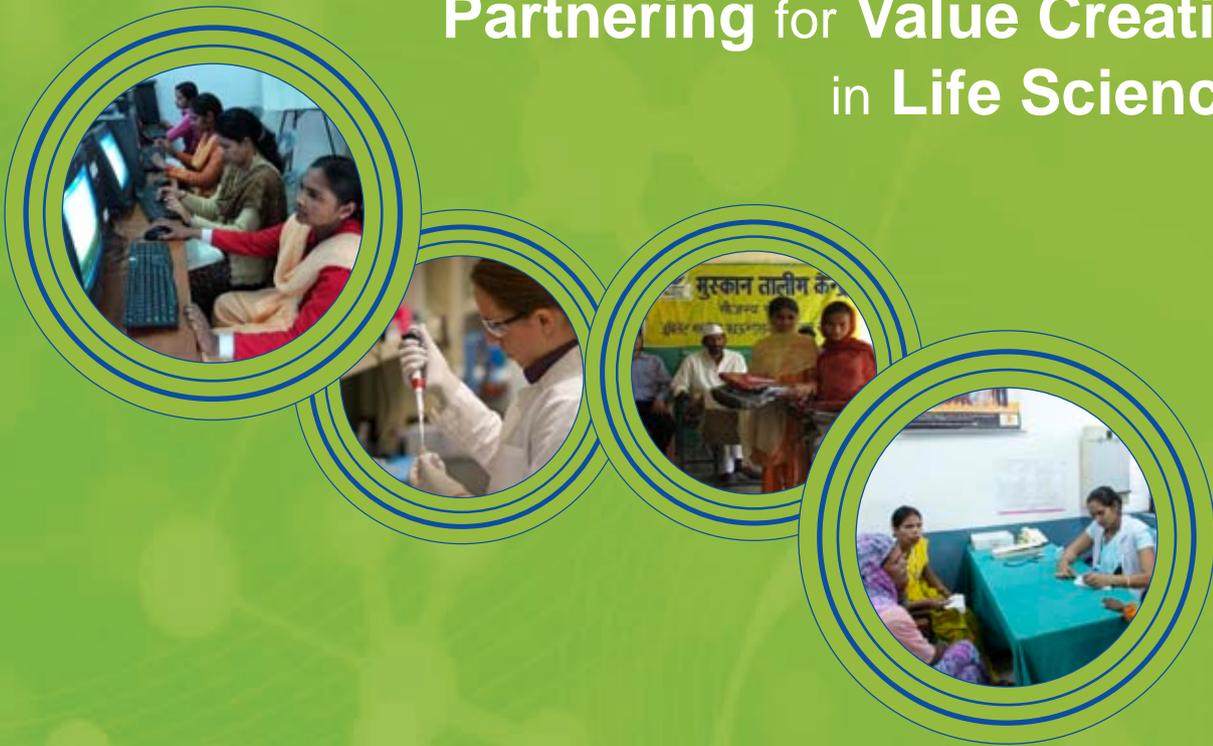


Partnering for Value Creation in Life Sciences



Contents



1.0	Chairmen's Views	04
2.0	Impacts, Risks and Opportunities	08
3.0	The Company	11
4.0	Report Sketch and Assurance Statement	17
5.0	Corporate Governance	20
6.0	Commitments to External Initiatives	24
7.0	Stakeholder Engagement	27
8.0	Economic Performance	38
9.0	Environmental Performance	42
10.0	Social Performance	61
11.0	The Way Forward	86
	GRI Index	88
	UNGC Index	102
	List of Abbreviations	103
	Application Level Check	105
	Feedback Form	106





SUSTAINABILITY MISSION

Jubilant Life Sciences Limited is committed to **Sustainability** and considers environmental protection, accountability, transparency and inclusiveness as the facets to Sustainable Development.

As a responsible corporate citizen the company is constantly engaged in delivering value to its stakeholders through its promise of **Caring, Sharing & Growing**.

Shyam S Bhartia
Chairman & Managing Director

Hari S Bhartia
Co-Chairman & Managing Director

October 4, 2010



CLIMATE CHANGE MITIGATION POLICY

Jubilant Life Sciences Limited recognizes the risk of **Climate Change** and is committed to mitigate its impact. Our initiatives to reduce carbon emissions are to:

- J**oin hands with the employees, families & community to create awareness
- U**ndertake energy conservation measures
- B**enchmark all activities for optimum use of resources
- I**nvolve suppliers to reduce emissions through Greening of Supply Chain
- L**imit Greenhouse Gas emission by process optimization and pollution prevention
- A**dopt advanced information technology to reduce travel related emission
- N**ourish the plantation in the units and the vicinity for carbon sequestration
- T**ransform above initiatives into actions

We shall abide by this policy to mitigate the risk of Climate Change at **JUBILANT**.

Shyam S Bhartia
Chairman & Managing Director

Hari S Bhartia
Co-Chairman & Managing Director

October 10, 2010



Sitting:

Shyam S Bhartia
Chairman and Managing Director

Standing:

Hari S Bhartia
Co-Chairman and Managing Director

1.0 Chairmen's View

Dear Stakeholders,

This was an eventful year in the history of the Company due to amalgamation and demerger of operations with a view of increased focus on Life sciences business. In line with our continued focus on sustainability of our business, we consolidated the pharma business as Jubilant Life Sciences business and completed the process of demerger to enable each business independently pursue and efficiently realise its operating objectives.

In continuation with our philosophy of Sustainable Development the focus of the new Company remains in the areas of Economic, Environment and Social performance, the triple bottom line. The Companies which focus on sustainable growth move forward on the growth path tapping the new markets based on clean technology, green product, meeting today's customer needs including eco efficiency, cost reduction, reduced consumption etc. High levels of productive activity and widespread poverty can coexist, and can endanger the environment. Hence sustainable development requires that societies meet human needs both by increasing productive potential and by ensuring equitable opportunities for all. The Company makes sure to improve the socio-economic environment they operate in through stakeholder consultation and various social initiatives. Our sustainability initiative is a step towards enabling inclusive growth.

The Company will routinely and systematically improve sustainability performance across their entire operations, extending from the initiation, design and delivery of products and services to the management of employees and the supply chain. We are sure that with the formation of Sustainability Committee at Board level, the Company will embed sustainability from the boardroom to the shop floor and will manage their entire value chain from a sustainability perspective. We regularly engage in robust dialogue with major stakeholders to integrate their feedback in improving Sustainability performance.

To further sharpen our focus as a Pharma and Life Sciences entity, and to pursue growth opportunities of the business Sustainability, we reviewed our commitment for Sustainability, Climate Change Mitigation, Environment, Health and Safety and Green Supply Chain Management. These policies were modified as per the need of the hour and to achieve excellence in Sustainability. We are happy to inform you that this year the Sustainability Mission and the Climate Change Mitigation Policy were implemented at North American(NA) Units also, with a view to not only embed sustainability in NA operations but to work more profoundly on initiatives of Climate Change Mitigation in JUBILANT way.

Our Sustainability efforts were appreciated by Industry Associations and we received awards for a Strong Commitment to Excel on the journey towards Sustainable Development from Confederation of Indian Industry and for Outstanding Corporate Vision for Triple Impact on Business Performance of Social & Environmental Action and Globalization from Federation of Indian Chambers of Commerce & Industry.

The Company has come a long way in realizing its Sustainability goals by way of mapping and disclosing the triple bottom line through this publication by moving forward into the ninth year of its journey of Sustainability Reporting. The Company's Corporate Sustainability Report is appreciated by many Stakeholders.

The Company's initiatives for mitigation of Climate Change were recognized by Carbon Disclosure Project, UK and Company secured 2nd position with Carbon Disclosure Leadership Index (CDLI) score of 77 demonstrating clear consideration of risks and opportunities associated with climate change and better data management practice for understanding GHG emissions. Jubilant Hollister-Stier one of the North American Units also supported the Commute Trip Reduction (CTR) program for the employees to reduce the number of single occupant vehicles on the roads. The objective is to educate all employees about commuting alternatives and promote the use of carpooling, vanpooling, transit, walking, bicycling, tele-working and compressed work week schedules as a measure to reduce GHG emission.

Our efforts on Sustainability and Climate Change Mitigation were also highlighted in a report compiled by the Brazilian National Confederation of Industry and ICF International on developing a Low Carbon Strategic Guide to identify risks and opportunities for the Brazilian industries in a low carbon economy.

We will remain committed to voluntary and regulatory standards to respect human rights along with environmental protection and safe operations. No doubt, our people are the important for progress and we ensure that they have a conducive and safe environment to inspire the future generation.

The environment, health & safety consciousness is imbibed throughout the research & development of a process/product and transform right from the inception to corporate strategy. We make sure not to opt for businesses which may have adverse impact on the environment, health & safety of our plants, machinery and people. We are not leaving any stone unturned in reduction, recycling and reuse of waste, which coincides with the 3R policy of Reduce, Recycle & Reuse. Despite these best efforts for environment, health & safety, we are grieved to inform that there were two fatal accidents at Gajraula unit. We have further strengthened safety procedures and systems to improve safety performance and some of these initiatives are included in the report.

The social responsibility is woven as the ethical behaviour in the Company. Our social initiatives mainly the unique Muskaan project in support for government primary education and vocational training for livelihood generation in the vicinity of our Indian locations has become increasingly prominent. It is also vital to build trustworthy and sustainable relationships with the community at large. These are few of the key drivers of the social initiatives. Our efforts were appreciated by many including UNICEF, India as Best CSR Practices in the field of Education.

The Company continued to focus these activities to reduce the gap of poverty, illiteracy, lack of healthcare etc. through Jubilant Bhartia Foundation. This has further helped us to explore new areas to contribute towards social development and health care. The Company is providing low cost medical facilities at doorsteps of the needy in and around Kolkata.

These programs, in many cases, are based on a clearly defined social philosophy or are closely aligned with the Companies' business expertise. The employees become the backbone of these initiatives and volunteer their time and skills, to implement some of these programs.

Our approach to Sustainability was initiated in 2003. We are continuously working on the Environmental, Economic, Safety and Social i.e. E2S2 performance in these years and the appreciation from various organization encourages us to continue these efforts with more enthusiasm.

We are very invested and aware of the benefits of integrating sustainability into practice; this is something that we share with many stakeholders. We feel that it is important for us to make progress on our path towards sustainability.

Indeed, the Company believes that long-term Sustainability can be achieved by its performance of triple bottom line. The concept of Sustainability has been built on the foundation of **Our Promise** i.e. **Caring** for Environment, **Sharing** the Economic value and Growing with all Stakeholders. In this regard, we set few targets last year and the progress of the same is given below;

Conservation

The Company communicated to employees to use water, paper and electricity judiciously. Employee awareness on energy conservation was enhanced through sharing of knowledge and good practices. New initiatives were also taken with the advancement of Information Technology. These details are given in the report and also addressed in Company's policies and mission.

Gender Equality

The Gender equality is, first and foremost, a human right. Women are entitled to live in dignity and in freedom from want and from fear. Empowering women is also an indispensable tool for advancing development and reducing poverty.

The Company firmly believes that equality between women and men is a fundamental right, a common value for the Company's progress along with growth, employment and social cohesion. Although equalities exist in the Company, however, to achieve gender equality, it is also posted on website that we are an equal opportunity employer. Empowered women contribute to the health and productivity of whole families and communities and to improved prospects for the next generation. The importance of gender equality is underscored by its inclusion as one of the eight Millennium Development Goals. The gender equality is acknowledged as being a key to achieving the Company's goals.

Sustainability Council

One of the Milestone achieve in our journey to Sustainability is the creation of a Sustainability Council with representatives from Business, Finance, Corporate Governance, HR, Administration, Corporate Communication, EHS and CSR etc. Few members of this Council as well as others involved in Sustainability Reporting have been trained through '**Chronos**' an e-learning tutorial on Sustainability developed by the University of Cambridge and the World Business Council for Sustainable Development. The in-house training programs on Sustainability were also organized for Sustainability Council member, top management as well as all associated with Sustainability Reporting at each and every manufacturing location including North American Units.

Further, Sustainability is also embedded with the formation of Sustainability Committee at Board level. This committee will help to identify risks and opportunities, review and guide on issues related to Sustainability and mitigation of Climate Change.

Green IT Initiatives

The Company being a responsible corporate citizen has undertaken several green IT initiatives to mitigate the impacts of Climate Change reduce GHG emissions, paper & energy. These initiatives are given in report and the Company has also implemented online system for capturing data on human resource another endeavour to reduce paper and energy. The work for the virtualization of servers is in progress.

Mitigating Climate Change

The Company continued various initiatives of energy conservation to mitigate climate change. The activities for utilization of day light, replacement of incandescent bulbs with CFL, creation of Environmental awareness to observe Earth Hour, World Environment Day etc. as well as sponsored seminars/ conferences for awareness on mitigation of Climate Change. These details are well covered in the consecutive section.

Supply Chain

The eJ-Buy, an on-line system to collect quotation was implemented in the supply chain department. This has not only reduced the paper consumption of the department but also an environment friendly initiative for energy conservation. Further, more than 100 suppliers were involved in issues related to EHS & Climate Change as committed last year through Green Supply Chain Management.

Vocational Training

Our social responsibility is not only value creation in the life of the community around which we operate but it is an essential



tool for inclusive growth. As decided, a Vocational Training Centre was established at Bharuch, Gujarat through Jubilant Bhartia Foundation to improve employability. The registration with Ministry of Labour and Employment, Government of India is awaited. The Company organized various training programs in associated with NABARD at various locations including Nira.

Schwab Foundation

The Company through Jubilant Bhartia Foundation accomplished in strengthening global relationship for the betterment of society by partnering with Schwab Foundation for Social Entrepreneurship, a sister organization of the World Economic Forum. This partnership is to recognize and award the Social Entrepreneur of the Year in India, as social entrepreneurs are one of the key enablers of inclusive growth.

Voluntary Initiatives

The Company initiated work for implementation of ISO 14001 and OHSAS 18001 at the newly acquired Indian location. This is in progress and the certification will be completed during the next financial year.

Muskaan

Our luminary project Muskaan, committed towards supporting the Government primary school education covered more than 75 schools across the manufacturing locations of India. An effort was also made to form Eco Clubs in all the Muskaan schools for inculcating the environmental awareness amongst the students.

Infection Control Committee

There is a conscious effort towards more use of electronic media than paper at all levels in Jubilant First Trust Healthcare Limited, Kolkata and we will strengthen hospital information system. The idea of using sterile paper rolls for drying hands after washing was novel but to sterilise the core part of the roll was doubtful. This idea was therefore abandoned for the hospital. However, the judicious use of glass windows in hospital building helped in reducing the use of electric light during the day time. All staff in the hospital were encouraged to "switch it off" as and when applicable as an effort for energy conservation.

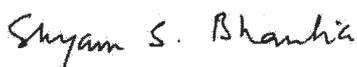
Strategic Policy Initiatives

As committed, Jubilant became a member of Global Compact Network, India of the United Nations Global Compact and the progress on the Ten Principles of the UNGC are included in the report. The Company voluntarily disclosed information related to Climate Change mitigation through Carbon Disclosure Project (CDP), UK. The Carbon Disclosure Project 2010 - India 200 Report compiled by CDP presents the strategies adopted by Indian businesses in response to climate change mitigation and Jubilant is one of the 51 companies responded out of 200.

We are happy to inform you that Jubilant (Organosys) also secured 2nd position in the Standard & Poor's (S&P), Environmental, Social and Corporate Governance (ESG), India Index of 2009 with 181.8 Return. The Index constitutes are derived from the top 500 Indian companies by market capitalization listed on NSE.

While we continue our journey of Sustainability which would complete a decade next year, we cannot progress without support from our stakeholders. This year also, this report is compiled by our team, as our employees are our greatest asset and we have innate faith in our people. We once again thank you for your continued support and encouragement to drive this agenda. We invite you all for your valuable feedback and to join us in this crusade as per our motto ... **working together for Sustainability.**

Best Wishes and Regards,



Shyam S Bhartia
Chairman & Managing Director



Hari S Bhartia
Co-Chairman & Managing Director



2.0 Impacts, Risks and Opportunities

The world population is rising. The availability of natural resources is diminishing. Global economic health is based on consumption. Without fundamental changes, the global economy is at risk. A prosperous future depends on innovative new products and business models that achieve transformative efficiency and create new market opportunities. This transformation will be significantly driven by businesses and industries through public-private cooperation and partnerships. Tomorrow's businesses will meet the future by channelising their creativity to form markets that capture the emerging opportunities. To build a sustainable future we need Innovation, Collaboration, Investment, Values and Leadership.

Today's business environment, remains challenging for the Corporate World and risk management retains its position high on every organization's agenda. The business dynamics are changing which bring in new risk horizons. The ability to anticipate threats, respond and continually adapt is a critical part of the risk management process. Global operations and continuous enhancement in product pipeline, capacities and technologies coupled with intensifying competition pose significant challenges and risks for the organization. Such risks, if not perceived in a timely manner, could adversely impact accomplishment of the overall objectives of the organization & its sustainability.

An effective risk management framework enhances the organization's ability to proactively address its risks & opportunities by determining a risk response strategy & monitoring its progress on a dynamic basis. This, in effect, helps in driving continued competitive sustainability of an organization as it enables alignment of its operations and activities with its vision and values.

In the current business environment, where there are reputation threats and a rising political imbalance, corporate will need to tread carefully to maintain the trust of public. Social acceptance and social responsibility have become increasingly important over the last decade. The resulting key business risks are detailed below:

1. Compliance and Regulatory Framework

With the Company's significant presence in Life Sciences Products and Services business, there is a need to comply with a broad range of regulatory controls on testing, manufacture and marketing of certain products. In some countries, including the United States, regulatory controls have become increasingly demanding. Such trend will continue and will expand to other countries, particularly those of the European Union (EU). A proposed new EU chemicals policy called Registration, Evaluation and Authorization of Chemicals (REACH) could mandate, among other things, a significant increase in the testing and assessment of basic chemicals and chemical intermediates, leading to increased costs and reduced operating margins for these products.

The Life Science business is subject to strict regulatory regimes. Failure to achieve regulatory approval of new products can mean that Company does not recoup its research and development investment through sales of that product. The regulatory agencies may at any time change regulations or reassess the safety and efficacy of the Company's products based on new scientific knowledge or other factors. Such reassessments could result in the amendment or withdrawal of existing approvals to market the Company's products, which in turn could result in a loss of revenue. This may occur even if regulators take action falling short of actual withdrawal.

The Company has adopted measures to address these stricter regulations, such as increasing the efficiency of the internal research and development process in order to reduce the impact of extended testing and make its products available to the market on time.

2. Protecting Intellectual Property Rights

The Company's success will depend, in part, on the ability in the future to obtain and protect Intellectual Property Rights (IPRs) and operate without infringing the IPRs of others, particularly in the context of pharmaceuticals business. The Company's competitors may have filed patent applications, or hold issued patents, relating to products or processes that compete with those being developed by the Company or their patents may impair the Company's ability to do business in a particular geographic area.

The Company in addition to patents has relied on trade secrets, know-how and other proprietary information as well as requiring its employees, vendors and suppliers to sign confidentiality agreement.

3. Financial Instability across the Globe

The Indian financial markets and the Indian economy are influenced by economic and market conditions in other countries, particularly United States of America, Europe and emerging markets in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, as experienced in recent months across the globe, could also have a negative impact on the Indian economy. This in turn could negatively impact the movement of exchange rates and interest rates in India. Accordingly, any significant financial disruption could have an adverse effect on the Company's business, future financial performance and the prices of its Equity Shares.

While the Company has not been materially affected by the current global financial turmoil, any prolonged financial crisis may have an adverse impact on the Indian economy and on the Company, thereby resulting in a material and adverse effect on Company's business, operations, financial conditions, profitability and price of its Equity Shares.

4. Business Interruption due to Force Majeure

The Company's largest manufacturing facility is at Gajraula (UP). The plants in Gajraula are the main production facility for organic intermediates. Any disruption of Gajraula plant or stoppage of work due to labour strikes, social unrest, terrorist attacks, natural calamities or any other reasons may adversely affect the Company's business and results of operations. Production disruption in Gajraula plant may also adversely affect production in other facilities for other business segments to which the Gajraula plant supplies raw materials, which could have a resultant impact in the earnings of the Company.

Adequate insurance protection has been taken by the Company to cover most of the industrial risks. Besides, presence of a major workforce in the residential colony adjoining the plant premises ensures sustenance of plant operations under challenging circumstances.

5. Third Party Liability Risks

The Company's business inherently exposes it to potential liability from its customers or end users for defects in products. It exports products to highly regulated markets, including the United States and Europe, which are noted for their litigious nature and high awards of damages.

The Company carries global product liability insurance program with respect to its major manufactured products which provides a compensating safeguard against such risks, if they materialise.

6. Environment, Health & Safety Risks

The compliance with increasingly stringent emissions standards relating to the manufacturing facilities, or other environmental regulations, may adversely affect the business and results of operations. Some of Company's research and development and manufacturing operations involve dangerous chemicals, processes and by-products. The manufacture of pharmaceuticals, Advance Intermediates, Fine chemical products and sterile injectables and non-sterile products is subject to stringent regulations. The Company anticipates that environmental laws and regulations in the jurisdictions, where it operates, relating to the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from its operations, may become more restrictive and enforced more strictly in the future. It also anticipates that customer requirements as to the quality and safety of production processes and products will continue to increase.

In anticipation of such requirements, the Company has incurred substantial expenditures and allocated other resources to proactively adopt and implement manufacturing processes to increase its adherence to environmental quality standards and enhance its industrial safety levels.

The challenges due to Company's operations related to Environment, Health & Safety (EHS) aspects for the business, employees & society are mapped and mitigated through a series of systematic and disciplined sets of policies and procedures, which are explained below ;

- For existing plant operations, the audit team reviews the system regularly to achieve the overall objective of the organization and sustainability.
- Assessment of EHS performance at the capital expenditure stage of the new projects as well as expansion to address the same including assessment of need to have separate approvals and / or the systems & investments accordingly.
- Carry out Environmental Impact Assessment study for the projects as per the statutory requirement and obtain approval prior to setting up of new plant or expansion of existing facilities. Develop the Environment Management Plan to minimize the impacts identified.

7. Risk Emerging from Handling of Hazardous Materials

The Company's operations are subject to the operating risks associated with pharmaceutical and chemical manufacturing, including related storage and transportation of raw materials, products and waste. These hazards include, among other things:

- Pipeline and storage tank leaks and ruptures;
- Fire & explosions; and
- Discharges or releases of toxic or hazardous substances.

Such hazards may cause personal injury, property damage and environmental contamination, and may result in the shutdown of affected facilities and the imposition of civil or criminal penalties. The occurrence of any of these events may subject the Company to litigation and/or significantly reduce the productivity and profitability of a particular manufacturing facility.

To mitigate these risks the Company follows the Hazard Identification & Control system through Hazard and Operability (HAZOP) or similar tool to identify the Safety aspects related to manufacturing activities for new projects / expansion of existing plants & management plan for the same.

The Company also maintains an industrial all-risk insurance policy for its primary manufacturing facility at Gajraula, as well as property and casualty insurance at other manufacturing facilities and believes it is in accordance with customary industry practices in India and abroad.

The Company has processes in place for risk identification, monitoring and mitigation and incident management related to employee and environmental protection, facilities, assets, products, compliance, reputation and communications.

8. Labour Union Impacts on Production Capacity and Profitability

In fact, approximately 20% of the Company's employees belong to a number of different labour unions or undertake collective bargaining. Furthermore, the employees at primary manufacturing facility Gajraula could form a union, which would increase the collective bargaining power of such employees and raise the labour-related expenses at Gajraula facility. If any such negotiations regarding wages with these employees or any of the labour unions to which Company's employees belong are not concluded quickly, the Company's relations with its employees could suffer, which could have a material adverse effect on its operations.

The Company constantly engages with the employees at all locations to understand the personal and professional requirement and try to resolve conflicts, if any in proactive manner.





3.0 The Company

The **Jubilant Life Sciences Limited** (formerly Jubilant Organosys Ltd.) is an integrated Pharma and Life Sciences Company. It is the largest Custom Research and Manufacturing Services (CRAMS) Company and a leading Drug Discovery & Development Solutions provider out of India. The Company provides Life Sciences products and services across the value chain, serving its customers worldwide leveraging the global scale of its operations. The Company's Corporate Office is situated at Noida, Gautam Budh Nagar, Uttar Pradesh, India

The Company has a presence across the pharmaceutical value chain through a wide range of products and services such as proprietary products, exclusive synthesis, active pharmaceutical ingredients, contract manufacturing of sterile injectables (liquids & lyophilised) products, non-steriles (ointments, creams and liquids), radiopharmaceuticals, drug discovery services, medicinal chemistry services, clinical research services, generic dosage forms, life sciences chemicals, nutrition and healthcare. The Company has geographically diversified manufacturing facilities at eleven locations worldwide of which 8 are based in India and 3 in North America. The Report covers all the 8 units, R&Ds, 3 Indian Subsidiaries (Biosys, Chemsys & Clinsys) and JFTH in India as well as 3 units of North America.



Global Presence

North America

Spokane, Washington, USA

Contract Manufacturing Facility of Sterile Injectables & Non-sterile Products and Allergenic Extracts - Approved by USFDA, UK MHRA, PMDA, ANVISA Brazil

Salisbury, Maryland, USA

US FDA approved facility for Generic Dosage Forms

Bedminster, New Jersey, USA

Clinical Research Centre
Marketing Office

Raleigh, North Carolina, USA

Clinical Research Centre
Marketing Office

Montreal, Quebec, Canada

US FDA approved facility for Contract Manufacturing of Sterile Injectables & Non-sterile Products and Radiopharmaceuticals

Europe

Merelbeke, Belgium

Regulatory & Generic Marketing

Dusseldorf, Germany

Jubilant Clinsys
Europe Office

India

Noida, Uttar Pradesh, India

Corporate Office & R&D Centres

Gajraula, Uttar Pradesh, India

Largest integrated Pyridine & its derivatives facility in the world

Roorkee, Uttarakhand, India

US FDA, UK MHRA approved facility for Solid Generic Dosage Forms

Samlaya, Gujarat, India

Animal Nutrition Products

Bharuch, Gujarat, India

SEZ for Vitamins, Crop Science Chemicals and Pyridine derivatives

Ambernath, Maharashtra, India

Exclusive Synthesis of Pyridine derivatives

Nira, Maharashtra, India

Life Sciences Chemicals

Bengaluru, Karnataka, India

State-of-art Discovery Centre

Nanjangud, Karnataka, India

US-FDA, AFSSAPS-France, PMDA-Japan, COFIPRES-Mexico, KFDA-Korea and ANVISA-Brazil approved API manufacturing facility

Kolkata, West Bengal, India

Healthcare Services

China

Shanghai, China

Marketing Office

Global Leadership Positions

Life Science Products

- Globally No.1 in Valsartan, Carbamazepine, Oxcarbazepine, Lamotrigine and Pinavarium Bromide and No.2 in Citalopram, Risperidone APIs
- Globally No.1 in Pyridine and 14 Advance Intermediates
- Globally No. 3 in Vitamin B3 (Niacin and Niacinamide)
- Globally among top 3 in several Generic dosage forms
- Leader in I-131 Radiopharma product in USA
- Globally among top 3 Allergy therapy companies

Life Science Services

- Leading player in North America in CMO for Sterile injectables
- Leading player from India in Drug Discovery & Development Solutions

The activities for a green field project at Bharuch started this year, however, will be commissioned during next year. These manufacturing units in three different countries including India holding direct relevance to sustainability issues. The Jubilant Hollister-Stier Laboratories LLC, **Spokane**, Washington and Jubilant Cadista Pharmaceuticals Inc., **Salisbury**, Maryland are situated in USA whereas Jubilant Hollister-Stier Contract Manufacturing and Jubilant DraxImage Inc. is one unit in Kirkland, Montreal, Quebec, Canada. During last year's reporting these units were mentioned as NA (North America) Units. However, this year these are separately mentioned as Spokane, Salisbury and **Kirkland** Unit in this report.

The Company's success so far is an outcome of its strategic focus on the pharma and life sciences industry, moving up the value chain for products and services across geographies, constantly investing in various growth platforms and promoting a culture of innovation.

Over the years, the Company have extended its footprint beyond India in the USA, Canada, Europe, and other countries across the globe. Jubilant has expanded its business by building capabilities internally, through strategic build outs and acquisitions, resulting in a network of world class manufacturing facilities in India and North America and a team of more than 5700 people across the globe with approx. 1250 in North America.

The Company's product line in detail is given below;

Life Sciences Products

Life Science Ingredients

Active Pharmaceutical Ingredients (API)

- Provides bulk drugs to generic pharma companies
- Focus on therapeutic segments - CVS, CNS, Gastro-intestinal and anti-infectives

Nutrition Ingredients

- Leading provider of nutritional ingredients for pharma, human and animal applications such as Niacin, Niacinamide and Choline Chloride

Proprietary Products & Exclusive Synthesis

- Custom manufacturer of advanced intermediates, innovator active ingredients & preparatory products to global pharma and agrochemical companies
- Service offerings include route design, process development & analytical method development

Life Science Chemicals

- Product supplies to Life Sciences industry such as Acetic Anhydride and Ethyl Acetate

Generics

Solid Dosage Form

- Provider of high quality finished dosage forms (tablets and capsules)

Radiopharmaceuticals

- Development, manufacture and marketing of radiopharmaceutical products for diagnostic and therapeutic use

Allergenic Extracts

- Major therapeutic and diagnostic extracts for allergy derived from pollens, animals and stinging insects venoms

• Life Sciences Services

CMO – Sterile & Non Sterile Products

- CMO services for Lyophilized products, liquid fills, biologics, suspensions and WFI / diluents and clinical trial quantities
- CMO services for ointment, cream and liquid

Drug Discovery & Development Solutions

- Providing integrated Drug Discovery and Development Solutions to global pharma and biotech companies
- Discovery Research: Target to IND, functional services, medicinal chemistry and scale up synthesis
- Clinical Research: Integrated from Phase I to Phase IV in US, Europe and India
- JV with Lilly for managing drug development from Pre-clinical to Phase II – proof of concept

Others

- Providing affordable high-quality healthcare services in West Bengal, India.

The Company's multi-location presence helps to get closer to customers and serve them better with the best in class products developed most efficiently, economically and on time. Jubilant exports products in international markets to customers in more than 60 countries outside India. The Company has marketing subsidiaries in the United States and in China to effectively penetrate these major markets.

The Company also has many subsidiary companies. Some of these are;

- Jubilant Clinsys Limited (Formerly Clinsys Clinical Research Limited)
- Jubilant Biosys Limited
- Jubilant Chemsys Limited
- Jubilant First Trust Healthcare Limited
- Jubilant Infrastructure Limited
- Jubilant DraxImage Limited (Formerly DraxImage India Limited)
- Jubilant Cadista Pharmaceuticals Inc. (Formerly Cadista Pharmaceuticals Inc.)
- Jubilant HollisterStier LLC (formerly Hollister-Stier Laboratories LLC)
- Jubilant DraxImage Inc. (Formerly Draxis Specialty Pharmaceuticals Inc.)

The Company believes in continuous improvement of its products and processes to enhance the quality of the production and cost competitiveness in order to build value for its customers. The Company serves Pharma and agrochemical industry across the globe in over 60 countries namely, America & Europe, China, Asia & others and India markets and has strong relationships with 19 of the Top 20 Pharma companies, and 7 out of the top 10 Agrochemical companies world-wide. The revenue from America & Europe, China, Asia & others and India markets was 53.9%, 9.5%, 5.6% & 31.0% respectively.

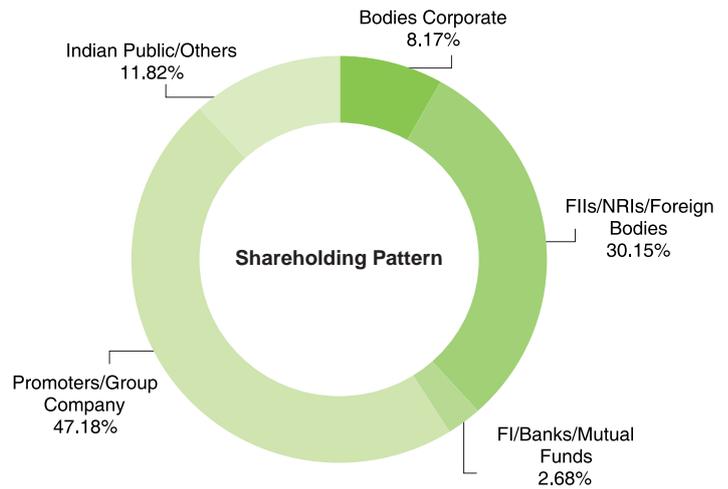
The Board of Directors of Jubilant Organosys Ltd. (Jubilant Organosys) approved the scheme of amalgamation of Speciality Molecules Limited (SML), a wholly owned subsidiary of Jubilant Organosys and Pace Marketing Specialties Limited (PMSL), an exclusive contract manufacturer for adhesives of Consumer Products Division of Jubilant Organosys. The Board also approved the scheme of the demerger of Agri and Performance Polymer business (APP) in July 2010. The Board also approved the scheme of the demerger of Agri and Performance Polymer business (APP).

To further sharpen Jubilant Organosys as a Pharma and Life Sciences entity, and to pursue growth opportunities for both the businesses independently, the Agri & Performance Polymer business was demerged as Jubilant Industries Ltd. whereas the name of Jubilant Organosys was changed to Jubilant Life Sciences Ltd.

As per the scheme the existing shareholders of Jubilant Organosys got 1 share in demerged Company for every 20 shares held in Jubilant Organosys. The Company strongly believes that the merger of SML will be a synergistic integration of business and will improve the managerial & operational efficiencies. The demerger of the Agri & Polymer business will focus the Company as a Life Science entity.

The total headcount of Jubilant Life Sciences Limited was 5,748 as on the end of the financial year 2010-11. The bifurcation of the total headcount includes executives & workers across the globe for the manufacturing units and subsidiaries.

The Company had some major changes in its operations in the financial year 2010-11 due to demerger activity. The Company is now a separate entity with a focus on Life Sciences sector; the consolidated debts of the Company were ₹ 39245.21 million. The Company will continue to grow with support from stakeholder and shareholders, the paid up capital for the reporting period was ₹ 159.30 million. The Company has strong assets and financials comprising of Fixed Assets, Investments and Current Assets (net of current liabilities and provisions) were ₹ 46688.11, ₹ 327.52 and ₹ 16082.34 million respectively. The shareholding pattern of the Company is given.



The total production of the Company in Indian units during the reporting year was 342482 MT and more than 75 million tablets & capsules. The revenue for the Company for the financial year 2010-11 was ₹ 34334.04 million. Jubilant Life Sciences is a Public Limited Company with global operations. The footprint of the products and services offered by the Company is extended to more than 60 countries across the globe. The business for the Company is mostly from countries outside India. Europe and North America are the major contributors to the revenue from international business. The business from America & Europe, China, Asia & others and India markets was ₹ 18504.50, ₹ 3272.85, ₹ 1913.74 and ₹ 10642.95 million respectively.

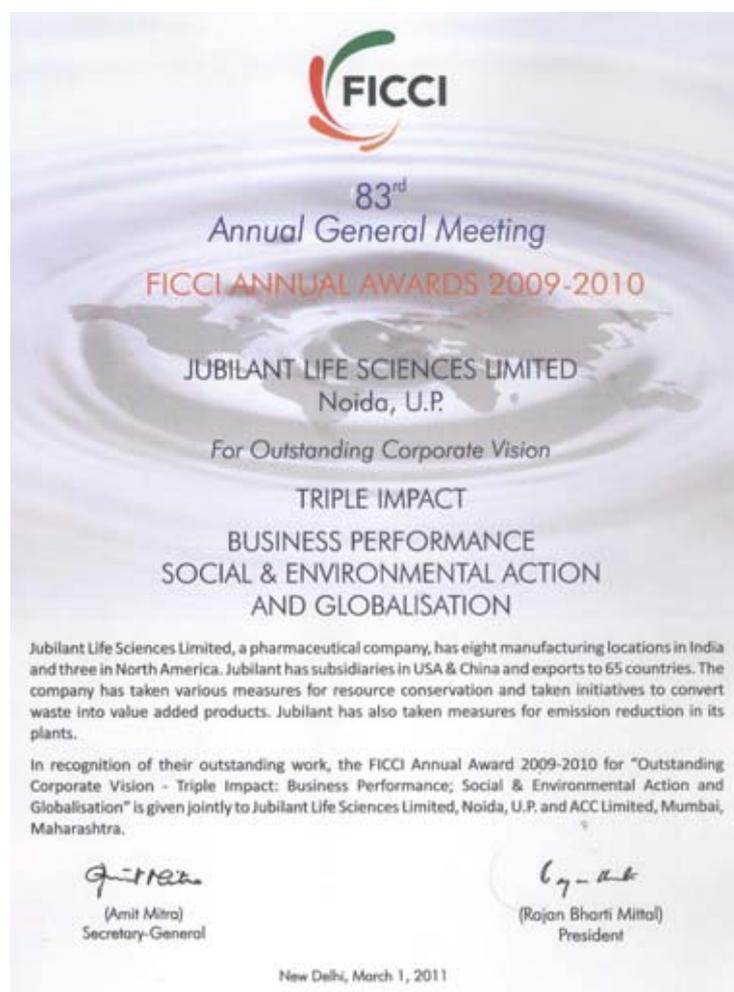
The business from America & Europe, China, Asia & others and India markets was ₹ 18504.50, ₹ 3272.85, ₹ 1913.74 and ₹ 10642.95 million respectively.

The Company is strengthening focus on economics as one of the important pillar of sustainable development including environmental, safety, social performance and governance.

Awards

The Company has received many recognition and awards from various Industry Associations, Institutions and T during this reporting year. These are;

- CII- Southern Region - EHS Award 2010 - First Place for Excellence in EH&S systems, Nanjangud Unit , among Medium scale industries
- The Institution of Engineers (India) – Delhi State Chapter Safety Innovation Award 2010 for implementing Innovative Safety Management Systems for Nanjangud Unit
- CII-Sohrabji Godrej Green Business Centre National Award 2010 for Excellence in Water Management for Nanjangud Unit
- The Economic Times - Frost & Sullivan India Manufacturing Excellence Award 2010 'Gold Certificate of Merit' for EOU facility Gajraula Unit
- CII-ITC Sustainability Awards 2010, Certification of Commendation for Strong Commitment to Excel on the Journey towards Sustainable Development
- Gold ABCI Awards 2010 for Communication efforts for e-newsletter
- Frost & Sullivan Award 2010- Indian Contract Research Organization of the Year to Jubilant Biosys Ltd.
- Bronze ABCI Awards 2010 for CSR Communication
- World Environment Foundation Golden Peacock Environment Management Award 2010 for Nanjangud Unit
- FICCI Annual Award 2009-10 for Outstanding Corporate Vision : Triple Impact - Business Performance, Social & Environmental Action and Globalization
- Ernst & Young Entrepreneur of the Year 2010 for Life Sciences & Consumer Products to Mr Shyam S Bhartia, CMD and Mr Hari S Bhartia, CCMD
- CII-Sohrabji Godrej Green Business Centre Environmental Best Practices Award 2011 under Most Innovative Environmental Project for the Co-processing of Hazardous waste for Nanjangud Unit
- CII-Sohrabji Godrej Green Business Centre Environmental Best Practices Award 2011 under Most Useful Environmental Project for the Co-processing of Hazardous waste for Nanjangud Unit
- Golden Peacock Innovation Award 2011 for Research & Development Centre, Noida
- Manufacturing Excellence Award 2010, from Association of Washington Business, to Jubilant Hollister-Stier, Spokane Unit.
- Syngenta Supplier Award 2010 for Health, Safety and Environment



The details of few awards

Association of Business Communicators of India GOLD and BRONZE awards for Communication

The Association of Business Communicators of India (ABCI) awarded Gold Award to Jubilant Life Sciences for its newly launched E-zine 'Symphony' developed for the employees globally by Corporate Marketing and Communication. Additionally, the Company also received a Bronze Award for its Social Responsibility Communication, a brochure developed for Jubilant Bhartia Foundation the social responsibility arm of Jubilant Bhartia Group. The 50th ABCI Annual Awards Nite, held in Mumbai and was attended by the leading professionals of the Corporate Communication and Advertising world.

This is the first time that Jubilant has received awards for Corporate Communication. Ms. Seema Ahuja, Vice President, Corporate Marketing and Communication, received these awards on behalf of the Company.



Gajraula awarded Gold Certificate of Merit

The Gajraula unit was conferred with the "Gold Certificate of Merit" at the Economic Times – India Manufacturing Excellence Awards, 2010. The EOU facility in the current year scored 828 points out of 1200, a whopping 200 points over its previous years score. The unit was acknowledged for its progress towards Lean methodology for the EOU facility comprising Pyridine – Beta Picoline, Acetaldehyde, Formaldehyde, and CDFP plants. The felicitation ceremony was held in Mumbai in December 2010.

On behalf of Jubilant, Mr. Vinod Trivedi, Sr. Vice President - Manufacturing & Unit Head and Mr. Anurag Varshney, Senior Manager, EOU received the award.



Institution of Engineers Award

Jubilant, Nanjangud Unit was awarded "Safety Innovation Award 2010" by Delhi State Chapter of The Institution of Engineers, India during the Safety Convention 2010 held at Delhi. This prestigious National award for Innovative Safety Managements Systems followed in the plant for ensuring highest level of Industrial Safety. The Award included a Plaque and Certificate was accepted by Mr. Krishan Kumar Sharma – Associate Vice President and Mr. Arpit Nanavati – Deputy General Manager on behalf of the company.



It was a proud moment for the staff of Nanjangud that CII-Chennai awarded Jubilant Life Sciences Limited, Nanjangud Plant First Place for Excellence in EH&S systems among Medium scale industries. Mr. Suresh Prabhu, former Minister for Environment & Forests presented the award to Mr Ravindra Kamath, Associate Vice President - EHS on behalf of the company.



4.0 Report Sketch and Assurance Statement

The Economic, Environment and Social performance of the period April 2010 to March 2011 of the Company is reported in this Corporate Sustainability Report.

Jubilant Organosys Ltd. has been publishing its Corporate Sustainability Report since 2003. The previous Corporate Sustainability Report was published in August 2010. This report was titled as "Partner of Choice to Life Sciences Companies" and received A+ accreditation by GRI. The report is posted at Company's and GRI website. However, the Company name has been changed to Jubilant Life Sciences Ltd. and this is first report in the name and style of Jubilant Life Sciences Ltd. The Corporate Sustainability Report of the Company is published annually and distributed to its key stakeholders as well as to shareholders along with the Annual Report of the Company.

The Corporate EHS and Sustainability group is involved in compilation of the data and report for all its manufacturing units in India and Abroad. These details are collected on a regular basis and recorded through Management Information System. The data presented is verified by internal and external audits. However, for any clarifications or queries the contact person of the Company is Dr. Yogendra Kumar Saxena, Chief of EHS & Sustainability, the address for communication/feedback is as follows;

Jubilant Life Sciences Limited

1-A, Sector 16-A,
Noida 201 301
Gautam Budh Nagar
Uttar Pradesh, India
Phone: +91 120 2516601-11
Email: sustainability@jubl.com

The long term Sustainability is pivotal to Company's business decisions; in particular those related to the Environment and demand of resource efficiency. Utilizing a development frame work to external change and processes facilitate endurance of the Company while managing the instability of change.

Sustainability reporting recently got the most complete guidance ever in the form of GRI's G3.1 Sustainability Reporting Guidelines, launched on March 23, 2011. The G3.1 Guidelines include updated guidance on critical issues – human rights, gender and community. Jubilant was already reporting the sustainability measures, initiatives and performance therefore decided to use the current G3.1 Guidelines. The new version enables the Company to be transparent on a wider range of Sustainability issues.

The Company's materiality matrix identified key issues to be responded as corporate strategy. However, prioritization of issues was conducted through engagement with key stakeholders. The purpose was to prioritize the materiality of outcomes for management attention and further action. However, the Company decided to report on all the Core and Additional Indicators of GRI G3.1 Guidelines because this represents essential facet of Sustainability.

The Company reporting has also touched upon the Principles of United Nations Global Compact (UNGC) as per GRI Reporting Framework. The Millennium Development Goals (MDGs) of United Nations details are also part of this report. All the operational units in India and North America which have significant sustainability impacts have been included in this Corporate Sustainability Report. However, only financial and HR information has been included for Green field project being set up in Special Economic Zone (SEZ) Bharuch, Gujarat.

The emissions due to travel of employees or contract manufacturing i.e. Scope 3 emissions are not included in the total emissions reported due to non availability of reliable data.

The basis for reporting on the subsidiaries is same as previous year and will not have any significant affect on comparability from period to period. However, due to demerger of the Company there is variance in comparability of data. The data reported may vary and not comparable due to demerger of Jubilant Industries Ltd. because few units were earlier the part of reporting units of Jubilant Life Sciences.

The compilation of data has been done on the basic scientific measurement & mathematical calculus methods on actual basis. But in some cases where actual data is unavailable due to some reason, different logical methodologies are used for calculations. The usage of any such method is mentioned at respective places in the report.

There are re-statements of the information provided in earlier report. In 2009-10, it was reported that effluent from NA units is discharged to municipal drain after treatment. However, the effluent from Spokane unit is discharged to municipal drain but effluent from Salisbury and Kirkland Unit is sent to common effluent treatment facility for treatment and disposal as per regulatory requirement. The energy calculations for Salisbury for Natural Gas for previous years (2008-09 & 2009-10) have been revised as the standard unit for measurement of the quantity of gas, which was calculated with an error and has been corrected in the present report.

Further, the finance, emission, effluent data will not be comparable to previous year due to demerger of the Company. However, the effluent, solid waste etc. of demerged Company i.e. Jubilant Industries Limited is being treated at Jubilant Life Sciences facilities of Gajraula and Samlaya. An agreement has been signed between these two companies for treatment and disposal. Where ever required the figures have been regrouped /rearranged. There are no significant changes in scope and measurement methods applied and the reporting period.

The Company started its Sustainability journey in 2003, and all the Corporate Sustainability Reports were externally assured since then. The Company follows the same practice for external assurance this year also.



Ernst & Young Pvt. Ltd.
 Golf View Corporate Tower-B
 Sector-42, Sector Road
 Gurgaon-122 002. Haryana. India
 Tel: +91 124 464 4000
 Fax: +91 124 464 4050
 www.ey.com/india

The Management and Board of Directors

Jubilant Life Sciences Limited

1-A, Sector 16-A

NOIDA 201301

Uttar Pradesh, India

Independent Assurance Statement

Jubilant Life Sciences Limited (the 'Company') has engaged Ernst & Young to provide an independent assurance to its Corporate Sustainability Report (the 'Report') for the financial year 2010-2011.

The Company has stated in the Report that it is prepared based on GRI G3.1 guidelines. The development of the Report, its content, and presentation is the sole responsibility of the management of the Company. Our responsibility, in accordance with our terms of engagement with the Company, is to provide independent assurance to the report contents. However, this assurance report should not be taken as a basis for interpreting the Company's performance across the scope of issues covered in the Report. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance any such third party may place on the Report is entirely at its own risk.

Assurance standard

Our assurance is in accordance with International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), and our conclusions are for 'limited' assurance as set out in ISAE 3000.

Scope, limitation and methodology of assurance

The scope of our work for this assurance engagement was limited to verification of information pertaining to environment, health & safety (EHS) and social performance for the year 1st April 2010 to 31st March 2011.

The scope was limited to review and verification of the Report contents on a sample basis, and general review of the logic of inclusion / omission of necessary relevant information / data as provided below:

- Review of the Report for any major anomaly within the report and between the report and source data/information;
- Review of the transcription of the data internally verified by the Company;
- Execution of an audit trail of selected claims and data streams to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Review of the Company's plans, policies and practices, so as to be able to make comments on the completeness of reporting and the degree to which EY believes the report provides a fair and honest representation of the Company's business;

We have not performed any review of the 'economic performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records. The assurance scope excludes the Company's statements which are generic assertions, expression of opinion, belief, aspiration, expectation, aim or intention indicated by the Company.

The engagement was performed by our multidisciplinary team of professionals in the field of environment, health, safety (EHS) and social matters, who visited the corporate office at Noida and three manufacturing locations at Gajraula (Uttar Pradesh), Roorkee (Uttarakhand) and Salisbury (North America) for reviewing and verifying the information and data trail; information and data trail evidences pertaining to the other manufacturing facilities were made available to us at Company's Corporate Office at Noida.

Conclusions

On the basis of our procedures for this limited assurance, nothing has come to our attention that causes us not to believe that:

- the Company is concerned about environment, health & safety (EHS) and social issues pertaining to its business activities,
- the systems and procedures applied by the Company for collection, collation and interpretation of non-financial data on EHS and social performance parameters for inclusion in the Report are reliable.

Independence

As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAG) Code of Ethics for Professional Accountants. EY's independence policies and procedures ensure compliance to the Code.

Ernst & Young Private Limited

Sudipta Das

Partner

Gurgaon, India

Dated: 10 June 2011

5.0 Corporate Governance



The Corporate Governance refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations i.e. the Stakeholders. Well-defined and enforced corporate governance provides a structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards and best practices as well as to formal laws.

Corporate Governance is a tradition and a way of life at Jubilant. The Jubilant Promise is Caring, Sharing, Growing. This Credo Succinctly sums up the basic Corporate Governance principles. This is;

- Caring for Environment which includes the surroundings around the Company's manufacturing units
- Sharing Economic value with transparency and accountability
- Growing with stakeholders for inclusive growth

The highest governing body responsible for framing and implementation of corporate governance policies is the Board of Directors of the Company. The Boards objectives are to create sustainable value for stakeholder, provide vision to the Company and oversee the implementation of management's decisions. The Board has created a culture of transparency throughout the organization as well as a spirit of constructive criticism for the success of the Company. The Jubilant's Corporate Governance System includes;

- Well represented Board of Executive, Non-executive and Independent Directors
- Several committees for audit, remuneration, investors, grievances etc.
- Code of Conduct for Employees, Senior Management and Directors
- Code of Conduct for prevention of insider trading
- Robust risk management framework
- Regular communication with Shareholders
- Comprehensive Sustainability Management System

Further, the Board has delegated operational powers to the Chairman & Managing Director and Co-Chairman & Managing Director for smooth operation of the business. The Board of the Company has ten Directors and six of them are non-executive and independent. The Non-executive Directors are not associated with the Company in any executive capacity. The independent director does not have any material pecuniary relationship with the Company and only receives remuneration. All the Members of the Company' Board are male and most of them are above fifty years of age.

The Company also has various Board level Committees to meet regulatory requirements by the Board. Some of these committees are Investors Grievance Committee, Remuneration Committee, Finance Committee, Compensation Committee and Audit Committee.

There are several Executive Committees comprising of Managing Director/Whole Time Director and Senior Executives of the Company. These include Supply Chain Committee, Purchase Committee, Business Performance Review Committee, Capex Committee and Credit Control Committee.

However, in order to integrate sustainability, a Sustainability Committee has also

been formed at Board level during this year. This committee will identify risks and opportunities, review and guide on issues related to Sustainability and mitigation of Climate Change.

The Chairman and Managing Director (CMD) and Co-Chairman and Managing Director (CCMD) are highest Executive Officers of the Company. Both of them belong to the promoter group and have led the Company to its present growth and success. The Company has extended its operations globally under their guidance and leadership and stands prominently on the industry's world map in few of the businesses. The Chief Executive Officers of various businesses are responsible for smooth functioning of their respective businesses and they are placed at one level below the Board. This also includes the development of business strategies as well as due consideration of the interests of stakeholders. The business strategies and plan are reviewed during the Annual Strategy Meet by CMD, CCMD, Executive Directors and CEOs. The Global Management Team of Jubilant is presented below.

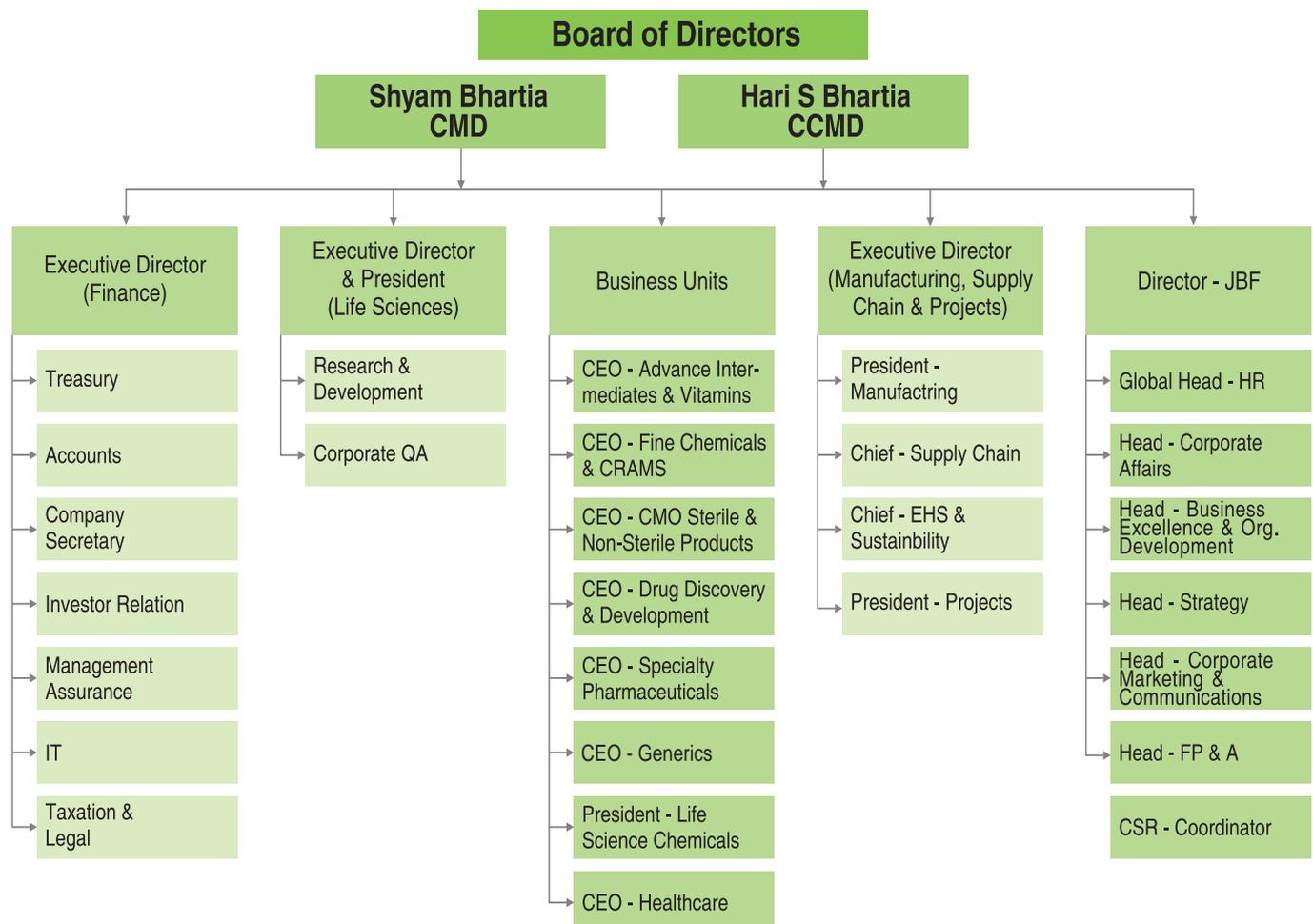
The Company is continually working to improve the quality of service for its shareholders. An annual feedback from shareholders regarding the quality of services rendered to them is obtained. The Shareholders can also give their feedback by filling the on-line Investor Feedback Form available on the Company's website.

The feedback is regularly evaluated by the concerned Company officials and action is taken as per the need. As per the statutory requirements annual Shareholders meetings are also convened. The shareholders also have an opportunity to share their valuable suggestions /ideas with directors during Annual General Meeting.

In continuation with Company's efforts to make Jubilant one of the best places to work the Gallup Employee Engagement to gauge the organization's health was continued this year too. This survey suggests to track the proportion of engaged to actively disengaged employees and the reasons for the same. The Key Deliverables of this survey are to:

- Understand the changes in dimensions of employee engagement
- Analyze the change experienced by teams in terms of culture.

Global Management Team



There has been drastic improvement in the Employee Engagement scores and productivity improvement through this initiative. The Company is committed to understand the views of the employees and ensure appropriate actions to address their expectations.

Due consideration and suitable actions are taken to the suggestions/ideas of the shareholders and employees. However, this is subject to the extent found practicable, appropriate and in the interests of the Company. In addition, where the shareholders have expressed their opinion through mails to the Company Secretary, the same are forwarded to the concerned authorities for necessary action. The minutes of the meetings of members are prepared as per requirements of law and as such, inputs received in the General Meetings are not mentioned.



The quarterly results of every quarter are voluntarily e-mailed to all shareholders whose e-mail ids are available. In addition to mailing hard copy of Notice of Annual General Meeting and Annual Report to shareholders, during the year, the Company had also sent soft copies of these documents to those shareholders whose e-mail ids were available as a voluntary initiative which is well appreciated by the shareholders.

The remuneration of CMD and CCMD is paid as recommended by Remuneration Committee and the approved by the Board and Shareholders. A sitting fee is paid to the Directors to meet the expenses incurred by them in attending the Board meetings, which are also approved by the Board of Directors and is in accordance with Government guidelines. The non-executive directors are also paid commission on an annual basis. This is to compensate them partially for the time and effort put in by them in the interest of the Company. This commission is subject to the approval of Board and Shareholders.

The compensation policies the Company's executive are structured in line with the current industry standard and business practices with the aim to retain and attract the most excellent talent as the Human Resource is an important element for the Sustainability of the Company. The appraisal system practiced is comprehensive in nature and consists of four parts including three non-financial parameters. In fact, the compensation paid to the Company's executives clearly reflects as per their achievements on non-financial parameters as well as for financial goals.

There is no formal written policy for conflict resolution in the Company. However, the conflicts are resolved through informal discussions in case of senior management. However, if any conflict is unresolved, the following approach is adopted in the Company:

- Analyze or review the situation of conflict
- Organize meeting jointly with the concerned party to know their perspective
- Reconcile through the involvement of other senior executives

In case, it is not possible, to solve the conflicts the matter is dealt by senior persons/outside reputed persons. However, no such cases occurred during the year.

There is no formal procedure for appointing members of the Board. However, assessment is carried out to ensure that proper balance is in place at the strategic level while determining the composition of the Board. For appointing a new director, suitable candidates are short-listed, based on the criteria set by the Board, including the expertise or specialization. However, the final authority for selection lies with the Board.

Sustainability is both a tradition and a way of life in the Company. The Company has built a strong sustainable business model through consistent organic growth and in-organic expansion by acquiring niche businesses in developed markets like USA, Canada and Europe.

The Promise, Vision and Values statements of the Company are also adopted by businesses and other functions. There are several internally developed policies and codes adopted by the Company for good corporate governance. Few of these include:

- Whistle Blower Policy
- Sustainability Mission
- Climate Change Mitigation Policy
- Environment, Health and Safety Policy
- Green Supply Chain Policy
- Quality Policy
- Code of Conduct for Employees
- Code of Conduct for Directors and Senior Management
- Child Labour Policy
- Policy on Forced and Compulsory Labour
- Bribery and Corruption Policy
- Conflict of Interest Policy
- Freedom of Association Policy
- Policy on Prevention of Sexual Harassment
- Non Discrimination Policy

The details of Corporate Sustainability of the Company covering Policies, Corporate governance, initiatives for Social responsibility, Awards and Corporate Sustainability Reports since 2003 are posted on Company's website www.jubl.com. This is one more effort for engagement with stakeholders. The stakeholders can contact through email and other contact details are also given on the website.

The Board of Directors has constituted few committees of Directors with adequate delegation of powers to discharge the business of the Company for the betterment of triple bottom line performance. Committees are appointed by the Board with the consent of Individual Directors. These Committees meet as often as required. Each committee has own charter with goals and responsibilities. However, a Sustainability Committee has been formed at Board level during this reporting year. The Sustainability Committee comprises of three Executive Directors and one Non-Executive Independent Director of the Board. The Committee oversees the performance of Company on Environmental, Economic & Social issues and Company's initiatives for mitigation of Climate Change.

The other committees e.g., Capex Committee, Supply Chain Committee and Functional Review Committee have been constituted with EDs, and senior officials as members for various important operational and functional areas including EHS performance review. The meetings of these Committees are held periodically, depending upon the business exigencies.

The Company has not adopted a formal method for evaluating the performance of non-executive Board members. The performance evaluation of the executive members is based on the results achieved in their respective areas. The Company continued its focus for good governance. The Sustainability committee constituted at the Board level will further strengthen Company's effort on sustainability.



6.0 Commitments to External Initiatives

The Company is aware of its responsibility towards precautionary principle and prepared to take necessary action to address the same. The Company takes initiatives to reduce environmental load from its operations by regularly improving processes through R&D. Few example of Company's commitment to External Initiatives are;

Eco-friendly Process Development: One such effort during the year was developing an innovative vapour phase catalytic air oxidation process for Niacin production has been developed by the Company's own R&D laboratory. This project namely "Niacin by vapour phase catalytic oxidation of β - Picoline," involved fixed bed catalytic reactor was awarded Golden Peacock Innovation Award 2011 for Jubilant's Research & Development Centre, Noida. This process is continuous, cost effective, and environment-friendly. The catalyst is robust, re-generable with high selectivity and long life.

Defect Reduction: At Jubilant Hollister-Stier, Spokane Unit, USA a system was developed for Defect Reduction. The main objective of this project was to reduce wasted time, scrap generation and address quality issues to improve profitability and competitiveness. Efforts were also made to make the process error proof and prevent error failure by alarm and timer. The control charts for seal inspection were also implemented at tray-off to monitor and control poor over seals before affecting the entire batch. The Total Productive Maintenance (TPM) techniques were used on vial rinser to increase uptime and prevent issues before resulting in untoward incident.

Cost Reduction: Another project for Cost Reduction by Improved Pipette Aids in Small Lot Manufacturing (SLM) to reduce non-value added steps for usage of pipette handles in SLM and improve quality was implemented at Jubilant Hollister-Stier, Spokane unit, USA. The DMAIC system i.e. Define Goals, Measure, Analyse, Improve & Control was adopted to;

- Increase efficiency with preparation and usage
- Decrease the amount of time for maintenance spent on repairs.

However, the savings for SLM is not only monetary but it has improved the process efficiency.

AWB the Manufacturer of the Year Award for Jubilant HollisterStier

The Association of Washington Business (AWB), formed in 1904 is Washington's oldest and largest statewide business association and includes more than 7,000 members representing 650,000 employees. AWB serves as both the state's chamber of commerce and the manufacturing and technology association. Recently, AWB awarded '2010 Manufacturer of the Year' award to Jubilant HollisterStier Contract Manufacturing, during Annual Manufacturing Excellence Awards ceremony. This prestigious award is a testament of the excellent manufacturing standards observed at the complex operations of the Company at its Spokane unit.

Speaking on the occasion, Marcelo Morales, Chief Executive Officer of the Company said that this award recognizes the excellence achieved by the unit in its complex manufacturing operations, keeping in mind the needs of its various customers. The Company aims at achieving customer satisfaction through focus on quality and innovation, process optimization and delivering value at every step. The constant efforts in the areas of corporate social responsibility and employee engagement have helped the Company gain this recognition and dedicated this award to the hard work and commitment of the people at Spokane Unit.

The selection criteria for this honor include the manufacturer's economic impact, productivity/ quality improvements, corporate social responsibility efforts and workforce excellence. Washington State houses over 7,500 manufacturers and through this award, Jubilant HollisterStier joins several multi-billion dollar Washington-based manufacturers who have previously been honored.



Process Improvement: The Media Fill Process Improvement Project of Spokane Unit of the Company is another example of precautionary approach. The objective of the project was to evaluate the quantity of Media Fills executed, minimize the Media Fills quantity to free up production time in the PIC schedule, provide process consistency improvement in all HollisterStier process simulations (Media Fills) and improve BPR documentation as per LEAN principles which will reduce review time and build in quality.

Some of the actions taken were implemented during the reporting year to implement the project with desired objectives are given below:

- Establishment of SLM Media Fill Teams;
- Establishment of mandatory SLM Interventions;
- The BPR flow specific were aligned to the handling department then interventions were tracked through qualified personnel;
- A detailed list of the personnel and room/area interventions was provided;
- The glass and solution accountability were aligned with the product manufacturing processes;
- SLM and SVP were aligned to a consistent flow and solidify a clear matrix approach to SLM processes.

Some of the benefits of this project include extra capacity creation in SLM area, cost reduction for media fills and reduce defects in documentation.

Business Excellence: At Jubilant Hollister-Stier, Kirkland Unit, Canada, it was an endeavour to optimize the total cost across the value chain. This unit is engaged through its business excellence initiatives to reduce the total cost of acquisition for all materials and services used in production, laboratories & maintenance. It is worthwhile to mention that cost reductions are achieved within the stringent regulatory parameters, without compromising the value to customers and environment.

The strategy was focused on establishing long term partnership with companies that are leading players in their industries and brings value added solutions such as VMI (Vendor Managed Inventory) and best-in-class processes in order to optimize cost and minimize inventories for the Company. This approach has resulted better Supply Chain Management for the Unit. This system also ensures the procurement from the responsible suppliers. The Company has remained focused on the cost competitiveness strategy, and it is sustained by:

- Investing in the processes, tools and training to achieve greater productivity;
- Focusing on efforts on better serving the most strategic customer segments;
- Seeking better commercials terms from partners.

Samlaya Business Excellence Initiatives Awarded

Jubilant continuously strives to innovate and improve. The efforts in process and product improvement have been instrumental in paving the Company's path to success. The Company was awarded Innovation in Business Process" Award by the Baroda Management Association (BMA) for its business excellence work at its Manufacturing facility at Samlaya. Mr. Nitin Bhatia, Manager Business Excellence received the award on behalf of the Company.

The Company follows several externally developed and voluntary initiatives in the areas of Economic, Environmental and Social performance. The manufacturing units of the Company in India namely Gajraula, Samlaya, Nanjangud and Nira are certified to ISO 9000, 14001 and OHSAS 18001 i.e. Quality Management System, Environmental Management System and Occupational Health and workplace the safety system respectively.

The approvals such as USFDA, AFSSAPS –France and PMDA -Japan has also been obtained for Nanjangud and Roorkee Units as required. The Company has adopted the global harmonise system for providing safety information regarding the products. The Company is signatory to 'Responsible Care' initiative of chemical industry. The Company continues its support to the Global Reporting Initiative, The Netherlands as an Organisational Stakeholder. As an effort for Sustainability, Company took the membership of United Nations Global Compact (UNGC), Network India to continue to abide by the ten principle of UNGC and disclosed the Green House Gas Emission through Carbon Disclosure Project, UK.

The Company continued working with the community around the manufacturing units as a focus area for the social initiatives. The Company tries to align its efforts with the Millennium Development Goals (MDGs) of the United Nations and make contributions in whatever way possible.

Jubilant Life Sciences is a member of several national and international associations. The Company is represented in governance bodies and committees in main Industry Associations. The Company does not provide substantial funding to these associations. However, it does support specific projects/trainings/seminars of these associations. The Company is a member of Confederation of Indian Industry (CII), Federation of Indian Chamber of Commerce & Industry (FICCI), All India Distillers' Association (AIDA), PHD Chamber of Commerce & Industry (PHD CCI) etc. The Company is also Organisational Stakeholder member of Global Reporting Initiative, The Netherlands.

The Salisbury Unit is a member of the Salisbury Chamber of Congress. The Kirkland Unit, Quebec, Canada is a member of several associations such as The American Chemical Society, The Parental Drug Association, The American Society of Nuclear Cardiology etc. However, the Company joined hands for activities on Sustainability and climate Change Mitigation to spread awareness throughout the year with various industry associations, interested groups as well as with people in the vicinity of the plant. These details are given in subsequent chapters. The Company was well represented to above Industry Associations and CCMD was the President of Confederation of Indian Industry during 2010-11. Though, the CCMD participated at many meetings as President but the association of CCMD was in the interest of the country and Industry Association. Few examples of Top Management engagement with Industry associations are as follows;

Annual Meeting of the New Champions 2010

The Annual Meeting of the New Champions, of the World Economic Forum held in September 2010 at Tianjin, Peoples Republic Of China. This forum brought together emerging global leaders and Mentors to share their knowledge and perception that comes only with experience. The theme for annual meeting was “Driving Growth through Sustainability”, an opportunity that confronts every business, government, civil society organization and individual. Mr. Hari S. Bhartia, Company’s Co-Chairman and Managing Director, spoke on the topic of ‘How sustainability will become both a societal and business imperative in the 21st century and how the sustainability imperative will transform companies, industries and countries’. Mr Bhartia, a Mentor for this Annual Meeting of the New Champions also shared the views with growing global companies on how to translate a country’s innovation challenges into commercially viable business opportunities.



Annual Meeting of the World Economic Forum, January, 2011, Davos, Switzerland

The meeting of the World Economic Forum in Davos-Klosters is perhaps best known to the world at large simply as “Davos”. The Annual Meeting provides a rethinking of the systems and exploration of strategies and solutions that have positive transformational implications. For more than four decades, the meeting has provided leaders from industry, government, academia, civil society and the media with an unrivalled platform to shape the global agenda and catalyze solutions at the start of each year.

Large delegation from business, government and civil society leaders from around the globe discussed about the sustenance of India’s inclusive growth, the team managers under the leadership of Mr. Hari Bhartia, the Company’s Co-Chairman and Managing Director

& President, CII did a great job in promoting India as a desirable investment destination. There were many efforts carried out during the WEF meeting in to promote the country as India Inclusive.

Facilitating a large delegation of key policymakers and top industry leaders, the India’s blitz included advertising, media, and cultural interaction. The India Brand Equity Foundation (IBEF) brought the warmth of India to Davos by way of the India Adda, an informal meeting place complete with street foods of India and strong Indian presence at sessions during the WEF Annual Meeting. The Company’s Chairman Mr. Shyam Bhartia also attended the WEF Governors Meeting for Chemicals at Davos, where important topics like Global Shifts & Holistic Approach to Sustainability and their impact on the Global Chemical Industry were the key points of discussion.



7.0 Stakeholder Engagement

Stakeholder engagement is the process by which Company engage its stakeholders in dialog to improve the decision-making and accountability toward achieving the triple bottom line. Stakeholder engagement takes into account the varying perspectives, priorities, and limitations of different stakeholders. The Company interacts with its customers, employees, suppliers, investors and other key stakeholders on regular basis.

Jubilant Life Sciences values the concerns of all the stakeholders associated directly or indirectly with the business and based on impact and influence analysis. The details of engagement with various stakeholders are strategizing as follows:

Shareholders, Investors, and Providers of Capital

The Company has a full time Senior Member for Investors relation with the finance department. The Company engages regularly with the group of stakeholders and regular updates are provided to shareholders about the performance of the Company on quarterly basis. The Sustainability Report and Annual Report of the Company are also circulated to all the shareholders, Investors and other providers of capital to the Company.

Employees

The Company value the employees and believe in driving with the employees towards constant excellence in the entire sphere, professional as well as personal. Employee engagement is a strategic approach supported by tactics for driving improvement and organizational change. Jubilant Life Sciences being the best performing companies know that developing an employee engagement strategy and linking it to the achievement of corporate goals will help to win in the marketplace.

In continuation with the efforts to make Jubilant one of the best places to work the Company continued the Gallup Employee Engagement to gauge the organization's health during this year also. This allows tracking the proportion of engaged to actively disengaged employees and the reasons for the same, so that mid-course corrections or interventions can be implemented. The Company earlier initiated an employee satisfaction survey program better known as Disha (the Direction), which also witnessed a good participation by the employees. The Sankalp program of the Company is also at place to invite valuable suggestion from the employees at plant level. The Applause scheme also encourages and motivates the employees to show their best capabilities.



STAR-Employee Engagement at Kirkland Unit, NA

The Company started “Applause”, the Jubilant Reward & Recognition programme in December 2009. The programme is currently running successfully in Jubilant Life Sciences Globally. The Chairman’s Annual Awards is a reward to individual employees/teams for their breakthrough achievements in FY 10-11 in various categories and found to be motivating the employees. The Kirkland Unit has a STAR (Stop-Think-Act-Review) program for employee engagement for better communication. Using this program, an employee can communicate & train on the shop floor, facilitates discussions on various issues related to their work and feed back is given to the participants and Management on the issues raised by the employees.

Customers

The Businesses representatives are engaged with customers on regular basis in the form of one-to-one discussion, through exhibitions, e-mails, etc. The businesses believe that to go beyond manufacturing and extensive customer engagement for Custom Research and Manufacturing Services (CRAMS) is an important exercise for the Company. The Company’s approaches on Sustainability as well as details on Environment, Health and Safety are also shared with customers in form of questionnaire survey as and when required by the Indian and International customers. The Financial Report and Corporate Sustainability Report are also provided to the customers to provide information about the Company as well as on demand. Jubilant Hollister-Stier strictly follows the State Legislation Prescription of drug marketing to disclose marketing expenses, including gifts to drug prescribers. Few customers also visit the manufacturing site to see and take feedback on economic, environment and social performance.

Jubilant DraxImage – India Operations launched at SNMICON

Jubilant DraxImage launched its operations in India and South Asia at the 42nd Annual Conference of the Society of Nuclear Medicine India (SNMI), held at Chandigarh in November 2010, a largest gathering of Nuclear medicine professionals in Asia. Jubilant DraxImage was able to reach out to multiple Key Opinion Leaders (KOL’s) in the field of Nuclear medicine. The conference was attended by over 500 delegates from across the world and includes Nuclear medicine physicians, Radio pharmacists, Nuclear medicine technologists, Scientists, Physicists etc. Jubilant DraxImage exhibition team was led by Mr. Alok Khanna- Associate Vice President, Generic Dosage Forms (Radiopharma).

Local Community

Community involvement is an important component to see the need and activities required for community as well as community participation in the vicinity of the Company’s plants. Company considers Corporate Social Responsibility as value creation in the life of the community. The Company is engaged with community around through Jubilant Bhartia Foundation (JBF) as well as employees of the plant. The activities which Company started long back are clear signs of change for better life of the community. Various programs are implemented for local community through JBF in the field livelihood, education and health for the upliftment of society. The programs are well explained in the social section of this report.

The Community involvement staffs of the JBF and the Company has the specialized expertise to integrate an understanding of community partnerships. In addition to building partnerships and developing appropriate strategies, staff also strategically assess the variety of stakeholders, ensure interagency coordination, and provide technical assistance regarding community organizing and risk communication.

Partner in Progress

The suppliers are one of the key stakeholders in the performance of the Company. The suppliers are the Company’s partners in progress and considered as one of the most important resource available. At Kirkland unit, Supply Chain Department engages with supplier to establish a strong long term relationship. The selection of suppliers is on the merits of service, quality, capabilities and having a record of being eco-friendly. Together, suppliers and the unit work on creating solutions that make a more effective and responsive supply chain in order to meet end customer needs. One example of building a more innovative supply chain is the on-site consignment store that was established with VWR (one of the largest distributors of laboratory supplies).

Also, the Company is proud to say that at Kirkland unit all vendors that supply folding cartons are FCA (Forest Stewardship Council of Canada) approved and these suppliers are actively involved in various sustainability programs.

Social Development Organisations

Some of the North American Units also contribute to Non Government Organizations (NGOs) for social activities on case to case basis. The NGOs are involved with community related activities as and when the need arise. This year the Company in association with Schwab Foundation introduced the Social Entrepreneur Award of the Year. This award felicitates various NGOs and recognizes the best practices.

Industry Associations

The Company actively participates on committees of various associations in which the Company has membership as well as on others also on the request of the Industry Association. The Company also sponsors various programmes on issues of Company's business interest and other national and global issues such as waste management, sustainability and Climate Change Mitigation just to name few. The Kirkland Unit, Quebec, Canada is also a member of several associations and participates actively on various committees and others activities in the region. The Company's staff and management regularly interact with Industry Associations and actively participate/ sponsors during various seminars/conferences. The CCMD also represented Company as President of Confederation of Indian Industry and participated in various activities of CII during the reporting year. A brief on CCMD's tenure as President, CII is given;

Confederation of Indian Industry



The Confederation of Indian Industry (CII) announced the appointment of Mr Hari S Bhartia, Co-Chairman and Managing Director of the Company as the President of CII for 2010-11. As Mr. Bhartia was elected President, CII, at the same time CII took the agenda of Business for Livelihood as the theme for the year 2010-11. Mr. Bhartia mentioned that businesses are part of civil society and believes that creating livelihoods is the best act of Corporate Social Responsibility. Under the leadership of Mr Bhartia, CII's focused on the four key enablers for Sustainable Enterprise i.e. Education, Employability, Innovation and Entrepreneurship. These enablers will support the key sectors i.e. Manufacturing, Agriculture, Services and Infrastructure which form the pillars of India Inc. These are in turn supported by the socio-economic and corporate imperatives.

Addressing CII's annual session on 'Securing the Future: Framework for Inclusive Growth' Mr Pranab Mukherjee, Minister of Finance, Government of India said that the success of the strategy for inclusive development and, in fact, the very sustainability of the growth momentum in the coming years depends critically on the availability of skilled manpower. Further, the Minister lauded the leadership, CII provided to the National Skill Development Corporation (NSDC).

Government & other Regulatory Bodies

The NA units of the Company are audited by Regulatory bodies such as Department of Ecology, Fire Department, Waste Water Management and Country Air Pollution Control Authority, Department of Labour and Industries as well as Business Insurance carriers. The Vocational Training provided through JBF is in association with Ministry of Labour and Employment, Govt of India and funded by NABARD. The Company's Muskaan project for improvement of basic government education is also carried out in partnership with the Government.

Jubilant at India Chem – 2010

India Chem 2010 with a theme 'Sustaining the India Advantage' was organized by Department of Chemicals & Petrochemicals, Government of India and the Federation of Indian Chamber of Commerce and Industry (FICCI) in Mumbai in October 2010. The event saw business leaders and industry captains share their views on various issues impacting the business at present & the opportunities for the future. The event was inaugurated by the Hon'ble President of India, Mrs. Pratibha Devi Singh Patil and saw Union Minister for Chemicals and Fertilizers Hon. M K Alagiri in attendance.

Mr. Pramod Yadav, CEO – Advance Intermediates and Vitamins, was a panelist at the session "Growth Opportunities in the Specialty Chemicals Industry". Mr. Yadav's presentation on 'Integration & Innovation-Key to Global Leadership' was well received by the audience and the presentation was about Jubilant's journey so far and how the integration efforts of the Company have enabled it to emerge as a market leader in many products.



Employee's Family

The Company is supporting children education, health and recreational facilities at Gajraula and Nira because these units have Company Township. The Company has also introduced various schemes for the employee's family welfare and these are based on location to location. Senior Management of the Company met regularly with the employee's family on during major festivals. The Annual Day is also celebrated at the units with staff and staff members. At Corporate Office, employee's family also participates to commemorate World Environment Day etc. Family get-togethers are also organized in most of the manufacturing units including North America.

Research Institutes and Universities

The Company associates with reputed Research Institutions on case to case basis. Company's representative is also associated with various universities and institutions in partnering the knowledge as visiting faculty and on special event such as seminars/symposiums/conferences etc.

Media

The Company's corporate communication team is constantly engaged in perception management through effective communication with various stakeholders in order to garner a positive mindshare. Media engagement (Print & Electronic) is one of the key focus areas for the group. The Company engages with the media fraternity on an ongoing basis through integrated media outreach program that encompasses print publications, electronic media, digital media and wire services. Besides nationwide key business publications the regional level media journalists are also constantly engaged by the plant representatives in order to keep them well informed about Company's developments.

The Company stepped up its quarterly media outreach through a combined conference call with print media and wire services journalists for the financial results as well as significant other developments like the demerger of Agri & Performance Polymers business. The Company extended its visibility on Electronic media during the year. Many interviews were aired on TV Channels. Company's primary spokesperson, Chairman & Managing Director was quite visible and made an appearance in many interviews across major channels.

During the year, the Company also extended its media outreach with global publications and news portals and had its online articles appearing on BBC, Financial Times -UK, Fortune, Forbes and Scrip magazine, besides other global online portals for various Company announcements. The Company's media visibility was consistently scaled up in the national and regional media through targeted interventions at some of its plant locations. The Company follows the SOP of sharing all material information with the Stock Exchanges before sharing it with the media.

The Company engages with the media on a regular basis to apprise them of the Company developments beyond statutory requirements. During the year the Company had special media briefings for the demerger and name change. Similarly at the plant locations the Company held special media briefings at plant locations like Nanjangud, Gajraula and Nira to create awareness about the Company's Environment, Health and Safety practices and Social initiatives.

The Company underwent a name change from Jubilant Organosys to Jubilant Life Sciences Ltd. This marked a new milestone in the evolution of the Company as it established Jubilant as a Pharma and Life Sciences Company. Customised communication for various stakeholders including customers, shareholders and employees was undertaken to keep them informed about this significant change. A new Company name along with refreshed logo identity and brand promise was shared with the external and internal world. This name change impacted all subsidiary companies globally which also underwent modification. A business communication to global customers was sent in from all different business entities outlining the change and the reasons for change.

Consultants

Consultants with their strength in particular area of work impact the Company's business by putting in their expertise in particular projects and perform tasks like internal capacity building. Consultants act as the catalyst to perform a particular task. The Company associates with several consultants for various business requirements.

In view of the diverse nature of activities carried out in the Company, the stakeholder group for different business varies. The Stakeholder engagement is on the basis of identification and selection as per need of the Businesses. Each business, department such as legal, EHS, finance etc identifies its relevant group of stakeholders and engages them as per the methodology developed and adopted earlier.

Talk on Stakeholder Engagement for Employees at Corporate Office

A talk on Stakeholder Engagement was organized at Corporate Office to understand the process of engagement and who are the different stakeholders of the Company. Ms. Shagufta Kamran, CII-ITC Centre for Excellence for Sustainable Development spoke on Stakeholder and Engagement process. The session was attended by the members of the Sustainability Council and was appreciated by the participants. More insight was given on the process of engagement and identification of key stakeholders. This was a learning experience for the participants.



During the reporting year, Company engaged with key stakeholders. The concern for engagement, action taken and how this has benefited the stakeholder is given below:

Stakeholder	Business case for selection	Action to address concerns	Benefits to stakeholders & organisation
Employees	Employees work in various manufacturing process and managing the resources to increase the profitability of the Company. The involvement of employees leads to satisfaction and enhance commitment.	Employees are involved to monitor the welfare facilities through workers representative. Various welfare facilities have been implemented to improve their quality of life.	Employees are getting better remuneration and social securities (statutory and voluntary both). Training improved their skills and opportunity for growth.
Employee's family	Any effort to improve the quality of life of the employees and their family results into enhanced employees commitment	Various schemes and provisions are there as per need of the concerned location	Better quality of life like good residential facilities, children education, recreational facilities, health care facilities etc
Contract employees	Good remuneration and better work environment ensures continuous availability of contract employees.	Company pays more than minimum wages and ensure that contractors are also paying the same. Further contractual employees are trained on safety issues as a non formal education.	Company ensures PF, Group Insurance etc, for contract employees also.
Local Community	It is important to involve local community and discuss the relevant issues.	Regular interface with the local opinion leaders and community representatives gives adequate feedback which helps to evaluate the social initiatives	Indirect socio-economic growth of the local community
Suppliers	Continuous supply of raw materials ensures sustainable business	Suppliers are known as Partners in Progress and they are regularly engaged through Supply Chain Meet. Various issues including safety, environment and health, and child labour are also addressed.	This helps to get competitive price and regular supply.

The Company values the concerns of all the stakeholders associated directly or indirectly with the business and based on impact and influence analysis the Company strategies for the engagement. Few examples are as follows;

Employees

The Company value its employees hence believe in driving the employees towards constant excellence in the entire sphere, professional as well as personal. Company had initiated an employee satisfaction survey program known as Disha which witnessed participation of 85%. The Sankalp program of the organization is at place to invite valuable suggestion from the employee. This year, the Company have received 5398 overall suggestions and implemented 4367 out of it. The Applause scheme of the Company encourages and motivates the employees to show their best capabilities.

Local Community

The Company considers Corporate Social Responsibility as value creation in the life of the community. The Company engages with community around the manufacturing plants through Jubilant Bhartia Foundation in India and the Senior officers of some of NA units engages with the local community as and when required, to bring a change for better life of the community. JBF chalked out and implemented various programs in the field livelihood, education and health for the betterment of society. These programs are mentioned in the social section of the report.

Innovative Ceramic Hip Replacement Operation performed at Jubilant Kalpataru Hospital

Earlier during the year, Jubilant Kalpataru hospital of JFTHL team successfully completed a project spearheaded by Dr. K.H. Sancheti that was no less than a miracle. This surgery will immensely benefit crores of people suffering from joint problems and are recommended to undergo hip replacement operations but cannot afford it. The 64 year old patient, Rajat Ghosh said "I owe my life to my surgeon as I will be able to walk again after around 3 months and I will be free from living with excruciating pain in my joints".

Explaining the procedure, Dr. Sancheti says, "In this kind of hip replacement both the artificially inserted ball and the cup are ceramic which is either alumina based or zirconia based. With this kind of replacement the chances of second operation are very thin." The best part about this procedure is that it can be performed within the expense of ₹ 60,000-65,000 which is about one fourth the cost of traditional procedures.



Night Line Service – Changing Lives one at a time

In the last report the Company shared that how innovative healthcare delivery models were set to change the lives of people in Barasat, West Bengal. Jubilant First Trust Healthcare Limited earlier launched the Nightline service to provide emergency critical care treatment to people in the hours between 10.00 pm and 6.00 am.

The firsthand account of how this service has come as a boon for people in Barasat, a letter from a Consultant: Fire Protection, Safety, Disaster Management, Emergency Response of the region is given below and it states about the Company's efforts in healthcare.

Avijit Roy

10 R B C Road, Prosadpur,

Ref: PERS/06/2010/201

Date: June 25, 2010

Jubilant Kalpataru Hospital, 78, Jessore Road (South)

Barasat, Kolkata 700 127

Kind attention, Dr. Amit Dey, Consultant

Re: Your patient Mrs. Jhara Roy at the hospital from 22.05.2010 to 02.06.2010

Dear Sir,

At the onset, allow me to congratulate you on the excellent service rendered by your 'Nightline' service. I had the occasion to call up the 'Nightline' service at around 6:45 AM on 22.06.2010 as my wife and patient, Mrs. Jhara Roy was suffering from acute breathing distress. The 'Nightline' ambulance arrived in about 10 minutes from the telephone and the patient was admitted and put in the ICU bed (ICU 3) by 07:25 AM. Your fast response and smooth efficiency in getting the patient admitted and commencement of adequate medical care deserves to be complimented on and indeed rare in these times.

I have had occasion to work abroad for some time and the 'Nightline' service is really good and I will have no hesitation to recommend this service to anyone. The subsequent ten days that she spent in the hospital was spent in giving her some palliative treatment for the Adenocarcinoma of the left lung from which she is suffering and including the insertion of a chest drain to drain the fluid from the lung and pleural cavity region.

While not much relief could be given, I would like to place on record my appreciation and indebtedness to you and the other doctors, medical and other staff of your excellent hospital for the care and attention received by my wife during this difficult period.

While at the hospital, I had been questioned as to why we did not opt for convention allopathic treatment with chemotherapy etc. In this context, I would like to say that we had consulted several doctors both here and abroad and our past experience with the patient's sister, who died in May, 2009, after three and half years of extensive allopathic treatment led us to believe that allopathic treatment was not the best answer in this case. In taking this decision, right or wrong, we were given an extract of a research report from John Hopkins Medical School

I would like to thank you and your team once more for doing whatever could be done for the wellbeing of the patient as we continue to struggle with the disease and her suffering. Please keep up the good work. Barasat needs and deserves a hospital such as Kalpataru.

With best regards,

Avijit Roy

Consultant: Fire Protection, Safety, Disaster Management, Emergency Response

Non Government Organizations: The Company is doing various projects with the communities. A lot of activities require support from the local Non Government Organizations (NGOs). We touch base with NGOs on project to project basis. They are involved whenever required. Under the Indian Social Entrepreneur Award of the Year JBF felicitate various NGOs and recognized the best practices.

Government: Beside regulatory compliances, the Company is participating with the government under Private Public Partnerships mode particularly for the various community works.

Some of the concerns raised by the stake holders are given below.

Concerns	Raised by Stakeholders	Action Taken
Lack of Drinking water facilities at Korehundi school in Nanjangud, Karnataka	School	<ul style="list-style-type: none"> Under the school support program JBF provided the water facility to the government schools at Korehundi village. The Company provided the school with new water sump, water pump and over head tank, these facilities helped the school for proper use and maintenance of kitchen, toilet and kitchen garden.
Renovation of Kallahalli Anganawadi centre.	Anganwadi Centre	<ul style="list-style-type: none"> Under the school support program JBF carried out the renovation programme of anganawadi centre in the Kallahalli village. The Company provided roof with GI Sheets, painting for the building, window repairs, curtains for window, repair of flooring and vinyl flooring.
Handicap Rehabilitation	Community	<ul style="list-style-type: none"> Rehabilitation Camp at Gajraula with IPH (Institute for Physically Handicapped) was organised. JBF provided wheel chair and tricycle to the physically challenged people.
Lack of awareness on the usage of feed additive to improve the animal production	Customers	<ul style="list-style-type: none"> 16 Awareness programs till now have been conducted across South India. Trainings were provided to customers on improving their management skills.

The Company's Corporate Sustainability Report is posted on website, mailed to all shareholders and key stakeholders. The feedback received from few stakeholders on last year's report is as follows;

Comments from Stakeholders

Berthold Hoffmann

Senior Project Manager
InWEnt – Internationale
Weiterbildung und Entwicklung
gGmbH Capacity Building
International
Bonn, Germany

*This is just to say how much I have enjoyed reading your substantial CSR report. The way it is written it certainly conveys the message how serious your Company's commitment to CSR values is. Though I am not an expert on reporting I clearly see the leadership you are taking here and would like to congratulate you on this. It will be a pleasure to share this report inside InWEnt as a prime example on how companies are addressing social and environmental challenges and take their responsibilities seriously. Many local companies in Germany could learn from your example....
Best greetings,*

Suresh Neotia

Chairman Emeritus
Ambuja Cements Ltd.
New Delhi

....Very few companies, if I am correct, have published such a comprehensive report to cover all aspects of environment. The efforts put in by the Company to make it a model Company to achieve the most important objective are great.

Paramjot Kaur

DGM, NZO
Small Industries Development
Bank of India
New Delhi

Jubilant is doing great work on CSR front

S. K. Bahl

Director
Serum Institute of India Ltd.
New Delhi

Thank you for forwarding the Report of Partner of choice of Life Science Companies. Actually, I was away on overseas official tour and just returned. I had a glimpse of the report and it reflects your strong contribution to the various activities being carried out by your Division in your Organization.

B. Sandhya

Scientist-C
Bureau of Indian Standards
New Delhi

....I congratulate your organization for concerning social responsibility, climate change, Green production proactively.

Prakash Wagle

Ranbaxy

Greetings from Ranbaxy! Heartiest Congratulations to you and your team for bringing out the 8th Corporate Sustainability Report 2009-10 for Jubilant....

Paresh Tewary

Director
FICCI Aditya Birla
CSR Centre for Excellence
New Delhi

It is a pleasure to learn about the wonderful work Jubilant (Organosys) is doing on Triple Bottom Line and CSR.

N. K. Goel

Professor
Hydrology Department
Indian Institute of Technology
Roorkee

I thankfully acknowledge the receipt of Corporate Sustainability Report 2009-10. It is well documented report.

<p>Aniruddh Menon Frost & Sullivan Chennai</p>	<p><i>....I received the CSR report on Jubilant and personally feel that your Company does set a benchmark in the Indian chemical industry. Wish you the best in maintaining the high standards set. ...</i></p>
<p>Anuja Khemka Microsoft Student Partner Pune Institute of Computer Technology Pune.</p>	<p><i>It was a pleasure to see your report of 2009-10 on Corporate Social Responsibility. As an individual citizen what I can do in mitigating climate change, I learnt from this report, I am sure I will adopt few of this in my routine.</i></p>
<p>Nikita Agrawal System Engineer Infosys Technologies Limited Bengaluru</p>	<p><i>I have glanced the CSR 2009-10 of Jubilant (Organosys) and happy to see the path forward for 2010 mainly the Green IT and Climate Change initiatives.</i></p>
<p>Nibha Shangari Infosys Technologies Limited Bengaluru</p>	<p><i>I had a little idea about Sustainability Report but it is Triple Bottom Line i.e. Environment, Economic and Social, I could understand from reading your CSR report 2009-10. Company's work on Millennium Development Goals is highly commendable.</i></p>
<p>Parnika Agrawal Accenture India Delivery Center</p>	<p><i>....I am surprised to see that Jubilant is a major Pharma Company. The initiatives for Sustainability with respect to Climate Change Mitigation and Green Supply Chain Management.</i></p>
<p>Anshul Kumar IBM Bengaluru</p>	<p><i>The Report is really very informative and useful. We really appreciate the concern of your Company in regard to environment, health & safety.</i></p>
<p>Anirudh Amby Hewlett-Packard Company Bengaluru</p>	<p><i>We acknowledge with thanks the receipt of your mail regarding Jubilant's Corporate Sustainability Report 2009-10. The climate change initiative undertaken by Jubilant are remarkable and we all should learn a lesson from your initiative.</i></p>
<p>Col. (Retd.) V. G. Deshmukh Director Janakidevi Bajaj Gram Vikas Sanstha, Bajajauto Pune</p>	<p><i>.....The report has wide coverage of Jubilant's energy saving, reduction in carbon emissions and other green initiatives. Another important aspect, i.e., Occupational health safety measures has also been adequately reported.....</i></p>
<p>Shruti Mehra Environment Engineer Ambuja Cement Ltd. New Delhi</p>	<p><i>....Congratulations for having released another successful report this year. It is a compilation of various efforts taken by Jubilant in the fields of Environment, CSR etc. All these efforts were brought out in an appreciable style with concept designing in the report.</i></p>
<p>Madan Raajgarhia Director Sheevam Comfort Hotels New Delhi</p>	<p><i>The publication clearly reflects your commitment to sustainability and concern about social and energy conservation.</i></p>

Pradeep Kapoor

Managing Director & CEO
 ABG Cement Ltd.
 Mumbai

....My congratulations to you producing such a comprehensive report and for the various initiatives you and your organization have taken in the field of Corporate Sustainability.

Joris van der Kamp

Soil & More International
 The Netherlands

Congratulations with the very impressive Sustainability report! I think this was a very good start!.....

Kanchan Zutshi

Secretary Law & Justice /
 Environment Committee
 PHD Chamber of Commerce
 and Industry
 New Delhi

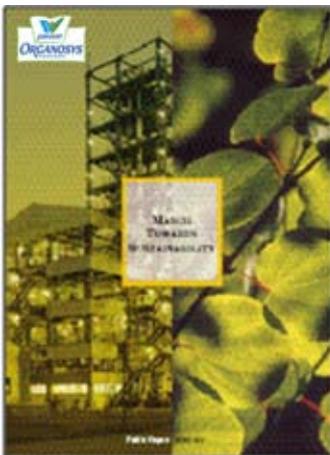
....The Report is really very informative and useful. We really appreciate the concern of your Company in regard to environment, health & safety. We are keeping it in our Chamber's library for wider readership.

Rajesh K Singh

Joint Advisor
 National Disaster
 Management Authority
 New Delhi

....The CSR steps taken up by the Jubilant are very praiseworthy. I feel that the organization may take up few initiatives for capacity building and disaster-preparedness of the community..

Jubilant Life Sciences Sustainability Report has been rated A+ for last 5 consecutive years by GRI



2002-03



2003-04



2004-05



2005-06



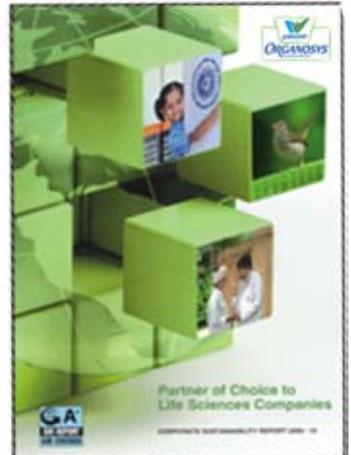
2006-07



2007-08



2008-09



2009-10

8.0

Economic Performance



Policy

The policy and the goal for economic performance as stated in the Jubilant Vision. It states to acquire and maintain Global Leadership Position in chosen areas of business and to continuously achieve a return on invested capital of at least 10 points higher than the cost of capital.

It is often believed that Companies that are particular about their Environmental, Social and Corporate Governance practices cannot be fetching very good returns for their investors. But the fortunes of the S&P ESG Index show otherwise. The S&P ESG India index provides investors with exposure to a liquid and tradable index of 50 of the best performing stocks in the Indian market as measured by Environmental, Social, and Governance parameters. The index represents the first of its kind to measure Environmental, Social, and Corporate Governing (ESG) practices based on quantitative as opposed to subjective factors. The index employs a unique and innovative methodology that quantifies a company's ESG practices and translates them into a scoring system which is then used to rank each company against their peers in the Indian market.

Jubilant (Organosys) secured 2nd position in the Standard & Poor's (S&P), Environmental, Social and Corporate Governance (ESG), India Index of 2009 with 181.8 Return, declared on June 22, 2010 by Director of Business Development (South Asia) S&P Indices in association with International Finance Corporation (IFC), CRISIL, and KLD (an Authority on Social Research and Indices for Institutional Investors).

The net sales for the Company were ₹ 34334.04 million, which grew by 1% last year same period (excluding the onetime revenues from H1N1 opportunity, Company recorded growth of 7% in the year). The international business contributed 69% to the net sales at ₹ 23691.09 million. The sales from regulated markets were ₹ 18504.50 million, which is 52% of net sales. The direct economic value generated and distributed is given below;

Component	Data		
	2008-09	2009-10	2010-11
Direct Economic value generated (₹ million)			
Revenues	35179.84	37911.32	34334.04
Economic value distributed (₹ million)			
Major operating costs	19,830.66	20,957.32	19,488.66
Employee wages and benefits	6,574.89	7,452.60	7,184.29
Payments to providers of capital	261.29	370.30	370.24
Payments to Government	2,856.70	3,896.93	1624.53
Community Investment	23.76	59.56	30.13
Retained Earnings	12527.90	21854.56	21563.36

- **Major Operating Costs:** Major expenses of the Company incurred are while purchasing traded goods and raw materials. Alcohol is a main feedstock for Gajraula & Nira Unit of the Company. Alcohol requirement for the Company is catered by partly manufacturing the alcohol based on availability of molasses / alcohol manufacturing capacity available and balance requirement is met through domestic purchases and imports, wherever it is more cost competitive

- **Employee Wages and Benefits:** The Company distributes about 20.92% of the net revenue for employee wages and benefits. The decrease in total staff cost is due to segregation of staff because of demerger. The total number of employees has also decreased for the Company for same reason.
- **Providers of Funds:** The Company has been continuously providing its shareholders with dividend for many years. Apart from getting good returns for the investments done by shareholders. Regular dividend is sign of growth and shareholder confidence. The Board has recommended dividend of ₹ 2.00 per equity share of FV ₹ 1.00 each i.e. 200% for the reporting year.
- **Government:** The Company is registered under Company's Act, under the act the Company is required to pay certain taxes related to its products and services, import and export etc to government of India. These taxes include corporate income tax, excise duty, service tax, sales tax, customs etc.
- **Community Investments:** The Company has been involved in lot of activities related to employment generation, health conditions, education etc for the communities in and around the locations where the Company has operations. The involvement is not direct but primarily through Jubilant Bhartia Foundation (JBF). The Company donated ₹ 30.13 million for the community development initiatives in the reporting year.
- **Retained Earnings:** The retained earnings of the Company during the year are ₹ 21563.36 million.

Economics & Climate Change

Climate Change present serious global risks and a unique challenge for world economy because of its few unique characteristics. One, the problem will not remain significant for any particular region or country; it's more truly global than any other issue. Second, effective climate policy is an imperative, not an option. Third, climate change actions have to be taken within specific time frame.

Financial implications due to climate change include economic costs of the adverse effects of climate change and risks and opportunities related to actions to reduce GHG emissions.

Climate Change impact includes rise in sea level, change in weather pattern leading to geographical change, change in agricultural pattern etc. The Company has no major financial implication posed due to climate change. All the operations are safe from the impacts however; extreme weather change may affect the operations. The Company has system to assess organizational risks and framework for monitoring and mitigating such risks.

Benefit plans for Employees

The Company apart from providing benefits like medical insurance, house rent allowance, travel and communication expenses provides Provident Fund and Gratuity to permanent employees. Provident fund is paid by employee and the Company also makes a contribution to the same for all the employees. Provident fund may be reimbursed after an employee leaves the organization or may be transferred, as per the convenience of an employee. Gratuity is non transferable and is awarded to an employee after certain years of employment in the Company.

Market Presence & Indirect Economic Impacts

The Company in consultation with various workers committee has been providing entry level labour with wages higher than the local minimum wage at all the major manufacturing Units for both male and female employees. Same is practiced for international subsidiaries as per the regulations there. The salary at entry level for technician/worker in Indian units is approximately ₹ 80,000.00 to 100,000.00 per annum, which is higher than the minimum wages as defined by Minimum Wages Act and it is same for both the genders. The prevailing law in NA units is very stringent and gender discrimination is prohibited. At Salisbury Unit, the entry level wages offered is for the packaging line i.e. \$8.25 per hour and Federal minimum wages as per The Fair Labour Standards Act is \$7.25 per hour.

The company has not received any significant financial assistance for subsidy from the Government for awards, royalty holidays and other financial incentives during the reporting year. However, the financial assistance received from export incentives is approx ₹ 165.40 million.

Locally based suppliers are defined by the Company as Supplier within the country. All imported materials are considered as being supplied by other suppliers. Procuring material from locally-based suppliers will benefit an organization by reducing the huge transportation cost which would have otherwise occurred if material was procured from vendor far from the Unit. Another benefit is positive local economic impact. The Company procured most of the material locally. However, some materials purchased outside locality at competitive prices from world class suppliers are also a part of the value chain.

The Company has no policy for preferring local vendors but if the vendor is able to meet up the requirement like quality and quantity to be supplied and competent costs then locally-based suppliers are preferred.

The profile of people in senior management is highly professional in the Company. People are recruited solely on their qualifications and experience. No preference is given to local residents in case of hiring for senior management. However, in case of hiring for labour, most of the people are locally based thus creating economic value in the local community

The indirect economic impacts of the operations of any organization can be significant, may be negative or positive. For instance, construction of road may help community for better transportation and access to near market for better trading but regular running of trucks for goods may affect the health of the people in community.

The Company works through Jubilant Bhartia Foundation (JBF) for any community need assessment survey to determine infrastructure and other services needed. The work of JBF in community is discussed in the Social Performance Indicators of the report. At Spokane the Company improved the infrastructure of the football ground for the local community.

JBF works in the community around all the manufacturing Units of the Company. Several initiatives have been undertaken to improve the health infrastructure, education and livelihood generation for the people in community, details will be discussed in the social section of the report.

- Jubilant enables Kallahalli village Live Safe, Disease Free and Prosperous Life:

Kallahalli is a small village adjacent to the Nanjangud unit. There are around 200 houses in the village. Most of the village households are dependent on agriculture or small jobs as daily wage earners and Below Poverty Line (BPL). The JBF team at Nanjangud came forward to support the villagers and undertook series of projects to help them overcome these challenges.

The JBF made arrangements:

- Put up electricity poles in the village to ensure proper lighting
- Encourage self reliance in the community through tailoring & beautician course.
- Construct toilets and concrete dustbins for systematic waste disposal.

The JBF convinced the villagers to spend ₹ 5 per month on the maintenance of these facilities. These facilities arranged are a step towards making inclusive growth a reality by empowering communities to live a safe, healthy, prosperous life with dignity and help the Company deliver on its promise of Caring, Sharing and Growing.

- **Andrew Rypien Soccer Fields:**

The Spokane unit of the Company joined hands with the Spokane Youth Sports Association (SYSA) and maintained the soccer field at Andrew Rypien Fields adjacent to Spokane unit. The unit further plans to join hands with Wastewater Management, and the Department of Ecology regarding irrigating the soccer fields. The Company will pump treated waste water into a holding tank intended for irrigating the fields. This will be a great green project and the first such project to happen in the State of Washington. All regulatory agencies have agreed for this project to work.

- **Community Engagement:**

At Kirkland Unit, several programs were conducted for facilitation of employees' community engagement. Some of these programs are listed below:

- During the years' end holidays season, non perishable goods were collected for "Partage Action"
- The employees participated in Walk to beat Cancer, Sale of Cakes: \$ 2,500 etc programs for collection of funds for cancer research.
- The employees voluntarily collected funds for the victims of the natural calamity Haiti earthquake. This initiative gave a grand total of \$ 28,700 for the people affected by the Haiti earthquake.

- **Healthcare Initiative:**

Jubilant First Trust Healthcare Limited (JFTHL) is driving the healthcare initiative of the Company in Kolkata. The Company is committed to create an affordable, world class healthcare delivery system for the middle and lower income-group people, living across West Bengal, including the districts and villages. JFTHL organised several health camps for awareness regarding gynaecological, paediatric, psychological, Ophthal issues, eye check up and general awareness camps.



Additional Contextual Information



World Economic Forum on the Middle East and North Africa

The World Economic Forum on the Middle East and North Africa closes with call for action to ensure MENA's future prosperity in Marrakech, Morocco in October 2010.

Over 1,000 leaders from business, government, civil society and media from 62 countries participated in the meeting, held under the theme "Purpose, Resilience and Prosperity". In the plenary session "Purpose, Resilience and Prosperity: The Way Forward", Mr. Shyam S Bhartia, Chairman and Managing Director, Jubilant Bhartia Group, addressed as Co Chairman of World Economic Forum on MENA and called for action to ensure MENA's future prosperity. Mr. Bhartia said that with 360 million people, there is a great opportunity for regional integration. The MENA region is ideally situated to position itself as a bridge between dynamic Asian markets and large economies in Africa and Europe. The participants concluded with underscoring the urgent need for action to secure the future prosperity of the region.



9.0

Environmental Performance

Policy

The Company is committed towards maintaining high standards of Environment, Health & Safety (EHS) across all manufacturing locations worldwide. The mandate is to conserve the environment and provide a safe and healthy workplace, while improving the quality of life of the employees, contractors, visitors and communities around the manufacturing locations.

The Company considers Climate Change as the most threatening amongst all sustainability challenges globally because of the scale of destruction and scope of applicability to all sectors, thus the Company has redrafted Climate Change Mitigation Policy and Sustainability Mission with more focus on transparency & accountability and inclusiveness. This is as per the philosophy of Sustainable development and on of the pillars of the Company's Promise - **Caring** for environment. The Company also redrafted its integrated Environment, Health & Safety Policy in line with the focus of Life Sciences and continued to manage the supply chain for long term sustainability in collaboration with partners in Progress to embed environmental consciousness in procurement through Green Supply Chain Policy.

Organizational Responsibility

The operational responsibility for environmental aspects is merged with manufacturing operations and the Executive Director holds overall responsibility of Manufacturing, Supply Chain, and Environment, Health & Safety (EHS). The Executive Director is a Member of Company's Board. The Chief of EHS & Sustainability is responsible performance & regulatory affairs and monitors the compliance across the operations. The Jubilant's corporate EHS team is comprised of highly qualified and belongs to various disciplines which have direct link to Sustainability. EHS personnel at each manufacturing locations reports to Chief of EHS & Sustainability and EHS performance at the Unit level are reviewed by the respective Unit Heads, President Manufacturing along with corporate EHS group. The Corporate Chief of EHS & Sustainability reports to Executive Director at regular interval.

In NA units, the respective Unit Heads and/or Director HR are the bearer of the organizational responsibilities and EHS functions are monitored by dedicated EHS staff. However, Director of engineering, and/or Head of HR also assist for EHS activities are responsible for all environmental health and safety statutory requirements.

The Corporate team of Jubilant is regularly interfaced with these units through visits, correspondence etc. The Sustainability training for senior management of NA units as well as persons responsible for line functions was organised in all the units during reporting year. A Sustainability committee is under formation at NA units with an effort to integrate Sustainability in all the businesses of all the NA units.

The EHS Policy and the Climate Change Mitigation policy provide the direction for various environmental goals to be achieved by the Company. The primary goal is to achieve compliance of all regulatory requirements and aim to go beyond. The specific goals are also defined in the environmental management systems and these are being followed at the locations with many other voluntary environmental initiatives.

The new joinees including executives, workmen are provided training and awareness on EHS aspects related to the nature of their work before they take charge of their responsibilities at their respective manufacturing location. Specific training modules have been designed for specific work. People at Corporate office provides technical support and if required go to the unit to conduct the training program. As the way forward for this year, the training on Importance of Sustainability for Businesses was organized for the members of Sustainability Council at Corporate Office as well as the employees engaged in Sustainability reporting of all the units. The Sustainability training for senior management of NA units as well as persons responsible for line functions was conducted in these units during reporting year.

The Company has been proactive in taking steps regarding awareness about importance of environment and its related issues amongst employees across the globe. The internal energy efficiency program is the best example where just by spreading awareness about using electrical equipments judiciously, the Company was able to have significant reduction in electricity consumption. All employees were congratulated for this joint effort.

Monitoring is an important aspect to keep a check on whether the intended results are achieved because of the proposed activity for environmental conservation. The EHS personnel perform an internal audit to find out gaps in the new projects right from the proposal to the implementation stage. The Company has increased the coverage its

MIS software to get the data related to environment, health & safety and other indicators of sustainability at regular intervals. The upgradation of MIS has established robust system for calculation of non-financial data and also helped the corporate group to;

- Identify risks and potential opportunities
- Improve internal data management and capacity building
- Improve Sustainability Reporting.
- Building stakeholder confidence
- Identify Energy management hot spots

The involvement of senior management in the monitoring of the environmental performance is a clear indication of the importance of the subject. Executive Director and Chief of EHS & Sustainability review the environmental performance every quarter. At operational level, the performance on environment aspects is reviewed monthly involving the Unit Head (highest designated authority at the Manufacturing Unit). Environment performance has been a part of annual strategy and also an important aspect for all capital expenditure proposals of the Company.

Additional Contextual Information

EVI-FE Survey on Green Initiative for Climate Change

Climate change has long-since ceased to be a scientific curiosity, and is no longer just one of many environmental and regulatory concerns. It is the major, overriding environmental issue of present time, and the single greatest challenge not only faced by environmental regulators but it is the duty of each and every world's citizen to act and mitigate. It is a growing crisis with economic, health and safety, food production, security and other many known dimensions.

Considering the gravity of the issue as the Climate Change is now widely regarded as one of the most serious challenges the world faces, with consequences that go far beyond its effects on the environment. It is a major economic issue and need to be dealt accordingly. The Indian Corporate Sector will have an integral role to play to mitigate Climate Change. Businesses will have to measure their environmental impact, adopt process that reduce carbon emissions and report performance. With a view to find out how Indian Companies are responding to the issues and challenges of Climate Change, Emergent Ventures India (EVI), a consulting firm and The Financial Express (FE), along with Indian School of Business (ISB), carried out a study surveying approximately 80 Indian Businesses. The results of the survey were for a ranking of the businesses action regarding Climate Change. However, the assessment highlights were not an end goal for business but rather the beginning of the complex process toward becoming a Green Company.

The Company participated for this FE-EVI Green Business Survey 2009-10, which focuses on actions taken by India Inc. against Climate Change and maps movement of Climate Change issues from CSR to Strategy level. This survey also identified best practices, highlights trends within business sectors and subsequently identified Green Leader among these sectors. The survey findings were compiled and disclosed during a award function held on World Environment Day, June 5, 2010. It was a matter of pride for the Jubilant family to be the only Pharmaceutical Company featured in this Corporate India's Green Initiatives Towards Climate Change Survey 2010. The details of the findings by FE-EVI Green Business Survey regarding Jubilant Life Sciences Ltd. as reported in the publication is given below;

The pharmaceutical industry has been at the forefront when it comes to carbon foot printing and reporting but has remained weak on the emission reduction. Antiquated supply chain and inefficient manufacturing and drive for high product margins have been the major hurdles in the path of reductions. While green makes for good PR in a sector historically strong on corporate social responsibility (CSR), companies have realized it to also make good business sense with reduced energy usage translating into lower operating cost and less exposure to energy prices.

*Policies are being formulated for managing environment, health, safety and sustainability development. For e.g. Jubilant Organosys Limited (presently known as Jubilant Life Sciences Ltd.) has made **corporate social responsibility and climate mitigation as an integral part of their regular activities**. Apart from this, they are also following Global Reporting initiatives (GRI) guidelines for reporting the green house gas protocol for qualification of their carbon emissions.*

The industry has also been trying to find alternative packaging materials to the fossil full based plastic and has been experimenting with various bio-based materials but a long term solution is still far ahead. Green chemistry approaches that avoid scale-up of inefficient laboratory-scale synthesis, and reducing temperatures and pressures in existing production process which reduce energy demand are being considered by industrial pharmacists companies are also going for procurement through green supply chain management.

CII Sustainability Award 2010

Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. This is probably the most broadly accepted definition of sustainability developed in 1987, by the World Commission on Environment and Development (the Brundtland Commission). The Company is conscious about the environment and working with the philosophy of Sustainability Development since inception. The Company's efforts on Sustainability were recognized by Confederation of Indian Industry. The CII-ITC, Centre of Excellence for Sustainable Development awarded Sustainability Award 2010, Certificate of Commendation for Strong Commitment in Excel for the large business category, On the Company's Journey towards Sustainable Development and contribution towards India's inclusive growth. The award was presented on November 30, 2010 by Mr. Pawan Kumar Bansal, Minister for Water Resources & Parliamentary Affairs. The other present were Mr. Arun Maira, Member, Planning Commission, Government of India, Dr. Subir V Gokarn, Deputy Governor, Reserve Bank of India and Jury Member, CII-ITC Sustainability Awards, and Mr. Y C Deveshwar, Chairman of the CII-ITC Centre of Excellence for Sustainable Development Advisory Council and Chairman ITC Ltd.



The Annual CII-ITC Sustainability Awards are given to recognize and reward excellence in Economic, Environmental and Social performance. The CII-ITC Centre of Excellence for Sustainable Development has also developed a knowledge resource book on best practices based on Awards winners in the last four years. The CII-ITC Sustainability Awards are aimed at rewarding sustainable practices by business units. The Company's name is featured in the report.

The CII-ITC Sustainability Awards recognizes efforts of companies that contribute to creation of social and environmental capitals, thus going beyond creating financial market satisfaction. The Awards also create a knowledge pool for companies to learn from each other in various areas of Sustainability performance.

FICCI AWARD 2010

The Federation of Indian Chambers of Commerce and Industry (FICCI) believe that it is essential to secure the proactive participation and involvement of businesses and people for improving environment quality. Adoption of clean, climate and health friendly technologies in every sphere of activity is of paramount importance in enabling environmental improvement. FICCI recognized the Indian companies at the 83rd Annual General Meeting and Jubilant Life Sciences Ltd. (JLL) was conferred by FICCI in its Annual Award for 2009-10 in appreciation for Outstanding Corporate Vision for Triple Impact Vision of Business Performance of Social & Environmental Action and Globalization.

The award was received by Mr. Hari S Bhartia, Co-Chairman & Managing Director and Mr. Shyam Bang, Executive Director of Jubilant Life Sciences Limited from Mr. Pranab Mukherjee, Union Minister for Finance, at an impressive inaugural function of FICCI AGM on March 01, 2011 at New Delhi on behalf of the Jubilant family. The other present were Mr. Amit Mitra, Secretary General, FICCI and Mr. Rajan Bharti Mittal, President, FICCI. The prestigious FICCI award is considered benchmark for highest level of corporate commitment towards environmental sustainability.

The award was given in appreciation to JLL's outstanding contribution to Corporate Initiative in Economic, Social & Environmental development performance.



Syngenta Supplier Award



Syngenta Crop Protection AG, selected Jubilant (Organosys) as one of the Global Supplier for Health, Safety & Environment (HSE) Improvement and Outstanding commitment and ethical standards in observing a safe and healthy work environment; minimizing the environmental impact of its operations and optimizing use of natural resources and constantly improving upon them.

World Business and Development

Jubilant is aware that the planet is shared by all and it is each individuals responsibility to ensure that the available resources are used safely and undertake conservation & preservation measures to minimize the impact of the Company's operations on the environment, employees and surrounding communities. The Company is continuously improving plant effectiveness & asset utilization through Total Productivity Management and Business Excellence.

The Company's social initiatives are in line with Government vision of Primary Education, a nationwide initiative that seeks to facilitate rural empowerment through provision of responsive information, products and services in local languages as well as MDGs of United Nations. The activities also include strengthening Basic Healthcare Facilities, supporting Government Rural Primary Education System and improving employability of Youth through Livelihood Generation Programs.

Jubilant Life Sciences believes that for long-term Sustainability can be achieved by its performance in the social, environmental and financial areas. The concept of 'Sustainability' has been built on the foundation of Our Promise i.e. Caring for Environment, Sharing the Economic value and Growing with all Stakeholders.

The Company participated in the World Business and Development Award 2010 in support of the Millennium Development Goals to International Chamber of Commerce (ICC), New York. The ICC informed that this year the World Business and Development Awards received a record 172 nominations from 42 countries and that the organizers and the International Judging Panel were impressed by the overall high quality of projects submitted by Jubilant. It was a challenging task to select only ten winners by Panel. The Jubilant team felt proud to be one of the participants and the ICC thanked to the Company's interest in the World Business and Development Awards and wished the best of luck in the Company's important activities and meaningful work in support of the Millennium Development Goals.

Low Carbon Strategies



The Brazilian National Confederation of Industry (CNI) is developing a Low Carbon Strategic Guide to identify risks and opportunities for the Brazilian industries in a low carbon economy. This project is being conducted by CNI and ICF International, a Climate Change, Sustainability and Energy Consultant, Brazil.

The project includes the assessment of private and public governance related to climate change. A survey on the issue was carried out with companies that have good examples in climate related projects. Jubilant participated in this project of CNI and shared the initiatives taken in the area of Energy Conservation and Mitigation of Climate Change as per Company's Climate Change Mitigation Policy.

CNI acknowledged the participation of Jubilant in this project and relevant concerns about the Carbon Strategic Management. The CNI publication published the following details in their publication.

Jubilant Life Sciences Ltd. is, in India, the one of the largest Company in the pharmaceutical sector. The Company is also largely responsible for developing and delivering new drugs and solutions for companies of various sectors in North American, European and Asiatic markets.

Jubilant Life Sciences, committed to sustainable development, recognizes that climate change may pose risks and opportunities to their activities. For these reasons, in 2009 the Company launched the Climate Change Mitigation Policy, which commits measures to reduce emissions in every production unit, R&D center and offices. Some of the Company initiatives:

- Awareness for employees and their relatives and community
- Installation of energy efficient fixtures and consumption measurement systems;
- Continuous improvement for energy conservation measures
- Renewable energy sources development and promotion;
- Usage of advanced information technology to reduce emissions related to air travel
- Tree planting to induce carbon absorption;
- Encouragement of suppliers to use energy efficient equipment through the Green Supply Chain Management

The initial steps given by the Company in order to achieve its aims were the development of:

- Corporate Inventory of GHG emissions;
- CDM project activities to reduce GHG emissions;
- Study of products/processes carbon footprint.

As an important part of the strategic management for the low carbon economy, the Company seeks to spread its initiatives, success factors and its risks exposure in the most prestigious tools: the Carbon Disclosure Project (CDP) and the Global Report Initiative (GRI).

In its first year of climate change related strategies publication, the Company ranked second among the 200 largest companies which answered the CDP 2010 in India, in Carbon Disclosure Leadership Index (CDLI), which measures the quality and transparency of information, with 77 CDLI score points. Furthermore, the Company got an A+ for four consecutive years from GRI for Sustainability Reporting.

As a result, Jubilant Life Sciences noticed a significant gain in reputation between its stakeholders, mainly among investors, satisfied with the Company transparency with respect to its risks exposure, and also among consumers, that noted Company's efforts in developing strategies in order to mitigate climate change effects.

World Environment Day



The theme of World Environment Day (WED) 2010 was is "Many Species. One Planet. One Future." It echoes the urgent call to conserve the diversity of life on planet. A world without biodiversity is a very bleak prospect. Millions of people and millions of species all share the same planet, and only together can we enjoy a safer and more prosperous future.

As we know that we are one in a million? Or more precisely, one of millions on this wondrous planet - anywhere in fact between an estimated 5 million to 100 million species. What we do know though is that humans are among only a handful of species whose populations are growing, while most animals and plants are becoming rarer and fewer.

Many species are known to be threatened with extinction – from little-known plants and insects to charismatic birds and mammals. This is just the tip of the iceberg; many species disappear before they are even discovered.

As a result, we are increasingly risking the loss of the very foundation of our own survival. The variety of life on our planet – known as 'biodiversity' – gives us our food, clothes, fuel, medicine and much, much more

For this reason, the United Nations has declared 2010 the International Year of Biodiversity. It is an opportunity to stress the importance of biodiversity for human well-being, reflect on our achievements to safeguard it and encourage a redoubling of our efforts to reduce the rate of biodiversity loss.

Jubilant also celebrated WED at all locations as well as at Corporate Office. Further, an advertisement was published in Down to Earth, a wide circulated journal of Centre for Science and Environment, commemorating World Environment Day and International Year of Bio-diversity 2010 with a message that;



**"We have *not* inherited the earth from our ancestors;
We have *only* borrowed it from our children"**

Therefore, on this World Environment Day, June 5, 2010, let us all pledge that we will be conservative in our needs and will do everything in our power to preserve nature. Here are some ways how we can contribute.

- Be Vegetarian, Go Green
- When packing lunch, opt for reusable containers instead of foil or plastic wrap.
- Use minimum amount of papers to save trees. Use e-service.
- For lists and messages, turn over used document and write on the other side.
- In office use old paper, old envelope and take stationery when required!
- Turning off all unnecessary lights, when not in office or conference rooms.
- When cooking, match the size of the pan with burner to reduce energy wastage.
- If we have no other choice than to drive to work, pool car.
- Take care of water resources - use judiciously.
- Use the stairs instead of elevators.
- If we want to remember something, plant a tree.
- Use solar lights and water heaters at home, if possible.
- Buy only what we really need to reduce waste.



Jubilant Organosys Limited
1A, Sector 16A, Institutional Area, Noida - 201 301 (U.P.)
www.jubl.com

International Ozone Day

The United Nations proclaimed September 16th the International Day for the Preservation of the Ozone Layer, commemorating the date, in 1987, on which the Montreal Protocol on Substances that Deplete the Ozone Layer was signed. The Protocol is designed to protect the ozone layer by setting timetables for phasing out the production and consumption of ozone depleting substances and controlling international trade in these substances.

The ozone layer acts as a protective barrier against UV rays, which are damaging to humans, plants and animals. Scientists believe that had the Protocol not been approved, ozone depletion would have been aggravated, bringing about increased incidence of skin cancer and cataracts. The cooperation of the parties in implementing the provisions of the Protocol has reduced ozone-depleting substances by more than 98% in comparison to the base year. Moreover, these reductions have also contributed significantly to combating global warming since the controlled substances are also greenhouse gases.

At Jubilant Life Sciences an effort is made not to use refrigerant/cooling system as well as fire extinguishers using ozone depleting substances. As an on-going effort of Jubilant for Environmental education & awareness to recognize values and clarifying concepts in order to develop skills and added tools necessary to understand and appreciate the inter-relationship among man, the culture and the bio-physical surrounding, an advertisement was released in Down to Earth, a widely circulated magazine of Centre for Science and Environment on International Ozone Day, Sept 16, 2010 with a message;

International Ozone Day

September 16, 2010

“We have *not* inherited the earth from our ancestors;
We have *only* borrowed it from our children.”



Protect Yourself - Protect Ozone Layer

Save O₃ur Sky



Jubilant Organosys Limited
1A, Sector 16A, Institutional Area, Noida - 201 301, U.P.
www.jubl.com

Earth Day

From climate rallies to engaging civil leaders in plans to build a green economy, more than one billion people around the world took action for the 40th anniversary of Earth Day in 2010, making it a turning point for the environmental and climate change movements. The Company also celebrated Earth Day with a message at its Offices and also released advertisement in Down to Earth, a widely admired magazine of Environmentalist and School Children due to attachment of Gobar Times with a message in January special issue on Climate Change, CoP16 highlighting significance of mitigation of Climate Change.

**Climate Change
Manage Un-Manageable**



Jubilant secured 2nd position in Carbon Disclosure Project 2010 with CDLI Score 77 for integrating climate change initiatives for Sustainable Planet



Jubilant Life Sciences Limited
1A, Sector 16A, Institutional Area, Noida 201 301, U.P.
www.jubl.com

Business Action On Climate Change

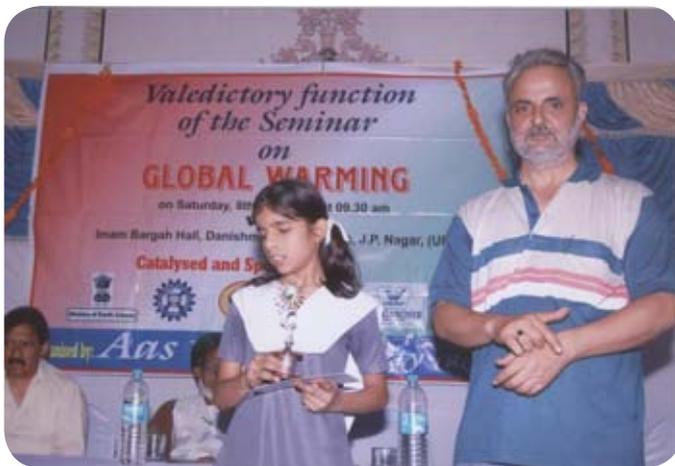
Confederation of Indian Industry (CII), Northern Region, Rajasthan State Office, Jaipur, organized a National Conference on Business Action on Climate Change in association with CII-ITC Centre of Excellence for Sustainable Development, New Delhi and Rajasthan State Pollution Control Board (RSPCB) on June 4, 2010, to commemorate World Environment Day 2010 in Jaipur. As an effort to join hands with the employees, family and community to create awareness on Climate Change Mitigation initiatives, Jubilant co-sponsored this conference.

Rajasthan Chief Minister, Mr. Ashok Gehlot, called for public participations as well as the corporation of trade organizations and industrial houses in combating Climate Change. He emphasized that the trade and industry should take it as part of their social responsibility and come forward to create public awareness about the consequences of Climate Change. The other present and addressed the gathering includes Mr. Ram Lal Jat, Minister for State for Forests & Environment, Mr. V S Singh, Principal Secretary, Environment & Forests and Chairman, RSPCB, Dr. D.N.Pandey, Member Secretary, RSPCB. The Chief of EHS & Sustainability of the Company also shared the initiatives taken for Energy Conservation and Mitigation of Climate Change along with other initiatives such as Green Supply Chain Management. He also emphasized that everybody should take responsibility of switching off the lights when not in used as a habit.



Global Warming

The Company sponsored a workshop on Global Warming organized Aas Welfare Society, Amroha, Distt. J.P.Nagar, Uttar Pradesh on May 6-8, 2010. This seminar was organized for public awareness to the society and students. More than 600 people from different segments of society attended the programme and it was presided by Prof. Zahid Hussain Zaidi, Ex-Vice Chancellor, Rohailkhund University, Mr. Chetan Chauhan, Ex-Member of Parliament and Vice President, Delhi Cricket Association and Dr. Laxman Prasad, Advisor, Ministry of Science and Technology, Government of India. The Company sponsored this program and the efforts of the Company on Environmental Awareness were appreciated by Aas Welfare Society.



Citizen Environment Improvement Society, Noida

The Management and Handling of Municipal Waste is the responsibility of the municipality or Noida Authority. The Management broadly includes waste collection, transport, segregation, treatment and disposal as specified under Municipal Solid Waste (Management and Handling) Rules 2000 issued by Ministry of Environment & Forests under the Environment Protection Act 1986.

The Company's Corporate Office is situated in Noida. The New Okhla Development Authority (NOIDA) adopted the slogan "Clean Noida Green Noida". There was a need for an efficient scientific system for collection, removal and disposal of municipal solid waste in order to minimize risk to health and the environment and to make Noida a waste free city. Though, the Corporate Office is taking all care in collection and disposal of the waste, however, helped a group of concerned citizens came together and formed a NGO called "Citizens Environment Improvement Society, Noida" (CEIS-N).

In 2002, the Company established a pilot project for collection and conversion the bio-degradable solid waste into compost, covering few sectors. No Garbage Zone projects for various Educational Institutions have been launched by CEIS-N. The Company represents this forum and helps to increase awareness on the environment. This year to mark International Year of Biodiversity 2010, Jubilant released an advertisement in CEIS-N News Letter.



"We have not inherited the earth from our ancestors; We have only borrowed it from our Children"

Let us all pledge that we will be conservative in our needs & will do everything in our power to preserve nature. Here are some ways how we can contribute.

- Be Vegetarian, Go Green.
- Use minimum amount of papers to save trees.
- Turning off all unnecessary lights, when not in use.
- Take care of water resources - use judiciously.
- Use solar lights and water heaters at home, if possible.
- Buy only what we really need to reduce waste.



Jubilant Life Sciences Limited
1A, Sector-16A, Institutional Area, Noida – 201 301
www.jubl.com

Sustainable Chemistry: Green Solution For All

A new industrial revolution has been embarked with the trend of manufacturing chemicals being shifted towards Greener routes. Globally, Industries are highly aware to initiate steps so as to prepare the future business world Sustainable and secure with the help of Green Chemistry or Sustainable Chemistry. Industrial world is pacing up for the adoption of new technologies to make their businesses more environmental friendly with low carbon emissions by using Green renewable energy resources. Manufacturing of green chemicals will certainly prove helpful in reducing its share of carbon emission. As the Company manufactures most of the products based on molasses, a green raw material and carrying R&D activities to develop greener routes either in reduction of waste or raw material. A conclave on Sustainable Chemistry: Green Solution for All was organized by Confederation of Indian Industry on Sept.3, 2010. This also coincides with the International Year of Chemistry 2011 "Chemistry – Our Life, Our Future" This conclave was sponsored by Jubilant with an effort to be a part of the global cause of ecological conservation through use of green chemicals that have low impact on the natural resources.

The customer focus for eco-friendly products has led to an increase in demand for Green Products leading to the emergence of green technologies and processes thereby creating new opportunities for the manufacturing sector providing new avenues for growth in Green Manufacturing. Taking this as the backdrop Confederation of Indian Industry (CII) in association with Organization for European Economic Development (OECD), Business and Advisory Committee (BIAC) and National Institute of Standards and Technology (NIST), US Department of Commerce organized the 1st Green Manufacturing Summit in March 2011, New Delhi.

The summit focused on green manufacturing product, technology, processes, best practices, advance manufacturing technique, technology acquisition process and experience from select sectors viz. Automobile, Steel, Cement Electronics, Mining, IT And IT Technologies, Real Estate etc. The industry leaders, policy makers and other key stakeholders from the European Union, United States, United Kingdom, Japan, etc. participated in the Summit. Company also presented the views on Green Manufacturing through Environmental Sustainability.



Business & Climate Change

The Company is constantly addressing the issue of mitigation of Climate Change as per the Company's policy as well as the Company's experience on Carbon Disclosure Project (CDP). The experience of CDP were shared during a Conclave on Business & Climate Change organized by Confederation of Indian Industry in association with British High Commission, World Wildlife Fund for Nature (WWF) and Carbon Disclosure Project, UK on March 15, 2011, New Delhi.



AIM Survey on CSR in Asian Countries

The Asian Institute of Management (AIM) Ramon V. Del Rosario Sr. Center for Corporate Social Responsibility, Philippines conducted a survey of Company officers, to gather information on the integration and utilization of Corporate Social Responsibility perspectives and practices among companies operating in Asia. This brief survey was related to the following:

- Importance of CSR initiatives to companies
- Integration of CSR in the companies' value chain activities
- Utilization of key approaches in managing CSR initiatives

AIM assured that they will keep the confidentiality of all answers and used only for research report. The Sustainability Department of the Company participated to the on-line survey. AIM appreciated the Company's efforts and thanked the officers for participation in their research activities.

Business & Community Foundation

The Business & Community Foundation (BCF), a nonprofit civil society organization with over a decade of experience in CSR shortlisted and assessed Corporate Sustainability Report of the Indian Corporate which is G3 A+ accredited for the jury of NDTV Profit Business Leadership Award 2010. Since 2009, a new category the CSR Award has been added. The objective of the Award is to recognize organizations, which have shown exceptional ability across industries and felicitate excellence including CSR and inclusion.

The Company was nominated in the Corporate Social Responsibility award category and the award presentation held by The New Delhi Television Ltd. ('NDTV Ltd'), in its 5th Annual Business Leadership Awards, 2010 on Sept. 1, 2010, Mumbai. This was attended by the Company's staff on behalf of Jubilant Life Sciences and it was moment of pride for the Company.

Raw Materials

The Company manufactures various types of products and consumes several raw materials. Table below gives the major raw materials used and the criteria for selecting these raw materials only is the capital expenditure in procuring them. This includes the materials purchased from external suppliers and those with captive production.

Raw Materials	2008-09	2009-10	2010-11
Molasses (MT)	371,757	43,449	95,230
Press Mud (MT)	62,210	53,233	36,291
Alcohol (KL)	93,035	110,868	115299
Process Chemicals (MT)	155,883	198,973	188699
Chemicals for API (MT)	8,057	6,668	9361
Chemicals for Feed Additive (MT)	2761	3772	4192

The major raw materials used at Kirkland Unit are:

- Packaging materials : 125788805 (absolute numbers of vials, Cartons, etc)
- Total raw materials in the Unit : 212364 Kg

The molasses and press mud are two waste products of the sugar industry recycled as input material in the Company's processes. Together, they constitute about 30.87 percent of the total major input materials. Utilisation of these waste products has double-edged benefit from environmental angle. It solves the problem of waste disposal by sugar industry, thus preventing pollution. At the same time provides a renewable resource as feedstock for producing various chemicals and bio-compost (from press mud), which goes back to the soil as nutrient. Corn cob another waste material is used at the Samlaya unit in the making of animal feed.

Energy

Early realization of its footprint on environment and meeting the growing energy demand has been the key drivers for the Company to reduce its dependence on fossil fuel.

- Direct Energy**

The total quantity of fuel consumed by fuel type by the Company and the total direct energy consumed by the Company are given below

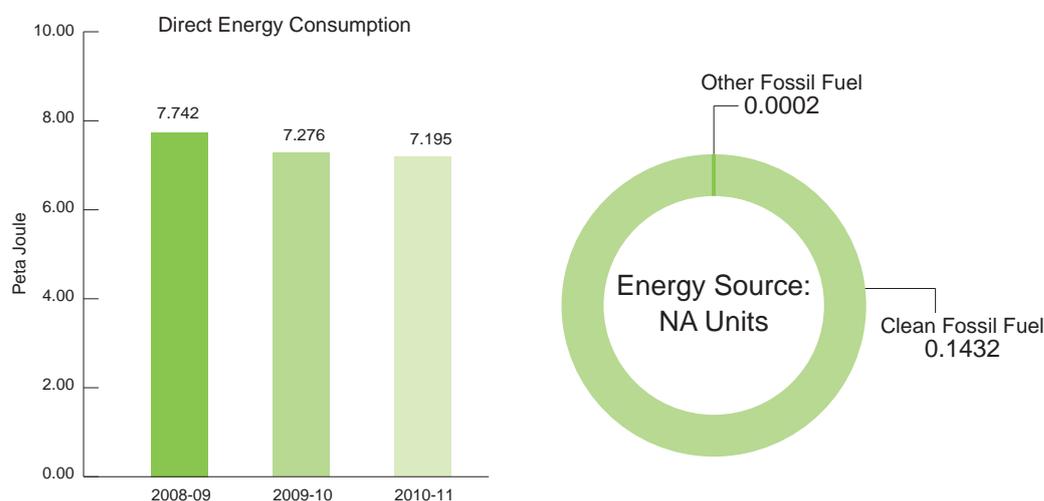
Fossil Fuel	2008-09 (MT)	2009-10 (MT)	2010-11 (MT)
Coal	347,354	358,358	347,989
Energy (peta joules)	5.920	5.93	6.01
LDO	2,196	6,363	1,463
Energy (peta joules)	0.099	0.287	0.064
RFO	12,058	11,238	10,798
Energy (peta joules)	0.490	0.46	0.43
HSD	738	1,184	4,198
Energy (peta joules)	0.034	0.054	0.178
FO	3,962	5,225	4,684
Energy (peta joules)	0.161	0.214	0.187
Natural Gas* Energy (peta joules)	0.0549	0.137	0.143

*The energy values for Natural Gas for previous years (2008-09 & 2009-10) have been revised. As the standard unit for measurement of the quantity of gas was calculated with an error earlier, this has been corrected in the present report.

Out of the total direct energy 0.086 peta joules were exported to Jubilant Industries Limited in the form of power and steam. Biogas is produced in Gajraula and Nira units by treatment of distillery effluent. The gas is used as an energy source and results in reducing consumption of fossil fuels, which are finite resource. With an aim to reduce GHG emissions the Company has started using biomass as fuel at some of the locations. The details of Clean Fuel as given below;

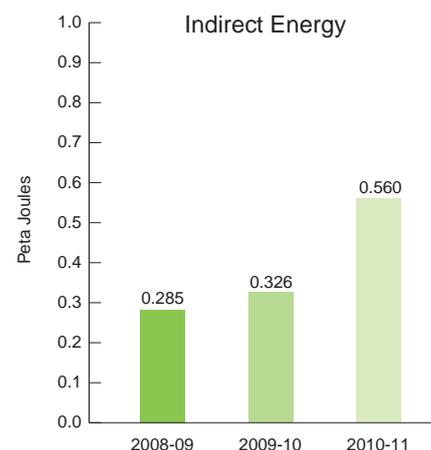
Clean Fuel	2008-09	2009-10	2010-11
Bio-gas (1000Nm3)	51,253	5,542	10,696
Energy (peta joules)	0.948	0.105	0.208
Biomass(MT)	2,229	4,565	4,991
Energy (peta joules)	0.036	0.089	0.060

However, the total direct energy used from clean fossil fuel is 99.77% at NA units.



• Indirect Energy

The total indirect energy consumed by the Company is electricity purchased at various units as well as steam purchased from Jubilant Industries Limited at Gajraula Unit. This steam at Jubilant Industries is produced from Waste Heat Recovery Unit. There are two separate grids supplying power to the Indian operations. The power purchased for the Kirkland Unit, Canada has significantly lower grid emission factor as the electricity purchased is sourced from hydro power and the details are given;



Year	Electricity Purchased (KWH)	Steam Purchased (MT)	Energy Equivalent (peta joule)
2008-09	78,439,277	-	0.282
2009-10	90,433,887	-	0.326
2010-11	103,578,410	66,673	0.560

The total energy used during the year was 7.754 peta joule. The energy saved is energy produced. The Company believes in this statement and puts efficient use of energy on its priority list. Regular information regarding energy conservancy is being shared with the key stakeholders. Judicious use of energy is not only practiced at the Corporate Office but at all manufacturing locations. The employees have imbibed such practices voluntarily. Use of CFLs, motion sensor lights natural light etc are some small but strong initiatives. This year the energy conservation initiatives were also introduced to NA units.

Direct Energy Conservation Initiatives

The Company apart from practicing energy conservation also supports programs related to dissemination of information to public regarding the importance and benefits related to efficient energy utilization. Energy conservancy and efficiency improvement initiatives adopted at manufacturing units are:

Roorkee Unit

- Pressure Power Pumping Package Unit has been rectified to arrest the steam wastage and reuse the same in the form of condensate for boiler feed.

Ambarnath Unit

- Use of biomass briquettes as fuel in boiler /hot oil unit.

The products and services do not require energy in the usage phase. Thus providing energy-efficient or renewable energy based products and services are not applicable. However, as mentioned in the report the Company address the issues of energy conservation in various activities that it conducts.

Indirect Energy Conservation Initiatives:

The term "indirect" energy use or emissions has been used to distinguish the indirect energy use for the production of goods in contrast to the direct energy uses.

1. Energy Conservation at Corporate Office

To continue the activities of Energy Conservation and as an effort to Mitigate Climate Change following activities were adopted at Corporate Office. These include;

- All the lights of B & C wing were changed from warm yellow to cold white lights enabling increase in lux intensity and decreasing HVAC requirement.
- Pasting of Green stickers on each and every light switches and on each floor of all the buildings at Corporate Office. The message is "Switch off when Not in Use" as well as "Jubilant's Initiative on Climate Change". This is to inculcate the habit of Energy Conservation as well as to create awareness of the subject.
- Sending regular mails to everyone in Corporate Office for optimum use of electricity, water, papers etc. as an effort to raise awareness on Environment and related issues. The Company was able to save more than ` 45.00 per employee per month as compared to last year.
- Changing the wiring at switch to control cross lights in each cabins and workstations for optimum use of electricity.
- Starting of shuttle service between Corporate office and Gajraula (125 km from Corporate Office) to avoid use of individual car/taxi for official visits and conserve petroleum products.
- Used C fold towels and news papers are segregated, collected and given to scarp dealer for recycling.

Company started energy conservation and awareness on mitigation of Climate Change across the Company. Though, this year, there was an increase in load in Corporate Office & R&Ds due to requirement. However, the Company saved approx. 17150 units of electricity per month due to conservation measures.

2. Modification in Ventilation System

At the Kirkland Unit, energy consumption was reduced due to modifications in the programming of the control system and placement of new shutters in the HVAC units blending dampers in the Ointments, Creams and Liquid (OCL) pharmaceuticals manufacturing department. Due to these modifications less fresh air is now requested by the system. It has also increased the flexibility and scope for modulation of system as per the demand. This initiative took a shape during the current year and it is expected that about 35% of energy will be reduced due to reduction in electricity in summers and gas consumption in winters. The results will be reported next year.

3. IT initiatives

The application of IT techniques at Corporate Office helped the Company to save indirect energy reducing environmental impacts at source. Some of the initiatives include:

- Cathode Ray Tube (CRT): More than 375 CRT monitors were replaced with Thin film transistor liquid crystal display TFT monitors thereby saving of approximately 60,000 W of power on every working day basis besides other indirect saving due reduction of load on air conditioning as TFTs generate less heat than CRTs.
- Digital Scroll Compressor Technology: Precision Air Conditioner energy efficient technology known as Digital Scroll Compressor Technology has been installed in the new Data Centre at the Corporate Office to save power.

Last year it was decided that Company proposes to reduce water, electricity and paper throughout offices and manufacturing locations. As an effort the Administration and IT department improved the employees' reimbursement process through Human Resource Information System (HRIS). Earlier, each and every employee used to submit five separate papers to claim:

- Reimbursement of Driver's salary,
- Car benefits,
- Sodexo,
- Land Line entitlement
- Mobile entitlement, etc.

This not only saved extra expenditure to use five or six paper and cost of photocopy but also resulted in conservation of paper and electricity. HRIS system adopted is more environment & user friendly.

Further, Sustainability Report and other documents frequently used across the Company were uploaded on Intranet to avoid printing multiple copies of these documents thus conserving the paper and electricity. The implementation of HRIS all across Indian locations and offices has resulted conservation of paper and electricity because now employees can submit the reimbursement for all the items through one hard copy only. This effort of HR & IT is well appreciated.

4. Energy conservation at manufacturing Units

- At Roorkee Unit, alternate street lights are used instead of all street lights. Same practice is in use at service floor also.
- At Samlaya Unit, following initiatives were taken to conserve electricity:
 - All the fans of the canteen have been provided with timers. This ensures the running of fans only during tea and dinning hours. This has resulted into the saving of 5 units of power/ day.
 - A total of 10 tube lights of 60 Watt have been replaced with 28 watts at the Canteen. This has resulted into the saving of 1.5 units of power/ day.
 - Installation of Vibro screen in corn corb plant. Corn cob grinding is one of the processes carried out at Corn cob Plant for providing cob carrier for manufacturing of Dry Choline Chloride by using hammer mills followed by screening of the material. After grinding, the powder is transferred to production silo, from where it is packed in Jumbo bags and then transferred to ANU Dry plant. Conventional reciprocating screens were used for screening of grounded corn cob occupying lot of space. Vibro screens were installed in place of conventional screens resulting in significant improvement in the operation. This occupies less space with less dust emission & low noise and energy savings of approx. 34500 kWh.

Water

Water is one natural resource that is of utmost importance for survival of the humankind. The Organisation for Economic Co-operation and Development (OECD) forecasts that 47% of world population will be living in areas of high water stress by 2030 if the present scenario prevails as it is. The unprecedented climate pattern is now a threat to the availability of fresh water, reduction in agricultural outputs etc.

The Company understands the importance of resources like water thus uses them responsibly. Apart from using water judiciously, the Company believes in giving back water to its natural reservoirs and aquifers. All major operating Units have constructed technically designed rainwater harvesting system. The water get collected in these pits get cleaned by the filter media and is artificially recharged by inserting a recharge shaft of length 0.5-3 m. The rain water harvesting system has been designed at Roorkee, Samlaya, Nanjangud, Kirkland and Spokane Units.

Industries are one of the large consumers of water as it is required in various operations, processes, utilities etc. The Company draws water from all the three sources i.e. surface water, ground water and municipal water. Total water withdrawn with respect to specific source has been provided in the table. The total with drawl of water during the reporting year is 4845983 cubic metres. However, at Nira, Samlaya and Gajraula, the water is supplied to Jubilant Industries Limited. Thus, the total consumption of water during the reporting year is 4,641,016 cubic metres.

The total withdrawal of water during the reporting year is given below;

Source type	2008-09	2009-10	2010-11
Ground water	4,038,666	3,690,486	3,530,222
Surface water	1,026,876	825,217	655,735
Municipal water	448,016	326,703	660,026
Total (m3/yr)	5,513,558	4,842,406	4,845,983

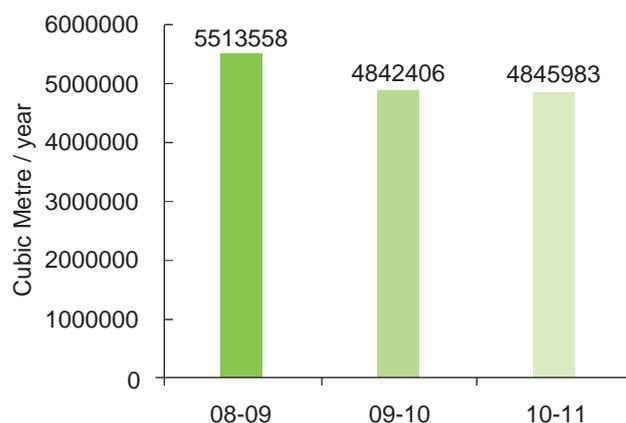
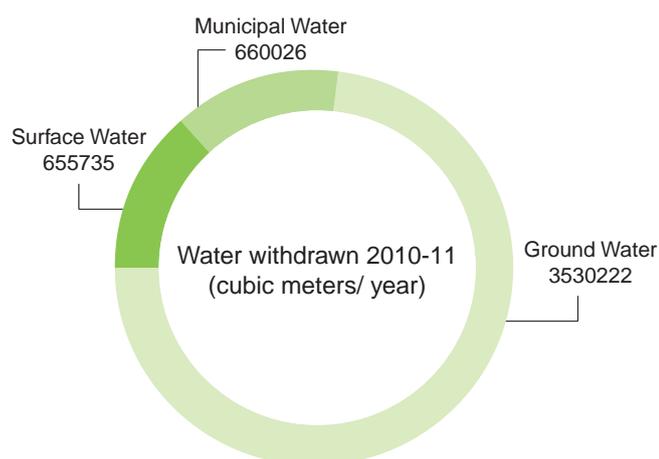
Water sources for the Company are largely ground water and surface water. There is no significant impact on the source for ground and surface water consumed. Water is not drawn from any water bodies that have been recognized by the professionals to be particularly sensitive due to its size, function, or status as a rare, threatened or endangered system. No withdrawal is done from a Ramsar-listed wetland or any other nationally or internationally proclaimed conservation area.

The Company has been proactive in area of water recycling and reuse. Most of the water consumed is recycled through various technologies like Reverse Osmosis, Effluent Treatment Plants, Sewage Treatment Plants etc and the treated water is used for horticulture within the manufacturing unit’s boundary. At Samlaya and NA units of the Company, treated water is sent to authorize common treatment facilities as per the relevant regulations prevailing. Further efforts have been taken to recycle condensate from the raffinate generated from production of Pyridine. The condensate through Multi Effect Evaporator is collected, treated and reused cooling tower make up. Water is reused in cooling towers at least 2-3 times i.e. 2-3 Cycle of Concentrations (CoCs). However, at Gajraula Unit the water in cooling towers is reused 6 CoCs.

At Roorkee Unit, water consumption has been reduced from 170 KL/Day to 95 KL/Day by directly controlling at the source point. Apart from reduction in water consumption due to seasonal change i.e. in winters, water consumption was less in cooling towers. Some other rectification was done on existing system to further reduce the consumption. These rectifications were:

- Float Valve was provided on cooling towers to avoid overflow of raw water.
- Rectification of automation sensor at the inlet of water pipe at underground water tank.

Further more water meters are planned to install at identified locations so as to closely monitor the water consumption and control accordingly.



Biodiversity – The Concern



The Biodiversity apart from providing a good aesthetic environment is supplier of services like filtration of pollutants through wetlands, water cycle etc. The Company is well aware of the risks associated with the loss of biodiversity and feel proud to inform that no manufacturing units of Jubilant are located near or under areas of high biodiversity importance or any reserve / protected areas. All the Units have respective Environment Impact Assessment (EIA) documented to assess the potential impacts of their operations on the biodiversity & ecosystem.

Further the Company has undertaken Avifauna study for Gajraula and Nira. During this year, the birds were also identified in Nanjangud and Samlaya. A canal has been created at Salisbury Unit, which is a Conducive habitat for the Geese and an environment well

appreciated by each and every visitor to the Unit. This is visible from the office at Salisbury Unit and Company’s efforts continue to maintain the harmony. Few photographs of the Geese and Goslings at Salisbury Unit are given below;

There is no significant impact of the products and services of the Company on biodiversity in protected areas and areas of high biodiversity value outside protected area. Most of the products manufactured by the Company are not sold directly in the market and are used as intermediates for other products thus there is no direct impact. Services provided are mainly related to research and development with no significant impact on biodiversity.



There has been no negative impact on the biodiversity in protected area and areas of high biodiversity importance outside protected area. The Company operates in area with no significant biodiversity area thus there was no redressing of impacts associated with its activities. The manufacturing Unit at Gajraula & Nira have been a hub for migratory birds, a study was conducted 2 years ago identifying the different species of birds that have been migrated to the manufacturing Units of the Company. This was a voluntary effort by the Company, and the area where these birds used to regularly visit have been identified so that there is not much damage to the aesthetics of such areas.

The Company does not have separate policy on biodiversity as there is no significant impact of its operations. The Company still considers biodiversity as important aspect for sustainability and make sure while selecting a site for Greenfield projects. Thus biodiversity is integrated in Company’s strategy.



- **Colloquium on Biodiversity:**



All businesses, in respective of size, sector & location, ultimately depend upon and influence biodiversity either directly or indirectly through their supply chains. This makes them potentially vulnerable to the mismanagement of biodiversity and its ecosystem services. Biodiversity management is increasingly associated with triple-bottom-line performance of the companies and offers both risks and opportunities to businesses. There is a strong business case for integrating biodiversity considerations into core management systems; to manage risks, capitalize on opportunities and meet corporate responsibility. This could lead to

a 'win win' business case of biodiversity i.e. mutually benefiting both business and natural environment in which it operates. A Colloquium on Biodiversity: Earth's Most Valuable Resource, Why does it matter to Business? Was organized by the Wild Life Institute of India (WII), Confederation of Indian Industry and CII-ITC Centre of Excellence for Business Development on April 27, 2010 at Wildlife Institute of India, Chandrabani, Dehradun, Uttarakhand. This coincides with the International Year of Biodiversity.

The Colloquium was construed to discuss business models, good practices and how biodiversity conservation and restoration helps in gaining competitive edge to businesses as well as conservation initiative for sustainable biodiversity. The program was addressed by Mr. P.R. Sinha, Director, Wildlife Institute of India (WII), Mr. Ravi Sharma, Director-Implementation, Technical Support & Outreach, Convention for Biological Diversity Secretariat, United Nations Environment Programme (UNEP). Jubilant's presentation included initiatives of Avifauna study of Gajraula & Nira units and how biodiversity activities are being integrated with everyday site activities.

The Company's operation poses no risks to IUCN Red List species and national conservation list species as the Company operates in area with no significant risk to the area of high biodiversity value. The products and services have no significant impact on biodiversity and poses no risks to IUCN Red list species and national conservation list species.

Emissions, Effluents and Waste

Industries are driven for economic development considering the scale of employment, technological development and benefits to the stakeholders it provides. Meeting up the proposed production level to create balance in demand and supply is important on one hand but managing and maintaining regulatory standards for Emissions, Effluents and Wastes (EEW) generated and disposed is also a vital aspect. The Company has been proactive in its approach to manage EEW. All major manufacturing units of the Company maintain zero discharge. No Ozone Depleting Substance is released and waste generated is recycled, sold or disposed as per the regulatory standards. To reduce, reuse and recycle EEW the Company has installed state-of-the-art equipments like Multi Effect Evaporator (MEE), Slop Fired Boiler, Electrostatic Precipitators (ESPs), Thermal Oxidizers, Scrubbers, Cyclones, Bag Filters etc.

At Samlaya Unit, vermi-composting is adopted for converting the canteen's food waste and dry leaves of the plants into manure. In the reporting year a total of 990 Kgs of manure was generated from vermi-composting and utilized within the unit for horticulture, plantation and greenery development.

The Company voluntary disclosed its carbon footprint in the Carbon Disclosure Project Report 2010. The Company, amongst the 51 Indian companies disclosing their carbon footprint, was awarded 2nd rank in the Carbon Disclosure Leadership Index (CDLI) with a score of 77. The Company demonstrated leadership in internal data management practices for understanding GHG emissions and clear understanding of business risks and opportunities related to Climate Change. This information submitted during this year for CDP disclosure was for Indian operations as per the requirement of Carbon Disclosure Project, UK.

Total GHG emissions calculated as per the quantity of power and fuel consumed for the year 2010-11 was 732704 tCO₂e. This is calculated on the basis of weighted average emission factor as per User Guide Version 6.0 of Ministry of Power, Government of India for Indian units and for NA Units respective country emission factors has been used. However, out of this the GHG emissions from renewable fuels i.e. biogas and biomass are 110001 tCO₂e and 11035 tCO₂e respectively. The Company purchased steam produced from Waste Heat Recovery Boiler (WHRB) of Jubilant Industries limited at Gajraula. The emission due to this indirect energy is not included in the GHG emissions reported.

The Company has no other significant indirect greenhouse gas emissions. The employees travel is reduced due to electronic media i.e. emails, video conferencing etc.

- **Metro & Energy Conservation**

The Company's corporate Office is situated in Noida. Delhi Metro Rail service was operational to commute to Noida in November 2009. Sector-18 Metro Station is the most convenient stop for Jubilant's employees and approximately 1 Km away. However, the transportation from metro station to corporate Office was an issue due to small distance and severe weather conditions. The Company started a shuttle service between corporate office and metro station to avoid use of individual car/taxi and encourage use of Metro Rail service as an effort to conserve petroleum products because the employees are travelling from long distance. This shuttle service is available between 8.30 - 10.00 am on a regular interval and in the evening between 6.00 to 8.00 pm. The staff is very happy with this environment friendly initiative of the Company. Presently, this service is being used by many employees.

The Company's Administration Department decided as Path Forward during this year to **Conserve Paper**. It was suggested that printouts/photocopies should be taken only when unavoidable through regular emails to the employees and efforts should be made to do the work online and try & make the office paperless to the extent possible. In case printout is unavoidable the two sided printing should be done. Similarly, for internal / intra unit / intra office communication only old envelopes should be used and use new envelopes for external communication only. Reuse of envelopes not only helped in conservation of paper but it results in CO2 reduction i.e. the waste minimization at source, one more initiative in mitigating Climate Change.

Some of the initiatives undertaken at the manufacturing units for reduction of GHG emissions are:

Roorkee Unit

Plantation was done on the occasion of World Environment Day 2010 to raise the awareness and consciousness of employees for mitigating the climate change and sequestration of greenhouse gases. The natural leaf fall is utilised for mulching around the trees to prevent water evaporation and enrichment of the soil quality. The leaves are also utilised for bio-composting in Pits.

Samlaya Unit

Around 2000 additional plants have been planted across the unit and in the nearby villages during the reporting year. The unit continues practicing paper conservation and educating employees to be environmentally conscious.

Ambernath Unit

Biomass briquette (renewable source of energy) is used as fuel in boiler which has reduced the emissions. Ash generated due to use of briquette as fuel, has significant plant growth promotion value due to Potassium as nutrient & can be utilized in Horticulture. Same Boiler ash is utilized as filler during manufacturing of bricks.

Gajraula Unit

The source of electricity in Gajraula Unit of the Company is captive power plants based on Coal & Biogas as fuel. Earlier the coal was transported by diesel trucks currently the transportation is done through train directly to the unit. Total emissions due to incoming and outgoing of trucks are large as compared to that of train. Thus Company is able to reduce the GHG emissions.

Spokane Unit

The Commute Trip Reduction (CTR) program at Jubilant Hollister-Stier, is an initiative to reduce the number of single occupant vehicles on the roads.

The objective is to educate all employees about commuting alternatives and promote the use of carpooling, vanpooling, transit, walking, bicycling, tele-working and compressed work week schedules. The Company actively encourage ridesharing through personal ETC (Employee Transportation Coordinator) involvement and distributing CTR program information to all new employees. Highlighted below are the key elements of the Hollister-Stier CTR program:

- **Reduction of GHG emissions:** Availing options like carpooling, ride to bus etc will help reduce the carbon emissions which would have been generated otherwise due to single occupant vehicles on road. This will also help in promoting public transport thereby reducing further emissions.
- **Guaranteed Ride Home** - If an employee carpool, ride the bus, bike or walk to work on any given day, the Company will ensure that he/she receive a ride home in the event of illness, emergency or unexpected overtime, if the employee is unable to find another way home.
- **Reserved Parking For the Carpool Drivers** – The Company has provided several prime, reserved parking spots near the front door for carpool vehicles.
- **Bicycle Parking** – Hollister-Stier has provided bike racks for employees to park and lock up their bikes located near the entrance.
- **Internal Ride Match Services** - If an employee wish to find a carpool partner, biking partner, or transit information, the Employee Transport Coordinator (ETC) will provide assistance in finding that information. Same information can be sourced from www.rideshare.com.
- **Monthly CTR Tracking Calendar** – This calendar is provided to help employees easily keep track of the days they used an alternative to driving alone.
- **CTR Makes Cents Incentive Program** – Hollister-Stier gives employees who use a commute alternative the opportunity to participate in its incentive program. Each employee can make extra money for each day that they participate.

Study on Carbon Footprints

In the Company's continuous effort to understand and manage Climate change risks, a study was undertaken, which provides the GHG savings done in manufacturing of selected chemicals from ethanol rather than from petro route i.e. Naphtha. This study involved estimation and comparison of carbon footprint of ethanol, petrol and manufacture of selected chemicals using ethanol and petroleum feedstock (life cycle assessment approach used for estimating carbon footprint). It has been made clear that chemicals manufactured from ethanol as the feedstock are greener against those made from petro route. This study justifies that the product carbon footprint of the Company are less for the select chemicals being produced through ethanol as feedstock which has less carbon footprint as compared to petro route.

Ozone-depleting Substances

There are no significant emissions of ozone depleting substance from the manufacturing processes, as these are not used in any Company's operation.

The Company does not purchase any CFC directly or equipment containing CFC. Under the Montreal Protocol the use of HCFC is permitted in India and company is topping some of the refrigeration system for which data is currently not monitored because this is permitted as per Ozone Depleting Substances (Regulations and Control) Rules, 2000. The use of HCFC is permitted till 2015 and company will make sure to buy equipment without HCFC after 2015.

Other Emissions

In general, the pollutants in air apart from causing problems like low visibility, smog etc have serious health hazard specially the Suspended Particulate Matter (SPM). These small particles are evolved during the process of combustion of fossil fuel like coal etc. Jubilant being a life sciences Company has less particulate matter emissions in comparison to other industries. However, the Company has been monitoring all of the stacks attached to boilers and furnaces. The frequency of external monitoring is as per the regulatory standards and through external agency as approved by government regulatory agencies. In North American units, it is being regularly monitored by state agencies.

To reduce the concentration of particulate matter in the exhaust gases, control equipments like Electrostatic Precipitators (ESPs), Bag Filters, Cyclones and Scrubbers have been installed. Some have these equipments have efficiency as high as 99.9% thereby significantly reducing the concentration of PM.

Apart from particulate matter, other parameters of the exhaust gases that are being regularly monitored include Nitrogen Oxides (NOx) and Sulphur Dioxide (SO₂) gases. The source of generation of these gases is combustion of fossil fuel. To reduce the adverse effect of these gases when released in atmosphere, proper dispersion of exhaust gases is vital. All stacks have been constructed with adequate height as per the regulatory compliance to facilitate proper dispersion of gases in atmosphere.

All the major manufacturing Units of the Company maintain Zero Discharge of effluent. The treated effluent from Gajraula, Roorkee, Nira, Ambernath and Nanjangud Units are utilized internally within the Unit for activities like gardening or cooling tower make up etc. At Samlaya, the effluent is disposed through common effluent disposal facility after primary treatment. The effluent from the R&Ds is discharged into the municipal drain after treatment.

The quality parameters of the treated effluent discharged in the municipal drain are in lieu with the relevant regulatory standards. The effluent in NA units is collected in underground tank and treated by third party. The rejects from sterilized water is disposed to municipal drain at Spokane Unit however, this is monitored for specific parameters by continuous monitoring system. The quantity of effluent disposed by Spokane Unit in the reporting year was 103,115 m³ and total effluent discharge for all NA units was 241,847 m³.

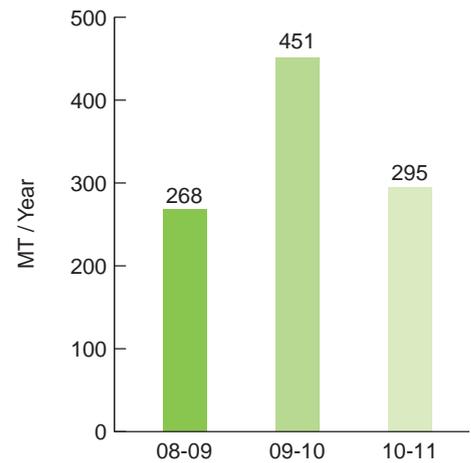
The amount of waste generated is directly proportional to the rate of production. All manufacturing Units of the Company and individual Plants within each Unit have specific norms for specific generation of waste / unit production and are being closely monitored to comply with the norms. The Company strives to reduce the waste at generation by process improvement.

The waste generated by the manufacturing Units of the Company is recycled, reused, incinerated, disposed in Secured Land Fill (SLF), or being sold to authorized re-processor / recycler. Few example of Waste to Wealth strategy of the Company includes, selling of waste oil (Fusel Oil) from the Distillery operations in Nira Unit to companies manufacturing toiletries, Fly Ash from Gajraula and Nira Unit is sold to cement and brick manufacturing companies etc.

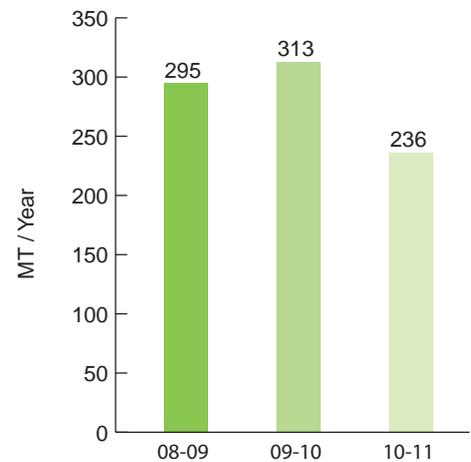
Multi Effect Evaporators (MEEs) are installed by the Company to reduce the moisture and concentrate the solid content of Raffinate, and then disposed for incineration. The Liquid Waste Incinerators have been installed with Waste Heat Recovery Boilers (WHRBs) to produce steam from the waste post combustion process. The Solid Waste Incinerators have been installed with series of cyclones to reduce the solid particulate matter to be released through the vent gases.

Non-incinerable waste is either being disposed directly into Secured Land Fill (SLF) or sent to an authorized common disposal facility or is being sold to authorized re-processor / recycler. Apart from hazardous waste the Company sold scrap waste including packaging material, plastic scrap, paper waste etc. The total cost of ` 113.49 million scraps were sold in the reporting year.

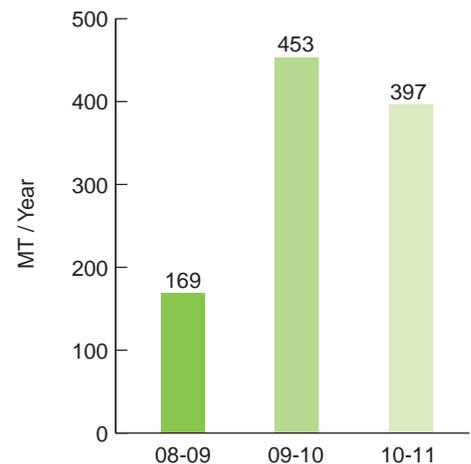
SO₂ Load



PM Load



NOx Load

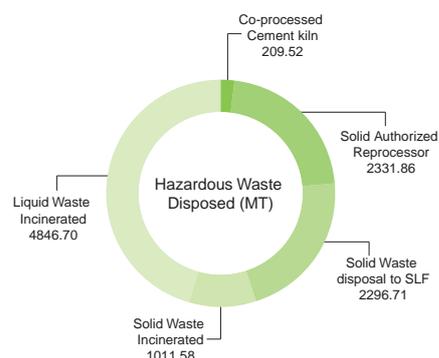


At Kirkland Unit, off-site disposal of radioactive waste must be approved by the RSO. Occasionally (about once every five years) the waste is sent to a radioactive waste disposal Company for disposal of relative small amounts of radioactive material. More commonly, the radioactive material is stored on-site facilities designed for the decay of radioactive material, as the isotopes used are short-lived. The RSO is informed of all activities associated with the disposal of radioactive waste.

At Salisbury unit, the waste disposal of different category includes flammable liquids, non-hazardous waste, filters is approx. 2520 gallons, 49370 pieces and 21 nos. respectively. However, this total Organic, Hazard and non-hazardous products destroyed by third party is 32.03 tonnes during the reporting year.

The Biomedical Waste generated by the Company is negligible in quantity as compared to other hazardous waste generated. However, the Company feels its responsibility to dispose and disclose all the details available. The biomedical waste generated is being collected separately and sent to the authorized vendor with disposal facility as per the Biomedical Waste (Management and Handling) Rules, 1998. The total quantity of waste disposed is 8.45 MT during the reporting year.

Proper disposal of the e-Waste has been streamlined across all locations and the waste is being disposed to authorized vendor for recycling. The total e-waste from Corporate Office and R&D collected and sold for proper disposal was 252.9 kg and 222 numbers of units like CPU, Monitors etc.



Waste Management initiatives at different Units:

At Gajraula Unit, initiative were taken in Acetic Anhydride plant in which high sludge generation from AC2O Distillation column was reduced from 8 MT/month to 4 MT/month by improved cascading control of outlet Temp with burner pressure and vacuum distillation at reduced temperature from 140 deg C to 112 deg C using a temperature controller. This resulted in improved conversion and production increase by 3 %. Another endeavour at Gajraula unit was reduction in raffinate generation in Pyridine plant by 0.3 KL/ MT P&P equivalent to total reduction of about 8%. The capacity of Thermal Oxidizer in Pyridine & Picoline plant at EOU, Gajraula was increased to enhance the waste heat utilization efficiency through steam generation.

At Nanjangud Unit, stream segregation was carried out to reduce the hydraulic load to PCTP and in turn to ETP. The low COD streams were earlier routed to PCTP, Stripper, MEE and FCE for treatment but after segregation it was taken to BTP eliminating passing through the above treatment units. After segregation, the low COD streams are directly taken to BTP and thus in-turn achieved a significant savings as evaporation treatment was eliminated.

At Nanjangud Unit, new technology is adopted to set up an environment friendly plant by utilizing advance techniques of Nitrogen Inertisation, Powder Charging, Automation & Human Machine Interface (HMI) that has resulted in reduction of fugitive emissions and precise process control.

At Nira Unit, Earlier, Tarry waste was collected in the form of hot liquid/semi solid into open tray causing odor. Vacuum provided for removing residual AC2O vapors in the residue that was the cause of the odor and steam was passed in the residue till it gets solidified. This resulted in reduced odor and reduced waste generation by 40%. At Nira Unit, improved quality of coal was used in the reporting year which resulted in reduction of ash generation.

Chemical spillage apart from direct loss of material has significant environmental concerns. Spillage on land may affect the soil quality and spillage in water may lead to loss of water biodiversity. All the manufacturing Units of the Company involved with storage and handling of chemicals have pipelines, valves etc for flow of chemicals thus reducing the risks of significant spillage. The storage tanks are periodically monitored by external agency for pressure vessel test to check the thickness of the pressure vessel tank. There has been no case for significant spillage for the Company in the reporting year for any of the Manufacturing Units.

The Kirkland Unit of the Company has special trainings on spill response and is well equipped with spill containment equipment and employees have been trained in their use. No spillage was reported during this year.

Transportation and handling of the hazardous waste is important considering the impacts of the improper handling leading to significant health hazards, adverse effects on the environment leading to reputational risk for any organization. There was no waste, deemed hazardous under Basel Convention, transported during the year

Effluent discharge has adverse affect on the growth of aquatic life and biodiversity. Discharge on land will lead to contamination of soil. As conveyed earlier, all the manufacturing Units of the Company are zero discharge units thus there is no significant risks due to run-offs or discharge of water.

Products, Services & Compliance

One of the products known as Nicotinic Acid or Niacin, which is also referred as vitamin B3, is an important constituent of vitamin B complex. Deficiency of this vitamin causes the disease pellagra. The product has huge market demand and together with Niacinamide, the world wide annual requirement is more than 45000 metric tones. Conventional Niacin process is a multi-step synthesis, involving hazardous and toxic raw materials which make the process highly polluting, non-eco-friendly and less carbon efficient.

Company's thrust for green chemistry has led to the development of eco-friendly process. This has triggered impulse for developing a new and more efficient catalytic process for production of Niacin. In this process, chemical conversion consisting of number of individual reaction steps are reduced to one by applying multi functional catalyst. This makes the process much cleaner, greener and carbon efficient.

The products manufactured by the Company are not sold in commercial market as consumer products etc. The Company's products fall under the category of Business to Business (B2B) sales. The products are intermediates for other products and thus there is no significant packaging material that can be reclaimed. These products are transported through tankers, and hence do not require any packaging material. The Roorkee Unit of the Company is a formulation plant. Tablets and capsules are manufactured here as per the global standard as all the products are of export quality. No packaging material is reclaimed there as well.

The Company has been following and complying with all relevant regulatory standards for the operations at all manufacturing units and subsidiaries. Complying with regulatory standards helped the Company to streamline the management of its environmental impacts and creating a good reputation amongst the key stakeholders. The compliance to various laws and standards is regularly monitored by the EHS team at each manufacturing Unit and reported to Corporate EHS at regular interval of time. The Company has withdrawn the writ petition filed against CPCB during 2008-09 and requested that the Rs Two million deducted from the bank guarantee can be utilized for the R&D activities by the Board. There were no monetary fines on the Company for any non compliance related to environmental laws during the reporting year.

Emissions Reductions from Transport

At Gajraula Unit of the Company, there are high numbers of trucks entering and leaving the Unit boundary. Apart from Gajraula Unit, the environmental impact of the transportation of products is not significant for other manufacturing locations. The significant impact within the Unit boundary is mainly fugitive emissions, which are mitigated by regular watering of the roads. Transporting products through trucks have impacts like, emissions and spillage. To reduce the emissions due to road transportation, coal is now being transported through railway line thereby addressing the global issue of mitigating the climate change.

Environmental Expenditure

The Company has made appropriate expenditure on environmental protection. The expenditure includes, installation and operational cost of various pollution control equipments like, Slop Fired Boiler, Multi Effect Evaporator, Thermal Oxidizer, Incinerator, Electrostatic Precipitators, Bag Filters, Cyclones, ROs, Scrubbers, Effluent Treatment Plants, Sewage Treatment Plants etc. Other major component included cost related to various authorizations, certifications and standardizations.

The cost of personnel employed for training and education on environment related subjects and personnel employed for general environmental management activities is also included in the overall expenditure. The estimated environmental expenditure of the Company for Indian and NA Units (mainly at Kirkland and Spokane) are over ` 300 million and USD 153000 respectively.



10.0

Social Performance

Labour Practices

Policy

There is well defined Human Resource (HR) policy to manage the HR priorities succession planning, recognizing and rewarding talent, and leadership development. HR management identifies skill gaps within the organization and also looks to addresses those gaps ensuring right people are in the right jobs.

The Company in its quest to nurture talent and provide the best amenities has evolved a gamut of employee centric policies. These policies have been formulated keeping in mind the employee need and its promise of Growing with the Stakeholders. There are several policies in relation to human resource management in the Company. Some of these are listed below:

- Recruitment Policy
- Employment Policy
- Compensation & Benefits Policy
 - i. Group Term life (Natural death)
 - ii. Group Medclaim Insurance
 - iii. Provident fund
 - iv. Gratuity
 - v. Superannuation
- Employee Assistance Policy
 - i. Loans
 - ii. Reward & Recognition
 - iii. Education Expense
 - iv. Marriage Gift
- Separation Policy
- Code of Conduct

Organizational Responsibility

The dedicated HR Department had been structured at the Corporate and Unit level to engage with the employees on labour practices. The Apex officer responsible for labour practices in the Company is Sr. Vice President – Human Resources. The HR Head at the Unit level in India reports to Sr. Vice President – HR about the labour practices. The Senior Vice President-HR reports to Global Head-HR.

The Global Head-HR is assisted by HR Heads at NA Units. The labour practices in NA Units are governed by Head-HR, who is also responsible for fair labour practices, policies with respect to regulations and laws as well as the other activities of the benefit of the employees including medical policies, jury duty leave, military leave, optional supplemental income protection etc.

‘People are our most important asset’. An organization to be sustainable ought to have sincere and committed workforce. The employees are one of the key Stakeholders of the organization and are required to make an organization productive.

One of the goals under the **Vision** of the Company is **to be among the top ten most admired companies to work for.**

Out of four pillars of the ‘Values’ of the Company, one of them is ‘Inspire Confidence’ which states that ‘We will carefully select, train and develop our people to be creative and empower them to take decisions, so that they respond to all stakeholders with agility, confidence and teamwork’.

Various training modules have been tailored by HR department according to the specific requirements of each department in India and NA units. The training on general awareness like health & safety, induction of new joinees and for competent skills is also conducted time to time. Training at manufacturing Unit is conducted by the resident team and as per the requirement team at Corporate also conducts program at Units.

Each aspect of labour practices i.e. labour relations, occupational health and safety, diversity and equal opportunity etc is closely monitored at the Unit level as well as at Corporate. Breach of the aspects is monitored by the HR department. Adherence to Labour laws and regulations is discussed in monthly review and reported quarterly to the Board.

Additional Contextual Information

Employee Engagement and HRIS

To look after the workforce is an ongoing process. The Company has made this challenging goal into a reality through a work environment that enables the employees to grow to their fullest potential. The Company's focus is on people and the emphasis is on transparency, fairness and good governance. The Company has demonstrated concern for the socio-economic development and improvement of communities in the vicinity of the Units.

A business management concept behind improved labour practices is 'Employee Engagement'. Employee engagement is the extent to which workforce commitment, both intellectual and emotional, exists relative to accomplishing the work, mission and vision of the organization. The Company is stepping up its engagement with all stakeholders in order to strengthen sustainable bonds of development, growth and trust. The Company strengthens the employee relation by ensuring healthy and safe work environment; involvement and commitment of all employees; incentives for employee motivation; and effective communication system in the Company.

Excellent social security package, performance-linked economic incentives, profit sharing scheme, various exciting learning & development opportunities at work, challenging assignments, pride of being part of a globally comparable institution and strong bonding akin to being members of a large family are some of the factors enhancing employee commitment in the Company.

The Company conducted a survey for all the employees under the DISHA initiative and Gallup philosophy for employee engagement followed by the Company. The details of these initiatives are given later in the report. A centralized Human Resource Information System (HRIS) based on PeopleSoft HCM was introduced in January 2010. This year the focus was to make the system more effective as an engagement tool and to improve it keeping in mind the Company's commitment towards sustainability initiatives. This system was implemented across locations in India during the reporting year. Some of the GREEN practices that have been inculcated in the system follow;

- Encouraged employees to refrain from printing pay-slips every month - instead recommended online viewing and to save a soft copy if required.
- Reimbursement report was consolidated to print on a single sheet thereby saving at-least two sheets every month from each employee claiming reimbursements.
- Further to this, beginning April 2011, print requests shall not be required for meal and gift vouchers.
- Exit interview questionnaire has been improvised to delve deeper into the leaving employee's thought process in order to improve the experience for rest of the employees. The revised format has been included in HRIS, targeted towards causal data being readily available for attrition analysis and also resulting in paper saving.

Work is in progress for some more enablers targeted for the coming year;

- Self-service based loan application request and online LTA claims and balances
- Reinforce self-service by enabling employees with the right to update their dependent information and educational qualification changes and professional memberships in HRIS.

New Employee On-boarding Portal



The Company has been working on streamlining existing On-boarding process on the basis the feedback received from the New Hire Survey. An important aspect of the On-boarding process is the Pre-Hire Communication with the prospective employees in order to keep them informed of the organization even before they join.

To address the same, the Company introduced a New Employee On-boarding portal developed in-house, NEON, which includes all pertinent information about the organization, the site specific information, joining related formalities etc. which will be of relevance to any new joinee. Further, all joining forms are online for ease of the new joinees replacing the manual forms resulting in significant reduction in joining time and faster time to productivity. In the second phase, this will be linked to the HRIS system for further reducing manual interface as well as another effort on paper conservation.

The New Employee On-boarding process was developed during this year and will be launched next year. The portal will be available under "Careers" section of Jubilant website as NEON, the link of which is <http://jubilantneon.com>. This is another effort of employee engagement HR team across locations in India with the help of IT team.

Employment

Based on the HR policy and in line with the recruitment Standard Operating Procedure (SOP) the workforce requirement is met by the HR Department, in consultation with the specific department and manpower is hired. The workforce is categorized as the Executive and Workers in India and Hourly wages & Salaried in NA Units. There are also contract workers hired to meet the specific job requirements like Security, Canteen, Maintenance, Housekeeping etc. as per the prevailing laws in India and abroad.

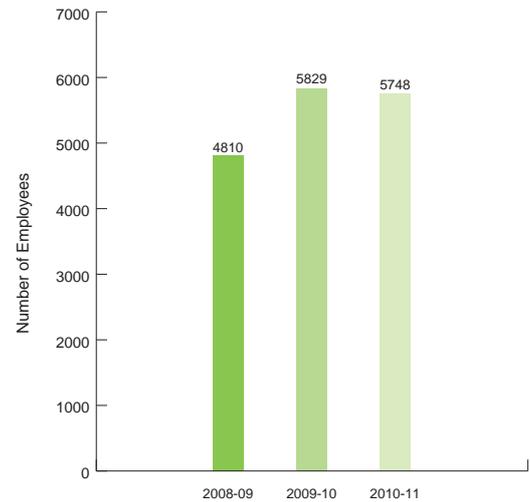
The recruitment at the Company is based on policy of fairness and non discrimination through job portal, consultant, direct contact, employee referral etc. The criteria for the selection of the candidate are based on qualification and job description/ requirement. The process ensures the compliance with prevailing employment laws and regulations of the various countries, in which the Company operates.

There is no policy on local hiring however preference is given provided it matches with qualification and experience required. Further, it is always preferred to hire executive, worker or hourly wage person from the local area as per the prevailing law or regulations etc. The head count of Indian Units, Indian & International Subsidiaries as on March 31, 2011 is given below;

LOCATION	Executives	Workers	Total	Temp/ Labour Supply	Grand Total
Indian Units					
Corp office/ Branches	389		389	105	494
Gajraula, Uttar Pradesh (UP)	599	254	853	293	1146
R&D, Noida, Uttar Pradesh	296		296	89	385
Samlaya, Gujarat	43	30	73	84	157
Nira, Maharashtra	109	126	235	20	255
Nanjangud, Karnataka	493	251	744	172	916
Roorkee, Uttarakhand	142	59	201	46	247
Ambarnath, Maharashtra	132	58	190	128	318
Bharuch, Gujarat	90		90	0	90
Total (A)	2293	778	3071	937	4008
Indian Subsidiaries					
Jubilant Biosys, Bengaluru, Karnataka	353	0	353	10	363
Jubilant Chemsys, Noida, UP	434	0	434	13	447
Clinsys, Noida, UP	176	0	176	3	179
JFTH, Kolkata, West Bengal	55	178	233	0	233
Jubilant Infrastructure, Bharuch Gujarat	56	22	78	26	104
Total (B)	1074	200	1274	52	1326
International Subsidiaries					
JLL, China	8	0	8	1	9
JLL, USA	4	0	4	0	4
Jubilant Cadista Pharmaceuticals Inc., Salisbury, Maryland, USA	0	183	183	40	223
Jubilant Clinsys Inc., New Jersey, USA	112	0	112	6	118
PSi Supply NV & Jubilant Pharmaceuticals NV, Merelbeke, Belgium	16	0	16	0	16
Hollister –Stier, Spokane, Washington, USA	243	299	542	0	542
Jubilant Hollister –Stier, DraxImage Kirkland, Quebec, Canada	309	229	538	20	558
Total (C)	692	711	1403	67	1470
Total (A+B+C)	4059	1689	5748	1056	6804

The Company in its commitment as one of the most admired companies to work for offers a wide range of benefits to employees and different motivational and applause schemes are in place to retain and ensure a favorable environment for full realization of employees' talent and potential.

The Company's Rewards & Recognition Policy 'Applause' acknowledges and recognizes employees and teams for their exceptional contribution. To build a culture of continuous improvement the Company encourages the employees by recognizing their efforts made in terms of Creativity, Innovation and Improvements in their respective work area.



The following are few awards given on annual basis to a team or an individual employee scoring maximum in the inter department competition on their projects:

- **Individual Awards**
 - Spot on Award
 - Star of the Month Award
- Emerging Talent Award
- **Team Awards**
 - Mission Directed Team Award
 - Outstanding Team Award
- **Chairman's Awards**
 - Chairman's Innovator of the year Award
 - Chairman's Achiever of the year Award
- **Long Service Rewards**
- **Other Rewards**
 - Manufacturing Excellence (Workers) – Team Award
 - House Keeping Excellence (Covered Plant) – Team Award (Workers),
 - House Keeping Excellence (Open Plant) – Team Award (Workers),
 - Suraksha Award (Executive & Workers) – Individual,
 - Maximum Attendance and No sick leave (Executive & Workers) – Individual.

The Chairman Award introduced this year is for NA Units also. The Kirkland unit of the Company conducts program 'Eureka' where submit ideas for improvement and after completion and evaluation, awards are given to employees.

The attrition rate for India operations was 17.8% which is almost same as that of the previous year which was 17.35%. The turnover rate for employees age less than 30 years was 28.5%, for age between 30 and 50 years was 13.0% and for age category more than 50 years, the attrition was 7.8%. The details of attrition rate for the reporting year location wise and gender wise is also given in the tables below.

Age in Yrs	Headcount - Mar'11 Attrition (Apr'10 - Mar'11)			Attrition %			Attrition %		
	Executive	Worker	Grand Total	Executive	Worker	Grand Total	Executive	Worker	Grand Total
< 30	871 (38%)	166 (21%)	1037 (34%)	243	53	296	27.9%	31.9%	28.5%
30-50	1279 (56%)	525 (68%)	1804 (58%)	216	18	234	16.9%	3.4%	13.0%
> 50	143 (6%)	87 (11%)	230 (8%)	15	3	18	10.5%	3.4%	7.8%
Grand Total	2293	778	3071	474	74	548	20.7%	9.5%	17.8%

Gender	Headcount - Mar'11			Attrition (Apr'10 - Mar'11)			Attrition %		
	Executive	Worker	Grand Total	Executive	Worker	Grand Total	Executive	Worker	Grand Total
Female	156 (7%)	1 (0.2%)	157 (5%)	41	2	43	26.3%	200.0%	27.4%
Male	2137 (93%)	777 (99.8%)	2914 (95%)	433	72	505	20.3%	9.3%	17.3%
Grand Total	2293	778	3071	474	74	548	20.7%	9.5%	17.8%

Location	Headcount - Mar'11			Attrition (Apr'10 - Mar'11)			Attrition %		
	Executive	Worker	Grand Total	Executive	Worker	Grand Total	Executive	Worker	Grand Total
Branches	39	0	39	8	0	8	20.5%	0.0%	20.5%
Bharuch	90	0	90	7	1	8	7.8%	0.0%	8.9%
Corp Office	350	0	350	66	0	66	18.9%	0.0%	18.9%
Gajraula	599	254	853	88	13	101	14.7%	5.1%	11.8%
Nanjangud	493	251	744	138	29	167	28.0%	11.6%	22.4%
Nira	109	126	235	14	0	14	12.8%	0.0%	6.0%
R & D Noida	296	0	296	80	0	80	27.0%	0.0%	27.0%
Roorkee	142	59	201	36	19	55	25.4%	32.2%	27.4%
Ambarnath	132	58	190	19	11	30	14.4%	19.0%	15.8%
Samlaya	43	30	73	18	1	19	41.9%	3.3%	26.0%
Total	2293	778	3071	474	74	548	20.7%	9.5%	17.8%

The turnover (attrition) rate for Salisbury Unit for the reporting year was 11.49%. The turnover rate for hourly category has reduced from 25% in the year 2009-10 to 12% in reporting year and for salaried employees it has come down to 13% in reporting year from 18% in the year 2009-10. The attrition rate for Spokane Unit for the reporting year was 7.2% and for Kirkland Unit, it was 16.66%.

The Company full-time employees are entitled to certain benefits that are exclusive and not provided to part-time employees. Some of these as applicable in India are mentioned below:

- Maternity leave;
- Disability and invalidity coverage as per the Industrial Dispute and Workers Compensation Act etc;
- Group Medclaim Insurance: Provides hospitalization coverage for employees (and their dependents) and many more.

The Company provides certain benefits exclusive to full-time employees at manufacturing Units. Few of them are Education and hostel fee reimbursement for employee children; accommodation in the township; Loan on nominal interest for purchase of computer, vehicle and housing etc. The full-time employees of the Company at NA Units have benefits different to that of Indian operations. Some select benefits are given below.

- Short Term / Long Term Disability Insurance (Company paid) Benefits
- Optional life / Accidental Death & Dismemberment Insurance – solely employee funded
- Optional supplemental income protection – solely employee funded
- Health club reimbursement
- Jury Duty Leave / Court Appearances
- Military LOA (Leave)

The Company believes that jury duty and court subpoenaed appearances are a responsibility of good citizenship. The Company therefore provides employee pay for up to 21 calendar days per summons. The objective is to provide continued and consistent pay to employees called to jury duty and court-subpoenaed appearances.

Under Military Leave, the Company supplements military pay up to 20 days of training, 120 days of emergency military leave. Re-employment rights for unpaid full-time military leave.

Labour and Management Relations

The Company recognizes and respects the right of all personnel to join and form trade unions of their choice to bargain collectively in terms of Industrial Disputes Act. The representatives of the union who are part of the workforce are having continuous access to their members in the work place. The Company ensures that the union members are not discriminated against for lawful union activities.

Employee relations scenario in the Company is cordial marked by industrial harmony and mutual trust between the two parties in the employment process. The unions and associations and also the individual employees compliment the efforts of the management in developing and sustaining an enabling performance culture in the organization. For Indian units, 85% of the Company's Workers are covered under collective bargaining agreements.

Category	No. of Employees as on March 31, 2011	No. of Employees covered under Collective Bargaining agreement	Coverage under Percentage
Executives	2293	0	0%
Workers	778	661	85%
Total	3071	661	

The Salisbury and Spokane Units are a non-union plant. At Kirkland Unit, 249 employees out of 528 are covered under Trade Unions. In fact, 40 salaried employees and all 209 hourly waged employees are covered under the Union.

Whenever there is any change of service conditions of worker category of employees, notice of change for three week's period is given as stipulated in Industrial Disputes Act for worker category. This is adhered to as a consequence to the bilateral discussions with the unions and associations. Regular communication meeting is being held with the representative of employees and different issues related to employees as well as plant performance is being discussed and shared. Due to effective sharing of information by both the sides, action can be initiated well in advance to face any challenges ahead as well as helps in improving the quality of work life.

Occupational Health and Safety

In order to improve the Company's efforts, for a healthy and safe environment, safety committees exist at all locations. The purpose of this joint effort of all workers and senior management is to achieve maximum results from the Company's safety program. Further, new workers also learn who the committee members are during their health and safety orientation/ training. The management and the employees are the members of Safety Committee formed under Factories Act and both are equally represented i.e. 50% representation of the management and workers.

The committee reviews the incidents occurred during the period, all safety related issues like availability of Personnel Protective Equipments (PPE), incidents occurred in other projects and their remedial measures to prevent similar incidents. The safety is also important at the corporate office and during this year following initiatives were taken:

- Replaced all fire extinguishers from non standard to reputed Cease Fire make thus saving in annual refilling cost and enabling readiness to any fire situation. This has also resulted economic and environmental benefits i.e. cost of filling as well as transportation for filling.
- Installed Public Address system for announcements, in case of emergency. This is also used as a source for recreation during lunch hours between 1.30 – 2.00 pm to play music. This move of Administration department was well appreciated by many employees.
- To strengthen the security and safety measures the 12 nos. CCTV's system has been installed. This has resulted pilferage, if any as well as to avoid unwanted person entry to office.

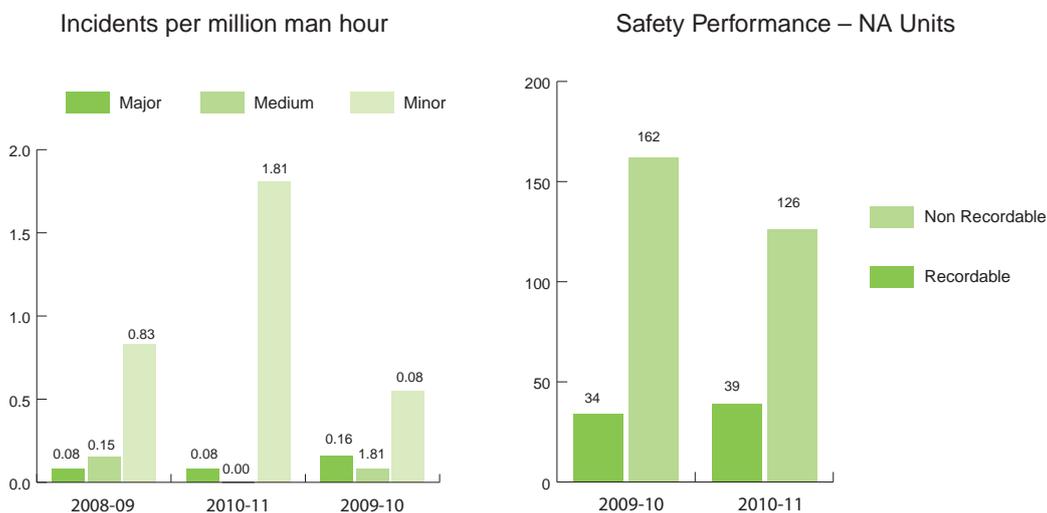
The Company has Environment, Health & Safety Policy, which clearly mentions its commitment in ensuring safe and healthy work environment with necessary infrastructure and systems. The Company adopted a system of pre-employment and periodical medical examination for employees to ensure good health and to prevent occupational diseases. The health record of each employee is maintained at each unit.

During the reporting period, no cases of occupational diseases were detected. The Company adopts system for reporting minor first aid injuries of employees and contract labour. All occupational accidents and diseases in the Units are recorded as per the provisions of The Factories Act, 1948 and The State Factory Rules. All injuries are reported in the prescribed format with information on department, section, nature of injury, time and date of accident, probable cause and unfit period. This reporting also includes minor incidents, dangerous occurrences and near miss cases. These details are also maintained through MIS at the Corporate Office. The reportable accidents (where injured person does not return to work within 48 hours, i.e. 2 days) are reported to Inspector of Factories. In case of any fatal accidents, the accident report is sent to Chairman, Director Operation, Chief Inspector of Factories, local Government officials as per Statutes. A cross functional team investigates all injury cases for corrective steps to prevent recurrence. This is also reported to Board of Directors on quarterly basis. The injury rate is calculated as number of accidents per million man-hours worked. Though the Company strives to maintain all plants accident free but during the reporting period there were two fatal accidents at Gajraula Unit.

In NA Units, accidents and illness are defined as Recordable and Non-Recordable. The guideline for determining what is classified, as an OSHA recordable is complex. Some of the recordable incidence include, days away from work beyond the day of injury, work restriction affecting currently assigned tasks, given a prescription medicine, sutures, loss of consciousness, a diagnosis of an illness such as Carpal Tunnel Syndrome, or fractured or broken bones. At Kirkland Unit, Canada, total recordable accidents as per gender were 15 (Male) and 8 (Female). However, the number of non recordable accidents as per gender were 64 (Male) and 57 (Female). At Spokane & Salisbury Units, USA the data for total number of accidents as per gender is available with respective Legal Counsel. However, as per prevailing law of gender equality of USA, no separate records are maintained. At Salisbury unit the recordable and non recordable accidents are 16 and 5 respectively. There were no accidents at Spokane unit. The total number of Recordable and Non-Recordable accidents in NA Units are given.

Total number of accidents at NA Units for the year 2010-11	
Recordable	39
Non Recordable	126

The Company encourages employees to participate in extracurricular activities and programs organized during festivals and other occasions to reduce the psychosocial stress or job strain, if any. The Corporate Office has a Gymnasium and trainer for employees and other indoor sports facilities are also available Corporate Office to relax as and when required. The Corporate Office as also provides lunch on subsidized cost this also reduces the stress of working ladies to prepare lunch before coming to office hours. The canteen facilities are also available at each units including North America. The accidents for all categories i.e. major, medium and minor for Indian units involved male employees only as per gender category. The safety performance of Indian and NA units are as follows:



Sanchetna - Enhancing Employee Participation in Safety Capacity Building

Safety observation and surveillance is an ongoing activity at the Company's manufacturing units by observing the work conditions and talking to employees about safety of their jobs. The deficiencies observed during observation classified in to various indices benchmarked with DuPont Plants;

- Unsafe Acts
- Employee – Created Unsafe Condition
- Fire and Explosion Control
- Fire Protection
- Inspections and Tests
- Work – Environment Hazards
- Industrial Hygiene
- Emergency Preparedness
- Rules & Procedures and
- Management Commitment

In pursuit of driving safety across all the units of the Company, employees participate in making and recording the observations. At Gajraula unit, an initiative Sanchetna encourages employees to participate in observing any unsafe act and convey it to the safety team by recording the observation on the Company's intranet which is accessible to all. This has not only brought out hidden unsafe observations but also increased employee participation significantly for observing unsafe conditions and safety capacity building as observations are now being made by all the departments but not only safety department as practiced earlier. The Company is also rewarding employees recording observations that would enhance safety capacity of the Unit on implementation.

- To further strengthen the emergency preparedness efforts, Evacuation Plan at Department levels are being prepared. In this connection Export Oriented Unit (EOU) Plant at Gajraula Unit has also been covered.
- The EOU plant at Gajraula Unit is planning for British Safety Council Five Star rating in year 2011-12. The Five Star Audit is an internationally recognized audit system, used by leading organizations worldwide to benchmark the safety management system against best practice process.

At Kirkland Unit, some of activities undertaken last year or planned for the coming year regarding safety are included below:

- Evaluation of risk due to exposure of lead. This is done by an extensive sampling evaluation and implementation of an action plan to reduce risk to the Company's employees.
- Implementation of improved reporting system for energy, water and wastes at the Unit.
- Improved recycling program by working with only one strategic partner i.e. SORINCO Inc, to help better manage the wastes.

Jubilant is committed to improving the quality of life for people with rare and serious diseases for employees and community around the plants. This commitment is also reflected in Company's support to social initiatives regarding TB, HIV/AIDS to name a few. The programs on HIV/AIDS are implemented in collaboration with International Labour Organization.

The Company also collaborate with other organizations to <http://www.eurordis.org/> promote quality medical care and services and to improve and expand educational and outreach efforts. Through these partnerships, we strive to raise public awareness and to enhance appropriate public policies for rare diseases. Regular training programs are also organized by the Company's in the vicinity of various manufacturing locations. Regular counselling on HIV/AIDS is available on request to employees, their families and the community.



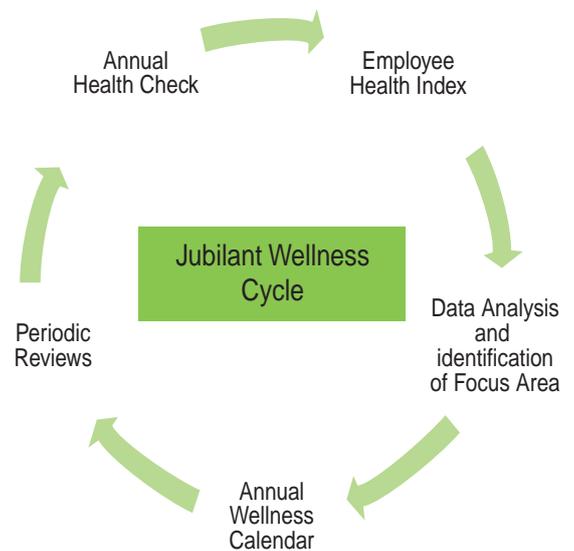
Jubilant also considers Tuberculosis as serious diseases and the employees are not immune to these as also they can spread to community around. This, apart from being a cause of concern may have direct or indirect impact on the business process. Hence, the Company has started several awareness creation projects and public programmes to minimize these risks. Major activities undertaken in this area are:

1. Jubilant Wellness Program

Jubilant under its **Wellness Program** create awareness amongst employees for better & healthy practices thereby improve employee productivity. It is Company’s commitment to maintain and enhance the employee’s health. The Company feels that the holistic wellness of employees should be encouraged in all aspects.

The Jubilant Wellness is partnering with Leading Hospitals and Clinics on a PAN India basis, with better discounts and facilities, and personalized treatment for all Jubilant Employees and their dependents. However, the Company wishes the employees and their dependent for their healthier life and lifestyle management to avoid going to a hospital. The Wellness program is defined below and it is on the basis of Plan, Do, Check & Act. A record is also maintained for the activities organized at the Corporate Office for Wellness Program.

Spreading Wellness Awareness through periodical Health Talks, Sessions, online Wellness portal on intranet and sponsored Health Check Camps. Over FY 10-11, during reporting year the Company had organized approximately 70 such health talks and camps across various plants and offices and this has benefited about 1700 employees and their families.



2. MY LIFE – Spokane Unit

This program at Spokane has an objective to recognize and reward employees who make healthy lifestyle choices and to support all employees and their families in attaining optimal health.

This is a Health and Productivity Management Program. By maintaining optimal health or improving health status participants will be eligible for the following:

- Company-subsidized semi-annual health screenings at the facility
- Reduction in monthly Hollister-Stier health premiums and waiver increases from 10% to 20% for you and your covered dependents
- Increased Health Club reimbursement to \$240 per year with documented usage of 8 times per month
- On-site educational presentations, support groups, and coaches/trainers

Through My Life program, on-site health screenings are available for all employees every six months. The cost of the screenings is subsidized by the Unit with the employee portion of the cost being approximately \$20-\$25. A confidential health status report showing cholesterol, glucose (HbA1c for diabetics), and blood pressure is also provided to the employee. If desired, the percent of body fat will also be taken and provided to the employee, which is a requirement for obtaining the premium discount.

A copy of an employee’s health status report will be given to an independent third party from outside the Company for designation into one of the three following health categories.

- Maintain My Life (Recommended Level),
- Improve My Life (Moderate Risk) and
- Change My Life (High Risk)

3. ENERGIE CARDIO – Kirkland Unit



At Kirkland Unit, the Company has incentive schemes to encourage employees to follow healthy lifestyle by subscribing to gymnasium.

A discount of 15% off regular subscription charges is provided to all employees at two local gyms. The program at these gymnasiums is:

- Exercise programs
- Strength training
- Cardio equipment



4. Employee Assistance Program – Kirkland Unit

The Employee Assistance Program helps employees experiencing problems such as:

- Stress
- Depression
- Grief and loss
- Manager anger
- Crisis situation
- Addictions (Alcohol-drugs-gambling)
- Research child and elder care resources
- Get legal clarity
- Understand nutrition
- Focus on health

All employees and labours are provided with specific Personal Protection Equipments (PPEs) as per their job requirement. Safety training on topics related to health & safety is provided to all new labours before they start working in the Unit. These programs are also organized time to time. The worker is also a member of safety committee at each Units and Company’s commitment of safety is also discussed with the Trade Unions. The Safety team at the manufacturing location maintains vigilance on the activities of the labourers and keep a check on the safety of the working conditions to take any necessary action if required.

Training and Education

Training is an essential and widely used technique to enhance human potential to equip and meet the new challenges for deployment in the organization. The Company has several training programmes as per the requirement of the department.

The Company believes and uses training as a tool to enhance human potential, to meet the upcoming challenges and to retain talent. The Company has a comprehensive Training Module. The Company provides training on safety and related issues for 572 man days per year. However, at Kirkland Unit, all new employees are trained in Environment, Health & Safety aspects related to the operations. Following additional training is also conducted to meet all local regulations: Operation of a lift truck, Spill response, Lock out tag out, Whmis, Fist aid, Respiratory protection, Confined space etc.

At Salisbury Unit, training on Environment, Health & Safety was 3 hours / employee i.e. 486 hours / annum.

The training calendar of the Company was systematically developed by consolidating the training requirements assessed through the Training Need Analysis given by the executives through their reporting officer/reviewing officer in Performance Management System, in India. Training programs are categories as per the objective of the respective program. These trainings were imparted to both male and female participants involving middle and senior management team. They were also part of various non formal trainings organized for awareness. Some the training programs as per the category are listed in the following table:



Leadership Development	Strategic Initiatives	Customized Programs	Self Development Programs
• Enterprise Leadership Program	• Induction	• Value Selling	• Business Acumen & Financial Analysis
• Business Leadership Program	• Igniting Growth	• Personal Effectiveness	• Negotiation for Competitive Advantage
• Applied Leadership Program	• Partnering For Performance	• Team building Workshops	• Crucial Conversations
• Bringing Out The Manager In You	• Green Belt	• Enhancing Analytical Skills	• Project Management and many more
• Learning Edge For Achieving Potential (LEAP)	• Yellow Belt		

Various other training modules are designed to cater to the skill development needs of different categories of employees. For example, technological and managerial skill development for executive trainees, engineers, and senior management are given periodically. A combination of in house trainings and external institution led training program opportunities are provided to various employees for their career progression. The course comprises of behavioural inputs for self development, strategic management, functional, induction, general, safety, technical and quality etc. The training details for reporting year for Jubilant Life Sciences Ltd. excluding the subsidiaries are given below;

2010-11	
No. of Employee trained	3121
Training Hours	82754
Average hours of training	27.67

Category	Avg. No. of Employees	Man-Hours	Avg training (Manhr/Emp)	Category	Avg No. of Employees	Man-Hours	Avg training (Manhr/Emp)
Female	157	4721	30.07	DGM & Above	180	6574	36.52
Male	2834	78033	27.53	Sr Mgr & Below	1986	65604	33.03
Total	2991	82754	27.67	Worker	825	10576	12.82
				Total	2991	82754	27.67

The training hours at Kirkland Unit were 7026. The average hours of training per employee were 12.14 hrs/ employee. At Spokane Unit, the total number of training hours was 4365 hrs for class room training and at an average of 8.2hrs / employee. The total training hours for all training i.e. class room training, department meeting training etc were 5365 hrs and an average of 10hrs / employee. Average hours of training for employees are as per the need by the gender and employee category. The Company is not biased to train the employees, the selection for training an employee is not based on gender.

To ensure that the Talent management and Succession practices support the fulfilment of the business strategy, the Company has launched a Talent management and Succession Process across Jubilant Life Sciences Companies. This process ensures a common language to assess, develop, promote talent and create a pipeline for all critical position as well as a set of career paths for key players in each business units or function.

Thus, the Strategic Talent and Succession Management Process of the Company aims to achieve the following key objectives:

- Align and drive the Talent Strategy to achieve Business objectives.
- Identify Key Leadership Issues and preparedness to address these.
- Assess Depth, Breadth & Diversity of the Talent Pool.
- Establish a talent pool ready to fill key leadership roles.
- Map appropriate job and job experiences to High Potentials

The process involves the following key steps:

- Identification of Organizational leadership needs basis the business & leadership challenges
- Identification & Assessment of Key players by placing them on 9 Box Performance- Potential Matrix
- Succession Planning for Critical Positions to identify the bench strength of the critical positions
- Identify focused development plan and retention plan for key players and succession candidates to manage investment in them through appropriate actions.

POTENTIAL / PROMOTABILITY Promotable at least two Organization layers Promotable to next Organization layer Limited Promotability	6 New < 6 months	3	1
	8	5	2
	9	7	4
	Delivers on some KRAs	Consistently meet most KRAs PERFORMANCE	Significantly & consistently exceeds on all KRAs

Development Options for Hi-Pos & Succession Candidates

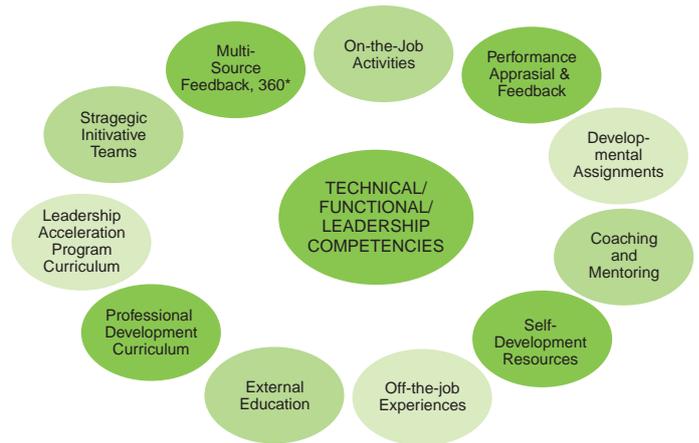
Identifying and developing high-potential employees are the main ingredient to ensuring organization's continued success. Whether it's preparing them for a high-level role or helping them take on more responsibilities, acknowledging the top performers will help retain valuable employees and set them—and the Company—up for future success.

The Company encourages its managers to have meaningful development conversations with all of their employees, and if someone is perceived to have significant growth potential, to communicate that to the person, but to avoid using labels in doing so.

High potentials value growth and development. Once their talents and development needs are identified, they need the chance to build their skills. Action learning projects and targeted training initiatives are important for keeping them engaging, broadening or deepening their skills, and preparing them for successful transitions into new roles

High potentials & succession candidates are provided with focused development as part of succession plan keeping future roles & responsibilities in mind. Development activities include the following:

- Self Development Activities - Directed reading and knowledge sharing
- Class Room Trainings focusing on Leadership & Managerial Capability like - Accelerated Leadership Development Program, MDP etc
- On the Job Assignment like Job Rotation, Stretch Assignment, Special Projects etc
- Relationship and Feedback-Based Development Opportunities – Coaching, Mentoring etc



Invest In Yourself



Apart from conducting training programs, the Company organised an inspirational talk by Smt. Jaya Row founder of Vedanta Vision and Vedanta Trust was organised in Aug 2010 for the employees of Corporate office and R&Ds at Noida. Employees from group companies were also invited to take benefit of the session. The objective of this session was to enunciate some basic values – values that create success, happiness, excellence in career and growth that fulfils each employee's potential. It focused on helping employees meet their own goals as well as those of the organization, evolved a management style that is successful, creating the fulfilled and dynamic human being. About 200 employees had participated in the session to take the benefit. This session also witness the presence of CMD, CCMD and other senior officers of the Corporate office.

The Performance Management System forms the basis for employee appraisal and identifying the training & developmental needs of individuals. The purpose is the alignment of businesses functions objectives throughout the Company.

Human Resource Management at the Company plays a key role in ensuring that the knowledge and competency profile of employees are aligned with their tasks and roles. Competency Mapping was carried out in the Company and the directories of KPAs (Key Performance Area) for all levels, roles and departments were formulated. These competencies (technical/functional and managerial) have been detailed in the new Performance Management System as shown in different weightages have been assigned to these competencies and core values based on the level/grade of the employees. The Performance Management System covers 100% of the Executives. The performance review is conducted twice in a year on an interval of 6 months.

Diversity and Equal Opportunity

The Board is the highest governing body of the Company. Presently, all the 100% members of the Board are male by gender and over 50 years old. However, there is no discrimination of age, gender and minority group membership and other indicators of diversity in the Board.

The Company is committed to treat individuals in all aspects of employment on the basis of ability irrespective of nationality, race, caste, creed, religion or gender. The Company neither initiates nor tolerates racial, sexual or any other kind of discrimination or harassment. Jubilant Code of Conduct represents the ethics and moral behaviour expected from all employee categories such as highest governance body, senior/middle management, workers and various functions such as technical, administrative, production, marketing etc. The code is in alignment with the Company's Vision, Promise and Values.

There is no disparity in basic salary between women and men employees in the Company. Regarding the salary of the Company employees, the Company follows the principle of equal pay for work; hence there is no disparity in the salary based on gender. In this context the Company upheld the morale of ILO Convention 1951 at all locations, which exhorted 'Equal Remuneration for Men and Women Workers for Work of Equal Value. The Company also value the principles set in ILO Convention 1958, which passed the resolution to eliminate 'Discrimination in Respect of Employment and Occupation'.

The Company provides maternity leave to address leave requirement during pregnancy & child birth and this is as per Indian Maternity Benefit Act, 1961 and employee return to work after parental leave. However, at Spokane and Salisbury Units, Family and Medical Leave Act requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

At Kirkland unit, the employees under the maternal, paternal and parental leave can avail the following benefits either as Basic Plan or Special Plan.

Entitlement under Basic Plan includes, 18 weeks leave and 70% income replacement for mothers (Maternal Benefits) or 5 weeks leave and 70% income replacement for fathers (Paternal Benefits) or 7 weeks leave and 70% income replacement that may be shared between the parents (Parental Benefits). However, under Special Plan, 15 weeks leave and 75% income replacement for mothers (Maternal Benefits) or 3 weeks leave and 75% income replacement for fathers (Paternal Benefits) or 25 weeks leave and 75% income replacement that may be shared between the parents (Parental Benefits). 30 employees availed parental leave (maternal / paternal) out of which 16 returned to work, 1 was terminated and rest are in period of leave.

Human Rights

Business is being directly affected by human rights issues like child labour, forced labour, security practices, non-discrimination etc. Though there have been significant enhancements over the years in this area, however, evident change will only come about through transformation in business ethics. The Company supports and respects the protection of human rights. The Company has set policies regarding aspects of human rights, and these policies have been uploaded on common intranet portal for easy access to employees thereby raising awareness on these issues.

Policy

There are several policies in relation to human rights issues management within the Company. Some of them have been listed below:

- Non Discrimination Policy
- Prevention of Sexual Harassment Policy
- Equality

Maintaining requisite human rights standards is an ethical responsibility of each employee. The senior most officers responsible for managing human rights issues and implementation of various policies of the Company related to human rights for each Unit is the responsibility of HR Head of the respective Unit including NA Units. The overall operational responsibility and concerns for human rights for the Company remains with Global Head – Human Resources. Individual HR Head at the Unit level in NA units reports about the human rights issues to Global Head HR.

The Company follows all the relevant legislations effectively and complies with all rules and regulations related to human rights, safety and security. There have not been any violations of human rights.

The awareness on human rights and issues related to human rights is the area where the Company is ambitious. Thus, information on various policies related to human rights is being uploaded on Company's intranet accessible to all employees, in India. Specific training for security personnel regarding age verification of casual labour and other contract labours is being provided at each Unit. HR department of the Company is flexible in designing training modules on any of the issues related to human rights, if it is of any significant concern.

The Company has appropriate functions and resources for monitoring the human rights exploitation. Sustainability team at Corporate conducts sustainability audit every quarter and monitors the implementation of human rights policies and performs gap analysis for each Unit.

Additional Contextual Information

Investment and Procurement Practices

All significant investment agreements of the Company have been scanned for human rights issues as a mandatory aspect while performing due diligence for that specific agreement. The Company considers human rights as an important facet of growth and development decisions.

The Company adheres to all the rules and regulations pertaining to contracting and procurement policies with respect to human rights. The Company does not procure material from vendors who violate human rights and standards as stipulated. This is scanned as per the contract agreement document of the Company with all the significant suppliers. It has been mandated by the supply chain management division that human rights and related commitments are obtained from the contractors, suppliers, sub suppliers and sub contractors that they shall confirm to the requirements of Contract Agreement Document. The agreement also ensures no exploitation of contract labour by contractors/agencies working for the manufacturing Units of the Company, at various locations. This is also covered in Green Supply Chain Policy.

The Company has not organized any training programmes exclusively on Human Rights for the reporting year. However the topic of human rights is dealt in training programmes being organized time to time for awareness and programme are also being imparted on these topics for the workforce of Company's associates and contractors. The Company identify it as an area of importance and plan to conduct such trainings in the coming years. During the reporting period the employees attended few training programmes, which include training on broader aspects of human rights.

Non Discrimination

At the work place, discrimination in any form viz. gender, caste, creed, age, community etc. is declared as an offence against the integrity of the victim. As per the HR Policy of the Company, no employee shall discriminate or harass any person on the basis of nationality, race, caste, creed, religion or gender nor shall employee tolerate racial, sexual or any other kind of harassment. In particular, no employee shall indulge in sexual harassment which includes unwelcome sexually determined behaviour whether directly or by implication.

The discrimination is well covered in Business Code of Conduct as equality and Prevention of Sexual Harassment Policy (POSH). All written or oral complaints are addressed to the member of the POSH committee which comprises of 6 senior management personnel of the Company. This is also informed to new employees at the time of joining and it is a part of the Employee Handbook. The Employee Handbook details are posted on intranet and also informed at the time of joining. This policy gives behaviour guidelines for all the employees to prevent unwanted conduct of sexual nature and protect individual dignity.

It is the belief of Company that the employees are solely employed, trained, promoted and remunerated on the basis of performance and competence irrespective of race, caste, natural origin, religion, disability, gender, age, sexual orientation or political affiliation. The Company is an Equal Opportunity Employer (EoE) and this is also mentioned on the Company's website. The employees are paid equal remuneration for the same category of work. This is in line with the Equal Remuneration Act, 1976. The employees are free to exercise rights to meet needs relating to race, cast, natural origin, religion, disability, gender, age and political affiliation.

Employees are treated in a decent manner and are free from verbal, physical and sexual harassment and other discriminatory practices. Breach of the policies related to human rights can result in actions leading to and including risk of employment termination. There were no incidents of discrimination in the Company during the year.

Non –Discrimination Policy

Jubilant's non discrimination policy states that;

Jubilant Life Sciences is committed to ensuring that workplaces are free from all forms of discrimination or harassment on the basis of age, caste, sex, religion or on any other ground. No discrimination whatsoever is practiced during the Human Resource processes of recruitment, employee development and rewarding performance.

Freedom of Association and Collective Bargaining

The Company respects the right of its employees to form associations in accordance with the local laws, as applicable. At locations, the Company engages these associations in regular dialogue. All workers have the right to join associations of their own choice or to refrain from joining one, unless otherwise prohibited/necessitated by law.

The labour practices at the Company are based on the principles of fairness and as per various national statutory requirements. Interactive forum for collective bargaining at various levels exist and are utilized by employees. Constitution of India and relevant Acts including Industrial Disputes Act and Trade Union Act empower the workforce to have collective bargaining and freedom of association.

No areas of operations were identified where the right to exercise freedom of association and collective bargaining can have significant risk and no significant suppliers have been identified for similar risks during the reporting year. The Company respects the right to exercise freedom of association and collective bargaining. In Spokane and Salisbury units, there are no trade unions. However, at Kirkland Unit, trade union exists as mentioned earlier.

Child Labour Policy

Jubilant believes in protection of the young and the vulnerable. It is Company's policy to ensure that nobody is recruited without a proof of age as per the employment norms of the region. Further, the Company is committed to work in a pro-active manner to eradicate child labour by actively contributing to the improvement of children's social situation. The Company also suggest its suppliers (Partners in Progress) to Say No to Child Labour and it is well defined in Company's Green Supply Chain Policy.

The Company is at the forefront of abolition of child labour in any forms in all of its activities, and it is statutorily informed and ensured that no person under the age of 18 is entering the plant premises. The minimum age for recruitment for all levels of employees is 18 years. In the case of labour engaged by the contracting agencies, the contractor should collect photo gate pass with age proof of the labours. This is evidenced through certificate of age proof, school records or certification by the Government medical officer or an affidavit duly attested. This is in accordance with Indian Child Labour (Prohibition & Regulations) Act, 1986, and Children (Pledging of labour) Act. If there are any cases of violation concerning issues related to child labour, such cases shall be investigated and suitable remedial action shall be initiated.

Apart from verifying the age of the labours working for the Company, effective abolition of child labour is also a task on which the Company is working on. Through the social initiatives, some livelihood programmes (discussed in detail later in report) are being established for the families in the nearby community. Through such programmes family members are trained for their livelihood generation thus reducing child labour.

Possibilities exist of employment of child labour by the contractors at the construction sites. The Company monitors strictly all such areas against employment of child labour. However, no cases of child labour were noticed during the reporting year due to robust monitoring system.

Forced and Compulsory Labour Policy

Jubilant respects the dignity of labour and denounces all forms of forced and compulsory labour. The Company, therefore, ensures that its terms of employment are transparent and voluntary.

The Company is committed to the highest morale of human rights standards. The employees are statutorily protected from imposition of any kinds of forced/ compulsory labour. 8 hours, six days a week duty system is being followed at the Units with leave facilities applicable to the HR rules of the Company. In case of labourers engaged by associates, it is ensured prior to the agreement of contract that PF norms, social security insurance coverage, etc. are followed by the contractors. Before release of payment against the work, the concerned Engineer- In-Charge has to certify that minimum wages are being paid to the workforce. The HR head of the unit is empowered to witness the disbursement of wages.

The Company has a policy not to engage any forced or compulsory labour. The employees are free to quit work at any time after serving the requisite notice period as stipulated in the terms of appointment.

The responsibility of plant and township security is entrusted to external security agency. The security agencies are registered agency and have their own standards to follow in terms of various trainings. The Company does not conduct any training for the security personnel directly. However, if the need arise the same is communicated to the security agency.

Indigenous Rights

The area and magnitude of operations of the Company does not hamper the interest of any kinds of indigenous people. As such, no indigenous population is inhabited / settled in any of the Units and offices. However, the Company committed to ensure an inclusive growth of the society keeping the interest of the smallest minority.

The Company does not provide goods and services to any entity that uses them for human right abuse; on the contrary, the Company condemns such activities. Any grievance is solved through a mechanism. The Company also takes action against acts of discrimination occurring in employment in the country concerned. No incident of violation involving rights of indigenous people was observed during this year.

The Human Rights are reviewed to promote awareness, knowledge, and discussion on matters of human rights law and policy as per prevailing law of the country. At all the Company units the internal audits are conducted to review human rights and its impacts regularly.

The human rights review is an important activity for sustainability to assess human rights from various disciplinary perspectives using diverse methodologies. Presently, the Company has not adopted any methodology to review only human rights violation of specific nature. However, as mentioned above this is reviewed through internal audit and mechanism as adopted by Grievances Committee. In addition, the Company proposes to develop a comprehensive for Human Rights violation to review. This will include theoretical, historical and empirical analyses of human rights issues and cover topics such as the moral and political interpretation and application of human rights legislation, terrorism, genocide, human security, sovereignty, globalization, cultural diversity, gender, human rights dilemmas in health care, and economic development.

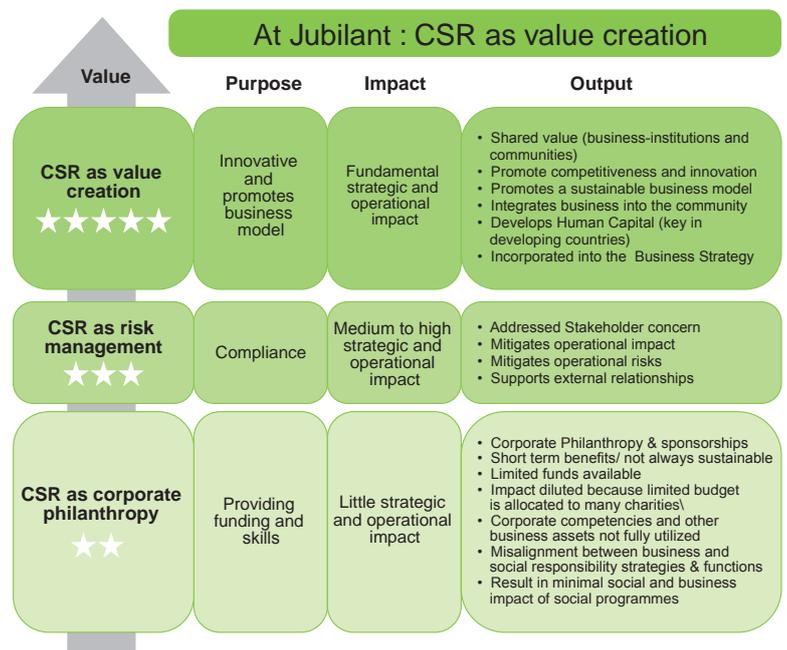
Society

Policy

The local community as an important stakeholder, Jubilant embarked on engaging with them since decades, but the approach was philanthropic. With the growth of the Company, the expectation of the community around also amplified. Gradually, the social activities in the area were strengthened through strategic management. The emergence of the concept of corporate giving provided the impetus to the restructuring of Company's strategy. The CSR value creation model giving purpose, Impact and output is given below:

At Jubilant our Social Interventions started with Philanthropic approach, gradually came to risk management stage while since last few years Jubilant is working towards developing projects as value creation for the community around like strengthening education system and schools improving health indicators and skill development to improve employability.

The implementation and monitoring of the social activities at all the locations in India, are routed through the Director of Jubilant Bhartia Foundation



(JBF). The social activities in the vicinity of the Indian units are looked after by the Program coordinators. Each unit Heads at the NA Units are involved in social activities of the region, if required however, due to high standard of living these activities are minimal in comparison to India. The monthly progress of social initiatives in India is analysed by the Director-JBF along with CSR-Coordinator.

The annual action plans complemented with the detailed budget for the identified activities across the locations in India are prepared by CSR-Coordinator and is approved by the Management in consultation with the Director- JBF.

All the training and awareness program on select topics relevant to social issues such as TB, HIV/SIDS are organized by the Company at all locations on regular interval through JBF. The senior officers in the Company review the community development activities on quarterly basis.

Additional Contextual Information

Jubilant Bhartia Foundation, a not for profit organization is the nodal agency to carry out the social activities of the Company was set up in 2007. JBF program coordinators are regularly in touch with the vital stakeholder i.e. the community for bringing a change in socio-economic environment.

Community

The JBF program coordinators at each location or the Unit Heads identified the need of the areas for intervention and focused approach towards creating value in the life of the community around. The JBF activities are conceptualised and implemented for various community development work, Health care, cultural & sports, environmental awareness and related initiatives, vocational training, women empowerment and educational activities. Jubilant understands that the communities around the manufacturing locations are important stakeholders and currently is working at 8 manufacturing locations out of 10. Though there are many areas which may demand the attention however, the activities for long term sustainable social interventions are in these main areas.

- **Education** - Supporting Government Rural Primary Education System – **empowering the children with the gift of education**
- **Health** - Strengthening Basic Health Care Facility - **empowering the community with the means of good health**
- **Livelihood** - Improving Employability of Local Youths through Livelihood Generation – **empowering the youths with the right skills for employment**

As a responsible corporate citizen, the Company is actively involved with the community in proximity through various programs. Jubilant believes in maximizing the efforts for the inclusive growth of the society at large. The Company is also engaged with the community for infrastructure improvement as and when required. With this mandate Jubilant collaborated with the Schwab Foundation for Social Entrepreneurship, sister organization of the World Economic Forum. This Foundation provides unique regional and global platforms to promote social entrepreneurship, a key element in meeting the social concerns innovatively and effectively. The social entrepreneurs are innovators who implement practical and sustainable solutions to address challenges in numerous areas including health, education, and environment, access to technology and job creation. While the approach is towards addressing the concerns of the stakeholder yet all efforts are attuned with objectives of MDGs.

Millennium Development Goals	Objectives	Jubilant Initiatives as given in the Case Studies Nos.
	Eradicate Extreme Hunger and Poverty	I and II
	Achieve Universal Primary Education and Corporate Giving	III , IV, X and XI
	Promote Gender Equality and Empower Women	V
	Reduce Child Mortality	VI, VII and VIII
	Improve Maternal Health	VI, VII and VIII
	Combat HIV AIDS, Malaria & other Diseases	VI, VII and VIII
	Ensure Environment Sustainability	VIII
	Develop a Global Partnership for Development	X

Case Study: I - Vocational Training to Community Youths

JBF has already established permanent Vocational Training Centres (VTC) at two major locations Gajraula and Nanjangud. While at all other locations including Bharuch organizes training in the rental space or at the space provided by the community specifically for the training as and when required.

The objective is to act as a catalyst to improve employability of the youths as well as identify & minimize the skill gap existing between the job requirements by the employer by providing essential training. This will have a long term impact on the society.

Based on the specific needs of the target stakeholders the training were categorised into four groups. These include;

- Technical Literacy – to improve technical skills in Upper Primary school going kids and trained in skills like carpentry, plumbing, tailoring etc. These can be taken today as a hobby but tomorrow it will help to understand the basic job requirement in chosen area.
- Vocational Training – to improve technical skills in youth and to train them as per the need of the area as well as to start own enterprise for livelihood generation.

Approximately 50% of the youth trained during the reporting year either got employment in different fields as given or started own micro enterprise.



Vocational Training Centre at Gajraula in Uttar Pradesh



Tailoring Training at Nanjangud in progress

Case Study: II - Economic Empowerment - Nanjangud

Provide skills to women for self reliance and to assist them for quality & timely services as per the requirement of the area. The Tailoring was identified as the immediate need. Other industries of Nanjangud Industrial area also decided to help women in Kallahalli, village for uniform/dress stitching.

The centre of Kallahalli was improved with more facilities and two more tailoring centres at Kathwadipura and Chamalapura Beedi village around Nanjangud unit were established. The training on tailoring was imparted to 25 members of Self Help Group (SHG) created in the villages. Out of this, 13 members started uniform stitching centre for the employees of industries in Nanjangud industrial area. Jubilant was the first one to provide this gesture to the SHG and seeing the progress and quality SHG other industries of the region also engaged for this noble cause. The Company improved the tailoring centre at Kallahalli village of approximately 500sq.ft and provided all basic amenities including cupboards, table and chair. The Company has also appointed a supervisor for the effectiveness of the centre. Due to the success of the project, this model was replicated in other two villages Kathawadipura and Chamalapura Beedi during this reporting year. All the three SHGs of these villages are now engaged with sustained orders for uniform stitching from Jubilant Life Sciences TVS Motor and AT & S Contract Employees. In fact, regular orders are in place for Readymade Dresses and Anganwadi School Children Uniforms stitching. The income of per household due to this activity has increased. A Supervisor has been appointed by JBF to monitor SHGs activities regularly.



Women generating livelihood through JBF initiated tailoring centre at Nanjangud



Chamalapura Beedi Tailoring Centre

Case Study: III - Muskaan reaching out to 78 Schools

The main objective of the project is to strengthen Government Rural Primary Education system and improve quality of education. As decided last year, the Company reached to 78 schools through community involvement for long term benefit to primary school going children. After demerger of the Company 18 schools are being supported by new Company Jubilant Industries Ltd at their respective locations.

The activity includes:

- Assessment of the training need and training programs to the teachers
- Strengthening Village Education Committee (VECs) with the inclusion of parent in the committee for better involvement and monitoring.
- Supporting infrastructure activities as per the need of schools and extracurricular activities like eco club, exposure visit, cultural and sports activities, birthday celebrations, felicitation of students' teachers and parents etc.
- Support the girl child for Secondary Education by providing means of transport to make access to schools easy.

The efforts of Muskaan are visible due to:

- Decreased absenteeism
- Increased education level of students
- Strengthening of Infrastructure



Winners at the Sports Competition held in Muskaan School



Aiding water facility to the Govt school at Korehundi village

Case Study: IV - Establish Non-formal Education Centre

To promote quality education among girl students who discontinued the studies due to cultural and non-monetary factors and provide alternative to primary education at a convenient place, pace and time by establishing a Non formal Education centre. This is to create a long term development for children and community in the vicinity of plants.

The social interventions with the local community in village and Panchayati Raj Institution members, it was decided to establish a non-formal education centre at Makkhanpur due to poor socio-economic status. The activities include:

- Discussion with the various inhabitants for establishment of the facility
- Establishment of education centre and enrolment of girl child

This resulted to encourage girl child to join schools. Two girls who were 8th class pass, rejoined Govt. School in Bhagwanpur and continue the formal education.



Felicitations of two students at the NFE Centre when they rejoined Govt School- A motivational effort of the centre



Students of NFE Centre at Roorkee

Case Study: V - Empowering Women through Self Help Groups

The objective was to promote self-sufficiency in women by formation of Self Help Groups (SHGs) for economic empowerment. This is for a long term benefit to unemployed rural women for self-sufficiency. The main activities include;

- Formation of Self Help Groups
- Motivate to follow the modus operandi of SHGs
- Entrepreneurial training through local trainer cum entrepreneur
- Support the groups in identification of trades.
- Providing forward linkages.

Under the guidance of JBF, more than 60 SHGs were formed till date at various locations around the units of the Company. JBF also provided sustenance training on income generating activities like envelope making from old newspapers and scent sticks.



Paper Bag Making in progress by women of JBF initiated SHG.



Women at work- SHG making incense sticks for livelihood after receiving extensive training facilitated by JBF

Case Study: VI – Development of Basic Healthcare Services

To identify the gap in basic healthcare facility and support for long term sustainability of health care.

The activities included the continuation of existing Day Care centers, Dispensary, Mobile Dispensary and Specialized Health Camps near units of the Company, mainly Gajraula, Nanjangud, Nira and Samlaya. The Mobile/static health clinics cover approximately 300,000 population based on records maintained by JBF coordinator in the vicinity of the plants and provide curative measures to them.



Mobile Dispensary for basic medication and referral services to the community



Handicap Rehabilitation Program at Gajraula

Case Study: VII –Swasthya Prahari - A Partnership

A community based health program “Swasthya Prahari” was started during FY 2009-10 with the objective to reach out to the community who has poor health services for long term community development around Gajraula unit.

Major activities under this project are:

- Identified one lady from each village to act as Swasthya Prahari (Health Guard),
- Train Swasthya Praharies on maternal and child health issues.
- Support the Govt. Health Dept. in organizing Immunization camps
- Support pregnant women for institutional delivery
- Monitoring of children growth between 0 to 5 years for malnourishment

The project has resulted in increased awareness immunization practices and institutional delivery. reduction in infant and mother mortality rate. organized to attract them was also the part of Prahari is a Public Private People Partnership i.e. for approximately 100,000 population.



Swasthya Praharies understanding Growth Monitoring



Growth Monitoring of children by Swasthya Prahari

Case Study: VIII – Awareness on Health & Environment

To create awareness to the community residing in the vicinity of units on health and environment issues with the help of Eco-club, Swasthya Prahari & Occupational Health Centre for long term benefit of hygiene and environmental issues for community mainly School Children and employee's family.

Many activities to create awareness were organized to commemorate World Environment Day, Earth Day, World Health Day as well as the Company organized various awareness program on:

- Tuberculosis
- HIV/ AIDS
- Communicable Diseases like Swine Flu etc,

Muskaan Project also ensures Health Day Celebrations in school along with organization of Eco Clubs for sensitizing students about environmental health issues to increase aware



Eye Check Up Camp at Samlaya



Child Health Camp at Nira

Case Study: IX – Employees Engagement

Jubilant encourages employee's engagement for making a visible social impact at work place. Various projects undertaken are;

- Blood Donation Camps: Organized a Blood Donation Camp in association with Rotary Blood Bank in March 2011 at Corporate Office for collection of blood.
- Response to Leh Disaster: The employee of the Corporate Office supported 5 villages impacted from Leh Disaster in September 2010 by providing 48000 Liters of bottled water and 300 Gas Stoves.
- Right to Free and Compulsory Education and prohibition of Child Labour: Employees at Jubilant pledged to strive & ensure contribution towards the Right to Free and Compulsory Education and prohibition of Child Labour in and around community. This drive was initiated through e- sensitization through JBF.



Villagers receiving Cooking Gas Stoves donated by Jubilant Bhartiya Foundation at MANEY TSELDING, Leh



Employees of Jubilant Bhartiya Group participating in the Blood Donation camp in Noida

Case Study: X – The Social Entrepreneur of the Year Award

The India SEOY Award identifies and celebrates visionary social entrepreneurs who have demonstrated systems-change models and are at the stage of scaling/ replicating their ideas across India and in other countries. Applications to the India SEOY Awards 2010 opened in May this year. The response was positive, and the quality of applications was, by far the most competitive. The finalists of this Award were identified through an intensive 4- step process.

The Schwab Foundation for Social Entrepreneurship, in partnership with Jubilant Bhartia Foundation, announced Mr. Rajiv Khandelwal and Mr. Krishnavtar Sharma, co-founders of Aajeevika Bureau, as the winners of the India Social Entrepreneur of the Year- 2010. Mr. Kapil Sibal, Minister of Human Resource Development, Science and Technology & Telecom and IT, Government of India, awarded the winners in New Delhi.

Aajeevika Bureau has introduced a unique photo identification card for inter-state migrants, allowing them to access banking, mobile telephone and other government services and citizenship entitlements. In addition, the organization offers skill training, job placement, legal aid and counselling to migrant labourers in Rajasthan, Gujarat and Western Maharashtra. More than 100 applicants filed for the “India Social Entrepreneur of the Year” award. An independent panel of pre-eminent judges selected the winners. The judges included: Mr. Y. C. Deveshwar, Chairman of ITC Ltd.; Ms. Shobhana Bhartia, Chairperson of the Hindustan Times; Ms. Rohini Nilekani, Chairperson of Arghyam Foundation; Ms. Sudha Pillai, Member Secretary of the Planning Commission; and Ms Hilde Schwab, Co-Founder and Chairperson of the Schwab Foundation.

Rajiv Khandelwal and Krishnavtar Sharma, Aajeevika Bureau, Udaipur recipient of the India Social Entrepreneur of the Year Award, 2010



Case study XI - Social Initiatives at the Spokane Unit

The Spokane Unit's Community Service Committee, responsible for events and fundraising activities throughout the year for the benefit of select community/ organizations collected over \$11,000 in 2010. The money was donated for charities to Toys for Tots and Second Harvest is \$7919 and \$3394 respectively. The details of these programs are given below;

- Toys for Tots – The Toys for Tots program works to provide needy children in the community with a shiny, new toy at Christmas, with the goal of delivering a message of hope that will motivate them to grow into responsible, productive, patriotic citizens and community leaders.
- Second Harvest Food Bank – Since 1971, Second Harvest has been leading the hunger-relief network in the region by distributing more than 1 million pounds of donated food each month, Second Harvest able to help people in need in 26 counties in Eastern Washington and North Idaho.



Bribery and Corruption Policy

Adhering to the strong set of values and guiding principles that drive working at Jubilant, dealings are conducted in a professional and ethical manner. The bribery and corruption Policy of the Company states that;

Any personal payments or bribes to individuals employed by Jubilant's customers or suppliers, or receipt of bribes or personal payments by employees of Jubilant Life Sciences is strictly prohibited. This includes buying equipment from suppliers for personal use at high discounts.

Moreover, any meals, entertainment, gifts or favours the Company offer to its customers or prospective customers will be moderate, in good taste, and in keeping with the principle of avoiding even the appearance of inducing the customers to place their personal interests above those of their employer.

The Company has a Code of Conduct for the senior management. The senior Officers are required to give an Affirmation Statement to the CMD that they have been following the code of conduct of senior management. The code of conduct also covers issues related to integrity, confidentiality, insider trading, gifts and penalty for breach/corruption. The details of the Code of Conduct can be accessed from the HR Policy manual and it is well covered in Employee handbook prepared for Senior and Middle Management and handed over new joiners. The Company has not carried out any specific training in organisation's anti-corruption policies and procedures. However, these issues are covered under the Code of Conduct and Policy on Bribery and corruption. These policies are available on the intranet of the Company and part of the orientation program for the new joiners. There were no incidents of corruption in the Company during the year hence no action was necessary.

Public Policy

As a policy decision, the representatives of the Company do not indulge or participate in any lobbying for the Company. The Company however, is involved in policy development when invited and interacts with the local authorities. The interactions are for activities like environmental awareness, social giving's and of mutual interest with the stakeholders. The Company does not make any contribution to political parties, politicians or related institutions

Task Force on Chemicals

The Ministry of Chemicals & Fertilizers, Government of India decided to set up a Task Force on Chemicals to study various facets of the chemical industry, examine major policy issues and make recommendation for enhancing investment, global competitiveness, accelerated and sustainable development of the chemical sector as a major building block of the Indian economy. Mr. Shyam S Bhartia has been elected Member to the Task Force on Chemicals. The broad terms of reference of the Task Force will be as to make an assessment on the present status of the Indian Chemical sector, make suggestions for National Chemical Policy with a vision for 2020 and suggest strategies to achieve them through actionable programs, schemes, policies and guidelines.

Anti Competitive Behaviour

There were no legal actions against the Company for anti competitive behaviour, anti trust, and monopoly practices. The company did not pay any fines for non-compliance during the reporting year and there were no monetary sanctions.

The Company operates in many states of India and few states in North America. The Company also focuses the community in many rural area of India for socio-economic development as well as in North America for social initiatives as per the need of the area.

The Company's major operations are in notified industrial areas. The social initiatives for communities across the manufacturing locations are categorized and carried out on the basis of the community's needs. This may impact both positive and negative due to many castes, creed, religion and any other social factor in India. But this is not the case in North America due to affluence and other social factors. However, the consultation process of different programs carried out for socio-economic improvements suggest that the resident attitude has increased in favour of the Company. This may differ time to time as per the need of the community and Company make sure to enhance stakeholder consultation to reduce the negative impacts on local community due to Company's operations.

Jubilant is committed to Sustainable Development and regularly interacting and working with its key stakeholders such as local communities to minimise its operational impacts and contribute in a positive way to the development of the communities in which it works. The examples of social initiative given in various sections of the report are evident for the Company's operations in India and NA. Company's program coordinators as well as senior officers of the units are in touch with the local community directly or through concerned government department. This coordination network with community plays a key role for Jubilant to keep the eyes and ears in communities and to provide a link between the Company and the community. No significant potential or acute negative impact on local community was witnessed during the reporting year. The Company's employees are regularly monitoring the progress for prevention and mitigating measures for any negative impact on local community with a robust monitoring system.

Product Responsibility

The Company's commitment to the environment, its employees and the communities includes dedicating resources to evaluate the safety and health aspects of Company's products and raw ingredients. Most of the Company products are derived from green source, the molasses a waste product of sugar industry. The Company comply with the chemical regulations and restrictions. All products have relevant information of material handling and safety to ensure that the products are safe for the consumers and the environment. Most of the Company's products are sold to the consumers directly. In fact, these are either the additives or bulk or active Pharmaceutical ingredient of the final product manufactured by others.

The producer / manufacturer is directly responsible for the products impact on customer health and safety, responsible marketing of the products conforming to accepted ethical and cultural standards, privacy intrusion, or attempt to influence vulnerable audiences. It can be a risk for an organization causing alienation of customers, damage to brand image, financial costs and non-compliance.

However, the Company has an Intellectual Property Rights policy in place. The Company also provides several products and services which have confidentiality agreements. As a policy the Company provides necessary information and labels along with the products as per the requirement of the buyer.

At Spokane unit, the Allergy Business falls under the blanket of the Pharmaceutical Research and Manufacturers of America (PhRMA). The Company conducts all business to comply with the Sales and Marketing Policy, which takes into account all regulations put forth by the PhRMA Code on Interactions with Healthcare Professionals. Training on this policy is provided to all sales representatives, and they are provided with updated documents as additional state and federal regulations are put in place. The Company always follows the strictest current guidelines when conducting business.

The Company is involved in handling, transportation and use of certain chemicals that can cause danger to the human health. The Company follows 'Globally Harmonized System of Classification and Labelling of Chemicals while performing various operations with such chemicals like handling, transportation etc. Each chemical has its Material Safety Data Sheet (MSDS) both in hard copy and electronic version. MSDS of the chemical is provided to its user also.

Policy

The Company is producing certain products that have to be patent and rights for producing and selling those products remains protected. As mentioned, the Company has an Intellectual Property Right (IPR) Policy for maintaining the confidentiality of production process of certain products.

The product responsibility lies with the respective department of business manufacturing that product. The CEOs / Business Heads are the most senior officers accountable for the impacts and marketing of products.

The Company is not producing any product saleable directly in customer market thus trainings regarding the product responsibility related aspects is not significant. The Company, however, has training on usage of MSDS for the new staff in R&D department so that there is no risk while using such chemicals. The Company also has dedicated staff trained on labeling of certain chemicals.

The Company regularly interacts with its consumers regarding the performance of their products. Each business unit interacts with their product consumers and accordingly takes actions on their concerns. It is Company's policy to achieve a quality of product and service that surpasses the client's needs and expectations. By adopting procedures that are compliant with ISO 9001:2000 the Company ensures that the concerned staff are suitably selected, trained and resourced. It is the duty of concerned persons to ensure that the products and services meet the quality criteria set by the Company. The National Accreditation Board for Testing and Calibration Laboratories, Department of Science and Technology, India, awarded Certificate of Accreditation for Quality Control Laboratory for Gajraula Unit in the field of Chemical Testing. The quality control laboratory has been assessed and accredited in accordance with the standard ISO /IEC 17025:2005 for General Requirements for Competence of Testing and Calibration Laboratories. The quality policy is given in the report.

Additional Contextual Information

The companies initiatives includes social issues and environmental, health and safety issues. The Company has made significant progress in areas which have been focal points of public concern for many years, for example treatment and disposal of distillery effluent in Gajraula. Today, being the life sciences industry it is the Company's responsibility to develop new products, with the mitigation plan of long-term environmental effects. The focus is to fulfill the responsibility to assess and minimize the risks associated with the products.



JUBILANT
LIFESCIENCES

QUALITY POLICY

Jubilant Life Sciences Limited aims at continuously achieving the quality of products & services that exceeds customer expectations across the globe;

- Constantly explores the opportunity to upgrade its manufacturing technologies and quality standards to achieve and maintain quality leadership with thrust on eco-friendly processes
- Strives to create a cohesive and motivated team of international competence by providing continuous training to enhance knowledge and skills
- Ensures compliance to the national and international regulatory standards


Shyam S Bhartia
 Chairman & Managing Director


Hari S Bhartia
 Co-Chairman & Managing Director

March 30, 2011

Customer Health and Safety

The health and safety of the customer is of prior importance to the Company. To reduce the risk to customer health & safety the Company does inherit safe designing, use protective devices and most important is awareness to the users through Material Safety Data Sheet (MSDS). While R&D stage of the product a MSDS is formalized for the specific product. The MSDS is then provided to the user of that specific product. For instance, MSDS for one of the products Niacin and Niacinamide includes data regarding the properties of a substance with respect to Hazard Identification, First aid and fire fighting measures as well as highlighting ecological information like environmental toxicity and environmental bio degradation. The detailed HAZOP is also carried out for the product before scaling up for production for employee safety and employee motivation.

The Certificate of Analysis (CoA) is also provided that includes the test results of a particular batch of products against the specifications of the product. Along with these documents, every consignment is accompanied with labels that are customer specific giving details on health and safety aspects of the products as per prevailing laws and regulations of the country of export. The company also follows the laws and regulations as an effort to protect the health and safety of the persons handling / delivering the product. The company is also insured for direct impact due to market differentiation with respect to quality. Most of the products of the company are developed through in house R&D and health and safety impacts of product and services are assessed during product development stage, R&D, patent certification stage, production and marketing including distribution and supply. The details about disposal, reuse and recycling are also given as per prevailing laws and regulations of countries of export e.g. C-TPAT for USA. The details of health and safety aspects of few products with respect to life cycle of the product are given below;

Crop Sciences Chemicals

In line with focus on Innovation, the Company has extended its expertise in the area of Pyridines to develop best in class products for the Crop Science & Agrochemicals industry. As a global leader in Pyridine & its derivatives the Company aims at achieving global scale of operations for most of the related products for the Crop Science & Agrochemicals industry.

One of its latest introductions is 2,3,5,6-Tetrachloro pyridine (Symtet) which has been developed in-house R&D technology which is an eco-friendly process. The Company has developed niche technology to produce Symtet through a cost effective process starting from Pyridine.

Fine Chemicals

For the Company's Fine Chemicals, CRAMS (Exclusive Synthesis) and Crop Sciences business, all the products are serviced to the customers as per the following procedures:

- Defined Specifications
- Labels
- Certificate of Analysis (COA)
- Material Safety Data Sheet (MSDS)
- Defined packing material
- REACH Compliance to be met for exports to EU
- C-TPAT (Customs Trade Partnership against Terrorism) Survey for CRAMS product exported to US. This is not mandatory as on date however the Company has submitted the requisite information for Gajraula and Ambernath Units production locations as per the requirement of the customer.
- Agro actives and formulations (products of Crop science chemicals) can be sold only after the product registrations with the concerned regulatory authority

The Company has been effectively adhering to relevant regulatory compliance regarding health and safety impacts of its products resulting in no incident of non-compliance for the reporting year.

There has been no case of non-compliance for voluntary codes or guidelines also. All the products having significant health & safety impact are provided with MSDS and appropriate labelling as per the regulatory compliance.

At Kirkland Unit, following measures are practiced to mitigate any environment, health & safety risk associated with products:

- Follow stringent regulations of the CSST (Commission regulating health and safety in the workforce),
- Other federal regulations followed is "Work place Hazardous Materials Information System" that regulate the labelling, utilization of products, PPE to be used, information for the workers and training of the work force.
- The Unit conforms to the Transportation of Dangerous goods, NFPA, HMIS, CCCR 2001, Foods and Drug Act and the Atomic Energy Control Act.
- The Unit also follows the laws and regulations of the Canadian Nuclear Safety Commission.
- Before a product is introduced in the Company's facility an evaluation is made of potential risks for the workforce or the environment.
- Two active Health & Safety committees are constituted to oversee the health and safety for the Units at the site.
- Monthly Health and safety inspections are conducted with members of the management and safety representatives to identify potential risk.

Product and Service Labelling

Labelling of the information regarding the sustainability impacts of the product is being done for the specific products. As per the required regulatory standards, the information labelling is done for all the products being produced in the Roorkee Unit of the Company. The Nanjangud Unit of the Company is manufacturing Advanced Pharmaceutical Intermediates (API) products follows information labelling standards as per the regulatory compliance. The Company has no incident regarding non-compliance of regulations and voluntary codes concerning product and service labelling.

Each Business Unit of the Company regularly interacts with their customers, discuss their concerns and take necessary actions. For instance, the Fine Chemicals, CRAMS & Crop Sciences Business follows a questionnaire based customer satisfaction survey which covers parameters related to customer feedback and satisfaction like product Quality, Servicing on time, Documentation procedure, Quality complaint handling etc.

The Supply Chain department regularly organize vendors meet to discuss and improve practices in response to concerns. This strategy is very helpful in customizing the products according to the need of the customers. The Company takes feedback from their customers through questionnaire.

For the Advance Intermediate & Nutrition Business, analysis of customer satisfaction is carried out and issues like customer complaint handling (number of complaints received by customers, repetition of any particular complaint from customers, resolve nature of corrective and preventive actions taken etc), dispatch compliance status (analysis of schedule Vs dispatch volume executed on time, compliance to delivery schedule etc.). Scoring is conducted on these criteria and analysis of performance is completed with scores achieved for instance, 0 Stands for POOR, 1 – 2 Stands for SATISFACTORY, 3 – 5 Stands for AVERAGE, 6 – 9 Stands for VERY GOOD and 10 Stands for EXCELLENT.

Marketing Communications

The Company is not advertising in print or electronic media for its products. Advertisement in magazines and journals are regarding Energy Efficiency, Climate Change and other issues related to general awareness regarding the subject Sustainability. The Company is sponsoring technical seminars to support the cause and contributing knowledge on technical subjects related to Sustainability.

The advertisements, marketing and communication to key stakeholders has been under compliance with regulatory and voluntary codes concerning marketing communication, including advertising, promotion and sponsorship. There was no incident of non-compliance.

The marketing and communication vehicle for Company's business of Fine Chemicals, CRAMS & Crop Sciences are brochures, advertisement in periodicals like Chemical Weekly, enlisting of product in different online product search databases, participation in domestic and global exhibitions to showcase the Company's product portfolio and customer interaction, Business heads speaking on pertinent topics at forums like Chemical Weekly Business Outlook Forum. The Business CEO made a presentation on CRAMS Business: The Dynamics of the new decade.

Customer Privacy

Customer privacy is one of the areas where the Company has strong focus. Some of the products and services involve data regarding the physical & chemical properties of new product formed by reaction of some raw material. Only that personal data which is either essential for the provision of products and services or provided with the informed and voluntary consent of the consumer is collected. All such data is collected by lawful & fair means and stored for many years as private & confidential.

In the business transactions at times there are confidentiality agreements signed with the customers (specifically in the CRAM's business). The Company adheres to all the clauses related to the agreement and ensures the confidentiality of the customer data. During the reporting year, there was no incident / complaints regarding breach of customer privacy and losses of customer data.

Compliance

As stated above, there has been no incident regarding non-compliance of regulatory or voluntary codes concerning any aspect of Product Responsibility namely customer health & safety, labelling of information, communication, advertisement or customer privacy. The Company had no monetary fine regarding non-compliance.



11.0

The Way Forward

The Company's endeavour is to improve the sustainability & reporting by moving beyond compliance to focus on opportunities and challenges. The Company has a firm belief to inform its strategy to the key stakeholders to strengthen the continued relationship. The Company strives to integrate Economic development, Environmental quality and Social equity into core business practice and continue to improve its Sustainability performance. To sustain the position in dynamic and evolving business, the Company's aim is to conduct business responsibly.

The Jubilant's plan given below is a road map for the business strategy towards sustainability.

1. **Reduce Carbon Footprint:** Maintain minimal impacts on climate change through its efforts for mitigation of climate change as per Company's policy.
2. **Innovation:** Provide customers with innovative products and services for a energy constrained world to have a competitive edge regionally and globally. The Company will continue to deliver major products produced from renewable resources.

3. **Capacity Building:** Attract and retain high quality workforce of diverse nature and develop a culture of belonging by encouragement, support and reward. This workforce will drive the Sustainability Mission for inclusive growth, as Company's promise of Caring, Sharing & Growing.
4. **Good Governance:** Demonstrate good governance and be profitable being accountable & transparent to enhance stakeholder confidence. Ensure investors a sustainable return on investment.
5. **Sustainable Value Chain:** Continue Company's Green Supply Chain Management with Partners in Progress as defined in Policy.
6. **Stakeholder Engagement:** Communicate regularly with key stakeholders on the Company's sustainability agenda and involve stakeholders on wider national scene for the awareness on Climate Change and other environmental issues.
7. **Voluntary Initiatives:** Continue to work for,
 - Ethical business principles as defined by the United Nations Global Compact,
 - Socio-economic development in the vicinity of units in line with Millennium Development Goals of United Nations,
 - Disclosure of Carbon Emission through Carbon Disclosure Project, UK
 - Conservation practices for water, paper, energy etc.

This way, the Company concludes its endeavour for water energy and paper conservation, initiatives for mitigation of climate change, accountability and transparency, good governance as defined under UNGC, initiatives for socio-economic development to meet MDGs etc. The Company shall strive for sustainable development through this comprehensive approach of development in all its aspects of environment, economic and social i.e. the triple bottom line.



United Nations Global Compact

CARBON DISCLOSURE PROJECT



Millennium Development Goals

GRI Content Index

G3.1 Content Index

Application Level					Assured by	
STANDARD DISCLOSURES PART I: Profile Disclosures						
1. Strategy and Analysis						
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
1.1	Statement from the most senior decision-maker of the organization.	Fully	4			
1.2	Description of key impacts, risks, and opportunities.	Fully	8			
2. Organizational Profile						
2.1	Name of the organization.	Fully	11			
2.2	Primary brands, products, and/or services.	Fully	13			
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	11			
2.4	Location of organization's headquarters.	Fully	11			
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	11			
2.6	Nature of ownership and legal form.	Fully	15			
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	15			
2.8	Scale of the reporting organization.	Fully	14, 15			
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	15			
2.10	Awards received in the reporting period.	Fully	15			
3. Report Parameters						
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	17			
3.2	Date of most recent previous report (if any).	Fully	17			

Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
3.3	Reporting cycle (annual, biennial, etc.)	Fully	17			
3.4	Contact point for questions regarding the report or its contents.	Fully	17			
3.5	Process for defining report content.	Fully	18			
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	11			
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	13, 18			
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	18			
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	18			
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	18			
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	18			
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	88			
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	18			

4. Governance, Commitments, and Engagement

Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	20			
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	20			
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Fully	20			
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	21			
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	22			
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	22			
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	Fully	22			
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	22			

Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	23			
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	23			
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	24			
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	25			
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	25			
4.14	List of stakeholder groups engaged by the organization.	Fully	27			
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	32			
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	32			
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	34			

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)							
G3 DMA	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
DMA EC	Disclosure on Management Approach EC	Fully	38				
Aspects	Economic performance	Fully	38				
	Market presence	Fully	39				
	Indirect economic impacts	Fully	40				
DMA EN	Disclosure on Management Approach EN	Fully	42				
Aspects	Materials	Fully	50				
	Energy	Fully	51				
	Water	Fully	53				
	Biodiversity	Fully	55				
	Emissions, effluents and waste	Fully	56				
	Products and services	Fully	59				
	Compliance	Fully	60				
	Transport	Fully	60				
	Overall	Fully	60				
DMA LA	Disclosure on Management Approach LA	Fully	61				
Aspects	Employment	Fully	62				
	Labour/management relations	Fully	66				
	Occupational health and safety	Fully	66				
	Training and education	Fully	70				
	Diversity and equal opportunity	Fully	63, 65, 72				
	Equal remuneration for women and men	Fully	72				
DMA HR	Disclosure on Management Approach HR	Fully	73				
Aspects	Investment and procurement practices	Fully	73				
	Non-discrimination	Fully	74				
	Freedom of association and collective bargaining	Fully	74				
	Child labour	Fully	74				
	Prevention of forced and compulsory labour	Fully	75				
	Security practices	Fully	75				
	Indigenous rights	Fully	75				
	Assessment	Fully	75				
	Remediation	Fully	75				
DMA SO	Disclosure on Management Approach SO	Fully	75				
Aspects	Local communities	Fully	76				

G3 DMA	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
	Corruption	Fully	82				
	Public policy	Fully	82				
	Anti-competitive behavior	Fully	82				
	Compliance	Fully	82				
DMA PR	Disclosure on Management Approach PR	Fully	82				
Aspects	Customer health and safety	Fully	84				
	Product and service labelling	Fully	85				
	Marketing communications	Fully	85				
	Customer privacy	Fully	85				
	Compliance	Fully	85				
STANDARD DISCLOSURES PART III: Performance Indicators							
Economic							
Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
Economic performance							
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	38				
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	39				
EC3	Coverage of the organization's defined benefit plan obligations.	Fully	39				
EC4	Significant financial assistance received from government.	Fully	39				
Market presence							
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	39				
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	39				
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	39				

Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
Indirect economic impacts							
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	40				
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	40				
Environmental							
Materials							
EN1	Materials used by weight or volume.	Fully	50				
EN2	Percentage of materials used that are recycled input materials.	Fully	50				
Energy							
EN3	Direct energy consumption by primary energy source.	Fully	51				
EN4	Indirect energy consumption by primary source.	Fully	52				
EN5	Energy saved due to conservation and efficiency improvements.	Fully	52				
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	52				
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	52				
Water							
EN8	Total water withdrawal by source.	Fully	53				
EN9	Water sources significantly affected by withdrawal of water.	Fully	54				
EN10	Percentage and total volume of water recycled and reused.	Fully	54				
Biodiversity							
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully	55				

Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	55				
EN13	Habitats protected or restored.	Fully	55				
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	55				
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Fully	56				
Emissions, effluents and waste							
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	56				
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	56				
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	57				
EN19	Emissions of ozone-depleting substances by weight.	Fully	58				
EN20	NOx, SOx, and other significant air emissions by type and weight.	Fully	58				
EN21	Total water discharge by quality and destination.	Fully	58				
EN22	Total weight of waste by type and disposal method.	Fully	58				
EN23	Total number and volume of significant spills.	Fully	59				
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Fully	59				
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Fully	59				
Products and services							
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	59				

Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	60				
Compliance							
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	60				
Transport							
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Fully	60				
Overall							
EN30	Total environmental protection expenditures and investments by type.	Fully	60				
Social: Labour Practices and Decent Work							
Employment							
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Partially	62, 65	Employment contract by gender not reported	Proprietary information	In North American units disclosure of gender wise information is forbidden by local laws. However, this will be reported for Indian units in the future.	2012
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	65				
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	66				

LA15	Return to work and retention rates after parental leave, by gender.	Partially	73	Return to work and retention rates for Indian units not reported.	Not applicable	Only Maternity Leave is applicable in India as per law and there is no paternal leave. However, the data for female employees will be reported next year.	2012
Labour/management relations							
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	66				
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	66				
Occupational health and safety							
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Fully	66				
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Fully	67				
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	68				
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	70				
Training and education							
LA10	Average hours of training per year per employee by gender, and by employee category.	Fully	70				
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	71				

Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	72				
Diversity and equal opportunity							
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	63, 65, 72				
Equal remuneration for women and men							
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Fully	72				
Social: Human Rights							
Investment and procurement practices							
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Fully	73				
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Fully	73				
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Fully	74				
Non-discrimination							
HR4	Total number of incidents of discrimination and corrective actions taken.	Fully	74				
Freedom of association and collective bargaining							
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Fully	74				

G3 DMA	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
Child labour							
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	Fully	74				
Forced and compulsory labour							
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	Fully	75				
Security practices							
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	75				
Indigenous rights							
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	75				
Assessment							
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	75				
Remediation							
HR11	"Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms."	Fully	75				
Social: Society							
Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
Local communities							
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Fully	76				
SO9	Operations with significant potential or actual negative impacts on local communities.	Fully	82				

Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	82				
Corruption							
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Fully	82				
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	82				
SO4	Actions taken in response to incidents of corruption.	Fully	82				
Public policy							
SO5	Public policy positions and participation in public policy development and lobbying.	Fully	82				
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	82				
Anti-competitive behavior							
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	82				
Compliance							
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	82				
Social: Product Responsibility							
Customer health and safety							
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Fully	84				
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Fully	84				

Performance Indicator	Description	Reported	Cross-reference/ Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
Product and service labelling							
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	85				
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Fully	85				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	85				
Marketing communications							
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	85				
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Fully	85				
Customer privacy							
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	85				
Compliance							
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	85				

UNGC - The Ten Principles



United Nations Global Compact

UNGC 'The Ten Principles'		
Principle	Statement	Page No.
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	73-75
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	74-75
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	66, 74
Principle 4	Businesses should uphold the elimination of all forms of forced and compulsory labour.	74-75
Principle 5	Businesses should uphold the effective abolition of child labour.	74
Principle 6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	74
Principle 7	Businesses should support a precautionary approach to environmental challenges.	24
Principle 8	Businesses should undertake initiatives to promote greater environmental responsibility.	43-50
Principle 9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	52, 57, 84
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	82

List of Abbreviations

AC2O	Acetic Anhydride	ISO	International Organization for Standardization
AFSSAPS –France	Agence Francaise de Securite Sanitaire des Produits de Sante	IUCN	International Union for Conservation of Nature
AIDA	All India Distillers' Association	JBF	Jubilant Bhartia Foundation
AIDS	Acquired Immune Deficiency Syndrome	JFTHL	Jubilant First Trust Healthcare Limited
AIM	The Asian Institute of Management	JLL	Jubilant Life Sciences Ltd.
API	Active Pharmaceutical Ingredients	LTA	Leave Travel Allowance
APP	Agri and Performance Polymer business	MDGs	Millennium Development Goals
BCF	The Business & Community Foundation	MEE	Multi Effect Evaporator
BPR	Business Performance Review	MIS	Management Information System
BTP	Biological Treatment Plant	NA	North American
CCMD	Co-Chairman and Managing Director (CCMD)	NABARD	National Bank for Agriculture and Rural Development
CDLI	Carbon Disclosure Leadership Index	NEON	New Employee On-boarding
CDP	Carbon Disclosure Project	NGOs	Non Government Organizations
CEIS-N	Citizens Environment Improvement Society, Noida	NOIDA	New Okhla Industrial Development Authority
CFC	Chlorofluorocarbons	NOx	Nitrogen Oxides
CFL	compact fluorescent lamp	NSDC	National Skill Development Corporation
CII	Confederation of Indian Industry	OECD	The Organisation for Economic Co-operation and Development
CMD	The Chairman and Managing Director	OHSAS	Occupational, Health Safety Assessment Series
CNI	The Brazilian National Confederation of Industry	PAC	Precision Air Conditioner
CNS	Centre Nervous System	PCTP	Primary Chemical Treatment Plant
CoCs	Cycle of Concentrations	PHD CCI	PHD Chamber of Commerce & Industry
COD	chemical oxygen demand	PhRMA	Pharmaceutical Research and Manufacturers of America
CPU	Central Processing Unit	PMDA - Japan	Pharmaceutical and Medical Devices Agency
CRAMS	Custom Research and Manufacturing Services	R&D	Research & Development
CSR	Corporate Social Responsibility	REACH	Registration, Evaluation and Authorization of Chemicals
CTR	Commute Trip Reduction	ROs	Reverse Osmosis Plants
CVS	Cardiovascular system	RSO	Radiation Service Organization
ED	Executive Director	RSPCB	Rajasthan State Pollution Control Board
EEW	Emissions, Effluents and Wastes	SDOs	Social Development Organisations
EHS	Environment, Health and Safety	SHGs	Self Help Groups
EIA	Environment Impact Assessment	SLF	Secured Land Fill
EOU	Export Oriented Unit	SLM	Small Lot Manufacturing
ESPs	Electrostatic Precipitators	SO2	Sulphur Dioxide
ETC	Employee Transportation Coordinator	SOP	standard operating procedure
ETP	Effluent Treatment Plant	SOP	Standard Operating Procedure
EU	European Union	SPM	Suspended Particulate Matter
EVI	Emergent Ventures India	STAR	Stop-Think-Act-Review
FCA	Forest Stewardship Council of Canada	SYSA	Spokane Youth Sports Association
FE	The Financial Express	TB	Tuberculosis
FICCI	Federation of Indian Chamber of Commerce & Industry	TFT	Thin film transistor liquid crystal display
FV	Face Value	TPM	The Total Productive Maintenance
GHG	Green House Gas	UNEP	United Nations Environment Programme
GRI	Global Reporting initiatives GRI	UNGC	United Nations Global Compact
HAZOP	Hazard and Operability	UNICEF	United Nations International Children's Emergency Fund
HCFC	Hydrochlorofluorocarbons	UP	Uttar Pradesh
HCM	Human Capital Management	USFDA	US Food and Drug Administration
HIV	Human Immunodeficiency Virus	VMI	Vendor Managed Inventory
HRIS	Human Resource Information System	WED	World Environment Day
IBEF	The India Brand Equity Foundation	WEF	World Economic Forum
ILO	International Labour Organization	WHRBs	Waste Heat Recovery Boilers
IPH	Institute for Physically Handicapped	WWF	World Wildlife Fund for Nature
IPR	Intellectual Property Right		
ISB	Indian School of Business		

Application Level Declaration & Check

Report Application Level		C	C+	B	B+	A	A+	
Standard Disclosures	G3 Profit Disclosures OUTPUT	Report on: 1.1 2.1 -2.10 3.1-3.8, 3.10-3.12 4.1-4.4,4.14-4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5-4.13, 4.16-4.17	Report Externally Assured	Same as requirement for Level B	Report Externally Assured	✓
	G3 Management Approach Disclosures OUTPUT	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category		✓
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, labor, Society, Product Responsibility.		Report on each core 63 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.		✓



Statement GRI Application Level Check

GRI hereby states that **Jubilant Life Sciences Limited** has presented its report "Partnering for Value Creation" (2010) to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

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

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

Amsterdam, 21 June 2011

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint, large watermark of the GRI globe logo in the background.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because Jubilant Life Sciences Limited has submitted this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

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

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 6 June 2011. GRI explicitly excludes the statement being applied to any later changes to such material.

Feed Back Form

Sustainability Report 2010-11



Details of information provided on issues covered in the Report

Comprehensive Adequate Inadequate

Clarity of information provided in the Report

High Medium Low

The quality of design and layout of the report

Excellent Good Average Poor

Your comments for adding value to the Report or for more information

Name :

Designation :

Organization :

Contact Address :

Tel :

Please mail your feedback to :

Dr. Y K Saxena

Chief of EHS & Sustainability

Jubilant Life Sciences Limited

1A, Sector-16A,

Noida, UP-201301

Email: sustainability@jubl.com



ENVIRONMENT, HEALTH AND SAFETY POLICY

Jubilant Life Sciences Limited is an integrated pharma & life sciences Company serving its customers globally with recognised strengths in innovation, manufacturing and support services. Jubilant endeavors to go beyond compliance with regulatory standards, to achieve excellence in Environmental, Health and Safety (EHS) management practices.

We shall achieve this by:

- Complying with regulatory standards on Environment, Health and Safety
- Optimizing resource utilization for pollution prevention, energy & water conservation and reduction of wastes & emissions
- Identifying hazards at the design stage of the processes & services and build appropriate measures to mitigate risks
- Ensuring safe & healthy work environment with necessary infrastructure and systems
- Reviewing EHS performance for continual improvement
- Promoting EHS awareness among key stakeholders
- Imparting training to operating personnel

The policy will be available in public domain and it is applicable to all Indian operations.

Shyam Bang
Executive Director

October 14, 2010



GREEN SUPPLY CHAIN POLICY

At Jubilant Life Sciences Limited, we are committed to protect the Environment by striving for the Greening of Supply Chain in collaboration with Partners in Progress for long term Sustainability.

Jubilant is committed to maintain & expand its Green Supply Chain and will work with **PARTNERS** to:

- P**rotect the environment by creating awareness
- A**dhere to environment, health & safety compliance
- R**educe, reuse and recycle resources
- T**rain and educate to say no to child labour
- N**ourish plantation and greenery in vicinity
- E**ncourage saving of water and electricity
- R**educe Greenhouse Gas emissions
- S**trive for sustainable partnership

Shyam Bang
Executive Director

November 9, 2010

JUBILANT LIFE SCIENCES LIMITED

.....working together for Sustainability.



**Paper
comes
from trees,
one of the dwindling
natural resources.**

**Jubilant being environmentally
conscious and to conserve paper,
this report is electronically printed only.**



Jubilant Life Sciences Ltd.

Regd. Office: Bhartiagram, Gajraula, Distt. Jyotiba Phoolay Nagar - 244 223, Uttar Pradesh, India

Corporate Office: 1A, Sector 16A, NOIDA - 201 301, Uttar Pradesh, India

www.jubl.com