complex is sufficient to construct nineteen Eiffel towers.
- Total cement concrete used for completing the complex is sufficient to create ten buildings like the Empire State Building.
- Total length of pipelines in the complex would be adequate to link the northern and the southern tips of India.
- Total length of power and control cables in the complex, about 14,000 kilometers, could link the eastern and the western parts of India six times over or cover the coastline of entire USA.
- All roads in the complex would connect Mumbai with Pune, a distance of 150 kilometers or Los Angeles with San Diego.

#### Refinery-cum-petrochemicals complex

The Jamnagar complex primarily consists of a 27 million tones per annum refinery and is fully integrated with downstream petrochemicals units of RIL which manufacture naphtha-based aromatics as well as propylene - based polymers. Fully equipped with facilities for meeting the captive energy requirements in the form of power and steam, the complex is well supported by world - class logistics and port facilities.

#### Refining processes

The refinery complex at Jamnagar consists of more than 50 process units which together process the basic feedstock, crude oil, to obtain various finished

products deploying the most sophisticated refining processes like Crude oil distillation, Catalytic cracking, Catalytic reforming and Delayed Coking.

#### Special features of the refinery complex

This refinery configuration is characterized by its superior product range compared to other refineries. Two important features in this regard are :

- High proportion of high-value products such as propylene and LPG - adding to over 10% on crude processed as compared to 2-3% for other refineries.
- Nil production of low-value 'black oils' fuel oil -compared to 12-20% on crude processed for other refineries under normal circumstances.

#### World Scale Plants

All process units in the Jamnagar complex, the largest grass-roots refinery complex in the world, are of world-scale sizes. In fact some of the process units are the largest operating units in the world.

#### Township

The complex includes a self-contained township, appropriately named as Reliance Greens, for over 2,500 of the employees and their families.

Sprawling over 415 acres of land, the township has been designed to provide the best possible residential, educational and recreational facilities to the employees. The township includes fully furnished housing for the employees, as well as a medical centre, school, playgrounds, temple, community centers, health centers, banks, mall, supermarket, gas station, parks, swimming pool, a golf course, tennis courts etc.

#### ESSAR INDUSTRIES LIMITED

The Essar group was founded over three decades ago by the Ruia family and is headed by Chairman Shashi Ruia and Vice-Chairman Ravi Ruia. The Ruia family has been in business and trading since the 1800s, when the family first moved to Mumbai from Rajasthan in Western India. In 1956, Nand Kishore Ruia,

the group founder, moved south to Chennai to begin independent business activities. In 1969, following the untimely demise of Nand Kishore Ruia, his sons Shashi and Ravi Ruia took over the group. Along with a team of seasoned professionals, the Ruias have built the perfect platform for Essar's accelerating growth. With a strong foundation at India's industrial core and in the sunrise services sector, Essar has stayed firmly in the forefront of new opportunities. An early start has made us a key player in India's exploding telecom market. Similarly, they set up India's first independent power plant and its first new generation private steel plant.

The Essar Group is one of India's largest corporate houses with interests spanning the manufacturing and service sectors in both old and new economies: steel, oil & gas, power, telecom & BPO, shipping and construction. The Group has an asset base of Rs.230 billion and a turnover of over Rs.100 billion. Strategic investments made by the group over the past decade have resulted in the creation of tangible and intangible assets that are at the heart of the Indian economy.

The Group takes pride in being a high-performance multinational organization, providing world-class services and products. Manned by a highly efficient and dynamic team of employees, the Group is growing stronger every day. A committed corporate citizen, the group provides unwavering support to the community as well as initiates various social and ecological drives that have a positive impact on society.

### Mission

To create enduring value for customers and stakeholders in core manufacturing and service businesses, through world-class operating standards, state-of-the-art technology and the 'positive attitude' of our people.

### The Company Overview

Essar Steel is a versatile manufacturer, capable of producing highly customized products. Catering to quality-conscious niches, we compete against top-of-the-league international steel producers. For example, we are one of the few manufacturers globally who can make API grade steel with low sulphur. We cater to a wide variety of product segments including roofing, automobiles, oil and gas, shipbuilding, fabrication and white goods. Domestically, we have emerged as leaders in product development, quality and service. To maintain and enhance our leading position, our R&D team is constantly developing new grades and applications.

No wonder we are India's largest exporter of flat products, selling almost one-third of our production to the highly demanding US and European markets, and to the growing markets of South East Asia and the Middle East. A number of major client companies have approved their steel for their use, including Caterpillar, Hyundai, Swaraj Mazda, the Konkan Railway and Maruti Suzuki. Essar Steel is among the 25 percentile of lowest cost producers world-wide and has acquired extensive quality accreditations.

Our lean team gives us one of the highest productivities and lowest manpower costs among steel plants internationally.

According to Mr. Shashi Ruia "We insist on setting and surpassing world-class benchmarks in everything we do. No wonder we have the world's largest gas - based sponge iron plant and are one of the world's largest integrated sea logistics companies that owns India's largest double hull, double bottom VLCC. All our businesses are highly integrated across the value chain and use the latest technology to stay strong and agile. We have invested several billion dollars on exclusive state-of-the-art technology because we believe that it confers strong strategic advantages".

A major strategic advantage is our high level of forward and backward integration. We are totally integrated - from raw material to finished products, adding value at every stage of the manufacturing process.

SHASHI RUIA  
Chairman

#### Touching millions of lives

"For decades, we have quietly touched the lives of millions of people with the steel to build cars, the oil to fuel factories, the power to light up thousands of lives and the pipelines to bring drinking water to remote villages. Today, we have come closer by connecting customers with our cellular phone services and talking to thousands of people through our call centers, a countrywide chain of fuel outlets and marketing steel at the retail level".

Ravi Ruia  
Vice Chairman

#### HR Initiatives at Essar

"At the Essar Group, we believe that excellent individuals build excellent companies. And by transforming each employee into a highly motivated, satisfied and productive team member, we will create an outstanding organisation. We also understand that each individual has unique talents and expectations from the organization. Based on those principles, human resources development at Essar is customised, flexible and well planned. Every Essar employee is meticulously selected and given the freedom to be innovative, within a work culture that is non-bureaucratic and result-oriented. We work with employees to develop personalised and flexible individual plans for career growth, retention and compensation within a carefully structured work framework. Through extensive career mapping, we offer a choice of career paths that could include job rotations across functions and Group Companies. Essar's wide range of businesses and exciting pace of growth presents a range of opportunities and exposure that only a few others can match. The Group has a very serious commitment to continuous training and development. Our Essar

Learning Centre provides year-round training. Thus, a career with Essar will offer a unique opportunity to unlock your own potential and realise excellence”

Director  
Human Resources

”Essar has a very serious commitment to continuous training and development. Our world-class Essar Learning Centre provides year-round training. We provide numerous resources for self-assessment and development. Thus, a career with the Essar group offers a unique opportunity to unlock your own potential and realise excellence”.

General Manager  
Employee Development

#### Customer-driven excellence

Customer delight drives everything we do at Essar Steel. To allow customers to consistently choose the best, we became the first Indian company to brand flat products, under the name '24-carat steel' with a full range including hot and cold rolled coils, galvanized sheets and plates. From order booking to delivery, our information technology systems are integrated between processes and with suppliers and customers. Our major customers can simply go online to place orders or check details like their order status, dispatch details, accounts and due payments. Our Systems Applications & Products (SAP R/3) installation is India's biggest and has been judged the best-implemented Indian SAP site by SAP AG Germany.

#### Corporate Social Responsibility – CSR at Essar

At Essar, we constantly strive to enrich and support the communities in and around our plants. We have been playing a crucial role in the developmental needs of Vadinar and the surrounding villages through Infrastructure Initiatives like :

- Provided drinking water pipeline to Jankhar Village
- Contributed towards road expansion linking Jhankhar Patia to Vadinar, helping 5-6 villages in the vicinity
- Provided pumping system in open well, water supply and other sanitation and infrastructure facilities in Modpur village
- Conducted various Pulse Polio camps and successfully vaccinated over 200 children
- 27 cases were detected and operated for free at an Eye diagnosis and Surgery camp, organised by us.
- Organised Cancer, Blood Pressure and Diabetes detection Camp at Kandla Port Trust Hospital, where over 300 patients were examined
- In association with Guru Govind Singh Hospital, organized a multiple diagnostic medical camp for more than 570 patients
- Provided assistance towards deepening of Ghee River for conservation of water
- Contributed towards developing a picnic point near Ghee Dam in the outskirts of Khambhalia village
- Supported an Ayurveda development programme at Gandhinagar

Director  
Corporate Social Responsibility

#### ADANI GROUP OF INDUSTRIES LIMITED

Founded in 1988 by Chairman & Managing Director Mr. Gautam Adani, the Adani Group has grown from being a trading house to a well-diversified group with interests from infrastructural development to FMCGs. Through time-conscious delivery, quality-driven process systems, total reliability and uncompromising commitment to customer satisfaction, Adani Group has found success around the world, and a reputation as a responsible international business house.



The Adani Group's business activities operate primarily in two business sectors, namely:

- Global trading, manufacturing and services
- Private infrastructure

The Adani Group is one of India's most dynamic business houses in India with an annual turnover of INR 16, 000 crore. A leader in international trading and infrastructure development, the Adani Group is engaged in a continuous endeavor to maximize potentialities, and break new ground, by synergizing the multiple core competencies of the Group. Innovation and sustainable growth are the buzzwords of the Adani Group.

#### The largest privately managed, modern high tech port in the country

Mundra Port, India's largest privately developed port, is equipped with the latest infrastructure measuring up to international standards. The high-tech mechanized facilities enable the port to make full use of the 17 metre draft, the deepest along the west coast. The Port has 6 berths, an all-weather multi-purpose terminal, an IT based Integrated Port Management System, as well as other services like a full service customs establishment, business infrastructure and safety systems.

#### Strategic location

The Port is strategically placed with respect to the northern and western hinterland, to which it is well-connected by both railways and roadways. This area generates nearly 70% of India's containerized international trade. The Port has privately developed a 57 km railhead which is connected to the nearest railhead. The Bhuj airport is a short drive away, and proposed Mundra airstrip will bring airways to the Port zone.

Mundra features prominently in the rich maritime history of India, ever since the town was established in the time of Raja Bhojrajji (1633-1645). With its strategic location along the Gulf of Kutch, making it a western gateway into India, Mundra has always had an international orientation. Amongst the stalwarts in Mundra's history, Kanji Malam, who was associated with Vasco da Gama, and Ladha Damji who was an advisor to the Sultan of Zanzibar, are most prominent. The traditional maritime activity in the area includes shipbuilding, of which Mandvi has been a major centre.

The main occupation of the local community is agriculture and trading, while the main handicrafts are tie & dye, block prints and Namda work

#### In-house facilities

The port is an end-to-end comprehensive service provider with state-of-the-art facilities including:

- Mechanized bulk handling
- Packaging of cargo
- Closed and open storage for bulk cargo
- Liquid tank farm area
- Cleaning and sorting of cereals
- Privately developed road and rail network

#### Development plans

The Port management has ambitious plans of increasing capacity to 120 MT by 2010. Amongst the facilities being added are a bulk terminal with a 450m quay length and a depth of 17m. The Port also plans to expand the Gandhidham-Palanpur rail link to Broad Gauge, in a joint venture with Indian Railways and others, which would further decrease the distance to the northern hinterland by

220 kms. Long term development plans include additional berths and backup facilities that will eventually take the Port to its projected target in the next 10 years

The infrastructure in Mundra is being rapidly developed, with the basic amenities having been put in place. The economic activity in the area has received an added impetus with the arrival of the Port, and other business organizations like MICT, Mundra SEZ, Adani Wilmar, Jindal Saw, IOCL, Mundra CFS, HPCL Aashapura Industries as well as service providers like Skanska, ECC, L&T, and Simplex have set up shop in and around Mundra since the arrival of the Port in 1998.

The other group companies include:

Adani Exports Ltd

The flagship company of the Adani Group and is actively involved in the Global Trading Business.

Adani Wilmar Ltd

It is a 50:50 joint venture between Adani Group and Wilmar Holdings Pte. of Singapore (world's second largest player in trading and refining of edible oils). AWL owns one of India's largest and most sophisticated oil refineries at Mundra.

Adani Global

It is a wholly owned subsidiary company of Adani Exports Limited. The principal activity of the company is to invest in other overseas ventures of the Adani Group.

Gujarat Adani Energy Ltd

Adani Group has been granted rights to set up natural gas distribution network at Ahmedabad and Vadodara for which it has formed a separate company Gujarat



Adani Energy Limited (GAEL) to implement the project. The project aims to service the natural gas demand of industrial, commercial, domestic and transport sector in these two cities of the state.

**Mundra Special Economic Zone Pvt. Ltd**

Mundra SEZ Pvt. Ltd. was formed with the aim of developing Mundra SEZ as the best SEZ in India.

## Corporate Social Responsibility - CSR

Facilities like schools, colleges, hospitals, polyclinics, hotels, etc. and recreational needs like sports complex, sport clubs, gardens, etc. has been developed at Mundra. The proposed commercial facilities at Mundra include Library and Auditorium, Cultural Center, Fire Station, Telephone Exchange, Post and Telegraph, Petrol Pump, Parking Stand and Open-Air Theater. The charitable activities of the Adani Group are managed under the auspices of Shri Shantilal Budharmal Adani Charitable Trust led by the Managing Trustee. The group has :

- Has identified 20 villages in Mundra under Integrated Child Development (ICD) scheme of Govt of Gujarat
- Runs CBSE recognised school at Mundra for all-round development of 417 students
- Implementing a Rs 30 lakh Govt funded watershed project at Bhadreshwar, Mundra
- Provides free of cost medicines in 10 villages of Mundra through its mobile dispensary

DR. PREETI ADANI.  
Director

### Employee Care and HR initiatives

They have township to home about 400 employees, Mundra is a well-laid township spread over massive area. The township has been designed to provide best possible residential, educational, health and recreational facilities to the employees.

Housing colonies are already in place, which can accommodate more than 300 people. Staff of the Adani Group is already residing in these colonies. To take care of growing home needs, for the new recruitment for Mundra Port, an ultra modern township complex namely Shantivan has been constructed at Nana Kapaya, which can house around 200 families. Besides having the regular features and facilities of a residential colony, including world-class gymnasium, the employees are provided with potable water.

The township is self-contained in all respects - modern bazaars, clubs for relaxation, schools for children, charitable hospital, children's park and community centres. Medical Shops, Super Market, Cinema Halls already exist at Mundra town. With over 70 deluxe rooms, two luxury hotels have also started functioning. To facilitate the employees for purchasing various related commodities from Mundra town, to & fro shopping trips are plying daily at regular intervals from the colony. Shopping trips to Gandhidham and Bhuj on Sundays are also arranged.

Individuals come from different backgrounds, religions and practice different faiths. The feeling of secularism is prevalent over here that almost all festivals like Holi, Janmasthami, Ganesh Sthapaan, Diwali, Navratri, etc. are celebrated on a large scale with the employee participation at the fullest. Apart from these festivals, family gatherings through picnic, annual day celebrations and other special occasions are also done.

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