

**Expanding Business**  
**Increasing Spread**  
**Scaling Growth**



Corporate Sustainability Report  
2011-12

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## 1.1 | Chairman Statement

### *Dear Stakeholders,*

As you may be aware that the term 'Sustainable Development' was coined in Brundtland Report 1987 and this report became the roadmap to the first Earth Summit at Rio de Janeiro in 1992. This Summit marked starting of an era of Sustainable business. Presently we are completing 25 years of this new world and planning for the Rio+20 this year to further review the progress made so far and explore new areas of concern.

Sustainability continues to be the key focus for Jubilant Industries Limited. Through this report, we have tried to capture the various initiatives the Company has taken last year to improve the Company's performance on this account.

The year 2011-12 has been remarkable in growth and development of the Company. Even as the world emerges slowly from the economic downturn, all our businesses have performed well.

To manage the Consumer Products and Agri businesses in a focused manner, the business was vested with Jubilant Agri and Consumer Products Limited ("JACPL") as wholly owned subsidiary of Jubilant Industries Limited ("JIL"). In addition to these two businesses, the entity is also having the Hyper Market Retail Business "TOTAL" of Jubilant Bhartia Group in its portfolio. The Company's foray into retail business is a strategic initiative facilitating better utilisation of resources, growth and value to all its stakeholders. Jubilant Bhartia Group has nurtured its retail business for over a decade and this move will enable all the three business verticals of the Company - Consumer Products, Agri and Retail - to grow to the next level and create better value for the Company & the Group as a whole.

Our aim is to explore untapped opportunities to maintain leadership position in all the business domains and we are progressing towards the same

Environment, Health and Safety (EHS) across different businesses remain high priority for us. We are striving to enhance our system & processes and have incorporated health



**Mr. Hari S. Bhartia**  
Chairman



& safety into business strategies & performance measures as there is absolutely no room for compromising or complacency on this front. Unfortunately, an accident occurred at Gajraula and one of our contract workmen lost his life. Subsequently we have achieved 2.28 Million Accident-Free Safe Man hours in the year 2011-12 cumulative for all manufacturing plants.

Company has taken various steps towards Environmental protection and improving energy efficiencies. In recognition to these efforts, "JIL" has been declared a joint winner of prestigious Quality Council of India (QCI) – DL Shah National Award on "Economic of Quality" for the project "Improvement of Overall Plant Efficiency (OPE) in Manufacturing Process". Besides, the Company has taken steps to reduce water and steam consumption and generation of waste.

Jubilant Bhartia Foundation (JBF) has taken initiatives focused on primary education, basic healthcare and skill development for employability and self-sustenance. The Company works towards meeting the need of the community around the manufacturing units and the projects are mostly aligned with the objectives of United Nation's Millennium Development Goals (MDGs).

We have made progress in meeting the challenges envisaged during last sustainability report. In Climate Change mitigation, steps were taken towards energy efficiency, implementation and awareness programs of EHS, Green Supply Chain and Food Safety policies.

Through this sustainability reporting the Company demonstrates its commitment to our consumer and business partners towards sustainable development. We would like to take the opportunity to thank every stakeholder of the Company for being a part of this growth story and value creation. We remain grateful towards our employees, customers, vendors, bankers and shareholders for their continuous support.

*Best Wishes*

*Hari S. Bhartia*

**Hari S. Bhartia**  
Chairman





## 1.2 Internal Control Systems and Risk Management

Risk-taking is an inherent trait of any enterprise. There can be no growth or creation of value in a company without risk-taking. However, if risks are not properly managed and controlled, they can affect the Company's ability to attain its objectives. Risk management and internal control systems play a key role in directing and guiding the Company's various activities by continually preventing and managing risks.

### Jubilant Industries Limited Vision on Risk Management

Establish and maintain enterprise wide risk management capabilities for active monitoring & mitigation of organisational risks on a continuous and sustainable basis.

### Risk Management Strategy

Jubilant Industries Limited has a strong risk management framework in place that enables active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks, given the established processes and guidelines we have in place, along with a strong reviewing and monitoring system at the Board and senior management levels.

Our senior management team sets the overall tone and risk culture through defined and communicated corporate values, clearly assigned risk responsibilities and appropriately delegated authority. We have laid down procedures to inform Board members about the risk assessment and risk minimization procedures. As an organisation, we promote strong ethical values and high levels of integrity in all our activities, which by itself significantly mitigates risk.

### Risk Management Structure

Our risk management structure comprises the Board of Directors and Audit Committee at the Apex level, supported by the CEO, Heads of Businesses, Functional Heads, Unit Heads and Head of Assurance function. As risk owners, the Heads are entrusted with the responsibility of identification and monitoring of risks. These are then discussed and

*Risk management and internal control systems play a key role in directing and guiding the Company's various activities by continually preventing and managing risks.*





deliberated at various review forums chaired by the CEO and actions are drawn upon. The Audit Committee, CEO and Head of Assurance act as a governing body to monitor the effectiveness of the internal controls framework.

There is a perpetual internal audit activity carried out by M/s Ernst & Young Private Limited and the in-house internal audit team, who make an independent assessment of our risk mitigating measures and provide suggestions for improvement.

The Audit Committee, on a quarterly basis, reviews the adequacy and effectiveness of the internal controls being exercised by various businesses and support functions and advises the Board on matters of core concern for being appropriately addressed.

### **Risk Mitigation Methodology**

We have a comprehensive internal audit plan and a robust ERM exercise which help to identify risks at an early stage and take appropriate steps to mitigate the same. We have completed two years of our certification process wherein, all concerned Control Owners certify the correctness of about 1100 controls related to key operating, financial and compliance related issues, every quarter.

We have also identified entity level controls for the organisation, covering integrity and ethical values, adequacy of audit and control mechanisms and effectiveness of internal & external communication, there by strengthening the internal control systems & processes with clear documentation on key control points.

### **Management's Assessment of Risk**

The Company identifies & evaluates several risk factors and makes appropriate mitigation plans associated with the same in detail. Some of the key risks affecting its business are laid out below.

*We have completed two years of our certification process wherein, all concerned Control Owners certify the correctness of about 1100 controls related to key operating, financial and compliance related issues, every quarter.*



## Cost Competitiveness

The Company believes that it is a low-cost manufacturer and procurement of rock phosphate at competitive prices has competitive advantage however, due to scarcity or limited supply in domestic market and high dependence on imports this may adversely impact the profit margins

We continue to take initiatives in reducing our costs by employing Business Excellence initiatives and exploring alternate sources of rock phosphate and continuous R&D to achieve cost competitiveness.

Where ever feasible, the Company enters into long term contracts with volume commitments and prices which are linked to key input material prices to mitigate risks.

## Compliance and Regulatory Framework

Fertilizer is under the purview of the Fertilizers Control Order 1957 which regulates the sale, price, quality of fertilizer and movement control, which is also an Essential Commodity under the Essential Commodities Act 1955.

We have adopted measures to address these regulations by increasing the efficiency and efficacy of quality control and R&D process.

## Foreign Currency and Interest Rate Exposures

Foreign currency exposures on account of global operations could impact the financial results of the Company. Foreign currency exposures arise out of international revenues and imports of raw materials etc. To mitigate foreign currency related risks, risk management team formulates the approach and reviews it dynamically to align it with external environment and business exigency.

## Acquire and Retain Professional Talent

The Company's dependence on niche activities makes it very important that it recruits and retains high quality specialists. In case the Company fails to hire and retain sufficient numbers of qualified personnel our operating results and financial condition could be harmed.

The Company has committed substantial resources to this effort given the competition for qualified and experienced

*We continue to take initiatives in reducing our costs by employing Business Excellence initiatives and exploring alternate sources of rock phosphate and continuous R&D to achieve cost competitiveness.*



professionals from polymers, agriculture, biotechnology and chemical companies, as well as retail and consumer related industries. To execute its growth and diversification plans, while on one hand the Company continues to hire new, highly-skilled personnel, it also has Rewards & Recognition policies for effective employee engagement.

### **Business Interruption due to Force Majeure**

The Company's manufacturing facilities for its products are at Gajraula, Sahibabad, Nira, Kapasan and Samlaya in India. Any disruption or stoppage of work at this facility, for any reasons, may adversely affect our business and results of operations not just for this but other business segments which depend on supplies from these plants. Industrial All Risk Insurance protection has been taken by Jubilant Industries Limited to ensure continuity in its earning capacity. Besides, the presence of a majority of the workforce in the residential colony adjoining our plant premises ensures sustenance of plant operations under challenging circumstances.





## 2.1 | Organisational Profile

Jubilant Industries Limited is the flagship Company of the Jubilant Bhartia group. The Company's diversified portfolio includes a wide range of Agri Products, Retail business and Performance polymers comprising products like adhesives, wood finishes; food polymers and latex such as Vinyl Pyridine, SBR and NBR latex. The Company operates in both Business to Business (B2B) and Business to Customer (B2C) segments.

To manage the Consumer Products and Agri businesses in a focused manner, the business was vested with Jubilant Agri and Consumer Products Limited (JACPL) as wholly owned subsidiary of Jubilant Industries Limited on February 1, 2012. In addition to these two businesses, the entity also includes the Hyper Market Retail Business "TOTAL" of Jubilant Bhartia Group in its portfolio. The Company's foray into retail business is a strategic initiative facilitating better utilisation of resources, growth and value to all its stakeholders. Jubilant Bhartia Group has nurtured its retail business for over a decade and this move will enable all the three business verticals of the Company - Consumer Products, Agri and Retail - to grow to the next level and create better value for the Company & the Group as a whole.

Jubilant Industries Limited is a Public Limited Company with listing on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

JACPL is a member of Fertilizer Association of India (FAI), International Fertilizers Manufacturers Association (IFA) and International Chewing Gum Association (ICGA).

The Company reported consolidated Revenue of ₹9948.91 million, EBITDA of ₹193 million before exceptional items & Net Loss of ₹567 million in FY 2011-12<sup>1</sup>. The Basic EPS for FY 2011-12 was ₹(47.85).

*To manage the Consumer Products and Agri businesses in a focused manner, the business was vested with Jubilant Agri and Consumer Products Limited as wholly owned subsidiary of Jubilant Industries Limited on February 1, 2012.*

<sup>1</sup> These financials include figures from Retail business also.



Our Agri Products business recorded revenue of ₹3041.7 million mainly on the strength of strong Agri business performance. Performance Polymer business reported revenue of ₹3316.0 million mainly on account of higher volumes in food polymer business and better realisation in Latex business.

The total capitalisation broken down in terms of debt and equity is ₹2064.2 million and ₹118.5 million respectively. Total (Average) number of employees across Company for FY 2011-12 was 661.

### **Corporate Office and Registered Office:**

The Company's Corporate Office is located in pristine building at following address;

#### **Corporate Office:**

Plot No. 1A, Sector 16A, Institutional Area, Noida - 201 301, Uttar Pradesh, India

**Tel:** +91-120-251-6601, +91-120-251-6611

**Fax:** +91-120-251-6629

#### **Registered Office:**

Bhartiagram, Gajraula - 244 223, District Jyotiba Phoolay Nagar, Uttar Pradesh,

**Tel:** +91-5924-252351 - 60

**Website:** [www.jubilantindustries.com](http://www.jubilantindustries.com)

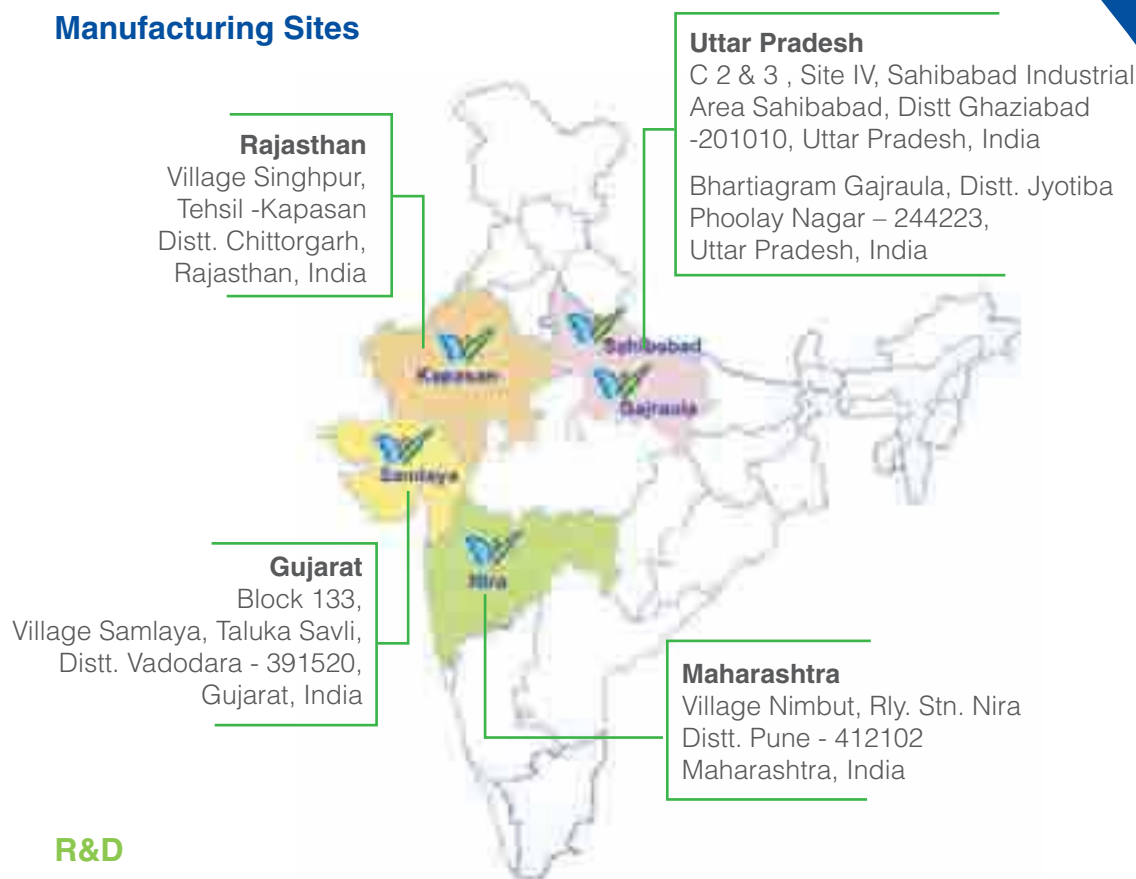
### **Manufacturing Sites and Research and Development (R&D)**

Jubilant Industries has geographically diversified manufacturing sites situated across India.

The following are the 5 manufacturing sites where the Company's products are manufactured and all these sites are located in India.



## Manufacturing Sites



## R&D

Jubilant's technical expertise and experience enable maximisation of efficiencies and profitability. Our state of art R&D facility is based in Noida, where our R&D team with qualified scientists work constantly on developing customised solutions for diverse end applications.

## Leadership Position:

The Company has achieved Global Leaderships in its various product brands.



**Amongst Top 3 brands in India for Single Super Phosphate (SSP) fertilizer and a significant Agro nutrient player**



**No.1 in India and globally No. 3 for SPVA in solid form for chewing gum base**



**No.1 in India and amongst the top 3 players globally for Vinyl Pyridine (VP) Latex for automobile tyres and conveyor belt.**



**Consumer brand “JIVANJOR” is one of the leading brands in India in consumer adhesives and a significant player in the Indian wood finishes market**



Jubilant Industries Limited has following business divisions;

- Agri Products
- Performance Polymers
  - Consumer Products
  - Food Polymers
  - Latex
- Retail Business
- Indian Made Foreign Liquor (IMFL) Bottling Plant

The products are grouped under various categories based on their applications;

### Agri Products

‘Ramban’ is the umbrella Brand for the agricultural products and it is widely accepted by farmers for its quality, consistency and reliability. Jubilant is one of the largest manufacturers of Single Super Phosphate (SSP) fertilizer in India.

- Crop Nutrition – Fertilizers and its related products support in increasing crop yield through root and shoot development and providing soil conditioning and resistant capability against crop diseases.
  - ▶ Key brands include ‘Ramban’ SSP, BENTOSULPH (Bentonite Sulphur 90%), ‘Ramban’ Bhoo Sanjeevani (Organic Manure), Nutra Plus (Water Soluble NPK 20:20:20) and Sulpha Gold (Sulphur 90% DP)
- Crop Growth Regulator – Balances (bio-stimulates) crop life cycle stages, ensure right growth of plant and increase resistance of crops to unwanted vegetative growth.
  - ▶ Key brands include VAM C (Chlormequat chloride 50% SL), Power Plus 500 – Granules (Triacantanol 0.05% granules), and RIPEX (Ethephone 39% SL).
- Crop Protection – The Company offers wide range of products for crop protection against insects, pests, weeds and fungus.
  - Fungicides – Used for protective as well as curative action and help to control fungal diseases
    - ▶ Key brands include Vozim (Carbendazim 50% WP), HEXON (Hexaconazole 5% SC), Vozim Plus (Carbendazim 12% + Mancozeb 63% WP)



- Insecticides effectively guard against chewing and sucking insecticides
  - ▶ Key brands include IKON (Imidacloprid 17.8%, SL), CARTEX (Cartap Hydrochloride 4% G), ALTER (Alphamethrin 10% EC), RAIDER (Chlorpyrifos 20% EC)
- Herbicides control unwanted weeds growth.
  - ▶ Key brands include FIRE (Pretilachlor 50% EC), CLODINOX (Clodinofof Propargyl 15% WP)
- Industrial Chemicals produced are Sulphuric Acid ( $\text{H}_2\text{SO}_4$  98.4%) and Sodium Silico Fluoride ( $\text{Na}_2\text{SiF}_6$  [Technical Grade]). They have wide applications in industrial processes.



### Distribution Network for Agri products:

The Company's consignee warehouses are located on the following locations to ensure the smooth and efficient supplies to our customers. The Company has widespread dealer network of around 967 registered and 7913 associated retailers for distribution of their Agri products to the farming community in Uttar Pradesh, Uttaranchal, Punjab, Haryana, Rajasthan, Madhya Pradesh, Maharashtra, Bihar

### Some of our packaged Agri Products







## Consumer Products

Consumer Products under the brand “JIVANJOR” has respectable market presence and known for its product quality with the customers and consumers. It covers woodworking solutions i.e. adhesives & wood finishes and footwear adhesives.

- ‘JIVANJOR’ wood adhesives products are very popular and effective assembly adhesives in the woodworking industry. Our water based adhesives comprise of **Lamino, All Rounder, Polystic, Hero, and Vambond Excel**. They are white adhesive which conforms to D2 of EN204. These are ready to use adhesives which set rapidly at room temperature & offer superior bond strength to users. ‘JIVANJOR’ also offers contact adhesive Champion which is a synthetic rubber based adhesive for exceptional fast drying & vertical lamination.
- ‘JIVANJOR’ offers complete wood finishes system, stains and ancillaries for decoration & protection of wooden furniture. The wood finishes system includes **Polyurethane finish, Melamine Non Yellowing finish, Melamine finish, Nitrocellulose finish & PU Alkyd finish**. These systems offer exceptional fast drying properties, tough coatings and superior resistance. ‘JIVANJOR’ also offers a wide range of stains that can be mixed to generate unique colors to suit every desire. ‘JIVANJOR’ offers ancillaries like sealers & thinners required for the purpose of successful application.
- ‘JIVANJOR’ footwear adhesives are very suitable for most shoe components bonding purposes and are very popular among shoe manufacturers.

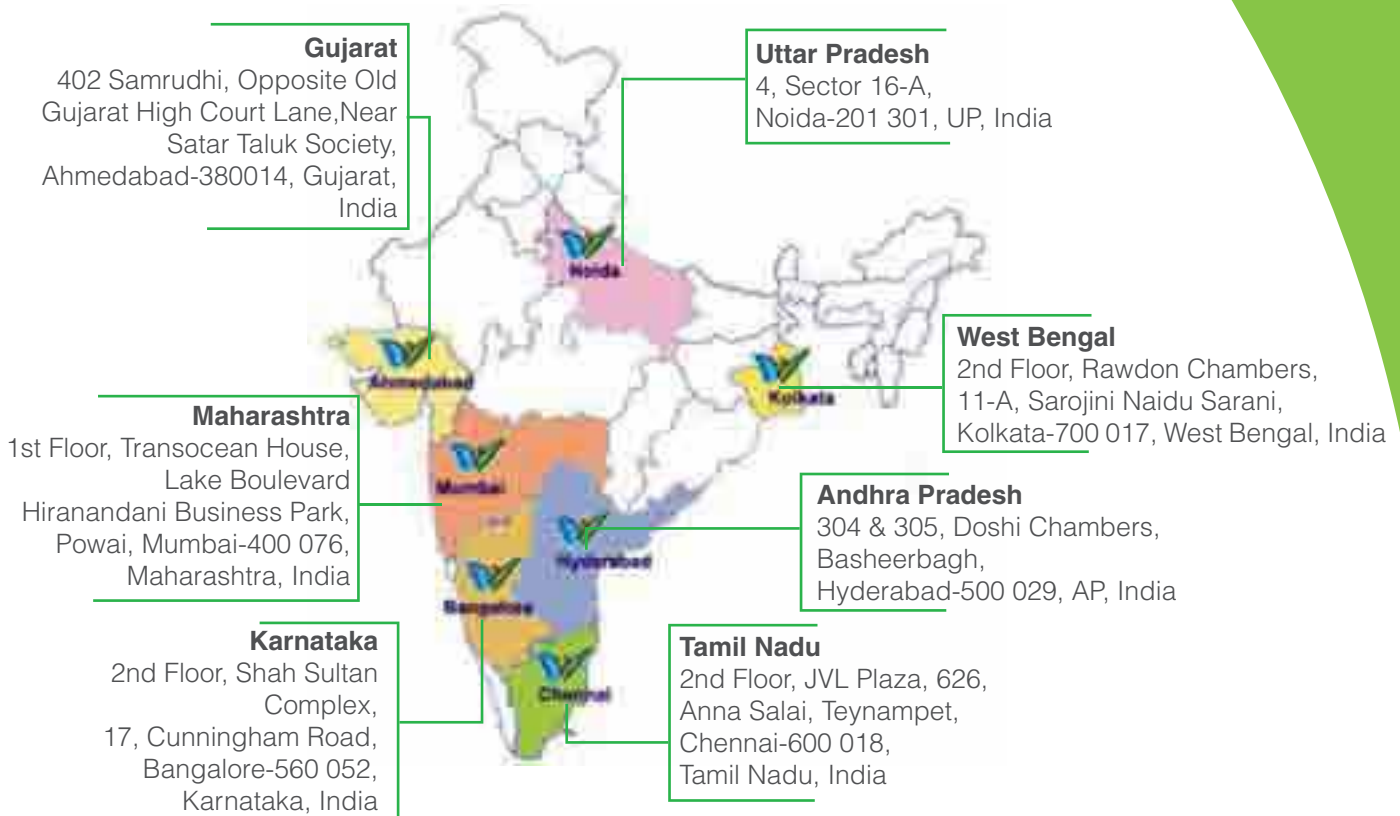
Rubber based adhesives, which include **RB 1001F, RB 1003, RB 1005** and **FOAMBOND** find huge popularity with upholsters & footwear manufacturers. Applications range from bonding foam to foam/ rexine, Fabric to foam/ rexine, leather to leather / foam or rexine, metal to foam, vinyl flooring and carpet laying application, leather to leather/ rubber and rubber to rubber.

Polyurethane adhesives, which include **PU 2000, PU 2001, and PU 2002**, are indispensable raw material for footwear manufacturers. These products guarantee superior bond strength in stringiest conditions. Applications range from leather to TPR, PU, PVC, EVA soles and nylon uppers to PU / PVC and leather / synthetic fabric to micro cellular rubber.



## Distribution Network

Consumer Products Division has India wide distribution channel with offices located in main business markets.



## Some of our packaged Consumer Products





## ● Food Polymers

Jubilant Industries Limited is one of the three major global suppliers of Solid Poly Vinyl Acetate (SPVA) under the trade name of **VAMIPOL**. SPVA is the major raw material for making gum base for chewing gum and bubble gum. The product is manufactured at a modern “state of art” manufacturing facility at Gajraula (UP). All grades of SPVA have been developed by extensive in-house R&D efforts and technology improvements and comply with the Food Chemical Codex V and US FDA Regulations - 21 CFR 172.615. The products as well as the manufacturing facilities are accredited with BRC, ISO 9001, ISO 14001 and OHSAS 18001 certifications and are also Kosher certified.

Jubilant Industries Limited boasts of a customer profile which includes the market leaders worldwide, in the chewing gum industry. Jubilant Industries Limited is a member of ICGA (International Chewing Gum Association).

## ● Latex:

Jubilant Industries Limited manufactured **ENCORD** is well established brand as No. 1 in India and globally within the top 3, for manufacturing **VP Latex** used in dipping of tyre cord and conveyor belt fabric. It is designed to provide a strong bond between synthetic fabrics (nylon, rayon, polyester, glass fiber and aramid) and rubber compounds (NR, SBR, CR, NBR) and with the capability to withstand the most stringent service conditions of automobile tyres, conveyor belts, V-belts, and other fabric reinforced rubber applications. Also, **SB Latex** is used in tyre cord fabric.

**ENCORD NBR Latex** has excellent resistance to hydrocarbons, oils and plasticizers with better heat and temperature resistance. It is basically used in Gaskets in cellulosic paper and fibers, in various adhesives and primers, lining pads in automobiles, beater wet adhesion and paper saturation.

The Latex products are also pre-registered under REACH fulfilling the stringent European standards.





### IMFL Bottling Plant

The Company has been manufacturing IMFL products for the various established brands in India, engaged in liquor business. Our capacity is 100,000 cases per month for IMFL. With a configuration of 5 automatic /semi-automatic lines we can handle all sizes of bottles.

All lines are equipped with required Vats for storage of ENA and labelling machines which provides flexibility for bottling various sizes of IMFL. We have fully equipped, state of art laboratory to support our bottling plant. Our products get manufactured at our plant in Nira.

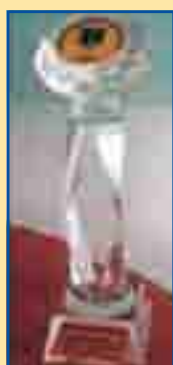


## 2.2 | Awards and Recognitions



Fertilizer Association of India (FAI) applauded the environment protection initiatives of Jubilant Industries Limited and declared Jubilant Industries Limited as the runner-up in the environment protection in SSP plants category at the FAI Golden Jubilee Awards 2011.

Mr. Videh Jaipurkar CEO and Mr. Jaskamaljit Singh Bhuie, Vice President Manufacturing, Jubilant Industries Limited receiving the award on behalf of the Company from a distinguished panel comprising Mr. A. Vellayan Chairman, FAI, Mr. Srikant Kumar Jena, Minister of State (Independent Charge) for Statistics, Programme Implementation, Ministry of Chemicals & Fertilizers and Mr. Ajay Bhattacharya Secretary Department of Fertilizers Ministry of Chemicals and Fertilizers.



Jubilant Industries Limited received the “HR Excellence Award for Leadership Builders’2011” by Amity University for the most significant contribution to the corporate sector. This award was conferred during the Eighth Annual Global HR Summit 2011 at Amity University Campus.





Jubilant Industries Limited Gajraula plant has been declared as Joint Winner of prestigious Quality Council of India (QCI) - D.L. Shah National Award on “Economic of Quality” (under category B1: Large Scale Manufacturing Sector) for their project “Improvement of OPE in Manufacturing Process”.

For this award category, QCI received a total of 80 applications pan India. Subsequent to evaluation, 25 applications were shortlisted for presentation to the Jury comprising eminent experts from QCI & D. L. Shah trust. Of these, 5 organisations were selected for site visit to verify the claims made in the presentation on the savings and tools and methodologies used in the project. The applicant scoring the highest among each of the respective Industrial Categories (Under each category there were National Award and Commendation Awards) was recommended for the award by the Jury.

The Awards was presented during 7th National Quality Conclave, on April 27, 2012 at Hotel Le-Meridien, Janpath New Delhi.

Kapasan plant got recognized through Letter of appreciation from district administration Chittorgarh, for support in health programs through CSR





Jubilant Industries Limited received the prestigious Corporate Leadership Award 2011 at the 4th Agriculture Leadership Summit 2011. Mr. Ananda Mukherjee – Ex. CEO and Wholetime Director and Mr. Challa Narasimha Reddy, Business Unit head, Agribusiness, Jubilant Industries Limited receiving the Award from Sh. Harish Rawat, Minister of State for Agriculture, in presence of Sh. Salman Khursheed, Law Minister, Sh. Balram Jhakar Former Lok Sabha Speaker and Mr. MJ Khan Chief Editor Agriculture Today.



## 2.3 | Vision, Values and Promise

The Jubilant Industries Limited is guided by the Vision, Values and Promise of Jubilant Bhartia Group and these have been embraced by all the businesses and functions of the Company.



### Our Vision is driven by Our Values



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**.



We stretch ourselves to be cost effective and efficient in all aspects of our operations and focus on **flawless delivery** to create and provide the best value to our stakeholders.



By sharing our knowledge and learning from each other and from the markets we serve, we will continue to surprise our stakeholders with **innovative** solutions.



With utmost care for the **environment and safety**, we will always strive to excel in the quality of our processes, our products and our services.



The Company's journey is led by its core values to deliver its promise of Caring, Sharing, and Growing



The Company has internally developed and adopted Codes and Policies for Good Governance, these include;

- Code of Conduct for Directors and Senior Executives
- Whistle Blower Policy
- Sustainability Mission
- Environment, Health and Safety Policy
- Climate Change Mitigation Policy
- Green Supply Chain Policy
- Quality Policy
- Code for Prevention of Insider Trading



## SUSTAINABILITY MISSION

Jubilant Industries Limited strives for Sustainability through good Corporate Governance practices.

The Company will support Sustainability to meet Environmental, Economic and Social needs without compromising the progress and success of future generations.

December 03, 2010

Hari S. Bhartia  
Chairman



## CLIMATE CHANGE MITIGATION POLICY

Jubilant Industries Limited believes in Sustainable Development and recognizes the risk of Climate Change. The Company is committed to reduce carbon emissions as follows:

- Create awareness among employees, stakeholders, customers and community around the impact of climate change issues
- Implement energy conservation measures
- Reduce greenhouse gas emissions through process optimization and pollution prevention
- Use efficient information technology to reduce power related emissions
- Encourage greenery plantation on premises and elsewhere

We shall endeavor to mitigate Climate Change by these initiatives

December 04, 2010

Priyanka Bhartiya  
Director



## GREEN SUPPLY CHAIN POLICY

At Jubilant Industries Limited, we are committed to strive for enhancing the Greening of Supply Chain in collaboration with our Partners in Program for a greener Sustainability and we will ask that partners to:

- Protect the environment by creating awareness to reduce, reuse and recycle resources
- Educate Partners to try to to avoid waste and reduce Greenhouse Gas emission
- Adhere to Environmental, Health & Safety compliance

February 01, 2012

Vidh Jainpuria  
CEO and Whole Time Director



## ENVIRONMENT, HEALTH AND SAFETY POLICY

Jubilant Industries Limited operations include manufacturing Performance polyureth and BHT. The Company is committed to environmental protection and observe high standards of Health & Safety (EHS).

We shall accomplish this by ensuring:

- Comply with regulatory standards of Environment, Health and Safety
- Optimize resource utilization and reduce waste & emissions
- Identify, eliminate and control safety hazards
- Create safe & healthy work environment
- Monitor EHS performance for continual improvement
- Promote EHS awareness among employees, contractors, suppliers and community around the operations
- Communicate EHS performance to internal and external stakeholders

This policy will be implemented, monitored and it is public domain

February 01, 2012

Vidh Jainpuria  
CEO and Whole Time Director





## 3.1 | Report Profile, Scope and Boundary

The Corporate Sustainability Report for Jubilant Industries Limited covers the performance period from April 1, 2011 to March 31, 2012 and the time period is considered similar for data collation convenience to other statutory reporting such as Annual Report and Environmental Statement.

The last Corporate Sustainability Report was prepared for the performance period from April 1, 2010 to March 31, 2011 and was Global Reporting Initiative (GRI) checked and approved with A+ Rating on June 21, 2011.

This report will be published on annual basis along with the Annual Report of the Company. The core and additional performance indicators of GRI 3.1 guidelines are included in the report as per the materiality principle of GRI. The other requirements of these guidelines have also been followed. Jubilant Bhartia Group has strong foundation of Sustainability Reporting. In this report, the efforts are made to adequately address the change in business as well as the challenges and opportunities along with the Economic, Environment and Social performance of the Company.

A multi dimensional process to capture core sustainability issues has been followed for this report. The Company recognises that there is a way to align Company's reporting process and continue to improve for integrity and accountability. Analysis of these issues is an important input to Company's business strategy and risk management framework.

The report is structured in six major focus areas which are the essential elements of sustainability related to the Company's business. However, other required details are also covered. The focus areas are:

- Internal Control Systems and Risk Management
- Economic Performance
- Climate Change & Caring for the Environment
- Occupational Health and Safety
- Community Engagement and Corporate Social Responsibility
- Labour Relations and Human Rights



The Company continues to seek to improve its Sustainability Reporting, moving beyond compliance for Sustainability and believe to inform Company's strategy and long term integration of economic development, environmental quality and improve social performance.

The materiality for the significant areas has been collated for the reporting period. Approach of Management Information System (MIS) in form of EHS monthly reporting and updates from manufacturing locations is sent to Corporate Office. If any deviation / clarification is needed, the same is reviewed with plant representatives and resolved. The support and guidance is always provided to them for their capability building.

The report covers all the 5 manufacturing sites i.e. Gajraula & Sahibabad in Uttar Pradesh, Kapasan in Rajasthan, Samlaya in Gujarat and Nira in Maharashtra for the performance. Jubilant Agri and Consumer Products Limited is a subsidiary Company of Jubilant Industries and their material issues are considered in the report however material issues of Retail Business are excluded. The report includes all major activities which have significant impact on sustainability. However, certain aspects such as emissions due to employee travel and movement of goods have not been included in the report. The performance for the report does not consider the R&D activities and Corporate Office performance for Sustainability. Also the aspects for the Jubilant Industries Limited distribution channels, marketing offices, warehouses, out of office business meetings, out of country business supporting offices have not been considered. The data measurement techniques adopted for reporting are based on its practicability.

All resources consumed are based on actual measurement. However, in the absence of continuous monitoring system for stack emission, sample data have been used in the respective monitoring period to derive the results. There are no re-statements of information in the report. Previous year's figures have been regrouped / rearranged wherever found necessary to conform to this year's (FY 2011-12) classification.

The contact person for any questions / clarification / feedback related to this report is;

**Girish Yadav**

Senior Manager EHS

Address: Jubilant Industries Limited, Plot No. 1A, Sector 16A, Noida – 201 301, Uttar Pradesh, India

Phone number: + 91 120 4361803

Email: [jil\\_sustainability@jubl.com](mailto:jil_sustainability@jubl.com)



## 3.2 | Process for defining Report Content

Stakeholder engagement is carried out in line with the inclusivity principles to identify the material issues (marked with \*) that impact them and the organisation.

Consumer Meets such as Bandhan are organised to engage plumbers\* & carpenters\* and directly understand their queries for the product performance. These work to further propagate the product reach to more consumers, dealers and construction and building maintenance business.

Online feedback are also taken from consumers\* and dealers\* for the product performance and any complaint received is addressed.

Lottery Lucky Coupon\* of tractor and other gifts such as motorbikes, etc on purchase of 'Ramban' fertilizers bags through dealers is another such consumer engagement process to educate about products and enable them to yield better crops and get higher returns. Company in way gets satisfied customers who will again buy and recommend others to buy the fertilizers.

Employees are trained through awareness campaign on Sustainability Issues such as Energy Conservation\*, Water Conservation\*, Waste reduction & elimination measures\* and Green House Gas impact & reduction measures\*.

Employees participate in the reduction programmes such as switching off the lights when not needed, make process modification\* to reduce energy losses and improve productivity.

Work place Health and Safety\* aspects of employees are of significance for Company business. Management and employees jointly participate on reducing the risk with the control of hazards. Safe Operation Procedures\* are developed after reviewing the hazards through techniques such as HAZOP\*. Employees and contract personnel are trained on these procedures to avoid any exposure to the hazards and any likely incident that may cause injury.



Occupational Health\* monitoring of employees enables no significant health impact due to the plant process operation.

Community in vicinity of plant always look to plant operations for supporting their livelihood\*. Plant emissions\* and material handling vehicle movements\* are of general concerns. Plant personnel take proactive measures to avoid any significant plant emissions and have controlled processes for vehicle movements ensuring no spillage\*, leakages\* and release\* of chemicals to community. Medical surveillance camps\*, livelihood educations and training programs for skill capability\* building and supporting self-help groups\* are other forums of engaging community for sustainability material issues. Capability building is done for different crops cultivation\*, soil testing\* and technical consultation provided through renowned agency for right crop cultivation\* increasing crop yield.

Regulatory approvals\* and compliance\* for business sustenance is monitored and compliance adhered and reviewed at all levels up to the top leadership and Board. Any business proposition for capacity increase\* is reviewed for all legal approvals and all the necessary safety measures and budgetary provisions are made in the project proposal for legal compliance and employee safeguards.

Contractors\* engaged for project as well as for operation and maintenance (O&M)\* tasks are equally likely to be exposed for the plant hazards and are more vulnerable as they lack adequate education level and understanding to take proactive control measures. Hence contract agreement / job order contain clauses to safe guard the contract personnel for their health and safety. They need to have their systems for training and retraining of their personnel, on job monitoring, PPE provisions, Job hazards analysis and hazard control measures incorporated before commencing tasks. Their job performance is monitored and accordingly actions taken for any significant deviations to the extent of reviewing their job orders.

Prioritizing for significant material issues is carried after review of risks and opportunities with the levels for significance of stakeholders and significance for organisation. The material issues having high level of sustainability significance aspect are addressed with high priority. Corrective and preventive action plans are made to resolve them. Accordingly the medium level of significance aspects are reviewed for any



likely future or unexplored material issues that become high level of significance either to stakeholder or organisation. Such material issues are noted in Report and plans to be made to address the issues if they occur.

Guidance on Defining Report Content and the associated Principles and the Technical Protocol: 'Applying the Report Content Principles' of GRI 3.1 requirements have been referred and applied for preparing the report.

Corporate Sustainability Report exemplify to all users - stakeholders, other business organisations and general public, the commitment of Company towards environmental and social issues faced and steps taken to resolve the issues as responsible organisation. The report is shared with all stakeholders including shareholders, suppliers, community head, and officials of regulatory agency, industrial associations and B2B customers. It is also available on Company website for access to public. All stakeholders are expected to use them. The material issues addressed for priority actions and significance levels reflect the Company opportunities areas for improvement and development activities. The report also enables stakeholders to provide feedbacks and address material issues that may support organisation business.





## 3.3 The Assurance

This report has been verified and assured by M/s Ernst & Young Private Limited and the Assurance Statement is given below;



**Ernst & Young Pvt. Ltd.**  
G2, Concorde, 5th Floor,  
Jubilee Hills, Hyderabad-500 016, India  
Tel: +91 33 4415 3400  
Fax: +91 33 2291 7710  
www.ey.com/india

**The Management and Board of Directors**  
**Jubilant Industries Limited**  
1-A, Sector 16-A,  
NOIDA 201301  
Uttar Pradesh, India

**Independent Assurance Statement**  
Ernst & Young Pvt. Ltd. (EY) has been engaged by Jubilant Industries Limited (the Company) to provide independent assurance to its Corporate Sustainability Report 2011-12 (the Report) covering the Company's sustainability performance during the period 1st April 2011 to 31st March 2012.

The development of the Report, its content, and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility is performing our assurance activities as in the management of the Company may 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 dependence that any such third party may place on the Report is entirely at its own risk. The assurance report should not be taken as a basis for interpreting the Company's overall performance, except for the aspects mentioned in the scope below.

**Reporting criteria and assurance standard**  
The Company has stated that it has developed the Report based on the Global Reporting Initiative (GRI-G3.1) guidelines.

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 fair limited assurance as set out in ISAE 3000.

**Scope of assurance and methodology**  
The scope of our work for this assurance engagement was limited to review of information pertaining to environment, health & safety (EHS) and social performance for the period 1st April 2011 to 31st March 2012. We conducted review and verification of data collection/ measurement methodology and general review of the logic of inclusion/ exclusion of (potentially relevant information) data and this was limited to:

- Review of major anomaly within the report as well as between the report and source data/information;
- Review of the transcription of the data internally verified by the company;
- Evaluation of audit trail of selected data streams and information to determine the level of accuracy in collection, transcription and aggregation processes followed;
- Review of Company's plans, policies and practices, so as to be able to make comments on the completeness of the reporting and degree to which EY believed the report provides a fair and balanced representation of the Company's activities.

The assurance engagement was performed by our multidisciplinary team of professionals in the field of environment, health, safety and social aspects, who visited the corporate office at Noida and three manufacturing locations in Gurgaon (Uttar Pradesh), Sonmays (Gurgaon) and Sahibabad (Uttar Pradesh) for reviewing and verifying the information and data trail; information and data trail pertaining to the other manufacturing locations were made available to us at Company's Corporate Office at Noida.

A member firm of Ernst & Young Global Limited  
Ernst & Young Global Limited, a member firm of Ernst & Young Global Limited, is not a member of the International Federation of Accountants (IFAC).



#### Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2012);
- Review of the economic performance indicators included in the Report whilst, we have been informed by the Company, are derived from the Company's audited financial records;
- The Company's statements that describe expression of opinion, belief, inference, expectation, aspiration, aim or future intention.

#### Conclusion

Based on our scope of review and approach, 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 and the Report covers a broad range of EHS and social issues that are relevant to the sustainability performance of the Company.

Ernst & Young Private Limited

Sudipta Das  
Partner

Dated: 11 June 2012  
Place: Kolkata



## 4.1 | Corporate Governance

The Transparency and Accountability are the main indicators of good governance, while good governance is a pre-condition in achieving sustainability. In fact, Jubilant Industries Limited firmly believes that the transparency and accountability are interrelated concepts and mutually reinforcing. Without transparency there couldn't be any accountability. Unless there is accountability, transparency would be of no value. The existence of both contributes to an effective, efficient and equitable management.

The transparency refers to sharing information and acting in an open manner. It allows stakeholders to gather information that may be critical to uncovering issues and their interests. Transparency is built on the free flow of information. Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them. Accessible information means more transparency.

The Board of Directors of the Company is the apex governing body responsible for framing and implementation of corporate governance policies. The Board, with the objective of creating sustainable value for all stakeholders, provides vision to the Company and oversees the management's decisions. The Board has fostered a spirit of constructive criticism and created a culture of transparency throughout the organisation. Jubilant Industries Limited's operations are looked after by the Highest Executive Officer of the Company, who is Chief Executive Officer (CEO) and Whole Time Director. The CEO and Whole Time Director is not a promoter or founder of the Company. The remuneration of CEO and Whole Time Director is paid subject to the approval of the Board and Shareholders of the Company.

The Non-Executive Independent Directors are paid sitting fees to meet the expenses incurred by them in attending the Board meetings, which is duly approved by the Board of Directors and is in accordance with the government guidelines. Further, the Non-Executive Independent Directors are also paid

*The Board, with the objective of creating sustainable value for all stakeholders, provides vision to the Company and oversees the management's decisions.*



commission on an annual basis, in order to compensate them for the time and effort. Such commission is subject to the approval of Board and Shareholders of the Company.

Presently the Company has so far not adopted a formal method for evaluating the performance of Non-Executive Board members. However, the performance evaluation of the Executive Board members is done based on the results achieved in their respective areas. The Company's executive compensation policies are structured in line with the current business norms and practices. The compensation is also based on their achievements of non-financial parameters.

The Company has various Board level Committees including Audit Committee, Investors Grievance Committee and Remuneration Committee to meet regulatory requirements as well as to discharge critical functions delegated by the Board. Some of the other Committees are Finance Committee, Listing Committee and Corporate Governance Committee.

There are informal procedures which are in place for appointing members of the Board wherein the composition of the Board is studied to assess if proper balance is in place at the strategic level. For appointing a new Director, suitable candidates are short-listed, based on the criteria set by the Board, including the area of expertise/specialization. The final selection is done by the Board.

The Company's Board is a judicious mix of Executive, Non-Executive and Independent Directors. Out of the total of eight Directors, seven are Non-Executive and out of these four are Independent. Five Directors are in the age group of > 50 years and 3 Directors are in the age group of 30 – 50 years. Non-Executive Directors are those who are not associated with the Company in an executive capacity. An Independent Director is a Non-Executive Director who apart from receiving Director's remuneration does not have any material pecuniary relationship with the Company. There is no formal written policy for conflict resolution. The conflicts within senior management level are resolved through informal channels.



The Board changes that occurred recently are mentioned here. Mr. Ananda Mukherjee CEO and Wholetime Director ceased to be Board member on January 31, 2012. Mr. Videh Jaipuria CEO got designated as CEO and Wholetime Director and became Board member with effect from February 1, 2012. Two new Directors, Mr. Shamit Bhartia joined Board as Promoter Non Executive Director and Dr. Ashok Misra joined as Independent Director.

The Board has also constituted a Sustainability Committee at the Board level for better management of Economic, Environment and Social performance parameters including risks associated with them as well as for taking strategic initiatives for mitigation of Climate Change and the risks associated. The formation of Sustainability Committee within a short period of commencement of its operations is a testimony of Company's commitment for Sustainability.

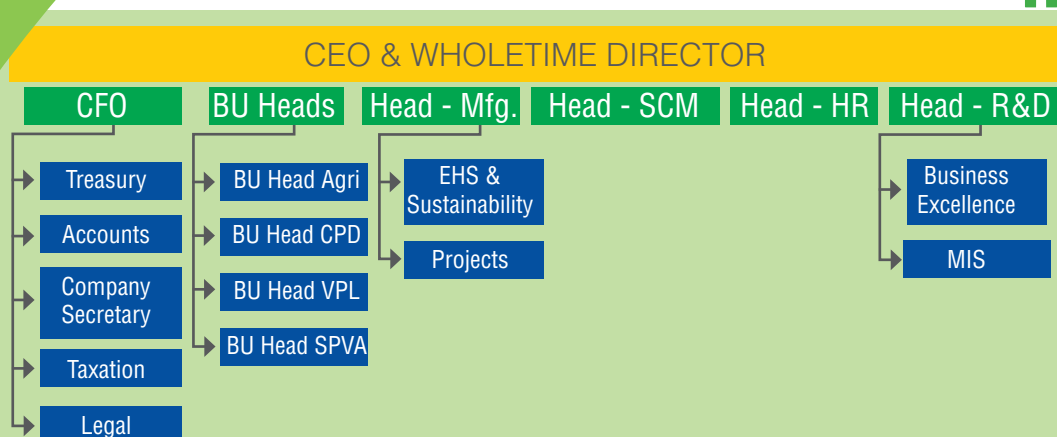
The Board/Committees regularly monitor:

- Internal Audit Reports
- Risk Management Processes
- Business strategy and long term plans
- Financial performance
- Foreign Exchange exposures
- Statutory compliance

Further, to ensure effective implementation of Board's policy decisions, there are several Executive Committees such as Supply Chain Committee, Capex Committee, comprising CEO & Wholetime Director and senior officials of the Company. The Business Heads are responsible for supervising and overseeing the functioning of the respective businesses, including development of business strategies and plans with due consideration to the interests of stakeholders. At the Annual Strategy Meet, the Chairman and the CEO & Whole Time Director review these business strategies.

*The Board has also constituted a Sustainability Committee at the Board level for better management of Economic, Environment and Social performance parameters including risks associated with them as well as for taking strategic initiatives for mitigation of Climate Change and the risks associated.*





The Company has best talent to look after the interest of the shareholders. This consists of Functional Heads such as CFO, Company Secretary, BU Heads, Head of Manufacturing, Head of Supply Chain, Head of R&D, Head of Human Resources and Head of Business Excellence etc.

Presently the EHS & Sustainability is overseen & guided by Head Manufacturing. At plant level these activities are performed by a team of EHS personnel and this team functionally reports to Head Manufacturing.

The labour practices are coherently taken care by the Human Resources (HR) – Head being the senior most official responsible for getting the same practiced within the Company. The Company complies with all the applicable Indian labour legislations.

The Company is striving to improve the quality of service rendered to its stakeholders including shareholders.

Annual General Meeting is an important platform where shareholders can share their views and give valuable suggestions and ideas to the Directors. Due consideration is given to the suggestions/ideas given by the shareholders, and to the extent found practicable, appropriate and suitable actions are taken in the interest of the Company. The minutes of the meetings of members are prepared as per the requirements of law. The Company sends hard copy of Notice of Annual General Meeting and Annual Report to shareholders.

A copy of this Sustainability Report will also be forwarded to all the shareholders along with the Annual Report as well as to other key stakeholders.



## 4.2 | Economic Performance

### Disclosure on Management Approach – Economic

- *Goals & Performance*

Jubilant Industries Limited is committed to responsible management of business ensuring direct responsibility for the direct economic value generation and operating costs. The Company business growth is supportive for its contribution to the Sustainability activities such as energy efficiency improvements, Climate Change mitigation and community development.

- *Policy*

Economic aspects are fundamental to business. Revenue generation and operating costs are regularly monitored across different business segments and business strategies are designed to meet market demands and customer needs in a responsible manner.

Company holds the responsibility of shareholders returns and regular dividends are paid to them. All the Company taxes are managed and paid on time.

Strategic decisions are taken for community investments based on the community social needs assessment and are considered significant in line with Millennium Development Goals identified and defined through Jubilant Bhartia Foundation (JBF).

Benefit plans for employees are in place in compliance with regulatory requirement such as Provident Fund and Gratuity.

Financial implications due to Climate Change risks and regulatory risks are considered in business decisions and adequate safe guards planned. Investment decisions for new technologies or modernization of processes are also considered to have minimal impact of Climate Change.

*Strategic decisions are taken for community investments based on the community social needs assessment and are considered significant in line with Millennium Development Goals identified and defined through Jubilant Bhartia Foundation (JBF).*



- **Organisational Responsibility**

The managerial responsibility for the Economic Performance is of the CEO who is supported by a strong leadership team including Business Head of each Division and functional heads for Finance, Supply chain, Manufacturing, R&D and HR at the head office and the Unit Heads at respective manufacturing locations.

The Profit is integral to survival. It revives, renews and replenishes. Without a surplus – especially in sustainable way- there will be no funds to invest in the environmental and social drivers of sustainable development. The Company constantly focuses on growing business with the objective to enhance value for all the stakeholders. Strong financial management and growth across the value chain enable the Company to undertake environmental and social initiatives year after year without compromising. The Company has adopted Enterprise Resource Planning (ERP) system for financial accounting and reporting.

**The main products of the Company for the reporting year are as follows;**

S. No.	Products Quantity	Apr'10 – Mar'11	Apr'11 – Mar'12
1	Polymers including Co-Polymers and VP Latex	37,139 MT	35,028 MT
2	SSP	2,76,771 MT	2,98,333 MT
3	Sulphuric Acid	59,911 MT	59,678 MT
4	Agri Chemicals	779 KL	48.20 KL
5	IMFL	6,197 KBL	6,030 KBL

**Revenue generated are detailed below;**

Revenue Generated (₹ in Million)	Apr'10 – Mar'11	Apr'11 – Mar'12
Total revenue	5370.63	9948.91
Agri Business Revenue	2545.08	3041.70
Performance Polymer Revenue	2501.80	3316.00
Revenue from Retail	Not covered	3591.21
Revenue from discontinuing operations	323.75	NIL



The region wise revenue generation from exports is given below:

Sales revenue (₹ in Million) by Geographic Markets	Apr'10 – Mar'11	Apr'11 – Mar'12
Americas & Europe	298.64	793.71
China	116.43	148.62
Asia & Others	212.54	281.53
Total Exports	627.61	1223.86

The revenue generation from exports is ₹1223.86 Million which is 12.30 % of the total revenue generation.

### The Value Distribution

The continuous supply of quality raw material is important for any business. The Company has been working with its Partners in Progress to ensure sustainability of the business. A significant part of raw materials and supply procurement is done by advance payment or through letter of credit. The Company procures major part of the materials from the locally based (within India) suppliers and tries to connect our Partners in Progress with Green Supply Chain Management as defined in the policy.

The main raw materials consumed during the reporting year are as follows;

S. No.	Raw Materials Quantity (MT)	(Apr'10 – Mar'11)	(Apr'11 – Mar'12)
1	Process Chemicals	8,171	2,700
2	Rock Phosphate	1,60,248	1,66,617
3	Sulfur and sulfuric acid	82,621	85,098
4	Chemicals for Latex	3,647	3,408
5	Vinyl Acetate Monomer	8,196	12,338



The details of major expenses for manufacturing such as raw materials, power and fuel, advertisement and publicity etc. are given below;

Item (₹ in Million)	Apr'10 – Mar'11	Apr'11 – Mar'12	Apr'11 – Mar'12 (RETAIL)
Purchases – Traded goods	60.04	98.04	2811.89
Raw and Process materials consumed	3065.96	3614.66	NIL
Power and Fuel	168.20	175.18	85.66
Stores, spares, chemicals, Catalyst & packaging material consumed	349.59	344.96	NIL
Processing charges	1.27	0.10	NIL
Advertisement, Publicity & Sales promotion	33.84	28.87	101.83
Printing & Stationery	4.67	3.99	4.29
Communication expenses	7.88	7.45	6.66
Auditors Remuneration - As Auditors For taxation matters For certification/advices	0.51 0.13 0.47	1.00 0.23 1.25	NIL
Legal, Professional & Consultancy charges	31.19	37.87	15.96
Freight & Forwarding	320.51	346.10	17.39
<b>Total</b>	<b>4044.26</b>	<b>4659.71</b>	<b>3043.68</b>





The staff cost as a percentage of net sales is 7.00 % of net sales in FY 2011-12.

**The details regarding salaries, contribution to Provident Fund, Gratuity etc. are given below;**

Item (₹ in Million)	Apr'10 – Mar'11	Apr'11 – Mar'12	Apr'11 – Mar'12 (RETAIL)
Salaries, Wages, Bonus, Gratuity & Allowances	383.68	399.52	334.81
Contribution to Provident Fund & Superannuation Fund	23.48	22.70	22.80
Staff Welfare Expenses	21.73	22.91	9.43
<b>Total</b>	<b>428.89</b>	<b>445.14</b>	<b>367.04</b>

The Company's retained earnings and reserves are ₹1697.2 Million including loss of ₹1276.45 million of reserves due to absorption of retail business.

**The dividend payout for the reporting year includes the dividend tax and it is presented below;**

Dividend	Value
Total dividend payout	NIL
% dividend (on face value of ₹10)	-

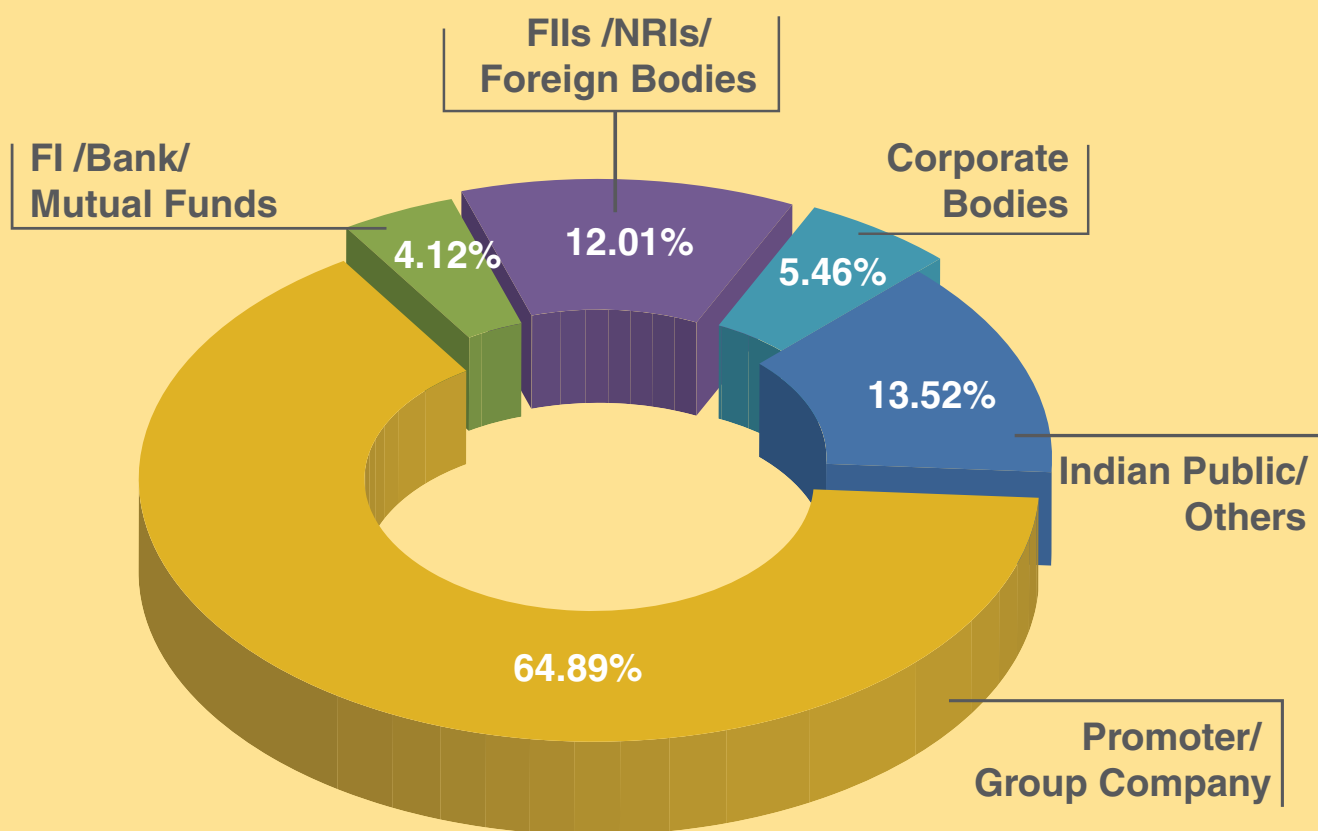
**The details of the Company's contribution to the public exchequer are given below;**

Taxes (₹ in Million)	Apr'10 – Mar'11	Apr'11 – Mar'12
Corporate Tax	118.02	60.37
Tax on Distributed Profits on Equity Shares (Provision)	3.90	NIL
Excise Duty-JIL	250.86	262.52
<b>Total</b>	<b>372.78</b>	<b>322.89</b>

**The consolidated payment to government is ₹473.66 Million for year 2011 - 12.**



**Shareholding Pattern of the Company as on  
March 31, 2012 is as under:**



The Company receives subsidies on the sale of fertilizers. During the year, the amount received from the Government against subsidy, is ₹1545.12 Million.



## 5.1 | Climate Change and Caring for Environment

### Management Approach for Environmental Indicators

The Company through its EHS Policy has committed towards maintaining high standards of Environment, Health & Safety (EHS) across all manufacturing plants. The policy guides the plants on addressing through systemic approach the environmental material issues related to Materials, Energy, Water, Biodiversity, Emissions, Effluents and waste, products and services. Aspects – Impact analysis are reviewed for the operation and maintenance tasks and changes. The significant impacts are mitigated or controlled through management programs and operational control procedures respectively. Legal EHS Compliance review is an integral process of EHS Management system. Three manufacturing locations – Gajraula, Sahibabad and Samlaya are certified for OHSAS 18001 and ISO 14001 through accredited auditing agencies.

Jubilant Industries Limited operations are looked after by the CEO and Whole time Director. EHS and Sustainability is overseen by Head Manufacturing. At plant level, these activities are performed by a team of EHS personnel which functionally reports to Head Manufacturing.

The Board has also constituted a Sustainability Committee for better management of Economic, Environmental and Social Performance as well as initiatives for mitigation of Climate Change.

The new recruits 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. The Company has been proactive in taking steps regarding awareness about importance of environment and its related issues amongst employees across the plants.



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 gets the data related to environment, health & safety and other indicators of sustainability at regular intervals.

Manufacturing Head reviews 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. Precautionary approach principle is followed as any significant environmental issue / impact is observed / identified, adequate investment and systems are put in place for mitigating the risk and avoiding any environmental degradation caused from Company operation.

The Company has not been fined for any non compliance of environmental laws and regulations in the FY 2011-12.

The CO<sub>2</sub> emission is from all the fuels used in manufacturing processes that are used for generation of heat energy in the form of steam or hot air used in Company's process plants. CO<sub>2</sub> is also generated indirectly by the use of electricity in various plants.



Various initiatives are taken by the Company to reduce its carbon footprint which includes energy conservation measures.

#### Initiatives taken at Gajraula plant:

- *OPE improvement & energy reduction through various measures.*

- ▶ Reduction in power consumption by 1845154 KWH and thermal energy equivalent to 698 MT of coal & 73.07 KL of HSD.

**GHG emission reduction achieved from the above mentioned initiatives ~2929.24 tCO<sub>2</sub>**

- *Upgradation of SAP absorption tower*
- ▶ *Power consumption reduced by 123533 KWH*

**GHG emission reduction achieved from the above mentioned initiative ~98.82 tCO<sub>2</sub>**

#### Initiatives taken at Samlaya plant:

- *Awareness programme was conducted on Climate Change Mitigation and Green Supply Chain policies in shift buses.*
- *Installation of energy efficient tube lights and VFD.*
- ▶ *Reduction in power consumption by 136206 KWH*

**GHG Emission reduction achieved from the above mentioned initiatives ~36.33 tCO<sub>2</sub>**

#### Initiatives taken at Kapasan plant:

1. *Use of natural lighting during day time in offices*
  2. *Installation of VFD in equipments*
    - ▶ Reduction in power consumption by 99000 KWH
- GHG Emission reduction achieved from the above mentioned initiatives ~26.41 tCO<sub>2</sub>**
3. *Usage of two air conditioners in place of three air conditioners in conference room*
  4. *Increased use of Compact Fluorescent Lamps (CFL) in place of tube lights in plant*





**The total direct energy consumption from fossil fuel is presented in the table:**

S. No.	Parameter	Unit	Value for FY 2010 -2011	Value for FY 2011 -2012
1	Coal	MT	5412	7631.17
	Energy	Peta Joules	0.09	0.1641
2	Light Diesel Oil (LDO)	MT	73	2.93
	Energy	Peta Joules	0.003	0.0001
3	High Speed Diesel (HSD)	MT	233	277.76
	Energy	Peta Joules	0.01	0.0121
4	Furnace Oil (FO)	MT	806	431.163
	Energy	Peta Joules	0.03	0.0183
5	Agro waste	MT	Nil	11.35
	Energy	Peta Joules	Nil	0.0002
<b>Total Direct Energy consumed</b>		<b>Peta Joules</b>	<b>0.133</b>	<b>0.1948</b>



## The total indirect energy consumption is presented below:

S. No.	Parameter	Unit	Value for FY 2010 - 2011	Value for FY 2011 - 2012
1	Electricity purchased	KWH	22316135	22330089
	Electrical Energy purchased	Peta Joules	0.08	0.08039
2	Steam purchased	MT	13476	14571.9
	Energy in form of steam purchased	Peta Joules	0.04	0.04075
	<b>Total Indirect Energy purchased</b>	<b>Peta Joules</b>	<b>0.12</b>	<b>0.12114</b>

At Samlaya, power and steam is provided by the Jubilant Life Sciences Limited.

At Gajraula, steam is produced in the sulphuric acid plant using heat of the exothermic reaction. The same is supplied to Jubilant Life Sciences Limited. Steam is also purchased from Jubilant Life Sciences Limited to use in plant process.

Electricity is provided by Jubilant Life Sciences Limited to Jubilant Industries Limited and Jubilant Agri and Consumer Products Limited in Gajraula.



### **Awareness campaign on Sustainability & Climate Change Mitigation in Gajraula**

The Company is making continuous efforts to further reduce its carbon footprint through various initiatives like:

- Involvement of employees to create awareness about Climate Change Mitigation and inculcate responsible behaviour in day-to-day activities like replacement of ordinary lamps with CFLs and using natural light during day time in offices and at home wherever feasible.
- Celebrate World Environment Day, Earth Hour and other events for creating environmental awareness at all levels.
- Continue to invest in information technology to reduce the need to travel for internal meetings.
- Though each of Company's location has specific transport plans, however, staff is encouraged to use the lowest carbon mode of travel for business-related journeys and travel to work, where practicable.



### The Green House Gas (GHG) emissions are tabled below;

	Units	Value for FY 2010 - 2011	Value for FY 2011 - 2012
Scope 1 – Direct Energy GHG Emissions	tCO <sub>2</sub>	12,512	18,305.82
Scope 2 – Indirect Energy GHG Emissions	tCO <sub>2</sub>	16,819	21,778.224

Direct Energy GHG emissions (Scope 1) are calculated referring Intergovernmental Panel on Climate Change (IPCC) emission factor guidelines and Indirect Energy GHG emissions (Scope 2) are calculated using weighted average emission rate NEWNE – table B delineated in Central Electrical Authority (CEA) User Guide Version 7.0 of Ministry of Power, Government of India.



### **EARTH HOUR 2012** **2030 Hrs, Saturday, March 31, 2012**

*Every year Earth Hour is celebrated to save energy by turning of lights, computers, televisions etc. The very purpose of this exercise is to dedicate one hour to the noble cause of Climate Change mitigation. Earth Hour has become a global sustainability movement, in which people across the globe are coming together and participating in the movement in their own style.*

*In March 2012, the then Chief of EHS and Sustainability Dr. Y. K. Saxena appealed to turn off lights from 8.30 pm – 9.30 pm on March 31, 2012.*

### **Ozone Depleting Substances (ODS):**

The Company neither uses Chloro Fluoro Carbon (CFC) in its operations nor uses any products with CFC. The Company does not purchase any CFC directly or equipment containing CFC. Under the Montreal Protocol the use of Hydro Chloro Fluoro Carbon (HCFC) is permitted in India and is specified in Ozone Depleting Substances (Regulations and Control) Rules, 2000, Ministry of Environment & Forests (MoEF), Government of India. At Samlaya, 128.7 kg of HCFC - 22 was consumed in refrigeration and it represents 7.7085 kg equivalent CFC - 11 Global Warming Potential (GWP).



Sustainability Council has been constituted at the corporate office of Jubilant Industries Limited under the Chairmanship of CEO and Whole Time Director to drive the Sustainability initiatives for integrating with businesses. The members of this Sustainability Council are from HR, Manufacturing, Business, Finance and Corporate Governance to strengthen integration of Sustainability into businesses. This is supported by the Corporate Group of EHS & CSR of Jubilant Life Sciences Limited.

This Council works to attain Sustainability as per the Mission, Vision, Promise and Policies on Climate Change, Environment, Health and Safety and Green Supply Chain.

*As an Environmentally Responsible Company, continual efforts are made to reduce environmental impacts through an extension beyond mere statutory compliance.*

As an Environmentally Responsible Company, continual efforts are made to reduce environmental impacts through an extension beyond mere statutory compliance. The Company follows the 3R approach – Reduce, Reuse and Recycle; to conserve natural resources and minimise environmental impact.

### **Water**

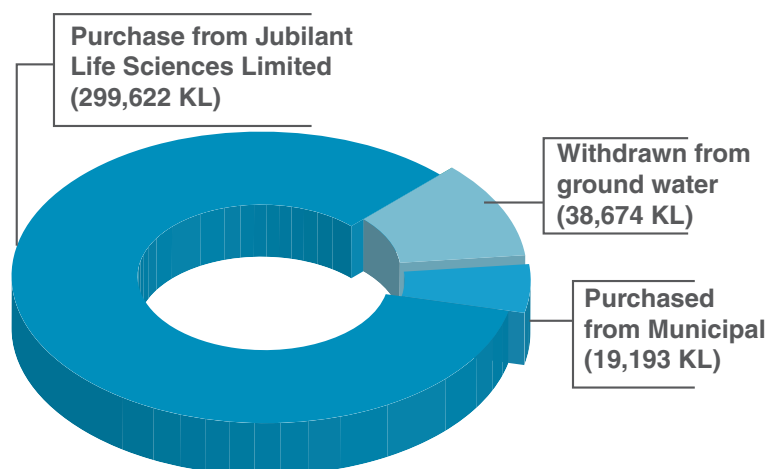
The Company understands business risks and opportunities relating to water scarcity and is committed to promote responsible water management. The Company acknowledged the fundamental need for more detailed work on water conservation, efficiency and productivity. The strategy adopted by the Company is to use water efficiently, recycle and reuse wherever possible.

The Company monitors the amount of water used by individual units to improve the consumption norms by implementing various conservation efforts. For minimizing usage of water, various efforts such as mopping in place of hosing for cleaning of floors, reusing low graded products for cleaning the blending vessels & reactors of high graded products and regular monitoring of water usage etc. are practiced in the plants.

The water at Gajraula, Nira and Samlaya units are supplied by Jubilant Life Sciences Limited as per the agreement. There is no significant affect reported by withdrawal or purchase of water on the water sources at all plant locations.



**Water consumption details (based on sources) for FY 2011 - 2012 are shown below;**



At Gajraula plant, raw water consumption reduced by 12399.33 KL and Demineralised (DM) water consumption reduced by 3861.79 KL through process improvement.

The Company has also implemented rain water harvesting in order to recharge the ground water. Condensate from the process is recycled and reused. The Company continuously strives to reduce its water consumption and modify processes through R&D efforts.

*At Kapasan, storm water is collected through drains collected into a tank and it is pumped back into process. Also proper maintenance of rain water harvesting structures was carried for ground water recharging.*

### Waste Water

The effluent management is on high priority for the Company to reduce its ecological impact. The Company is encouraging and taken innovative and efficient ways to reduce the effluent. There is no discharge of effluent from any of the manufacturing facilities to any surface water body.

*At Kapasan, packaged type skid mounted sewage treatment plant (STP) of 5 KLD capacity was installed and commissioned for treatment of canteen waste water and septic tank effluent. The treated waste water is used for gardening in plant.*







*In the reporting year, the Company's expenditure on environmental protection amounted to approximately ₹10.97 Million.*

- *At Gajraula 18,471 KL of waste water was treated at Effluent Treatment Plant (ETP) of Jubilant Life Sciences Limited.*
- *At Gajraula plant, the Effluent quantity reduced by 7729.48 KL through process improvement.*
- *At Samlaya unit, 2,011 KL effluent is discharged through the facility of Jubilant Life Sciences Limited for further treatment & disposal to common effluent treatment facility.*
- *At Sahibabad, the treated effluent 252 KL is discharged into municipal sewer as per the condition of the Uttar Pradesh State Pollution Control Board.*
- *At Nira 1,586.75 KL effluent was treated at Jubilant Life Sciences Limited.*

Regular operations related to ETP, STP and other environmental control measures are included in the overall cost of manufacturing operations of respective units. In the reporting year, the Company's expenditure on environmental protection amounted to approximately ₹10.97 Million.

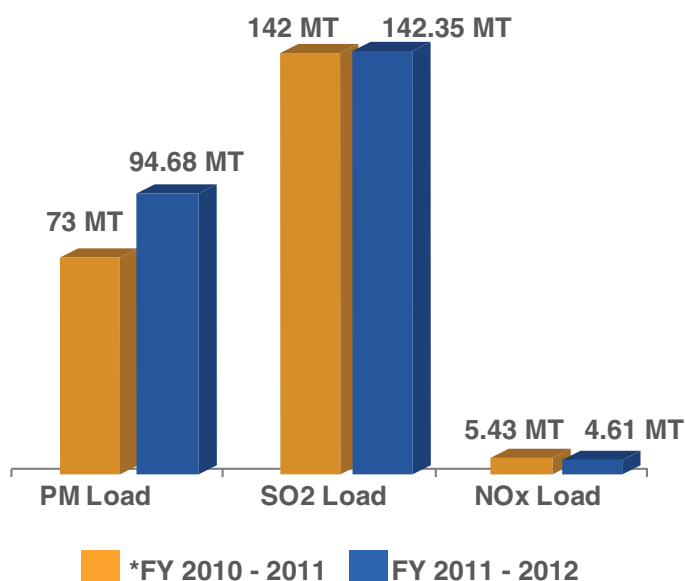
### **Air Emissions**

The Company considers clean air as an asset and continues to enhance the technology and upgrade processes to reduce its impact on the quality of air. Air emission sources are mainly flue gas and process emissions. The Company has installed adequate treatment facilities to ensure necessary compliance. The flue gas emissions mainly from Boilers, Furnaces and Diesel Generator (DG) sets, etc. are provided with the adequate stack height for effective dispersion. For control of particulate matter emissions from stack, multi cyclones and bag filters are provided in Gajraula and Kapasan to meet the stipulated consent standards. Regular monitoring of all stacks is carried out by MoEF approved laboratories to check the concentration levels of pollutants being released into the atmosphere. The air emissions are well within the levels stipulated by the regulatory bodies and these reports are submitted to the regulatory agencies regularly at defined reporting periods and also as and when required by the authorities.

The Company's air emissions load of SO<sub>2</sub>, NO<sub>x</sub>, and particulate matter are generated mainly from the usage of fossil fuel and from the process vents in its manufacturing locations. The Company monitors SO<sub>2</sub> as well as NO<sub>x</sub> emission from the stacks of its various manufacturing locations.



The details of these air emissions are given below;



\*Data for NO<sub>x</sub> emission FY 2010 - 2011 has been corrected from the Corporate Sustainability Report FY 2010-11 and corrected value mentioned in table here.

The Company uses the best technology equipment currently available for air pollution control at its various manufacturing locations to minimise adverse environmental impacts due to emissions.

Regular monitoring of the environmental parameters as suggested by regulatory agencies is carried out at all manufacturing locations and reports are regularly submitted to the statutory and regulatory authorities. The various emission analysis confirm that existing emissions comply with the requirements and are well within the limits specified by the regulatory agency, as applicable at respective manufacturing locations. These systems enable the Company to track emission performance and thereby reduce the risk to communities and staff living in the vicinity of manufacturing locations.

*For controlling the fugitive dust emission at Kapasan plant due to truck movement, water sprinkling is carried out on roads regularly.*

*Construction of open rock storage yard at Kapasan: Excess rock stored outside the rock godown was causing damage to the boundary wall and fugitive dust emission to the outside area.*





### Noise Control

*At Sahibabad, acoustic enclosures were provided on both DG sets that reduced high noise level exposure of DG and Boiler operator and also reduced boundary noise.*



### Green Area Development

*At Kapasan plant, trees plantation was carried out during World Environment Day and monsoon season to improve greenery.*





## Waste Utilisation

The Company is continuously working towards waste minimisation through systematically reducing waste at source. The various measures include;

- Prevention and reduction of waste generation
- Efficient use of raw materials and packaging materials
- Encouraging re-use, recycling and recovery.

The Company generates very low quantity of hazardous waste from its operations and follows methodologies to reuse the waste generated in the plants. The sulphur from sludge is reused in the fertilizer plant at Gajraula unit. Reuse of silica in SSP is another example of waste utilisation in the fertilizer plants at Gajraula and Kapasan.

### **Sulphur recovery from sulphur sludge**

In Gajraula sulphuric acid plant (SAP), Sulphur recovery is done from sulphur sludge in conical closed vessel.

*At Gajraula during the FY 2011-12, Sulphur sludge processed: 172 MT of which Sulphur recovered: 96 MT and sulphur sludge: 76 MT recycled to SSP plant.*



The hazardous wastes generated from Company's operation are categorised into incinerable and non-incinerable wastes. At Gajraula, incinerable wastes are incinerated at solid waste incinerator of Jubilant Life Sciences Limited. However, at other locations, incinerable as well as non-incinerable wastes are sent to MoEF authorised treatment and disposal facility as per the regulatory requirements.

Non-incinerable wastes at Gajraula are directly disposed to Secured Landfill Facility (SLF) of Jubilant Life Sciences Limited, while the waste oil generated from the Company's operation is sold to authorised re-processors. The hazardous wastes during the year were disposed off as per requisite approvals.





**The hazardous waste generation is maintained in Form 3 as per prevailing laws and its disposal is mentioned below:**

	Unit	*Value for FY 2010 - 2011	Value for FY 2011 - 2012
Hazardous waste send to MoEF approved recycler	MT	0.215	1.6
Hazardous waste recycle & reuse on site	MT	385.5	528.9
Hazardous waste send to SLF of Jubilant Life Sciences Limited	MT	0.33	3.6
Hazardous waste send for incineration outside Jubilant Industries Limited	MT	51.24	43.7

\*Hazardous waste data FY 2010-11 has been corrected from the Corporate Sustainability Report FY 2010-11 and corrected values mentioned in table here.

The Company has initiated proper disposal of e-waste comprising of discarded, obsolete, or broken electrical or electronic devices.

The Company has also sold non-hazardous materials other than fly ash during the reporting year, which falls in the category of scrap material. These materials include metal, plastic scrap, paper, packaging material etc.

The total quantity of non-hazardous waste disposed is 1713.72 MT.

The Company's operation involved lot of chemicals, solvents as well as other aqueous material and waste water. The operations are well equipped with storage, handling and treatment facilities to prevent and protect from any spillage. No significant spillage was reported from any of the plants during the reporting year.



The Company has not transported, imported, exported, or treated waste deemed hazardous under the Basel Convention. During the reporting period, waste management practices are in line with the disposal process stipulated by the Central Pollution Control Board and State Pollution Control Boards and are well within the permitted limits.

## Biodiversity

*All the manufacturing locations of the Company do not fall in or adjacent to Protected Area, Sanctuary, Reserve Forests or area of importance of biodiversity and so has no impact on the biodiversity of such areas. The major units are located in industrial area. There are no Habitats in vicinity of plants and there are no International Union on Conservation of Nature (IUCN) Red List of Threatened Species and no national conservation list species in plant vicinity that are affected by plant operations. The Company regularly reviews its environmental strategies for any impacts on biodiversity. Due to better environmental management, aesthetic environment around the manufacturing facilities is maintained with green plants.*





## 5.2 | Occupational Health and Safety

The Company's approach to health and workplace safety is guided by its Environment, Health and Safety Policy. The Company aims to improve the work-life quality of its employees by providing a safe and healthy working environment. The Company's safety practices and occupational health facilities are of high standard & deploys best practices and are subjected to ongoing up gradation.

*However, during the reporting period, one fatal accident of contract labour occurred at Gajraula. There was one more reportable accident at Gajraula and one reportable accident in Nira. All other plants had no reportable accidents.*

**Subsequently the Company has achieved 2.28 Million Accident-Free Safe Man hours in the FY 2011-12 cumulative for all manufacturing plants.**

The Company would continue its efforts on safe work practices along with strengthening of safety systems in coming years. The Company intends that the behavioural approach to risk awareness and management will make a major contribution in reducing and improving safety and health in the workplace across all the manufacturing locations.

### Safety Observation

*At Gajraula plant in the month of June 2011, a new initiative Safety Observation - to document, track and eliminate unsafe acts and unsafe conditions involving the site leadership team was rolled out. Site leadership team led the initiative and a total of 1,917 number of unsafe acts and employee created unsafe conditions were captured and documented. Approx 95% of these hazards have been corrected by March 2012. In the month of November 2011 Safety Observation was rolled out to the next level below the Department Heads to involve executives and supervisors. The Company will continue to campaign for increased awareness and employee engagement at all levels. The Company's approach for identifying unsafe acts and unsafe conditions and taking appropriate action is essential to achieve improvement in safety performance.*



## Safety Motivation

The Company organised various safety competitions and programs at its manufacturing locations for creating safety awareness in the week of March 4, 2012, being the National Safety Day. On this occasion, safety pledge was administered by respective Unit Heads, Department Heads, EHS team members, and employees to reiterate safety offsite as well as in the workplace be treated with utmost importance.

**Glimpses of the Safety Week activities at the manufacturing plants are shown below through pictures:**



**Safety Quiz carried out at Samlaya plant covering General and B shift employees**



**EHS Statutory Compliance Requirements - Training organised for employees**



**Technician attending the leakage in the mock drill**



**Emergency Responders spraying water jet from hydrant monitor on Butadiene storage bullet in the mock drill**



Safety Week organised in Gajraula covered Safety Pledge Administration, Safety training for contract personnel, Spot Painting Competition for children, Safety Rally, Quiz for township ladies & employees; evacuation drill was conducted in township





**PPE exhibition for awareness among employees and contractor personnel on emergency and operation & maintenance safety measures**



**Fire Drill conducted in Sahibabad plant in Safety Week for flooding the Class 'A' underground tanks storage area**

### Safety embedded in training

Training organised covered topics such as process safety, emergency preparedness, use of self-contained breathing apparatus, emergency management, emergency kit handling, fire safety & prevention, fire fighting, general safety, material handling and first-aid training. Regular trainings are carried out during the year to raise awareness and encourage safe behavior in all work-related activities and also extend it to offsite safety.

### Managing safety

The Company's EHS policy recognises that the compliance to regulatory standards on environment, health and safety is of utmost importance. At each manufacturing location the EHS Manager / Executive is responsible to oversee and ensure these compliances.





The Company promoted better health and safety awareness through the following initiatives:

- In-house healthcare facilities, first-aid and emergency care services for all employees
- Full-time / Visiting doctors at the plant and paramedical staff at on- site clinic
- Employee health checks regularly
- Safety committee meeting at all manufacturing locations at regular interval with at least 50% committee members from workers
- Regular safety audits
- Awareness program for workplace safety with regular campaigns
- Usage of safety protection equipment such as safety helmets, gloves
- Regular mock drills involving concerned persons
- Safety Day/Week celebrations with employees involvement

The governing regulations as per Factories Act 1948 in the plant encapsulate the guidelines related to good health and safety practices for employees and contract workmen. Also plant certified for OHSAS 18001 and ISO 14001 have procedures defined to be followed in plant.

### Safety Improvements

At Gajraula and Samlaya, flammable solvents such as Acetone, Xylene and Toluene etc are used in process.



At Gajraula, hydrant system has been upgraded to reach more locations in plant.

At Samlaya, new hydrant pipeline was laid above ground to avoid pipe deterioration through corrosion.

*At Samlaya during loading of Latex container safety precautionary measures mandated are use of full body harness with safety goggles and height work permit is issued to ensure its compliance.*





At Sahibabad number of safety improvements have been carried out, some of them are mentioned below;

### Machine guarding with Interlock

*On Pouch Form Fill and Seal (PFFS) machine, guard is removed at the time of cleaning and it had the possibility of causing a serious injury if the machine is run without guard. As safeguard, Limit Switch with an interlock was provided so that if the guard is not in place, the machine cannot be started.*

### Emergency Stop push button

*On PFFS machine Emergency stop push button installed for operator safe guard*



### Fire Hydrant Valves

*Fire Hydrant Valves locked in open position to avoid any human error of keeping them closed after maintenance and support in fire mitigation preparedness.*

### Auto shut-off valve in VAM feed line to reactor

*A pneumatic operated auto shut-off valve provided in the VAM feed line to the reactor prevents unwanted feed of VAM in case of an emergency and hence avoids uncontrolled reaction. In case of an emergency, when the power supply is shut-off, this valve will get closed. Later, to resume the operation, the operator needs to manually open this valve (through Push button)*

### Occupational Health Services

The approach to Occupational Health Services (OHS) at Jubilant Industries Limited is multi-dimensional encompassing important spheres related to preventive and curative health. Pre-employment checks for new recruited employees, periodic medical examination at regular 6 monthly / annual intervals and executive health check-up are done at all plant locations. Plant hazard mapping and monitoring is also a vital part of OHS activities. Regular noise, illumination surveys are done and reports analysed for corrective actions.







Canteen hygiene survey is routinely done. Vaccination of all food handlers against typhoid carried out in Gajraula.



Special occupational health checks like Spirometry, Audiometry, ECG, blood tests, urine tests, done on regular periodic basis for all employees as part of mandatory periodic medical examination. There were no notifiable diseases recorded in the FY 2011-12.



At Gajraula, training programmes related to occupational health are conducted at Occupational Health Centre and employees and their families are made aware about occupation related health ailments. As a step forward & striving towards better services at Gajraula, e-healthcare presentations are regularly circulated to all employees on intranet.



First aid training is imparted to employees through reputed training centres such as St John Ambulance, Gujarat Safety Council etc and certificates are issued to participants.





## 5.3 | Labour Practices and Human Rights

### Disclosure on Management Approach – Labour Practice

- *Goals & Performance*

In the changing workplace and economic setting, labour-management relationship has major economic and social implications. Jubilant Industries Limited sustains the development of sound and stable labour-management relationship by way of leveraging collective bargaining as an essential tool to establish continual association between the management and labour representatives. The Company intends to set up a platform to work together on issues of mutual interest, as a team instead of adversaries. The Company has strong belief in practicing its Values – ***Inspire Confidence, Always Stretch, Nurture Innovation and Excellent Quality.***

- *Policy*

Policies are accessible in HR Policy Manual available for reference on intranet portal-myjubilant. These policies establish guiding principles to attain the management intentions. Some of them for e.g. Employment Policy, Compensation & Benefits Policy, Employee Assistance Policy, training and skill enhancement etc bring in much space and transparency in the management approach to labour practices and follow equal opportunity and career progression approach irrespective of gender. The Company also ensures safe and healthy working conditions.

- *Organisational Responsibility*

The operational responsibilities for labour practices are of the respective HR head at each unit reporting to Head – HR corporate. Administrative responsibilities are of respective unit heads.

- *Monitoring & Follow-up*

The compensation arrangement for employees is solely through Performance Management System without any predilection to gender or any other indicator of diversity. Everyone is appraised on the basis of performance.



Jubilant Industries Limited' Human Resources function – the **'Catalyst'** of Growth...

*"Delight of being a JILite" is the punch-line that drives the Human Resources function to create an "Employee Value Proposition" for Jubilant Industries Limited as a preferable organisation to work for the newer talent as well as for the existing pool of employees.*

**"Delight of being a JILite"** is the punch-line that drives the Human Resources function to create an **"Employee Value Proposition"** for Jubilant Industries Limited as a preferable organisation to work for the newer talent as well as for the existing pool of employees. The total employee base of over 650 spread across its corporate office in Noida, manufacturing plants and sales and distribution offices across India witness their progression aligned to the growth and success of the organisation.

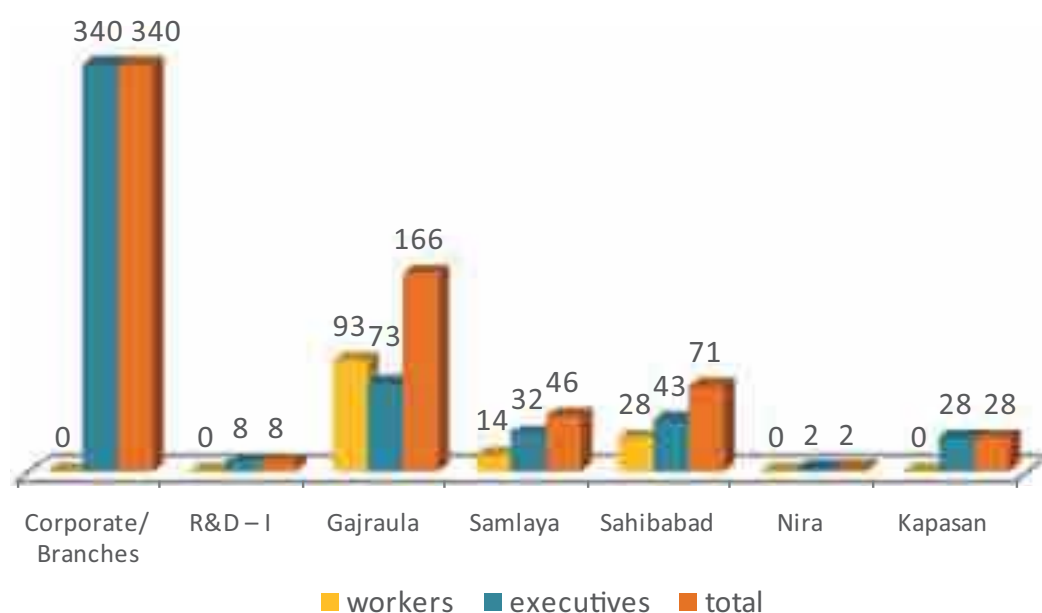
Jubilant Industries Limited has recently celebrated its first year of existence as an independent listed entity on November 15, 2011 post getting demerged from the parent organisation – Jubilant Life Sciences Limited on the same date during the preceding year. The challenge of bringing the organisation from a nascent stage to a current stable state was only possible because of an unabated drive that each JILite demonstrated during this time frame.

The skill and adeptness with which the Leadership team led the Company, despite the complexity and diversity of the organisation i.e. a mix of both Business to Business and Business to Consumer business, was acknowledged when the leadership led practices was conferred with Amity's **HR Excellence Award for Leadership Builders FY 2011** during the *8<sup>th</sup> Annual Global HR Summit* held at Amity University Campus.

The Company's over 300 employees in manufacturing units, over 250 in its sales and distribution activities and balance in other functions give this wonderful organisation a face and shape of being called the **Jubilant Industries Family**. Moreover, the organisation even has a plan to extend its family by around 100 more new members as partner to its growth and success in the year to come i.e. FY 2012–13. We in fact proudly entail the cordial relations with our employees and there have been no instances of-strikes, lockouts or any other disruptive labour disputes.

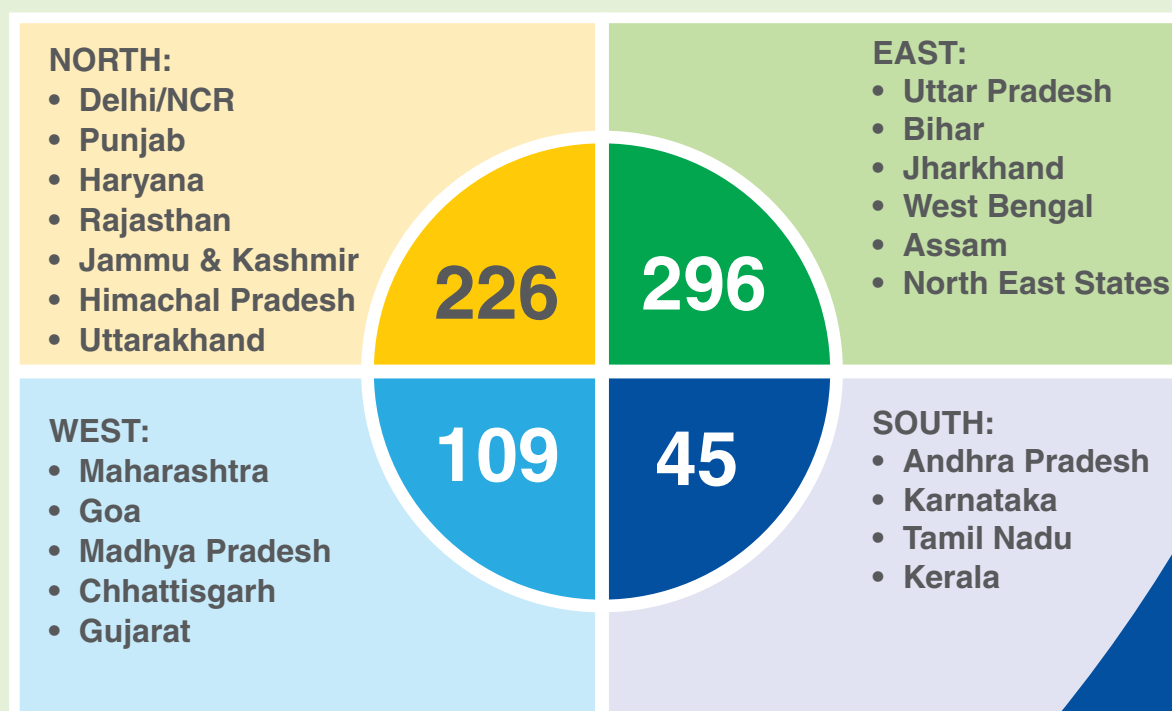


**Total (Average) number of Employees across Company for FY 2011-12 was 661. Their distribution is shown below:**



Total		Gender	Average No.
Average No. of Executives	526	(Executives): Male	511
		(Executives): Female	15
Average No. of Workers	135	(Workers): Male	135
		(Workers): Female	0

### Region wise employee strength (as on March 31, 2012)





We provide various benefits to our employees, addressing their social and security needs such as Personal Accident, Group Term insurance and Healthcare Coverage for employees and their dependents. We also offer housing facilities for certain number of our employees at our Gajraula and Nira plants and funding for schools for our employees' children at Gajraula. The wages and benefits of our unionised employees are generally established by collective bargaining agreement.

No. of employees by gender that were entitled to parental leave	0	Male
	15	Female (Covered under Maternity Benefit Act, 1961)
No. of employees by gender that took parental leave	0	Male
	0	Female
No. of employees who returned to work after parental leave ended	0	
The number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work, by gender.	0	
The return to work and retention rates of employees who returned to work after leave ended, by gender.	0	

Our philosophy for the training and development initiatives at Jubilant Industries Limited does not limit only to the skill & competency development, rather it paves path for bridging the gaps between doable and deliverables through range of tools and interventions – Discover More, Orbit-Shifting, Breakthrough workshops, Talent & Succession Planning, Competency Assessment exercises etc to name a few. Moreover, as a yardstick of performance for training and development programs in the organisation that encapsulates range of technical, functional and behavioural workshops, the target of 3 man-days has been exceeded giving adequate attention to our people development drives.

Range of internal training program pertaining to technical upgradation of employees is conducted on regular basis. Employees are also sent for external training programs conducted by professional agencies. Also programs in outbound/external locations are organized at Corporate, branches and plant locations. The organisation does not have a policy on provision of sabbatical periods with guaranteed return to employment.





Average no. of hours of training per year per employee by employee category.	26.22	Total training hours stand to be 17328.37 for average manpower strength of 661. (Training hours for Executives - 29.14 & Workers - 14.81)
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For the reporting period, the average number of training hours for male executives is 29.03 hrs and for female executives is 32.73 hrs. There is no female worker in the Company.

The employee engagement indices derived from the Gallup Survey had been a mirror to us which enlightened our emphasis on certain areas for employee engagement in the organisation. With a response from 87% employees, accentuated activities were rolled out in the areas of Rewards & Recognition (R&R) programs and performance discussion within the organisation. The various Company and group level programs were leveraged – Chairman Emerging Talent, Innovation award are to name a few apart from the regular Spot-On & Star Performer awards that's structurally being organised.

- More than 125 Spot-On awards given across the organisation.
- Launched 'e-applause' web portal for facilitating R&R culture through online nomination.

**Percentage of total employees by gender who received a formal performance appraisal and review during the reporting period.**

*All the employees in executive category receive a formal performance appraisal & review. Percentage of such employees stand to be 72.97% approximately (Female - 2.22%, Male - 97.98% from the total no. of 494 covered)*

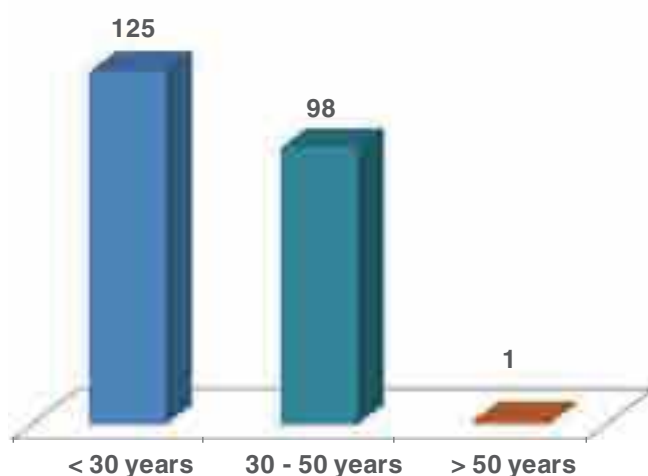




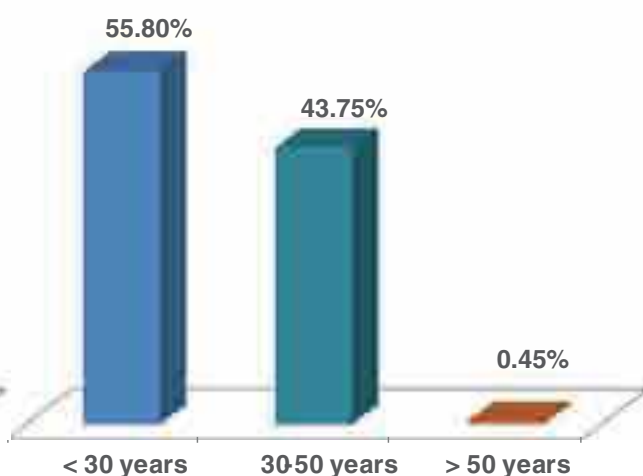
## New Employees Hired

Total number of new employees hired during reporting period = 224	Male	219
	Female	5
Rate of new employees hired (Average Manpower base = 661)	Male	33.13 %
	Female	0.76 %

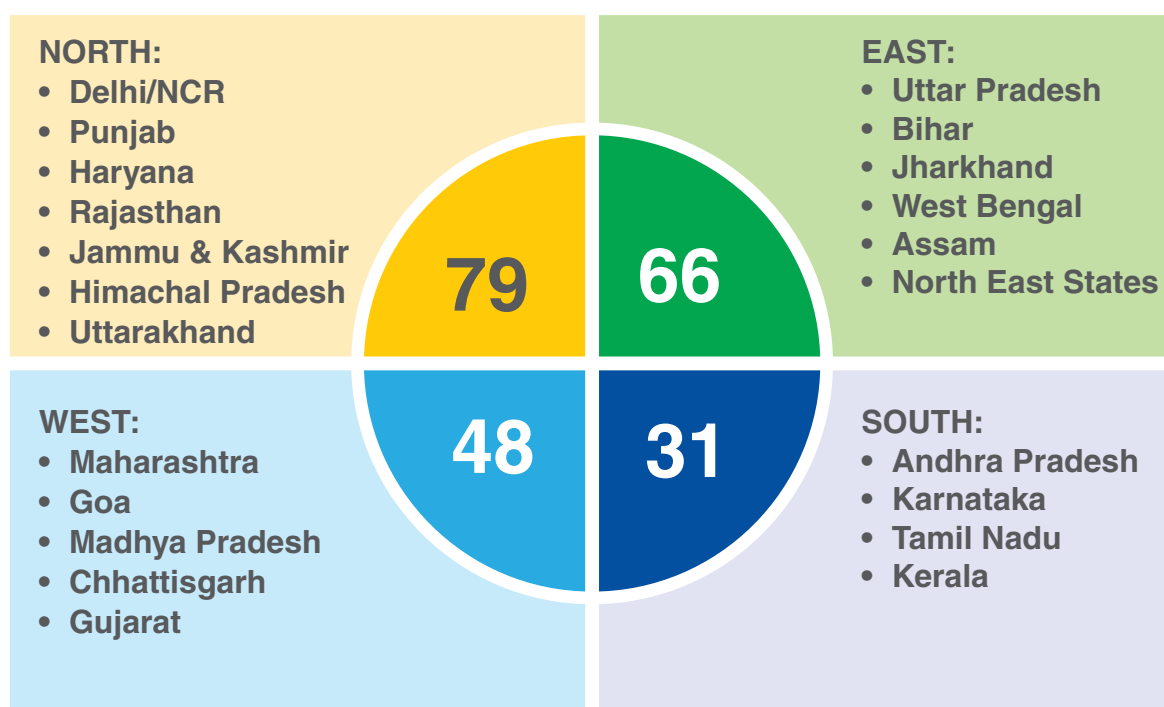
Total number of new employees hired (Age group wise)



Rate of new employees hired (Age group wise)

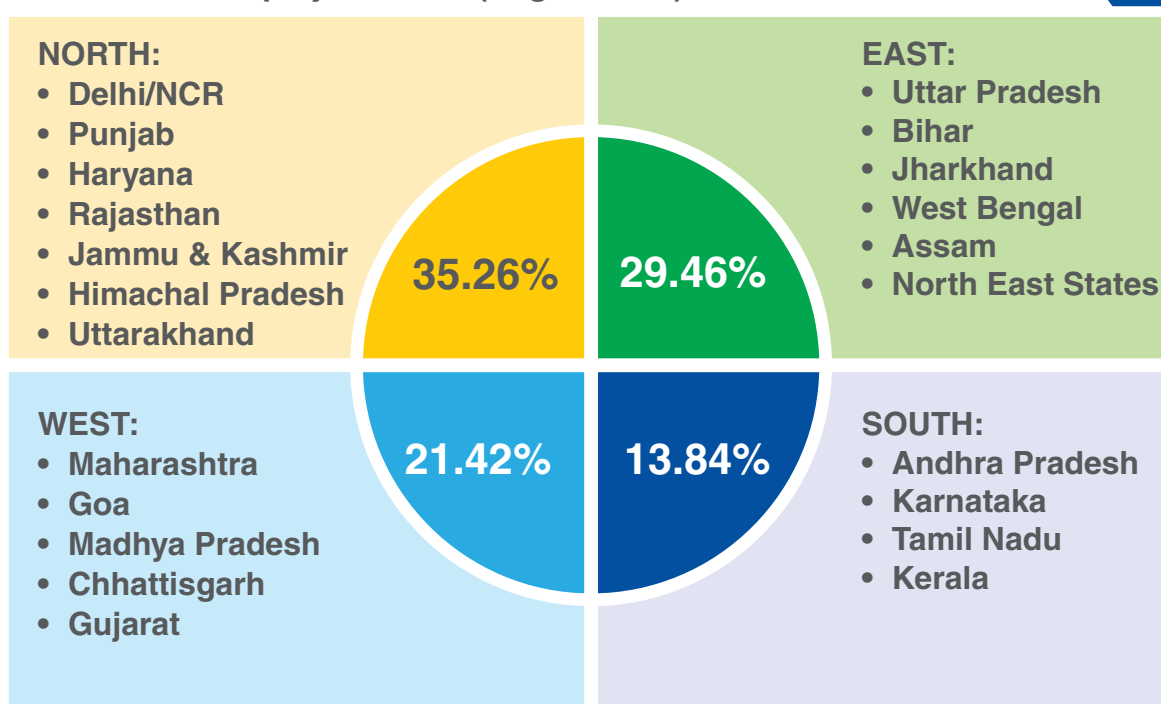


Total number of new employees hired (Region wise)





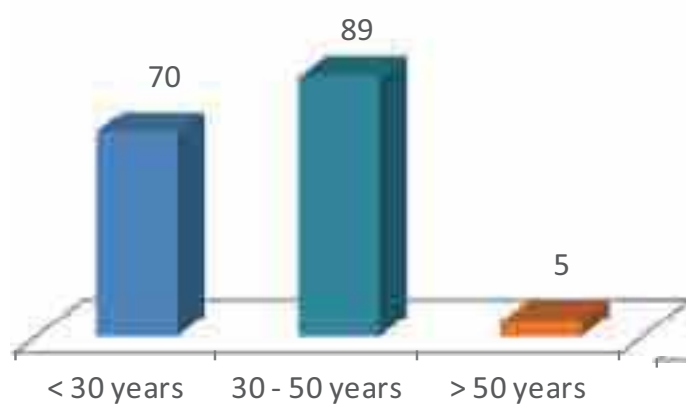
### Rate of new employees hired (Region wise)



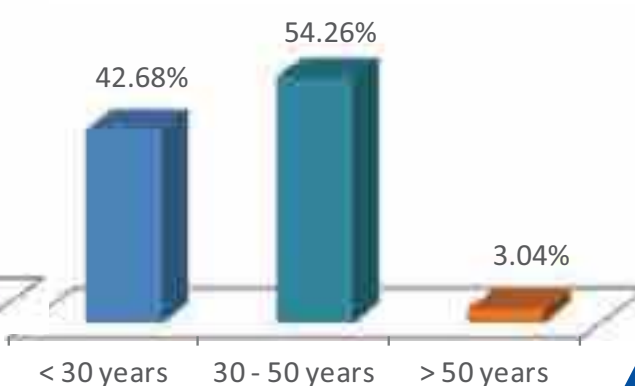
### Employees Leaving Organisation

Total number of employees leaving during reporting period = 164	Male	161
	Female	3
Rate of employees leaving during reporting period (Base figure = 166)	Male	98.17%
	Female	1.83%

Total number of employees leaving employment (Age group wise)

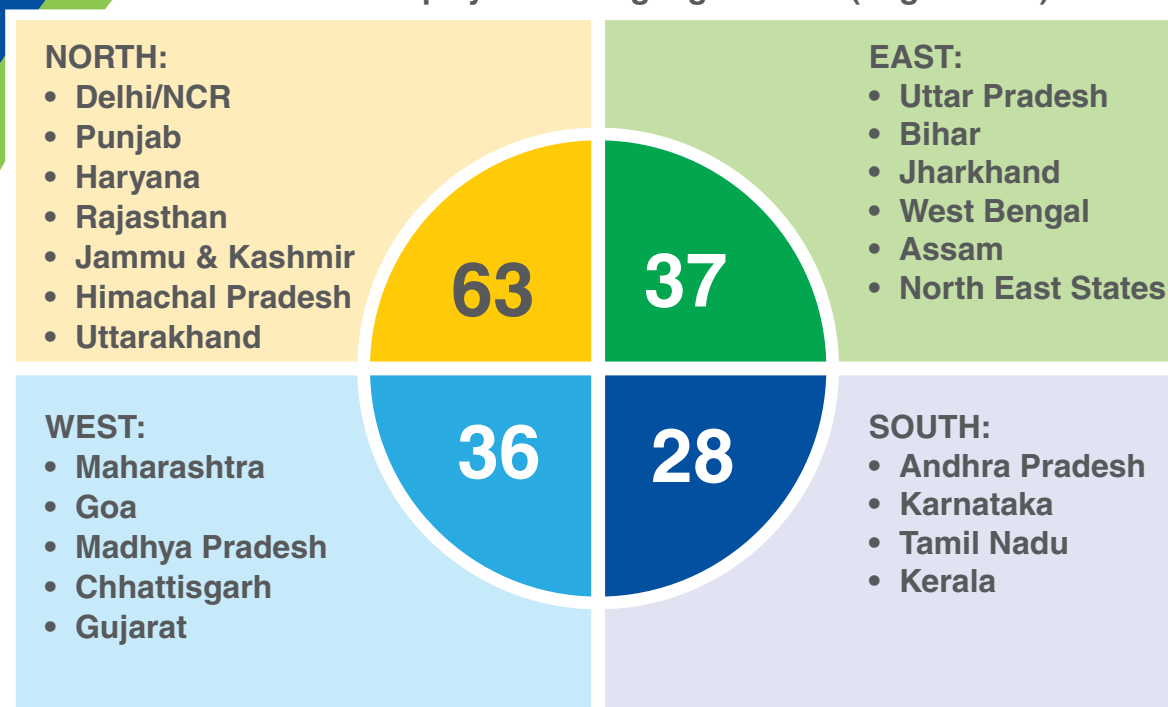


Rate of employees leaving employment (Age group wise)



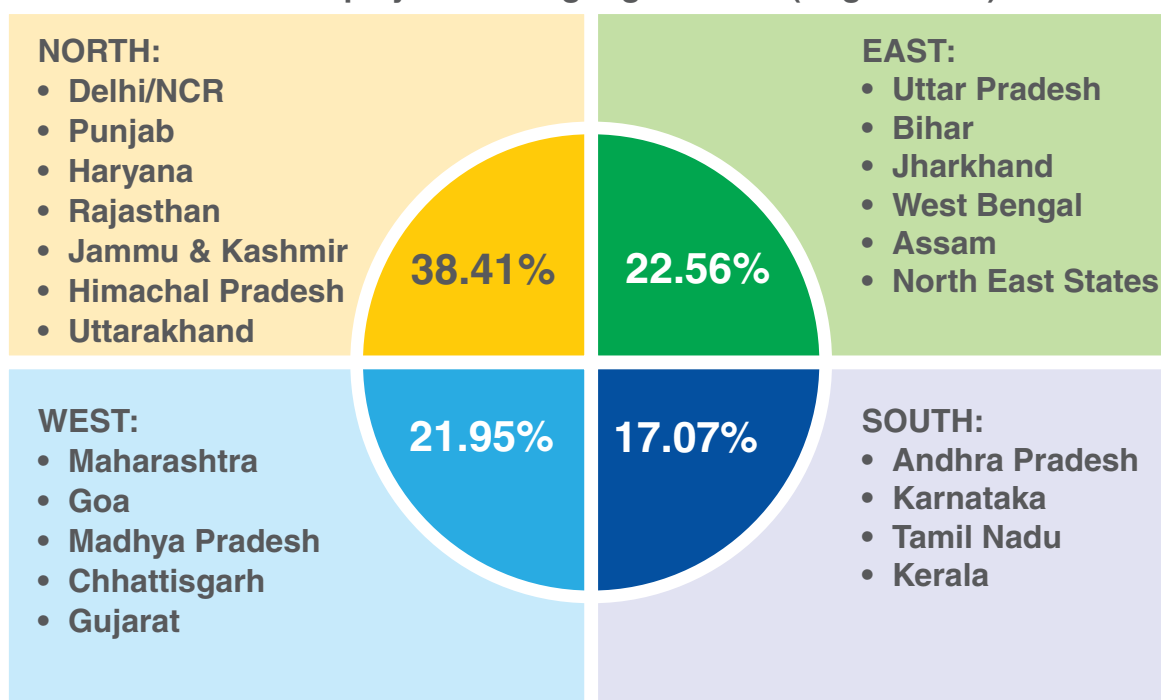


### Total number of employees leaving organisation (Region wise)



*Average Rate of employees leaving organisation across Company is 24.81%*

### Rate of employees leaving organisation (Region wise)



Keeping the Promise of – “**Caring, Sharing and Growing**” live in the hearts of everyone in this organisation, we are sincerely aligned to it through the range of Human Resources interface to the internal and the external world – Commitment to community programs through Jubilant Bhartia foundation, participation in local employment exchange job fair at Chittorgarh, tying up with leading hospitals for employee wellness, health and spiritual talk by experts are to name a few.



We are an equal opportunity employer & no discrimination is made on account of caste, creed, gender, religion, etc. No discrimination on remuneration for women and Men irrespective of category & grades are followed rather it is on the basis of performance, credentials and deliverables.

Taking every piece of it in the year to come, the conviction of Human Resources to prosper with the prosperity of the Organisation will definitely be realised with more rigors in meeting and beating all challenges. This is how we intend to establish the Win-Win environment across all businesses and functions in Jubilant Industries Limited.

## Human Rights

### Disclosure on Management Approach - Human Rights

- **Goals & Performance**

Jubilant Industries Limited is determined to contribute to the promotion and protection of Human Rights. The Company ensures direct responsibility to value human rights in their own operations.

- **Policy**

Jubilant Industries Limited ensures that its policies and practices prevent discrimination based on gender, national or social origin, economic status, religion, political or other conscientiously held beliefs, birth or other status. These includes recruitment, promotion, remuneration, working conditions, customer relations, investment and procurement practices, security practices and the practices of contractors, suppliers and partners and also include measures to deal with child labour, prevention of forced and compulsory labour. The Company maintains its own internal financial and quality controls which are periodically verified by outside independent auditors.

- **Organisational Responsibility**

The managerial responsibility for the promotion and protection of Human Rights is of the Head of Human Resources and the Unit Heads at respective manufacturing locations.

- **Monitoring & Follow-up**

The primary responsibility for monitoring Company policies and practices lies with Head -Human Resources at the Corporate and the Unit Heads at respective manufacturing locations.

*We are an equal opportunity employer & no discrimination is made on account of caste, creed, gender, religion, etc. No discrimination on remuneration for women and men irrespective of category & grades are followed rather it is on the basis of performance, credentials and deliverables.*



- *Additional Contextual Information*

- ▶ **Global Chairman's Annual Awards**

This year we first ever had the Global Chairman's Annual Awards function. These awards were given away in recognition of those employees who demonstrated exemplary work performance, demonstrating Jubilant Industries Limited Values, working collaboratively, surmounting the toughest of obstacles and driving innovation within the Company. The Awards were set in three categories namely - Emerging Talent of the Year Award, Achiever of the Year & Innovator of the Year.

- ▶ **Sankalp**

'Sankalp' is an endeavour to encourage the creativity of employees and their participation by way of contributing new ideas/suggestions for improving organisational efficiency and productivity. This activity is categorically aimed at engaging employees in the workmen cadre to participate in idea generation and implementation for improvement at the shop floor as well as plant location. Their contributions in this regard are suitably rewarded and acknowledged. The objective of laying continuous efforts for continuous improvement is certainly visualised through this wise initiative across all plant locations.

The Company ethics is governed by a Code of Conduct and several policies. These policies encourage intellectual honesty, employees conduct, freedom of association etc. in every aspect. The Company advocates fair business practices which are centred on transparency, equal opportunity, lawfulness and integrity of records. Each and every employee is given training on the Company's policies at the time of joining, during orientation and as & when required. The policies are available on website, handed over to employees at the time of joining as Employee Hand Book as well as available on demand. Presently, all the policies of the parent Company are adopted by the Jubilant Industries Limited.



The Company follows all relevant, applicable rules and regulations as described by governance bodies with regard to the inclusion of human rights clauses in its various agreements with the suppliers and contractors.

The Company follows a policy of non- discrimination on the grounds of gender, caste, religion and others. There are no areas in the Company's operations where right to exercise freedom of association and collective bargaining may be at risk.

Percentage of total employees covered by collective bargaining agreements.	<b>20.42%</b>
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Average No. of workers are 135, they are covered by collective bargaining agreements
--

The communication is shared via the notice display boards or mails in case of any substantially affecting initiatives organisation takes.

As a policy, the Company does not employ child or forced labour in its operations. It further encourages its suppliers, business partners to follow these human rights practices through the Green Supply Chain Policy which is communicated to them all.

All the 5 manufacturing sites (100%) of the Company's operations are covered for human rights reviews and corruption and/or impact assessment during internal audit by Management Assurance Service at regular intervals.

No incidence of discrimination and grievance related to human rights and corruption was reported during the year. The Company has not reported any anti-competitive behaviour and has not been fined for non compliance with laws and regulations.

*As a policy, the Company does not employ child or forced labour in its operations. It further encourages its suppliers, business partners to follow these human rights practices through the Green Supply Chain Policy which is communicated to them all.*





## 6.1 | Customer Engagement and Product Responsibility

### Disclosure on Management Approach – Product Responsibility

- *Goals & Performance*

Jubilant Industries Limited is committed to responsible management of products. The Company ensures direct responsibility, and objectives are defined right from product development, labelling & packaging to marketing and advertisements of products.

- *Policy*

Product Responsibility aspects are considered starting from the stages of product concept and development. R&D considers and reviews the Material Safety Data Sheet (MSDS) of chemicals as per their formulation for the Health and Safety aspects of new products. The revised chemicals MSDS are framed using the Global Harmonised System (GHS) guidelines. They are regularly reviewed and utmost consideration & care is taken for no adverse effect on the customers' health & safety.

The products are labelled in accordance with the statutory requirements and specific customer requirements if any. Health and Safety features such as flammable symbols and handling precautions measures are also included in products as identified necessary in product Health and Safety review.

Advertisements and marketing communications are framed as per product features and products applications. Regulatory compliance is adhered in these communications.

Jubilant Industries Limited considers and holds the customer details in strict privacy and no breach for customer details leakage is ensured. Intellectual Property Rights (IPR) code of conduct for protection of product details and business is ensured to be aligned and agreed by each employee and concerned business partners.



- **Organisational Responsibility**

The managerial responsibility for the Product Responsibility is of the Business Head of each Division and the Unit Heads at respective manufacturing locations and R&D. Legal department is responsible for ensuring that all statutory compliances in domestic labelling.

- **Training & Awareness**

The Company facilitates the establishment of programs for Product Responsibility awareness and guidance of concerned employees within the Company and encourage collective action in business associations to promote respect each other.

- **Monitoring & Follow-up**

Customer complaints and legal notices for non compliances are two main indicators of failures in this aspect. Legal aspects are updated by the legal department. Business Heads ensure country specific legal requirements for exports. It is reviewed annually or the time of change in legal requirement whichever is earlier.

The Customer engagement helps in shaping a benefit service and ensures that it is delivered in response to known needs rather than perceptions. Through improved engagement with the benefit service, the Company designed the approach which targets customer needs directly.

The Company works closely with the customers and suppliers, so that services can be developed to meet local requirements in a balanced manner.

The activities identified and practiced at the Company are:

- ▶ Measuring customer satisfaction
- ▶ Developing customer service data system
- ▶ Working with customers
- ▶ Helping staff to work with customer satisfaction

The collection of customer feedback from a variety of sources helps to develop a balanced view of the service. The Company collects information about customer satisfaction from complaints forms, mystery shopping exercises and surveys at customer access points. These are used to identify quick wins and ensure that improvements are responsive to customer needs.

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The Company is continuously engaged towards product safety in line with the vision of no accidents, injuries or harm to the personnel and environment. The Company provides customers with products and services that meet their needs exactly and provides necessary information and support, so that customers can use the products safely and effectively. The products at all the locations are manufactured with highest quality standards as per the Quality Policy framed. The robust quality management systems are followed at all the units to deliver quality products to the customers.





The Company's business does not have any non-compliance with regulations and voluntary codes concerning health and safety of its products during the reporting year. The health and safety features of Agri products are strictly adhered to as per the provisions of the Fertilizer Control Order and Pesticide Control Order for the Agri business.

The SPVA products bags and pallets are labelled as per the country regulations of customer such as labelling requirements of Department of Customs under China Food Safety Law and labelling requirement of Department of Customs, Kingdom of Saudi Arabia (KSA). The Company strictly follows these laws and regulations. There have been no incidents of non-compliance with regard to labelling requirements of products from the countries of China and KSA.

For information & labelling on Single Super Phosphate (SSP) and Agrochemicals marketed, the Company strictly comply with the Fertilizer Control Order (FCO) as enforced by the Ministry of Fertilizers and Chemicals, Govt. of India. The labelling regulations, as governed by the above regulations, stipulates the divulgence of information in the prescribed format on each of the parameters, contents, applications, safety, quality, usage etc. The Agribusiness division does not have any non-compliance with regulations and voluntary codes concerning product information and labelling of any of its products during reporting year.

The customer satisfaction surveys are conducted periodically with customers in India. Consumer Products manufacturing is governed with ISO 9001: 2008 certification and customer i.e. dealer satisfaction levels are measured and tabulated as per the quality module through a structured questionnaire. Quality management processes in these manufacturing sites are regularly audited by internal certified auditors and external auditors from accredited agencies.

There are no codes or standards pertaining to market communications related to SPVA, since this is an intermediate product sold directly to end customers. However, Company conducts its business, including marketing communication and advertising, in an ethical manner and no communication is designed violating the general advertising laws of India, be it ethical, cultural, privacy intrusion or attempts to influence vulnerable audiences. The Company keeps itself abreast with any changes brought about by the government in this regard and reviews it every year.

*For information & labelling on Single Super Phosphate (SSP) and Agrochemicals marketed, the Company strictly comply with the Fertilizer Control Order (FCO) as enforced by the Ministry of Fertilizers and Chemicals, Govt. of India.*



Jubilant Industries Limited does not sell any of its products to any country where the product is banned, or the usage of which is subject to stakeholder questions or public debate. There are no incidents of non compliance with regard to voluntary codes concerning marketing communication, including advertising promotion and sponsorship during the year.

There are no complaints against the Company's business with regard to breach of customer privacy and/or losses of customer data. No sanctions, administrative or judicial, or any monetary fine has been levied on the Company's business for non-compliance with laws and regulations concerning the provision and use of products manufactured and/or marketed by it.

In Latex business, labelling on Latex products comply with Global Harmonised System (GHS) of Classification Labelling and Packaging. For supplies to European Union (EU) market, the Material Safety Data Sheet (MSDS) comply with Classification Labelling and Packaging (CLP) notification under Registration Evaluation and Authorisation and Restriction of Chemicals (REACH) regulation of EU. The Company has pre-registered for REACH compliance.

The Company's R&D efforts are to improve the product yield, reduction in the use of solvents, as well as to reduce the effluent generation. The Company believes in waste minimisation and cleaner production. At Kapasan, the scrubber solution in the SSP plant is utilised for making Sodium Silico Fluoride by-product thereby improving the scrubbing efficiency with lean solution to reduce fluoride emission to atmosphere. Further, Sodium Silico Fluoride is sold as a by-product. This is an example of Wealth from Waste.

The Company's product safety focus is operational through focus on safe handling of products from point of production to point of distribution. Standard Operating Procedures (SOP) ensures safe handling and transport of products. Every product consignment is dispatched in accordance with SOP formulated. The Company does not have a formal end-use and end-product assessment mechanism in place as a





result of which product lifecycle analysis was not undertaken. The Company activities are to manufacture consumable products. These are not reclaimable. Some of the bulk material such as Latex is supplied through tankers which does not involve any packaging material. The other consumer goods and exported products are packed with suitable material as required. However, these packaging materials are not reclaimed by the Company. The Company had no incident of non compliance and has paid no fines for non-compliance with laws and regulations concerning the provision and use of products and services and marketing communications.

### Bandhan

'JIVANJOR', is an established brand of Jubilant Agri and Consumer Products Limited. The Company believes in and indeed, practices a holistic approach towards the business of its choice. Along with the attainment of financial objectives, the existence of customer satisfaction is of the utmost importance to the brand. An effective Customer Relationship Program needs to be presented and maintained with much competence. 'JIVANJOR' initiative Bandhan is working towards realising this objective. The enrolment drive for this initiative has been carried out in many parts of India. Till date, around thousands of carpenters have been registered and more are going to be added in future.

Essentially, Bandhan is an endeavour on the part of 'JIVANJOR' to reach out to the customers and make them feel special for their association with the Company. It represents the Company's heartfelt gratitude and the desire to continuously evolve as a business entity.







## FARMERS MEET

Farmers were selected from surrounding districts of Kapasan plant and awareness program was organised for the beneficial use of fertilizers. Lucky draw for awards – tractor, TV sets etc was organised on the purchase of ‘Ramban’ fertilizers through dealers. The awards – tractor, TV sets etc were distributed at Kapasan plant.





## ‘RAMBAN’ DHAMAKA

Farmers Meet’ organised for promotion of ‘RAMBAN’ SSP, VAM C and other Agri products and awareness session carried on their beneficial use. ‘RAMBAN’ DHAMAKA prize winners were also felicitated. ON SPOT ‘RAMBAN’ Quiz Contest was also conducted on Agriculture related issues. Gift were presented and Lucky winner was rewarded with motorcycle







## 6.2 | Community Engagement and Corporate Social Responsibility

### Disclosure on Management Approach – Society

- **Goals & Performance**

Jubilant Industries Limited considers inclusive growth as a crucial element in maintaining harmonious relationship with the local communities in close proximity to our manufacturing locations. The Company ensures that their operations do not have a negative impact on the communities in which they operate. We ascertain our willingness to associate with community leaders and voluntary organisations to discuss the role of the Company within the broader community. Numerous programs & developmental schemes are put into operation in consultation with neighbourhood communities in an endeavour to generate livelihood opportunity for the inhabitants; the details of such programs are included in the report.

- **Policy**

The Company Sustainability Mission addresses social issues. The Mission states the importance of inclusive growth as one of the key areas for Sustainable Development.

- **Organisational Responsibility**

The social activities are carried out through Jubilant Bhartia Foundation (JBF), a not-for-profit organisation. The Coordinator of JBF is responsible for regular operations through Program Officers at the manufacturing units in India.

- **Monitoring & Follow-up**

Regular monitoring of the projects is carried out by JBF and the progress is reported to the senior management of the Company.



### Jubilant Cricket Cup

“Jubilant Cup” has been organized since 1995, eminent players Mr. Chetan Chauhan, Mr. Chetan Sharma, Mr. Surender Khanna, Mr. Guru Saran Singh, Mr. Vijay Dahia, Mr. Nikhil Chopra, Mr. Virender Sehwag, Mr. Ramesh Powar, Mr. Amit Bhandari, Mr. Gautam Gambhir, Mr. J Arun Kumar, Mr. Debashish Mohanti, Mr. Tilak Raj, Mr. Rahul Sanghvi, Mr. Parminder Singh, Mr. Praveen Kumar, Mr. Shikhar Dhawan, Mr. Retender Singh

Sodhi, Mr. Ishant Sharma, Mr. Suresh Raina & Mr. Joginder Sharma have participated in the tournament from different prestigious teams. The tournament is widely covered by National & Local media (Print & Electronic) and spectators from Gajraula and neighbouring areas witness the matches.

In the reporting year the Company invited teams that had participated in the Ranji trophy for “Jubilant Cup – 2012”

The Jubilant cup matches were held from March 15, 2012 to March 22, 2012. Teams participated are (1) J P Nagar 11, (2) COLLAGE, (3) KELME, (4) INDIAN NAVY, (5) AIR INDIA, (6) ONGC, (7) MALIK SPORTS, & (8) DOMINOS. The inauguration was done by Superintendent of Police, JP Nagar and Community Development Officer, JP Nagar on March 15, 2012.

The final match was played between AIR INDIA and ONGC. Players like Gagan Khoda, Amit Bhandari and Sarandeep Singh participated. The matches were played under the supervision of BCCI Umpires KK Sharma, Ravindra Rawat and Anil Choudhary. District Magistrate, JP Nagar, was guest of honour on the final day and was introduced to the players. Mr. Shyam Bang, Executive Director was the Chief Guest. He gave away the Trophy and Prize money of ₹90,000/- to the winning team and ₹45,000/- to the runners up. Man of the series was awarded with a Motor Bike.





## CII-Jubilant Bhartia Food and Agriculture Centre of Excellence” (FACE)



With a view to establish sustainable and economically robust business processes, systems and practices,

Jubilant Industries Limited (JIL) continuously strives to innovate and improve the following range of products used at the farm level:

- a) The crop nutrition chemicals directly contribute in increasing the crop yield, conditioning the soil and fight against crop diseases
- b) Crop growth regulators that improve the strength and resistance of crops and curtail the unwanted vegetative growth, saving time and thus increasing the yield.
- c) Crop protection chemicals that secure the yield for farmers

This past year, FACE facilitated initiatives in the area of capacity building, best practices & innovation and value chain integration.

### 1. Capacity Building:

FACE is engaged in providing consultancy and training to various stakeholders including industrial institutes, commodity boards and industry member's organisations. FACE has conducted Food Safety and Quality workshops across the country.

### 2. Best Practices & Innovation

Recently, FACE has signed an MOU with Association Nationale Des Industries Alimentaires (ANIA), France for Indo French Partnership in the area of Food Processing.







### 3. Value Chain Initiatives

FACE in partnership with member organizations and the USAID, aims at establishing 30 agricultural hubs in states across eastern India with the objective to increase yield and income levels of farmers by making provisions of superior agricultural inputs, transferring modern agricultural know how and providing better market access to the farmers for their output.





## Community Development

Jubilant Industries Limited continued to contribute towards sustainable development by working with the community in vicinity to its manufacturing locations. The Company implements its community development activities through the non-profit organisation of Jubilant Group known as Jubilant Bhartia Foundation (JBF). JBF has been engaged in bringing inclusive growth at locations wherein the gains of the business are shared with all stakeholders thus also ensuring their sustainability. The employees at Jubilant Industries Limited also participate in the process. The Company believes in empowering communities through JBF initiatives focused on primary education, basic healthcare and skill development for employability and self-sustenance. The efforts are based on the 4P model of partnership (People-Public-Private-Partnership).

JBF started entry point programs at Sahibabad plant this year. At other locations, the foundation continued focusing on primary education, basic healthcare and skill development for employability and self-sustenance.



### Project Nayee Disha

- Technical Literacy
- Life Skills education
- Vocational training
- Subsistence level training

### Livelihood

- Technical literacy through Nayee Disha
- Life Skill education

### Education (Project Muskan)

- Supporting Govt Primary Schools

### Health

- Nirog Bachpan - school health check up programme



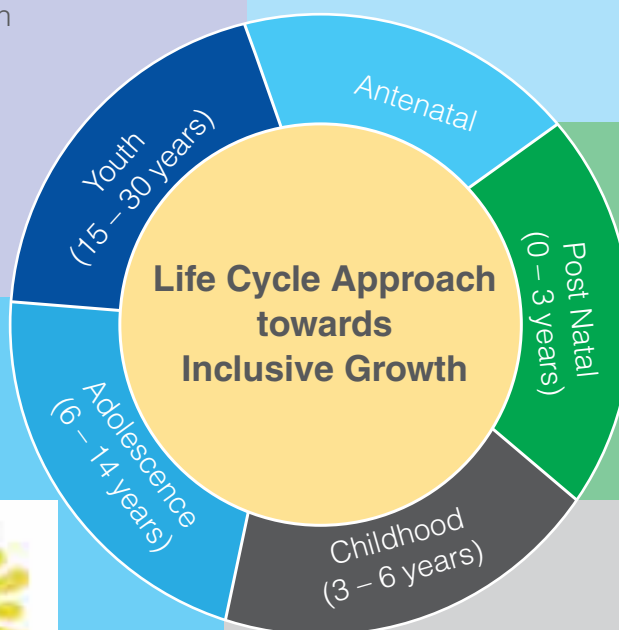
### Swasthya Prahari

- Health education
- Counseling
- ANC
- Institutional Delivery



- Growth Monitoring to check malnourishment
- Immunisation
- Post Natal Care

- Supporting AWC
- Pre primary education
- Nirog Bachpan - school health check up programme



**JBF acts on above approach around its operational locations and promotes Social Entrepreneurs who are working innovatively to bring such solutions across the country for inclusion**



Millennium Development Goals			Objective	Jubilant Initiatives
Goal	1		Eradicate Extreme Hunger and Poverty	CASE STUDY I
Goal	2		Achieve Universal Primary Education	CASE STUDY V
Goal	3		Promote Gender Equality and Empower Women	CASE STUDY II
Goal	4		Reduce Child Mortality	CASE STUDY IV
Goal	5		Improve Health	CASE STUDY III
Goal	6		Combat HIV AIDS, Malaria & other Diseases	CASE STUDY VI
Goal	7		Ensure Environment Sustainability	CASE STUDY VII
Goal	8		Develop a Global Partnership for Development	CASE STUDY VIII



The impact assessment of the development programs are done frequently to take corrective measures as and when required basis.



The Company works to minimise the operational impact at all locations through the implementation of Environmental Management Systems. No significant impacts on the surrounding community as well as no environmental impacts were observed during the year. The Company has adequate control measures and systems in place.

Maintenance/Project department is constantly engaged in the ongoing process of preventive maintenance and other measures to minimise the impact of operation.



The Company is involved in meeting the need of the community around the manufacturing units and the projects are mostly aligned with the objectives of United Nation's Millennium Development Goals (MDGs).

### Case Study I: Project Samriddhi: An Initiative for Sustainable Agriculture Practice



The Company's diversified portfolio includes a wide range of Crop Nutrition, Crop Growth and Crop protection Agri products. These businesses are directly touching the lives of villagers in the nearby community. Hence 'Project Samriddhi' was launched for the community in vicinity at Gajraula and Kapasan with the following objectives:

- ▶ Promoting best practices in agriculture
- ▶ Promoting organic manure
- ▶ Preserving/Improving soil nutrition.

Under the initiative following activities were performed:

#### a) **Demonstration Plot development and Farmers Training:**

Improved practices for hybrid maize cultivation was demonstrated in the selected farmers' fields at Kapasan where the farmers were also trained on the crop cultivation. Average yield of maize was recorded in demo plots which were higher as compared to control plots.

The farmer training programs were also conducted at Gajraula and Kapasan to update the farmers about the new agriculture practices.





## b) Promoting Bio (Gobar) Gas for effective use of Biomass:

With the aim of supporting prime responsibility towards Environment and building quality of life for the community, JBF initiated a pilot project on promotion and setting up of Bio Gas Plant in Gajraula.

The project was started with the following objectives:

- To provide clean bio-gaseous fuel mainly for cooking purposes and also for other applications for reducing use of LPG and other conventional fuels.
- To meet 'lifeline energy' needs for cooking as envisaged in 'Integrated Energy policy'.
- To provide bio-fertilizer/ organic manure to reduce use of chemical fertilizers.
- To mitigate drudgery of rural women, reduce pressure on forests and accentuate social benefits.
- To mitigate Climate Change by preventing black carbon and methane emissions.

*11 Bio Gas Plants were constructed and 7 vermicompost pits were formed in Gajraula.*



## c) Facilitating Soil Testing & Guidance for proper nutrition to preserve and improve Soil Nutrition

Under Public Private Partnership (PPP), JBF had taken the responsibility to run the mobile soil and water testing vehicle in and around the district of our plant. Technical staff for testing and advising the farmers on agricultural issues had also been appointed for the success of the project. JBF is participating in the National Project on Management of Soil Health and Fertility with following objectives:

- To facilitate and promote Integrated Nutrient Management for improving soil health and its productivity.
- To strengthen soil testing facilities and provide soil test based recommendations to farmers for improving soil fertility and economic return to farmers.
- To improve soil health using green manure.
- To facilitate and promote use of soil amendments for reclamation of acidic or alkaline soils for improving their fertility and crop productivity.
- To promote use of micro nutrients for improving efficiency of fertilizer use.





- To upgrade the skill and knowledge farmers and their capacity building through training and demonstration.
- To ensure quality control of fertilizers use through strengthening of fertilizer quality control.

*The key project beneficiaries are the farmers of Pratapgarh, Bundi, Chittorgarh, Bhilwara, and Jhalawar in Rajasthan. Around 4430 soil testing were performed during the year.*

**d) Kisan Mela at Kapasan:**

To provide a platform to the various stakeholders in the field of Agriculture, JBF supported the Farmer Fair organized at Ritholi, Chittorgarh at district level. There were about 20 stalls dealing on various aspects of agriculture including technologies and products. The Kisan Mela was inaugurated by Sri Bharat Singh, State Panchayati Raj minister, Government of Rajasthan and the Mela was presided over by Mr. L. N. Bairva, Project Director, DDA Chittorgarh.

**e) Improved Cattle Shed/Manger:**

To improve the productivity of cattle, 1 cattle shed/ manger was constructed as pilot in Gajraula:

- Assuring continuous drinking water supply in the cattle drinking tub
- Proper brick linings in the cattle shed for providing hygienic sitting condition

**f) Drip Irrigation at Kapasan:**

Drip Irrigation system was introduced as a pilot at Kapasan for Rose plant to ensure following:

- Minimised fertilizer/nutrient loss due to localised application and reduced leaching.
- High water application efficiency and ability to irrigate irregular shaped fields.
- Allows safe use of recycled water with lower labour cost.





- Moisture within the root zone can be maintained at field capacity.
- Minimised soil erosion and weed growth
- Highly uniform distribution of water i.e., controlled by output of each nozzle.
- Variation in supply can be regulated by regulating the valves and drippers.
- Minimal waste of fertilizers.
- Foliage remains dry thus reducing the risk of disease.
- Usually operated at lower pressure than other types of pressurised irrigation, reducing energy costs.

#### g) Farmer Exposure Visit:

With a view to widen the horizon of new agro-technology and motivate farmers to adopt new technology, JBF organised a Farmers Exposure Visit to Gobind Vallabh Pant University of Agriculture and Technology for 22 progressive farmers from the project villages in Gajraula. The visit acquainted the farmers with the modern technologies in farming and allied activities.



#### h) The Cattle health care awareness camp:

The Cattle health care awareness camp was organised at Kapasan in order to have a check on diseases which spread very fast in the cattle with the onset of monsoon. All the treatment are provided with medicines entirely free of cost as per need. Special care and treatment was provided to affected cattle. Vaccination of all cattle against Hemorrhagic Septicemia, foot and mouth disease was also done in the camp. Calcium Powder and Calcium Gel were distributed in this camp.

*Similarly 3 cattle care camps were also organised at Gajraula to cater to the need of surrounding rural community.*





## Case Study II: Skill Development Program

During the year, various skill development programs were organised by JBF to improve employability of youth at various locations. Since, status of women in the society continues to be one of deprivation and denial in most part of India; vocational training programs are aimed at contributing to correcting this situation by giving as much opportunity to women as possible through training in trades like sewing and beauty parlour course.

*Vocational Trainings on stitching and tailoring were also organised at Kapasan and encouraged women folks.*

*At Samlaya, JBF in collaboration with NABARD provided training to 50 youths on:*

- *Computer Hardware and Networking and Servicing*
- *Three and Four wheeler Driving*

*JBF supported the capacity building of 57 poor widows by providing them training on basic garment stitching for 10 days (February 15, 2012 to February 25, 2012) at Delhi. The training partners for this initiative were SEWA Delhi Trust, whereas the Loomba Foundation provided them sewing machines after the completion of the course.*







### Case Study III: Developing Basic Healthcare Services

To ensure community's good health seeking practices, the foundation regularly organise General Health Camp- Dental Camp, Eye Check-up Camp and Family Planning camps at Kapasan, Gajraula, Nira and Samlaya location.

#### Weekly Health Camp at Samlaya

Nirog Bachpan program, which is developing a preventive health care and monitoring system in the primary schools at various locations, is continued this year as well. Under the project health related problems commonly occurring amongst primary school children are detected, children are screened for appropriate referral, health awareness generation in the community and further follow up and monitoring of the referral cases are done subsequently.

### NIROG BACHPAN PROGRAM AT SAMLAYA

#### Case Study IV: Project "Swasthaya Prahari"

The Company is concerned about the poor Mother and Child Health (MCH) in the society and working towards creating a healthy community. The details are given in the following case study.

Under Project "Swasthaya Prahari" health initiatives besides supplementing basic healthcare services at various locations, a pilot project on community health was initiated with a goal to address IMR & MMR at Gajraula.

*It is a unique community based pilot healthcare project named 'Swasthaya Prahari' in People-Public- Private-Partnership (4P) model.*

Instead of reinventing any new system, this project is aimed at strengthening government's efforts with more effective community participation for improved services.

The project is proposed to be completed in following stages –

- Building capacity in the community to pursue various aspects of MCH
- Helping revitalise existing infrastructure to improve delivery mechanism
- Introducing performance based incentive system for effective implementation





The project primarily involves advocacy with various stakeholders like community, Panchayati Raj Institution (PRI) members, government officials, on the concept of 'Swasthya Prahari', win their support, train a group of Block Resource Team (BRTs: 1 for every 20000 population) who would in turn train Change Agents (1 for every 1000 population) to take the awareness up to the ground level.

The project has resulted in increased awareness about health issues. Increase in birth registration, Immunisation practices and institutional delivery has been observed. Institutional delivery ensures reduction in infant and mother mortality rate.

The key objectives of project:

1. Monitoring and controlling Birth rate
2. Monitoring and reducing IMR (Infant Mortality Ratio)
3. Monitoring and increasing Institutional delivery to reduce MMR (Maternal Mortality Ratio)

### Case Study V: Project Muskaan

Lack of education is the root cause of numerous social and economic problems therefore the Company believes that education should be the primary area of intervention for empowering the communities. Taking in to cognizance the need to sensitise the community on the virtue of education, Jubilant Bhartia Foundation started engagement programs with the community. Lack of proper infrastructure in the school was one of the challenges to be met. This gave birth to the project Muskaan, where the Company partnered with local government in their educational initiatives in addressing the gamut of challenges. Through Muskaan, the Company intent to bring all stakeholders namely the villagers, teachers, students, Panchayati Raj Institution members, local authorities and others on board to get all round acceptance and unconditional support of the entire community for the project. The cost of expenses of 20 schools is being supported by Jubilant Industries Limited.

To measure the development taking place through Muskaan Project in the community, indicators were developed and standard scores were assigned to each component of the core activities (Community involvement, Infrastructure, Attendance and Knowledge). Based on these indicators an assessment activity was performed in the Muskaan Project Schools.

Education Visit was organised for Muskaan school students to Post Office at Samlaya.







### Case Study VI: Combat HIV/AIDS, malaria and other diseases

The Company recognises AIDS, Tuberculosis and Malaria as important community health issues. The Company is working towards awareness generation about these diseases and supports the stakeholders for prevention through various programs:

- Organising regular awareness sessions on health issues at Gajraula, Samlaya, Kapasan and Nira.
- Observing World AIDS Day which is celebrated at all the units through various workshops and programs for employees, contractual workers, truckers and communities in the vicinity at various locations.
- DOTS centre for TB treatment and Integrated Counselling and Testing Centre (ICTC) for HIV at Gajraula unit for diagnostic and counselling services.
- Various other regular health camps are organised at Gajraula, Samlaya, Nira and Kapasan at frequent intervals for the community around which included eye camps, dental camps, healthy heart camps and veterinary camps etc.



### Case Study VII: Awareness on Health & Environment Issues

Ensuring awareness on health and environment issues amongst the community residing in proximity of the manufacturing location, the Company organised various activities like celebrating World Environment Day, Earth Day and World Health Day at various locations.

The projects like Eco-clubs, Swasthya Prahari & Occupational Health Centre generate awareness on long term benefit of hygiene and environmental issues for community.

**‘Har Aangan Main Ped’ Initiative:** A revolutionary activity generated environmental awareness amongst the Muskaan school students and their families. In this initiative, 2 saplings (one flowering plant and one perennial plant) were distributed to the students and the teacher explained them the importance of the trees and how one should take care of the saplings.

By this initiative through the Muskaan Schools, several trees were planted across various locations.



**Workplace Volunteering:** The Company encourages and supports workplace volunteering programmes and offers opportunities for employees to make an impact in the society. Some examples are:

- The employees at Corporate Office supported the lives of Tihar inmates by buying Rakhi, Bags, Herbal Holi Colours made by them.
- The employees of the Company sponsored & distributed Solar Lantern in the community at Gajraula.
- Blood donation camps were organised across various locations in close cooperation with 'Indian Red Cross' Society and local hospitals. These series of events saw an outstanding contribution by the employees of the Company.

### Case Study VIII: Develop a Global Partnership for Development

The Company believes in working in partnership with various local and global organisations. This year JBF's major partners under its various programs are:

- World Economic Forum (WEF)
- Schwab Foundation for Social Entrepreneurship
- SEWA
- Krishi Vigyan Kendra (KVK)
- National Bank for Agriculture and Rural Development (NABARD)
- Bank of Baroda

### Initiatives at Sahibabad Plant

JBF is moving ahead with the agenda of holistic development of the Rajkiya Prathamik Vidyalaya, Sahibabad (near Jubilant Industries Limited, Sahibabad) under the Muskaan initiative.

#### 1) *Notebook distribution:*

In the beginning of new session, on July 25, 2011, notebooks (4 each) were distributed to the entire student (total no. of students- 397). This activity brought motivation for the children of the school to do their assignment on time and improved attendance.





**2) Drawing competition for Junior Secondary school (STD VI-VIII)**

On August 3, 2011, a drawing competition was organised at the school for the students from standard VI to VIII. More than 80 students participated in the competition. All the stationary was provided by JBF for organizing this competition. Earlier in the month of March similar type of competition was organised for the students of primary school. All the students enthusiastically participated in the programme.



**3) Teacher's day celebration & Prize distribution ceremony for the winners :**

Various cultural activities organised by the students on the occasion of teacher's day on September 5, 2011. All the participants and the meritorious students were rewarded during the occasion of teacher's day. The prizes (pens) for the meritorious students were donated by an senior citizen (Mr. Vikram) from the community and the other prizes were donated by the teachers of the school and JBF.



**4) Field worker:**

Field worker Ms Savita identified from the Sahibabad village; coordinates and assist JBF for the day-to-day activities, viz. morning assembly, checking nail and uniform of children, cleanliness of school, maintaining discipline in the school and provide updates to JBF on a regular basis.

**5) Renovation of School Toilets:**

It was observed during the JBF's preliminary project assessment that the toilets of the school were in a miserable condition and were blocked. Therefore, it was decided by JBF, to renovate the toilets of the school as it is a basic amenity.

An amount of ₹29,700/- was donated to the school for the renovation of toilets. After the renovation of the school toilets the attendance of the school improved gradually.







## 6.3 | Commitments to External Initiatives



### **JUBILANT BHARTIA GROUP SUPPORTS RIO+20 UNITED NATIONS CONFERENCE ON SUSTAINABLE DEVELOPMENT**

Environment preservation & protection was discussed for the first time as a global agenda in 1972 at the United Nations Conference on the Human Environment, Stockholm. The Brundtland Report, 'Our Common Future' published, in 1987, gave the most accepted definition to the word 'Sustainable Development' as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

Subsequently, at the first Earth Summit in 1992 at Rio de Janeiro, the UN revealed Agenda 21, also known as Rio Declaration, an action plan related to Sustainable Development. The World Summit on Sustainable Development convened in 2002 at Johannesburg, 10 years after the first Earth Summit, discussed progress made on Sustainable Development.

The United Nations Conference on Sustainable Development better known as Rio+20 will be held in Rio de Janeiro in 2012 to mark 20 years of its launch. The focus will be on policy framework & governance needed to build global green economy that will inject new vigour into the world economy, open new markets & create jobs and green growth. Transition to green economy will require technological revolution and financial incentive mechanism. Both private sector and governments will work hand in hand, where private players can provide necessary R&D for technological innovation and governments may support through financial schemes/ rebates.



Jubilant Industries Limited, a leading Agri and performance polymers Company of Jubilant Bhartia Group, has been following and promoting Sustainability into core management decisions. The Company has adopted to work for Sustainable Development as per its Sustainability Mission signed by the top management and also constituted a Sustainability Committee at Board level to guide & drive initiatives on Sustainability. Jubilant encourages transparency and accountability to key stakeholders by voluntarily reporting its Sustainability performance, since 2003, through GRI Sustainability Reporting framework.

Rio+20's success will greatly depend on strong support from all stakeholders i.e. Government, the Civil Society, the Private Sector as well as many other individuals involved, associated or dedicated for Sustainable Development. The Company extends its support for Rio+20 and is committed to continuously create environmental awareness for its stakeholders and public at large on this endeavour of United Nations.

**Jubilant Industries Limited .... bonding together for Sustainability**

### **Sponsoring Conference:**

The Confederation of Indian Industry, Rajasthan State Council, in association with Rajasthan State Pollution Control Board and Rajasthan Renewable Energy Corporation organised a Conference on Climate Change & Renewal Energy on June 16, 2011, at Jaipur to commemorate World Environment Day. As a Corporate Responsible Citizen, Jubilant Industries Limited co-sponsored the event and contributed ₹1,00,000/-. The Conference was well attended by Dr. Jitendra Singh, Minister for Energy, Mr. Ramlal Jat, Minister of State for Forest and Environment, experts and large number of industry representatives.

The main focus areas were Clean Development Mechanism, introduction to carbon footprint, industries' response to Climate Change, renewable energy and government policies of the conference. All the speakers emphasised the need to reduce the impact of global warming by promoting renewal sources.





## 7.0 | The Way Forward

The Company will always strive to be a responsible corporate citizen. Our endeavour is to transcend beyond compliance. The Company strives to integrate Economic development, Environmental quality and Social equity into core business practices and continues to improve its Sustainability performance.

Following is the road map to leverage sustainability in business strategy:

**1. Resource Conservation:**

Continue to drive the 3R's – Reduce, Reuse and Recycle for waste minimisation and waste disposal from manufacturing operations specifically in Agri and SPVA business.

**2. Energy Conservation and Climate change mitigation:**

Continue to identify opportunities for Energy Conservation and implement measures for realising this by improving manufacturing process efficiencies, use of energy efficient equipment, cycle time reduction and batch size optimisation to reduce energy requirement.

**3. Behavioural Safety:**

Strengthen employee engagement at sites on Environment, Health & Safety by focusing on Behavioural Safety. Tracking and addressing issues of unsafe act and unsafe condition by involving all the employees in the initiative.

**4. Good Governance:**

Demonstrate good governance and be profitable being accountable and transparent to enhance stakeholder confidence. Ensure investors a sustainable return on investment.

**5. Capability 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 and Growing.

**6. Community Engagement:**

Continue working towards empowering community in vicinity of its manufacturing locations through Jubilant Bhartia Foundation in the realm of primary schooling in rural areas, provision of basic health care, vocational training and promote social enterprises in India.

The diverse range of the Company's product includes fertilizers, Agrichemicals and performance polymers which directly touches the life of farmers and craftsmen. Looking at the nature of the business the Company would direct its efforts in exploring the initiatives which could enhance the agricultural productivity and improve the skills of the craftsmen in the community. These efforts would be towards making the initiatives sustainable and participatory and in line with the Millennium Development Goals of United Nations.



## G3.1 Content Index

	Application Level	A+		Assured by	E&Y	
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	pg 3			
1.2	Description of key impacts, risks, and opportunities.	Fully	pg 5			
2. Organizational Profile						
2.1	Name of the organization.	Fully	pg 8			
2.2	Primary brands, products, and/or services.	Fully	pg 10 - 14, 32			
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	pg 10			
2.4	Location of organization's headquarters.	Fully	pg 9			
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	pg 9, 32			
2.6	Nature of ownership and legal form.	Fully	pg 8, 34			
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	pg 11, 13 - 14, 32			
2.8	Scale of the reporting organization.	Fully	pg 8, 9, 10, 55			
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	pg 8			
2.10	Awards received in the reporting period.	Fully	pg 16 - 18			



3. Report Parameters						
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	pg 22			
3.2	Date of most recent previous report (if any).	Fully	pg 22			
3.3	Reporting cycle (annual, biennial, etc.)	Fully	pg 22			
3.4	Contact point for questions regarding the report or its contents.	Fully	pg 23			
3.5	Process for defining report content.	Fully	pg 22			
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	pg 23			
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	pg 23			
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	pg 23			
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	pg 23			



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	pg 23			
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	pg 23			
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	pg 86			
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	pg 26			
4. Governance, Commitments, and Engagement						
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	pg 28			
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	pg 28			
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	pg 29			
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	pg 30			



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	pg 28			
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	pg 29			
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	pg 29			
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	pg 19			
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	pg 29			
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	pg 29, 30			





4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	pg 35			
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	pg 22, 68, 82			
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	pg 8, 69, 80			
4.14	List of stakeholder groups engaged by the organization.	Fully	pg 23 - 24			
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	pg 23 - 24			
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	pg 23 - 24			
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	pg 23 - 24			



# STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)

G3.1 DMAs	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						
Aspects	Economic performance	Fully	pg 31				
	Market presence	Fully	pg 31				
	Indirect economic impacts	Fully	pg 31				
DMA EN	Disclosure on Management Approach EN						
Aspects	Materials	Fully	pg 35				
	Energy	Fully	pg 35				
	Water	Fully	pg 35				
	Biodiversity	Fully	pg 35, 48				
	Emissions, effluents and waste	Fully	pg 35				
	Products and services	Fully	pg 35				
	Compliance	Fully	pg 35				
	Transport	Partially	pg 35, 23		Not available	We do not report on this year as we have been unable to gather all the data, but we will be able to report in future.	2017
	Overall	Fully	pg 35				
DMA LA	Disclosure on Management Approach LA						
Aspects	Employment	Fully	pg 54				
	L a b o r / m a n a g e m e n t relations	Fully	pg 54				
	Occupational health and safety	Fully	pg 54				
	Training and education	Fully	pg 54				
	Diversity and equal opportunity	Fully	pg 54				
	Equal remuneration for women and men	Fully	pg 54				
DMA HR	Disclosure on Management Approach HR						
Aspects	Investment and procurement practices	Fully	pg 59				
	Non-discrimination	Fully	pg 59				
	Freedom of association and collective bargaining	Fully	pg 59				



	Child labor	Fully	pg 59				
	Prevention of forced and compulsory labor	Fully	pg 59				
	Security practices	Fully	pg 59				
	Indigenous rights	Fully	pg 59				
	Assessment	Fully	pg 59				
	Remediation	Fully	pg 59				
DMA SO	Disclosure on Management Approach SO						
Aspects	Local communities	Fully	pg 68				
	Corruption	Fully	pg 68				
	Public policy	Fully	pg 68				
	Anti-competitive behavior	Fully	pg 68				
	Compliance	Fully	pg 68				
DMA PR	Disclosure on Management Approach PR						
Aspects	Customer health and safety	Fully	pg 61				
	Product and service labelling	Fully	pg 61				
	Marketing communications	Fully	pg 61				
	Customer privacy	Fully	pg 61				
	Compliance	Fully	pg 61				
STANDARD DISCLOSURES PART III: Performance Indicators							
Economic							
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	pg 32, 34				
EC2	Financial implications and other risks and opportunities for the organization's activities due to Climate Change.	Fully	pg 33				
EC3	Coverage of the organization's defined benefit plan obligations.	Fully	pg 33				
EC4	Significant financial assistance received from government.	Fully	pg 34				



Market presence							
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	pg 59				
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	pg 60, 71				
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	pg 59				
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	pg 71				
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	pg 72				
Environmental							
Materials							
EN1	Materials used by weight or volume.	Fully	pg 33				
EN2	Percentage of materials used that are recycled input materials.	Fully	pg 46				
Energy							
EN3	Direct energy consumption by primary energy source.	Fully	pg 38				
EN4	Indirect energy consumption by primary source.	Fully	pg 38				
EN5	Energy saved due to conservation and efficiency improvements.	Fully	pg 36				



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	pg 36				
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	pg 36				
Water							
EN8	Total water withdrawal by source.	Fully	pg 41				
EN9	Water sources significantly affected by withdrawal of water.	Fully	pg 41				
EN10	Percentage and total volume of water recycled and reused.	Partially	pg 42,	all initiatives not tracked and quantified	Not available	system of tracking quantity of water recycled to be strengthened	2013
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	pg 48				
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	pg 48				
EN13	Habitats protected or restored.	Fully	pg 48				
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	pg 48				
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	pg 48				





Emissions, effluents and waste							
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	pg 40				
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	pg 40				
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	pg 36, 37, 39				
EN19	Emissions of ozone-depleting substances by weight.	Fully	pg 40				
EN20	NOx, SOx, and other significant air emissions by type and weight.	Fully	pg 44				
EN21	Total water discharge by quality and destination.	Fully	pg 42 - 43				
EN22	Total weight of waste by type and disposal method.	Fully	pg 47 - 48				
EN23	Total number and volume of significant spills.	Fully	pg 48				
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	pg 48				
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	pg 48				
Products and services							
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	pg 36, 39, 41, 42, 43, 44, 45, 46				
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	pg 47 - 48, 65				



Compliance							
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	pg 35				
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.	Not	pg 23	employee travel and material movement impacts not tracked	Not material	not covered within the boundary of report	
Overall							
EN30	Total environmental protection expenditures and investments by type.	Fully	pg 43				
Social: Labor Practices and Decent Work							
Employment							
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	pg 55-56				
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	pg 57 - 58				
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	pg 56				
LA15	Return to work and retention rates after parental leave, by gender.	Fully	pg 56				
Labor/management relations							
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	pg 60				
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	pg 60				



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	pg 51				
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Fully	pg 48 , 53				
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	pg 49, 51, 53				
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	pg 52				
Training and education							
LA10	Average hours of training per year per employee by gender, and by employee category.	Fully	pg 57				
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	pg 57				
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	pg 57				



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	pg 28, 29, 55, 59				
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	pg 59				
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	pg 60, 61				
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Partially	pg 60, 61	All suppliers and contractors not tracked for human right compliance	Not available	system to be strengthened for suppliers and contractors regular review of human rights compliance	2013
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.	Partially	pg 60	All employees not trained for human right compliance	Not available	Training programs covering these aspects will be strengthened	2013
Non-discrimination							
HR4	Total number of incidents of discrimination and corrective actions taken.	Fully	pg 61				



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	pg 61				
Child labor							
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Fully	pg 60, 61				
Prevention of forced and compulsory labor							
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Fully	pg 60, 61				
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.	Partially	pg 60, 61	Training to be tracked for all security personnel	Not available	Security personnel provided by third party contractor	2013
Indigenous rights							
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	pg 69				
Assessment							
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	pg 61				





Remediation							
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Fully	pg 61				
Social: Society							
Local communities							
S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Fully	pg 71				
S09	Operations with significant potential or actual negative impacts on local communities.	Fully	pg 72				
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	pg 73				
Corruption							
S02	Percentage and total number of business units analyzed for risks related to corruption.	Fully	pg 61				
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	pg 57, 60				
S04	Actions taken in response to incidents of corruption.	Fully	pg 61				
Public policy							
S05	Public policy positions and participation in public policy development and lobbying.	Fully	pg 68, 73				
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Not			Not applicable	Company does not encourage such business practices	
Anti-competitive behavior							
S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	pg 61				



Compliance							
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	pg 61				
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	pg 62, 63, 64, 65				
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	pg 63, 65				
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	pg 63, 64, 68				
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	pg 63, 64, 68				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	pg 24, 65, 66, 70				



Marketing communications							
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	pg 64, 65, 66, 69, 70				
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	pg 64, 67, 69				
Customer privacy							
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	pg 64				
Compliance							
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	pg 64, 65				



## Abbreviations

AIDS	Acquired Immune Deficiency Syndrome
BSE	Bombay Stock Exchange Limited
CCMP	Climate Change Mitigation Policy
CFC	Chloro Fluoro Carbon
CFL	Compact Fluorescent Light
CII	Confederation of Indian Industry
CMD	Chairman & Managing Director
CEO	Chief Executive Officer
CLP	Classification Labeling and Packaging
CSR	Corporate Sustainability Report
ERP	Enterprise Resource Planning
ESI	Employees' State Insurance Act
ETP	Effluent Treatment Plant
EU	European Union
FICCI	Federation of Indian Chambers of Commerce & Industry
FO	Furnace Oil
FY	Financial Year
GHG	Greenhouse Gases
GHS	Global Harmonised System
GRI	Global Reporting Initiative
HAZOP	Hazard Analysis and Operability Studies
HCFC	Hydro Chloro Fluoro Carbons
HIV	Human Immunodeficiency Virus
HO	Head Office
HRIS	Human Resource Information System
HSD	High Speed Diesel
IMFL	Indian Manufactured Foreign Liquor



IMS	Integrated Management System
ISO	International Organisation for Standardisation
JBF	Jubilant Bhartia Foundation
KL	Kilo Litres
KRAs	Key Result Areas
KSA	Kingdom of Saudi Arabia
LDO	Light Diesel Oil
MDGs	Millennium Development Goals
MOC	Material of Construction
MSDS	Material Safety Data Sheet
MT	Metric tons
NABARD	National Bank for Agriculture and Rural Development
NCVT	National Council for Vocational Training
NGOs	Non Government Organisations
NOx	Oxides of Nitrogen
NSE	National Stock Exchange of India Limited
OHSAS	Occupational Health and Safety Assessment Series
PFFS	Pouch Form Fill and Seal
PPEs	Personal Protective Equipments
PVA	Poly Vinyl Alcohol
RO	Reverse Osmosis
SLF	Secured Landfill Facility
SO <sub>2</sub>	Sulphur Dioxide
SOP	Standard Operating Procedure
SPVA	Solid Poly Vinyl Acetate
SSF	Sodium Silico Fluoride
SSP	Single Super Phosphate
tCO <sub>2</sub> e	Tons Carbon Dioxide Equivalent to
TR	Tons of Refrigeration
REACH	Registration Evaluation Authorisation & Restriction of Chemicals
VFD	Variable Frequency Drive
VP	Vinyl Pyridine





## GRI Application Level Check

	2002 In Accordance	C	C+	B	B+	A	A+	
Self Declared							Report Externally Assured from E&Y	✓
Third Party Checked								
GRI Application Level Check								✓

**This Report conforms to G3.1 guidelines with A+ Application Level checked by GRI**



## Statement GRI Application Level Check

GRI hereby states that **JUBILANT INDUSTRIES LIMITED** has presented its report "JUBILANT INDUSTRIES LTD. CORPORATE SUSTAINABILITY REPORT 2011-12" 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 2012

Nelmar Arbex  
Deputy Chief Executive  
Global Reporting Initiative



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

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://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 22 June 2012. GRI explicitly excludes the statement being applied to any later changes to such material.

## FEED BACK FORM

### Sustainability Report 2011 - 12



**1. Details of information provided on issues covered in the Report:**

☐ Comprehensive    ☐ Adequate    ☐ Inadequate

**Suggest areas, if any where more details should be reported:**

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**2. Clarity of information provided in the Report:**

☐ High    ☐ Medium    ☐ Low

**3. The quality of design and layout of the report:**

☐ Excellent    ☐ Good    ☐ Average    ☐ Poor

**4. Your comments for adding value to the Report:**

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Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Organization: \_\_\_\_\_

Contact Address: \_\_\_\_\_

Tel: \_\_\_\_\_

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**Please mail your feedback to:**

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