

# Business Responsibility Report

## Introduction

We are pleased to present the first Business Responsibility Report for Reliance Industrial Infrastructure Limited (RIIL) for the FY 2016-17. This report is prepared in accordance with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVG-SEE) notified by the Ministry of Corporate Affairs, Government of India, in July 2011 and published pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The report describes activities of the Company under each of the nine principles as outlined in the NVGs. The nine principles are as follows:

### Principle 1

**Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

### Principle 2

**Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

### Principle 3

**Businesses should promote the well-being of all employees**

### Principle 4

**Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised**

### Principle 5

**Businesses should respect and promote human rights**

### Principle 6

**Businesses should respect, protect, and make efforts to restore the environment**

### Principle 7

**Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

### Principle 8

**Businesses should support inclusive growth and equitable development**

### Principle 9

**Businesses should engage with and provide value to their customers and consumers in a responsible manner**

## Section A: General Information about the Company

- Corporate Identity Number (CIN) of the Company:**  
L60300MH1988PLC049019
- Name of the Company:** Reliance Industrial Infrastructure Limited
- Registered Address:** NKM International House, 5th Floor, 178 Backbay Reclamation, Behind LIC Yogakshema Building, Babubhai Chinai Road, Mumbai - 400 020, India
- Website:** www.riil.in
- E-mail id:** investor\_relations@riil.in
- Financial Year Reported:** 2016-17
- Sector(s) that the Company is engaged in (industrial activity code-wise):**

The Company is into the business of providing infrastructure support services, namely, transportation of petroleum products and water through pipelines, operating construction machinery on hire and other support services.

Industrial Group	Description
493493049300	Product Transportation Services
439439043900	Hiring of Construction Machineries
6202620962099	IT Support Services

- List three key products/services that the Company manufactures/provides (as in balance sheet):**
  - Product Transportation Services
  - Hiring of Construction Machineries
  - IT Support Services
- Total number of locations where business activity is undertaken by the Company:**
  - Number of international locations (provide details of major 5):** Nil
  - Number of national locations:** 4 locations
- Markets served by the Company – local/state/national:**  
The Company carried out business activities in four locations viz:

- In Maharashtra - Mumbai, Raigad (Patalganga)
- In Gujarat – Surat (Hazira), Jamnagar

### Section B: Financial Details of the Company

1. **Paid-up capital (INR):** 1510 lakh
2. **Total turnover (INR):** 9320.86 lakh
3. **Total profit after taxes (INR):** 1641.78 lakh
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 4.26%
5. **List of activities in which the Corporate Social Responsibility (CSR) expenditure have been incurred:**
  - Promoting health care including preventive healthcare

### Section C: Other Details

#### 1. Subsidiary Company/ Companies

The Company does not have any subsidiary company.

#### 2. Participation of subsidiary company / companies in the Business Responsibility (BR) Initiatives of the parent company

Not applicable

#### 3. Participation and percentage of participation of other entity/entities (e.g. suppliers and distributors, among others) that the Company does business with, the BR initiatives of the Company

The Company engages with stakeholders like customers, suppliers, local communities, government and other entities in the value chain. The Company collaborates with its stakeholders as part of its BR initiatives. Considering the spread of the Company's value chain, at present, the number of entities which directly participate in the BR initiatives would be less than 30%.

### Section D: BR Information

#### 1. Details of Director/Directors responsible for BR

##### a) Details of the Director responsible for the implementation of the BR policy/policies

- **DIN Number:** 00011789
- **Name:** Shri Dilip V. Dherai
- **Designation:** Executive Director

##### b) Details of the BR head

S.No.	Particulars	Details
1	DIN Number (if applicable)	00011789
2	Name	Shri Dilip V. Dherai
3	Designation	Executive Director
4	Telephone Number	022 44752310
5	Email id	dilip.dherai@riil.in

## 2. Principle-wise as per National Voluntary Guidelines (NVGs) BR Policy/Policies (Reply in Y/N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify. (The policies are based on NVG, in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000, UNGC guidelines and ILO principles)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link to view the policy online.	Please refer below for links to these policies.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Company has communicated its above referred policies to key internal stakeholders. Besides, the BR policies are also being communicated through this report. The Company shall also endeavour to explore other formal channels to communicate with more relevant stakeholders.								
8	Does the Company have in-house structure to implement its policy/policies?	Yes, the Board of Directors and its Committees are responsible for the implementation of BR policies of the Company.								
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes. The Board of Directors is responsible for addressing stakeholder grievances related to BR policies.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The BR policy is evaluated internally. Policies pertaining to health, safety and environment have been audited by external agencies viz. Petroleum and Natural Gas Regulatory Board (PNGRB) approved agency, International Certification Services (ICS).								

## Links

### **Corporate Social Responsibility Policy**

[http://www.riil.in/pdf/csr\\_policy.pdf](http://www.riil.in/pdf/csr_policy.pdf)

### **Code of Business Conduct and Ethics**

[http://www.riil.in/pdf/RIIL\\_CodeBusiness\\_Conduct.pdf](http://www.riil.in/pdf/RIIL_CodeBusiness_Conduct.pdf)

### **Code of Conduct and Ethics - Values and Behaviours**

<http://www.riil.in/pdf/code-of-conduct-and-ethics-of-employee.pdf>

### **Vigil Mechanism and Whistle Blower Policy**

<http://www.riil.in/pdf/whistle-blower-policy-oct2016.pdf>

### **Health, Safety and Environment Policy**

<http://www.riil.in/pdf/health-safety-and-environment-policy.pdf>

## 3. Governance related to BR

### a) **Frequency with which the Board of Directors, Committee of the Board or CEO need to assess the BR performance of the Company**

The Board of Directors assesses the Company's BR performance on an annual basis.

### b) **Publication of Business Responsibility Report; frequency and link for viewing this report**

This is the first Business Responsibility (BR) Report published by the Company. The BR report is available on the website of the Company and may be accessed at the link [http://www.riil.in/pdf/riil\\_business\\_responsibility-report.pdf](http://www.riil.in/pdf/riil_business_responsibility-report.pdf)

## Section E: Principle-wise Performance

### **PRINCIPLE 1 – ETHICS, TRANSPARENCY AND ACCOUNTABILITY BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY**

#### 1. **Coverage of Policy relating to Ethics, Bribery and Corruption (e.g. joint ventures, suppliers, contractors and NGOs, among others)**

The Company has a defined Code of Business Conduct and Ethics. This Code covers the Company and is applicable to all Directors and management personnel. The Code of Conduct serves as a roadmap to all Directors and employees of the Company across all levels and grades. The Company has adequate control measures in place to address the issues relating to ethics, bribery and corruption in the context of appropriate policy.

#### 2. **Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management**

The Company received 21 investor complaints from its shareholders during FY 2016-17, which were promptly resolved. No complaint was outstanding as on 31st March, 2017. Save and except the above, no complaint was received from any other stakeholders.

### **PRINCIPLE 2 – PRODUCT LIFE CYCLE SUSTAINABILITY BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE**

#### 1. **List up to 3 products or services whose design has incorporated social or environmental concerns, risks and/or opportunities**

The following are the services whose design have incorporated social and environmental concerns:

#### i. **Product transportation through pipelines having SCADA and Leak Detection system**

Supervisory Control and Data Acquisition (SCADA) installed on pipeline, monitors the operation parameter with real time data, as well as ensures that all safety interlocks for pumps and valves as well as of pipelines operation are active all the time. In case of emergency, pipeline operating pumps will be stopped from Remote locations and affected pipeline section will be isolated, to ensure minimum product loss thus enhancing the safety in pipeline operation and minimum damage to environment.

Leak Detection System (LDS) provide the comfort of online monitoring of any leak from pipeline as well as identifying the leak locations on real time basis. This will help to handle the emergency in shortest possible response.

#### ii. **Regular security surveillance to ensure safe operation and environment protection**

Regular Security Surveillance with foot patrolling on pipeline route by Security and Surveillance team, ensures that no third party activities are carried out on pipeline Right of Use (RoU), which can result in pipeline damage.

## 2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

### (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

### (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

As an infrastructure support service provider, the operations of the Company require minimal energy consumption. Continuous efforts are being made to reduce the consumption of energy viz. use of low energy consuming LED lights being encouraged at workplace, upgradation of anode beds for reducing power requirement of CP system, conversion of Gas Operated Sectionalising valves to motor operated by installing smart actuators for better reliability, installation of online corrosion monitoring system on pipelines etc.

## 3. **Procedures in place for sustainable sourcing (including transportation) and percentage of inputs sourced sustainably**

The Company is in the business of providing infrastructure support services and as such does not source any materials from outside for carrying out its business activities.

## 4. **Steps taken to procure goods and services from local and small producers, including communities and capability building initiatives, undertaken for local and small vendors**

The Company is in the business of providing infrastructure support services which includes product transportation, hiring of construction machineries and IT support services. The Company strives to establish effective business relationship with local industry. The Company has deployed local vendors

and contractors for maintenance of pipeline infrastructure, commutation, house-keeping and horticulture contracts.

**5. Mechanism to recycle products and waste and the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%)**

The Company is in the business of providing infrastructure support services which does not generate any significant waste products.

**PRINCIPLE 3 – EMPLOYEES WELL-BEING**

**BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES**

**1. Total number of employees**

Total number of employees is 115 as on 31st March, 2017.

**2. Total number of employees hired on temporary/contractual/casual basis**

Total number of employees hired on temporary/contractual/casual basis is 07 as on 31st March, 2017.

**3. Number of permanent women employees**

Total number of permanent women employees is 03 as on 31st March, 2017.

**4. Number of permanent employees with disabilities**

Total number of permanent employees with disabilities is 01 as on 31st March, 2017.

**5. Employee association that is recognized by management**

The Company respects the right of employees to free association and union representation. During the year under review, there was no employee association in the Company.

**6. Percentage of permanent employees that are members of recognized employee association**

Not applicable

**7. Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year**

No case of child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment was reported during the FY 2016-17. The Company has a policy on sexual harassment under which employees can register their complaints against sexual harassment. The policy ensures a free and fair enquiry with clear timelines.

**8. Percentage of under-mentioned employees that were given safety and skill up-gradation training in the previous year**

- Permanent employees
- Permanent women employees
- Casual / temporary / contractual employees
- Employees with disabilities

Safety is of paramount importance to the Company. The Company considers employee training and development as an essential element of people strategy. The Company's contractual employees receive mandatory safety training

before entering the premises and also get on-the-job training through the contractor. The employees receive training through classroom as well as web-based training (WBT) programmes.

The Training and Development Program undertaken by the Company during FY 2016-17 were as under:

- Safety Training: 24 hours/ Employee
- Skill upgradation: 16 hours (WBT)/ Employee
- Others: 16 hours (WBT)/ Employee

**PRINCIPLE 4 – STAKEHOLDER ENGAGEMENT**

**BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED**

**1. Internal and external stakeholders mapping**

The Company has mapped its internal and external stakeholders. The key categories and their medium of engagement is as under:

Stakeholder	Medium of Engagement
Government and Regulatory/ Administrative Authorities	Industry Bodies, Forums, Associations
Directors	Meetings, Performance Evaluation, Familiarisation Programmes, Telephonic Interactions
Employees	Meetings, Employees Training and Development Program
Customers	Customer Meet, Personal / Telephonic Interactions
Local community	Visits and Camps
Investors and Shareholders	Annual General Meeting and Annual Report
Suppliers	Site Visit and Personal / Telephonic Interactions
NGOs	Site Visit and Telephonic Discussions

The Company believes that stakeholder engagement process is necessary for achieving its sustainability goal. Stakeholder engagement helps in better understanding of the perspectives on key issues and builds a strong relationship with them. The Company seeks timely feedback and response through formal and informal channels of communication to ensure that the stakeholder information remains updated.

**2. Identification of the disadvantaged, vulnerable and marginalised stakeholders**

The Company has identified the disadvantaged, marginalised and vulnerable stakeholders, through the team which engages with the like-minded government and non-government stakeholders, including universities, research institutions, hospitals, government departments and banks, among others.

**3. Special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof**

The Company, through Reliance Foundation, has undertaken initiatives for promoting healthcare including preventive healthcare for the disadvantaged, vulnerable and marginalised stakeholders. For specific details, please refer to the Report on Corporate Social Responsibility activities for the FY 2016-17 provided in the Annual Report.

**PRINCIPLE 5 – HUMAN RIGHTS**

**BUSINESSES SHOULD RESPECT AND PROTECT HUMAN RIGHTS**

**1. Coverage of the Company's Policy on Human Rights to the Company and its extension to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others**

The Company seeks to conduct business in a manner that respects the human rights and dignity of people. The Company's code of conduct demonstrates its commitment towards the preservation of human rights across the value chain. The Company believes that a sustainable organisation rests on ethics and respect for human rights. The Company promotes awareness of the importance of respecting human rights within its value chain and discourages instances of abuse.

**2. Receipt of Stakeholder complaints in the past financial year and what percentage was satisfactorily resolved by the management**

There were no complaints reported from any stakeholders for breach of Human Rights during FY 2016-17.

**PRINCIPLE 6 – ENVIRONMENT**

**BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

**1. Coverage of the policy related to Principle 6 to the Company and its extension to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others**

The Company believes in safeguarding the environment while executing its operations. To this effect, it takes every effort towards environmental conservation. The Company's Health Safety and Environment Policy states that protection of the environment is of paramount importance. The Company ensures to do business with minimal environmental impact that aims at the rational use of natural resources and reduced waste and emissions.

The Company also adheres to the Environmental Policy of Reliance Industries Limited, a major stakeholder, which addresses issues related to Group companies, Joint ventures, suppliers, contractors and customers.

**2. The Company's strategies/initiatives to address global environmental issues, such as climate change, global warming and more**

The Company adheres to all legal requirements and norms of energy conservation and other environmental conservation standards stipulated by the Government of India. The Company has carried out integrity assurance review of its Twin Pipelines performance during the year so as to ensure all prescribed parameters pertaining to safety, environment and sustainability are complied with and adhered to by the Company and the same was found satisfactory.

**3. Identification and assessment of potential Environmental Risk**

Regular assessment of the environmental risks and mitigation strategies are undertaken by the Company. The Company has systems in place that ensure continuous monitoring of potential environmental risks involved in its operations. Environmental audits are carried out regularly, which help in identifying potential risks and necessary corrective actions are taken to mitigate the same. Periodic audits conducted as part of these management systems help the Company identify potential risks at its locations.

**4. Company's initiatives towards clean development mechanism**

Keeping in view its nature of operations, the Company has not identified any project towards Clean Development Mechanism.

**5. The Company's initiatives on – clean technology, energy efficiency and renewable energy, among others**

The Company uses clean technology in an efficient manner for its business operations. Please refer Energy Conservation, Technology Absorption section of the Board's Report included in this Annual Report for further details.

**6. Reporting on the emissions/waste generated by the Company as per the permissible limits given by CPCB/SPCB**

There is no manufacturing process involved in Company's operational activities. Transportation of petroleum products through underground pipelines does not generate any hazardous waste or emission. However procedures are in place to mitigate the accidental release of the products and communication of all such incidences to the governing authorities. Efficient control equipment and robust procedures help the Company to meet the applicable environmental standards continuously. Half yearly compliance being submitted to local governing authorities and Ministry of Environment and Forest.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year**

There are no pending or unresolved show cause or legal notices from CPCB / SPCB during FY 2016-17.

**PRINCIPLE 7 – POLICY ADVOCACY**

**BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

**1. Representation in any trade and chamber/association**

The Company is a member of Jawaharlal Nehru Port Trust (JNPT) Liquid Chemical Berth Users Association, which is formed for the purpose of providing a platform to coordinate and represent the users with various authorities like JNPT and Tariff Advisory of Major Port.

**2. Advocacy / Lobbying through above Associations for the advancement or improvement of public good**

The Company has been active in the above named Association and advocates on various issues which affects the industry and consumers.

**PRINCIPLE 8 – INCLUSIVE GROWTH****BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT****1. Specified programmes/initiatives/projects by the Company in pursuit of the policy related to Principle 8**

The Company's Corporate Social Responsibility Policy is framed pursuant to Section 135 of the Companies Act, 2013. The Company's CSR objective is to promote a comprehensive and integrated development through social and economic transformation. The Company has, *inter-alia*, identified following areas in which it may engage for its CSR activities:

- Addressing identified needs of the underprivileged through initiatives directed towards promoting health, including preventive health care;
- Environmental sustainability and ecological balance;
- Any other activity falling within the scope of Schedule VII to the Companies Act, 2013.

During FY 2016-17, the Company's initiatives were mainly focused towards promoting health care including preventive health care.

**2. Modes through which programmes/ projects undertaken (through in-house team/ own foundation/ external NGO/ Government Structures/ any other organisation)**

The Company has been carrying on its CSR programs / activities through Reliance Foundation since past three years. In this connection, the contributions made by the Company to Reliance Foundation have been utilized for promoting health care including preventive health care. The Company's initiative has good coverage, both in terms of scale as well as impact. The focus is on enhancing outreach to the Society's marginalised and underprivileged sections.

For specific details, please refer to the Report on Corporate Social Responsibility activities annexed to the Board's Report.

**3. Impact assessment of initiative**

There is an internal process to periodically monitor and evaluate the impact of CSR programs of the Company. The internal monitoring process deals with each specific program as and when the program is identified.

The outcome of such monitoring and evaluation process are used for making informed decisions. The progress on the Company's CSR initiatives is periodically reviewed by the CSR Committee of Directors and the Company's Board of Directors. The Company continuously endeavours to enhance its existing systems and processes to assess the impact (social/ economic and developmental) through its various initiatives.

**4. Company's direct contribution to community development projects**

During FY 2016-17, the Company has spent ₹ 70 lakh on community development initiatives i.e. Promoting Health Care including preventive health care.

**5. Steps undertaken to ensure that community development initiatives are successfully adopted by the Community**

Engagement with the community helps in identifying needs of the stakeholders and leads to greater sense of ownership

among the people, ensuring sustained outcomes. Their capacities are built through multiple training programmes to make them self-sufficient and capable of managing the programme even in the absence of a third party. The Company continues to support initiatives to provide medical care needs necessary for the community. Multiple interactions are held with communities through meetings, meetings with local administration and officials from the line departments to understand the primary necessities. The Company encourages regular feedback from the beneficiaries to continuously improve facilities and specialised services in locations where there is a demand.

**PRINCIPLE 9 – CUSTOMER VALUE****BUSINESSES SHOULD ENGAGE WITH, AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS RESPONSIBLY****1. Percentage of customer complaints/consumer cases pending as on the end of financial year**

The Company's main customers are Reliance Industries Limited and its group companies. The Company proactively interacts with its customers to understand their requirements and concerns and find ways and means to address their concerns, requirements and improve their satisfaction level.

During FY 2016-17, no complaint was received from any of the customers.

**2. Product information and product labelling**

The Company is into the business of providing infrastructure support services viz. transportation of petroleum products through its underground pipelines, hiring of construction machineries and providing IT support services and as such does not require to display any such information.

**3. Case filed by any stakeholder against the Company regarding Unfair Trade Practices, irresponsible advertising and/or Anti-Competitive behaviour during the last five years and pending as on end of the financial year**

No such case has been filed against the Company.

**4. Consumer survey/consumer satisfaction trends carried out by the Company**

As mentioned hereinabove, Reliance Industries Limited and its group companies are the main customers of the Company. Customer satisfaction is significant for the Company as it ensures the Company's overall reputation in the geographies it operates in.

To understand its customers better, the Company follows several modes of engagement. Such modes include customer audits, customer surveys, direct feedback taken by visiting managers/plant personnel and site visits organised for customers. These modes help the Company to understand customer requirements, satisfaction levels and customer behaviour. The Company also conducts one-to-one meetings with its customers to enable efficient communication and resolve specific needs / concerns.