

Corporate Sustainability Report 2010-11





SUSTAINABILITY MISSION

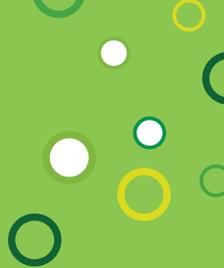
Jubilant Industries Limited strives for Sustainability through good Corporate Governance practices.

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

December 05, 2010

A handwritten signature in black ink, appearing to read 'Hari S Bhartia', written over a light blue rectangular background.

**Hari S Bhartia
Chairman**



What's inside?

1.0 Corporate Sustainability Matters

2.0 Vision, Values and Promise

3.0 Report, Assurance and Business Structure

3.1 The Report

3.2 The Assurance

3.3 The Business Structure

4.0 Transparency and Accountability

4.1 Corporate Transparency and Accountability

4.2 Economic Transparency and Accountability

5.0 Risk and Opportunities Management

6.0 Climate Change & Sustainable Behaviour

7.0 Caring for Environment

8.0 Continual focus on Safety

9.0 Sharing Value with Employees

10.0 Working with Customers

11.0 Growing with Communities for Inclusive Growth

12.0 The Way Forward

GRI Content Index

GRI Application Check

Abbreviations



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 and aims to:

- Create awareness among employees, their families, customers and community around the plants on climate change issues
- Implement energy conservation measures
- Reduce Greenhouse Gas emissions through process optimization and pollution prevention
- Use advanced information technology to reduce travel related emission
- Raise greenery & plantation in the plant and its vicinity

We shall endeavour to mitigate Climate Change by these initiatives.

Priyavrat Bhartia
Director

December 04, 2010

1.0 The Corporate Sustainability Matters



Dear Stakeholders,

The Jubilant Bhartia group being a responsible corporate citizen has been publishing Corporate Sustainability Report of Jubilant Organosys Ltd., since 2003. The Board of Directors of Jubilant Organosys Limited has approved the amalgamation of Pace Marketing Specialties Limited, an exclusive contract manufacturer for adhesives of Consumer Products Division of Jubilant Organosys. To further strengthen the businesses independently, the Board also approved the demerger of Agri and Performance Polymer business and this entity is referred as Jubilant Industries Ltd. (JIL).

As an environmentally conscious Jubilant Bhartia Group Company, JIL also decided to follow the same practices of Jubilant Organosys Ltd. (presently known as Jubilant Life Sciences Ltd.) for Sustainable Development. During this year of demerger, we continued our initiatives in the areas of Environment, Health and Safety as well as on Social initiatives in synchronization with the business growth in various segments. JIL believes that Sustainability is inherited being a Jubilant Bhartia Group Company. We are happy to share with you the first Corporate Sustainability Report for the year 2010-11 giving our performance on Economic, Environmental and Social performance, the Triple Bottom Line of the Company.

During the year, we realigned our business segmentation to derive maximum synergies from the businesses. We segmented the organization into two major businesses – Agri Products & Performance Polymers. The Performance Polymers business was further segmented into Latex, Solid PVA, Consumer Products Division & other business is Indian Made Foreign Liquor. Out of these businesses our main focus is on the Agri Products Business and Polymer Business which together contribute more than 99 % of the total sales.

The Company strives to be a leading Agri and Performance Polymers



1.0 The Corporate Sustainability Matters

company having a significant domestic presence and the ability to deliver high quality and consistency across a wide range of value-added products and services in the market place.

Our emphasis is to cater to the needs of the customers through good quality services and products being manufactured in Uttar Pradesh, Rajasthan, Maharashtra and Gujarat. The business works closely for research and development activities to introduce useful products to meet the needs of the consumers. In fact, by virtue of Agri business, we cater to the largest stakeholder base of our country, i.e. farmers, who are one of the important stakeholders in the development of the country.



We are constantly engaged in delivering value to our customers by leveraging R&D and innovations capabilities, maximizing operational efficiencies, using international and domestic marketing to lead sales growth and striving for benchmarked locally and globally. The distribution network was expanded considerably in Consumer Products Division. We increased the capacity utilization of the Single Super Phosphate plants under the Agri Products Business.

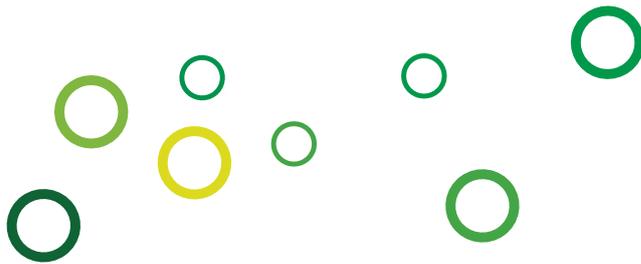
In addition, we are marketing agrochemicals, water soluble fertilizers, plant growth regulators and micronutrients through the existing channel partners to stimulate revenue growth. We expanded the capacity in Solid PVA & VP Latex and plan to increase capacity utilization in the coming years and launched a new product 'Lamino' in the Consumer Products Division.

The Company's focus on Social Initiatives has been an on-going activity at all the locations depending upon the need. These are carried out through Jubilant Bhartia Foundation (JBF) for growth of the community around the plants. Our thrust is towards the immediate needs of the community in order to bring a change in their values for better life and socio-economic development. JBF initiatives are focused mainly on improvement in primary education, basic healthcare and livelihood generation through skill development. The Company ensures participatory approach for these initiatives.

Considering Education as the main driver for social-economic development, our luminary project 'Muskaan' is working in tandem with Government to impact the abysmal state of primary education in rural areas in an effective manner. The Basic Healthcare facilities are provided through a dedicated Community Health Centre-Sarvajanik Medical Centre for the community around Gajraula and through mobile dispensaries to outreach areas at other locations. The other initiatives 'Nirog Bachpan' and 'Swasthya Prahari' aim at inculcating best health seeking behavior in the community. The Company is working to develop a pool of skilled manpower for higher prospect of employability, through Vocational Training programs at all locations in association with NABARD.



We are pleased to inform you that in very first year of JIL formation, we received few best recognized awards. These includes; Frost & Sullivan Award for Competitive Strategy Leadership and Fertilizer Association of India for Environment Protection. No doubt, this is a clear reflection of our commitment for Sustainability. Day by day all the businesses are challenged on Sustainability issues like climate change, natural resource depletion, stakeholder accountability, corporate governance etc. The need is to convert these risks to opportunities in our business. We recognized the importance of global warming and formulated the policy for mitigation of Climate Change.



With an objective to integrate Sustainability in the organization from the beginning, the Board approved a Sustainability Mission to provide a solid foundation to Sustainable development at Jubilant Industries. No doubt, these would not only help us in sailing the journey of Sustainability for long term success of the Company but guide all of us to work more consciously & responsibly in each and every sphere of the Company's activities. The Company is committed and working on various measures for energy conservation and emission reduction as well as plans to create awareness on climate change mitigation issues on a wider national scene.

“ Our initiatives ‘Nirog Bachpan’ and ‘Swasthya Prahari’ aim at inculcating best health seeking behavior in the community. ”



We believe in manufacturing high quality products with minimum impact on the environment and meeting the requirement of valued stake holders.

In our operations, we stress upon resource conservation, quality assurance, energy efficiency, reduced environmental emissions and maintaining health & safety of machinery, staff and community around. We decided to achieve high environment, health and safety standards as per company's policy on Environment, Health and Safety (EHS). This demonstrates our commitment for providing safe & healthy work place for the employees and community.

In today's business, we cannot ignore environmental issues and environmental accountability. It is important to integrate the supply chain processes to lower the costs and serve customers better. These two trends are not independent and we hope to involve suppliers and purchasers to meet and even exceed the environmental expectations of our customers. Thus, we adopted a Green Supply Chain Policy to involve our Partners in Progress for long term Sustainability.

As a community, the challenge we face over a long term horizon is to work for a sustainable future. To make our business effective and its impact acceptable, we will continue to identify and implement measures for better procurement, judicious usage of resources, minimize waste and reduce pollution. JIL is committed to Sustainable Development and continued efforts are directed towards protecting the environment. We thank you for continued support & encouragement and look forward to your cooperation for our Sustainability efforts.

The Company is committed for Sustainability and set few targets for implementation during the next year and these are addressed in the report. These reports have been developed in-house and hope that you will appreciate these efforts.

We look forward to your valuable suggestions to make it better.

Best Wishes & Regards,

Hari S. Bhartia

Hari S. Bhartia

Chairman



2.0 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

- To acquire and maintain global leadership position in chosen areas of businesses
- To continuously create new opportunities for growth in our strategic businesses
- To be among the top 10 most admired companies to work for
- To continuously achieve a return on invested capital of at least 10 points higher than the cost of capital

OUR VISION IS DRIVEN BY OUR VALUES



**INSPIRE
CONFIDENCE**

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



**ALWAYS
STRETCH**

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



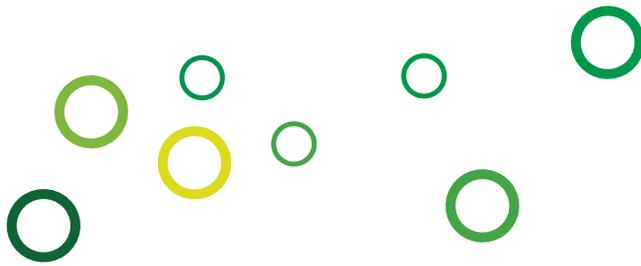
**NURTURE
INNOVATION**

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.



**EXCELLENT
QUALITY**

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.

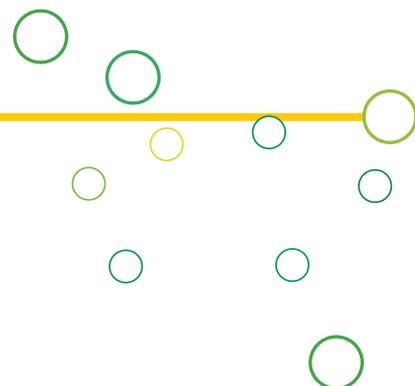


THE COMPANY'S JOURNEY IS LED BY ITS CORE VALUES TO DELIVER ITS PROMISE OF CARING, SHARING, GROWING



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





ENVIRONMENT, HEALTH AND SAFETY POLICY

Jubilant Industries Limited operations include manufacturing agri products, performance polymers and IMFL. The Company is committed to environmental protection and observe high standards of Health & Safety (EHS).

We shall accomplish this by striving to:

- Comply with regulatory standards on Environment, Health and Safety
- Optimize resource utilization and reduce waste & emissions
- Identify, minimize and control safety hazards
- Ensure 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

The policy will be implemented, monitored and is in public domain.

Ananda Mukherjee
CEO and Whole Time Director

November 26, 2010



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 Progress for long term Sustainability and we will work with the partners to:

- Protect the environment by creating awareness to reduce, reuse and recycle resources
- Educate Partners to say no to child labour and reduce Greenhouse Gas emission
- Adhere to Environment, Health & Safety compliance

A handwritten signature in blue ink, appearing to read "Ananda Mukherjee", is positioned above the printed name and title.

Ananda Mukherjee
CEO and Whole Time Director

November 15, 2010



3.0 Report, Assurance and Business Structure

3.1 THE REPORT

The Company believes that sustainability challenges like environmental protection and access to natural resources, product innovation, employee health and safety, climate change, talent management and adding value to local communities needs to be properly managed and strategized for achieving Sustainability. The Company has been constantly engaged with Government and Industry Associations to share knowledge strategize and better manage these challenges.

The reporting period for the Corporate Sustainability Report is from April 1, 2010 to March 31, 2011, which is the financial year in India. As part of the Scheme of Amalgamation and Demerger amongst Jubilant Life Sciences Limited (JLL), Jubilant Industries Limited (JIL) and others, the Agri products division, Performance Polymer division and IMFL division of JLL were demerged and transferred to the Company with effect from commencement of business on April 1, 2010 (i.e. the Appointed Date under the Scheme). The Hon'ble High Court of Allahabad, vide its Orders dated October 28, 2010 and November 8, 2010 approved the said Scheme. The Scheme became effective from November 15, 2010. The Jubilant Organosys Ltd. (presently known as Jubilant Life Sciences Ltd.) has been publishing Corporate Sustainability Report since 2003 and the last report was published in August 2010. The Jubilant Industries Ltd. operations were part of Jubilant Life Sciences Ltd. before the demerger on November 15, 2010. This is the first Corporate Sustainability Report of Jubilant Industries Ltd.

This report will be published on annual basis along with the Annual report of the Company. The core and additional performance indicators of G3.1 guidelines of Global Reporting Initiative (GRI), The Netherlands are included in the report as per the materiality. The other requirements of the 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. The report covers all the 5 manufacturing facilities i.e. Gajraula & Sahibabad in Uttar Pradesh, Kapasan in Rajasthan, Samlaya in Gujarat and Nira in Maharashtra. The Sahibabad unit was not covered in the previous Sustainability Reports of Jubilant Organosys Ltd. because this was acquired in July 2010.

Jubilant Agri and Retail Private Limited is a subsidiary company of Jubilant Industries acquired in February 2011. 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 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 extrapolated to derive the results. Further, the company will strengthen the system of collecting HSD/Energy data at Sahibabad site. There are no re-statements of information in the report. Previous year's figures are not reported as this being the first report of Jubilant Industries. Actual data for the period of November 2010 to March 2011 is compiled. However, the data of April-October 2010 is extrapolated in the report wherever applicable.

The Chief of EHS & Sustainability of Jubilant Life Sciences is overseeing the Corporate Sustainability Reporting of Jubilant Industries also. The contact person for any questions / clarification / feedback related to this report is;

Dr. Y. K. Saxena

Chief of EHS & Sustainability
Jubilant Life Sciences Limited
1A, Sector 16A,
Noida – 201 301
Uttar Pradesh, India
Phone number: + 91 120 4361987
email: jil_sustainability@jubl.com

“There are no re-statements of information in the report. Previous year’s figures are not reported as this being the first report of Jubilant Industries.”

3.2 THE ASSURANCE

A multi dimensional process to capture core sustainability issues has been followed for this report. The Company recognizes that there is 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. This report content has been defined as per GRI guidelines. 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.

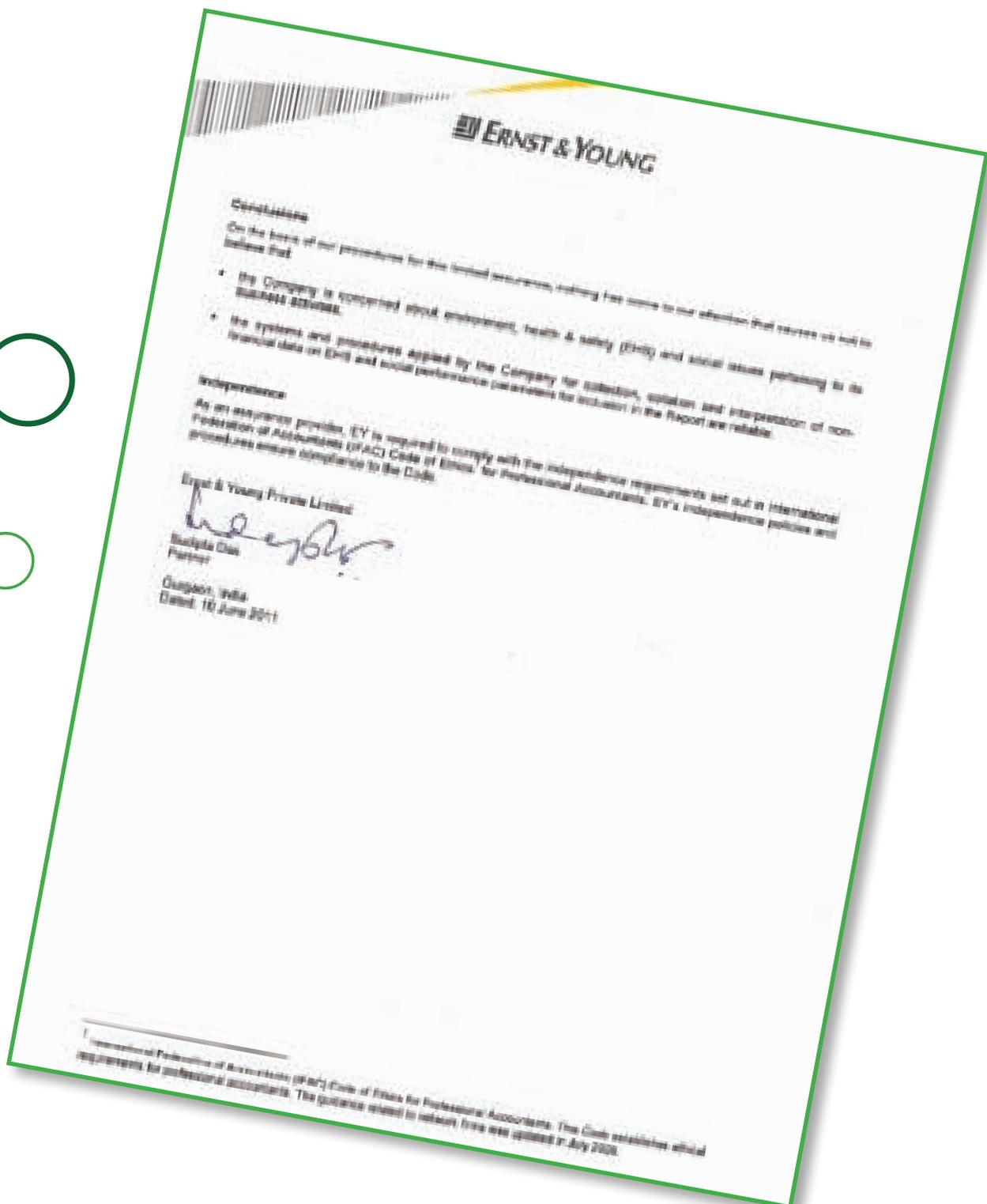
The focus areas are:

- o Risk and opportunities Management
- o Climate Change & Sustainable Behaviour
- o Caring for the Environment
- o Continual focus on safety
- o Growing with communities for inclusive growth
- o Value sharing with Employees

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.



3.0 Report, Assurance and Business Structure



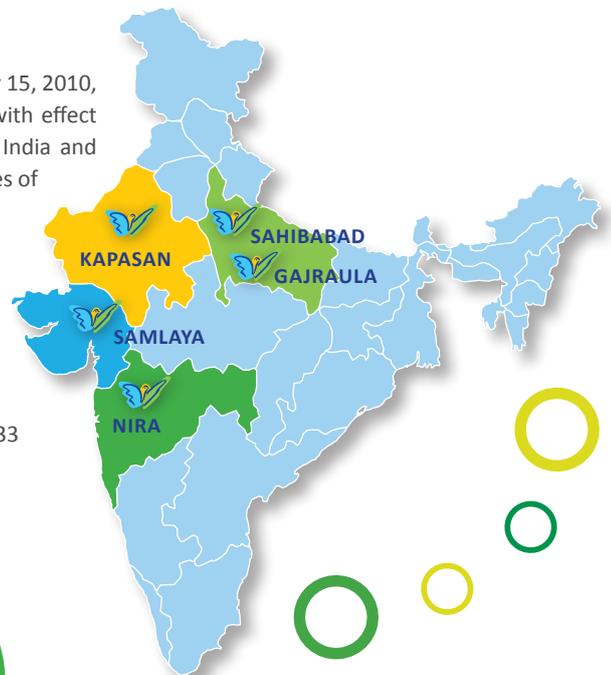
3.3 THE BUSINESS STRUCTURE

Jubilant Industries Ltd. is the flagship company of the Jubilant Bhartia group. The Company's diversified portfolio of Agri products, Performance Polymers and IMFL businesses delivers broad range of technology based products and solutions to customers in India as well as globally. Over the years, this business has attained a significant size in India and the Company aims at scaling up its business in global markets

The Company has been demerged from Jubilant Life Sciences Limited on November 15, 2010, and listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from February 14, 2011. The Company's head office is in Noida, Uttar Pradesh, India and services customers around the globe with its 5 manufacturing locations in four states of India. These includes; Gajraula & Sahibabad in Uttar Pradesh, Kapasan in Rajasthan, Nira in Maharashtra, and Samlaya in Gujarat and a strong team of over 600 people including 250 sales and marketing workforce. The Company is a member of Fertilizer Association of India (FAI) and International Chewing Gum Association (ICGA).

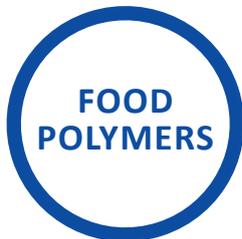
The revenues of the Company for FY2011 stand at ₹5539.90 Million with 46.40 % of this revenue coming from Performance Polymers business and 47.17 % from Agri Products. The total capitalization broken down in terms of debt and equity is ₹42.33 million and ₹80.14 million respectively.

The Current Leadership Positions of each business segment of JIL is given below;



AGRI PRODUCTS

Amongst Top 4 brands in India for Single Super Phosphate fertilizer and a significant agro nutrient player



FOOD POLYMERS

No.1 in India and globally amongst the top 3 for PVA in solid form for chewing gum base



VP LATEX

No.1 in India and amongst the top 3 players globally for Vinyl Pyridine Latex for automobile tyres and conveyor belting



CONSUMER PRODUCTS DIVISION

Consumer brand "Jivanjor" is the 2nd largest brand in India in consumer adhesives and a significant player in the Indian wood finishes market

The Company's strategic focus is to collaborate and accelerate the process of delivering the products to the market for its customers'. At JIL, the emphasis is given to cater to the needs of the customers through good quality services and products being manufactured at the manufacturing plants of the Company. The business works closely with customers using research and development to introduce required solutions and products to suit the end consumer's needs.

3.0 Report, Assurance and Business Structure

In line with company's continued focus on Sustainability of the business, The Company aims at improving stakeholder value through improved eco efficient use of capital and natural resources. The Company's approach to sustainable development focuses on the triple bottom line of Economic, Environment and Social performance. The social responsibility is an integral part of how the business is conducted and the efforts are directed towards community development, through initiatives in the areas of primary education, basic healthcare and livelihood generation programs.

Jubilant Industries Ltd. has been a registered company under the Company's Act by Registrar of the Companies, Kanpur, Uttar Pradesh and is a Public Listed company. The Company has no joint ventures. However, Jubilant Agri and Retail Private Limited is a subsidiary company of Jubilant Industries acquired in February 2011 and the portfolio of the Company includes;

- o Agri Products such as Crop Nutrition, Crop Growth & Crop Protection products and industrial products like Sulfuric Acid
- o Performance Polymer products such as:
 - Consumer products like wood working adhesives, wood finishes, footwear adhesives and epoxy sealant products
 - Food polymer like Solid Poly Vinyl Acetate
 - Lattices such as Vinyl Pyridine Latex, SBR Latex and NBR latex
- o Indian Made Foreign Liquor - Bottling of IMFL

AGRICULTURAL PRODUCTS DIVISION

The Company's agricultural products division is classified into four segments of crop nutrition, plant growth regulators, crop protection and industrial chemicals. All agricultural products are sold under the brand name 'Ramban'. The sales are primarily to the Northern half of India and are well known in these markets by the farming community for its quality, consistency and reliability.

Product Line	Products and Services	Sector/Industry/ Customers
Crop Nutrition products such as Single Super Phosphate (SSP) Fertilizer namely Ramban & marketing of other agri products e.g. Bentosulph, Sulphagold, Ramban Bhoo Sanjeevani (organic manure) & Nutra Plus.	This category of products aid in increasing the crop yield & quality of plants and help condition the soil to protect plants against crop disease.	Agriculture
Crop growth regulator products such as 'Vam-C', Ripex, Power Plus, etc.	It primarily aid to increase plant growth & balance maturity by curtailing the unwanted vegetative growth.	Agriculture
Crop protection products cover a wide range of insecticides, herbicides and fungicides	Trading of crop protection products at various stages including from seed sowing to harvesting. However, it is not manufactured, the existing channel is used for trading the products e.g. Ikon, Cartex, Atler, Cymax and Raider are some of the insecticide and pesticide products. In addition, Fire, Clodinox form a part of herbicide product portfolio and Vozim, Hexon and Vozim Plus form a part of fungicides products.	Agriculture
Industrial Chemicals such as Sulfuric Acid and Sodium Silico Fluoride	Sulfuric acid is mainly for captive consumption in SSP production and sold commercially for industrial use also. Sodium Silico Fluoride is marketed to mainly glass industry.	
	SSP industry, Soap & detergent industry, fertilizers, sugar refiners, colors, dyes, paper & the aluminum industry, glass industry	

PERFORMANCE POLYMER PRODUCTS DIVISION

The Performance Polymers division is one of the leading manufacturers of products such as Vinyl pyridine latex, Adhesives, Wood finishes, Speciality polymers and Food

Product Line	Products and Services	Sector/Industry/ Customers
Jivanjor - Adhesives	A range of ready to use wood adhesives, suitable for wood joinery. The water based adhesives comprise, Polystic Hero, Vambond Excel and All Rounder. Jivanjor also offers contact adhesive Champion which is a synthetic rubber based adhesive for exceptional fast drying & vertical lamination.	Wood working
Jivanjor - wood finishes	Wood finishes are used in stains and ancillaries for decoration & protection of wooden furniture. The wood finish includes Polyurethane finish, Melamine Non-yellowing finish, Melamine finish, Nitrocellulose finish & PU Alkyd finish. Ancillaries like sealers & thinners are also offered.	Wood working
Jivanjor - footwear adhesives	Range of footwear adhesives comprises synthetic rubber based adhesives and two component polyurethane adhesives. The rubber based adhesives are RB 1001F, RB 1003, RB 1005 and FOAMBOND while the two component polyurethane adhesives, include PU 2000, PU 2001 and PU 2002.	Footwear
Jivanjor - epoxy sealants	Range of epoxy sealants for any repair job like small crack and leakages, the variants include Plumber's seal, Mix n Fix, Fast Seal, White Putty, 10 Minute Putty, Industrial Grade Epoxy and Wet Set.	Plumbing / Domestic
Food Polymer - Solid Poly Vinyl Acetate (SPVA)	Solid PVA is the major raw material for making Chewing Gum and Bubble Gum. All grades of PVA have been developed by extensive in-house R&D efforts and technology improvements and conform to International standards for food Grade quality.	Chewing Gum
Latex - VP latex, SBR latex, NBR latex	VP Latex is used for manufacturing of tyre cord dipping and conveyor belt fabric. SBR latex is used in above tyre cord fabric while NBR latex used in Automotive gasket binding applications.	Tyre industry

The success so far in the business is an outcome of strategic vision to attain leadership position. This is driven by a culture of innovation, the Company's focus on delivering quality products and services to its customers. The Company believes in Inclusive growth i.e. growth of the key stakeholders along with the Company and encourages transparency, accountability and good governance practices across all facets of business.

Jubilant Industries strives towards sustainable business i.e. business not just based on financial performance, but with a broader set of development goals. JIL conducts its business in accordance with the concept of "Triple Bottom Line" focusing equally on economic, social and environment aspects of sustainability.

The Company continues its focus on sustainability of the business and aims for improving stakeholder value through improved efficient use of capital and natural resources. The social responsibility is an integral part of our business and all efforts are directed towards community development, through initiatives in the areas of primary education, basic healthcare and livelihood generation programs. These are performed through Jubilant Bhartia Foundation (JBF).

3.0 Report, Assurance and Business Structure

AWARDS & RECOGNITION

Jubilant is proud to mention the receipt of few most prestigious awards within a month of formation of the Company. These include;

- **Frost & Sullivan Award 2010 for Competitive Strategy Leadership for Water Based Adhesives**

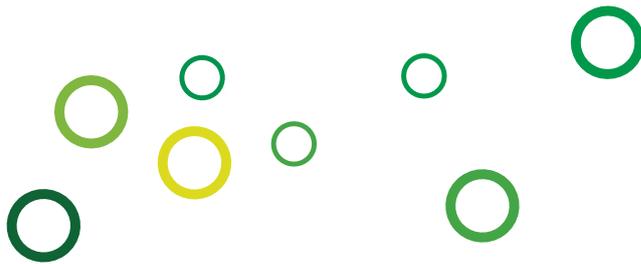
The Company was recognized by Frost & Sullivan as Visionaries for an Outstanding and Exceptional Performance in Chemicals, Materials and Food Award at an Ostentatious Ceremony held in December, 2010 in Mumbai. The award was for showcasing unparalleled innovation across a wide variety of products and services. The nominees and award recipients were identified by a diligent process taking into consideration perspectives from customers, experts and thought leaders within the industry along with Frost & Sullivan's knowledge on the industries, which has been acquired through years of continuous research and tracking.

The erudite jury included personalities like Mr. Sanjay Laud, Global Vice President, Bioplus Life Sciences; Mr. GM Tewari, Ex-Chairman and Governing Board Member of Protein Foods and Nutritional Development Association of India (PFNDAI); Dr. R Rajagopal, Director, Knowgenix; Mr. Rajeev M Pandia, Ex MD of SI and Past President, ICC; Mr. Ramesh Alur, General Partner, Ventureast; Dr. Hirwani, Director, URDIP CSIR; and Dr. Anand Ramanathan, Manager, KPMG.



“*The Water based Adhesive industry is faced with several key industry challenges that companies must address to succeed. Jubilant possesses an enviable and broad range of products allowing it to act as a one stop solution for all customers needs. Today Jubilant is one the few organizations offering a unique set of capabilities based on a deeper understanding of competitive offerings relative to customer needs*”

Ms. Mamta Wadhwa, Senior Director, Chemicals, Materials and Foods practice, Frost & Sullivan.



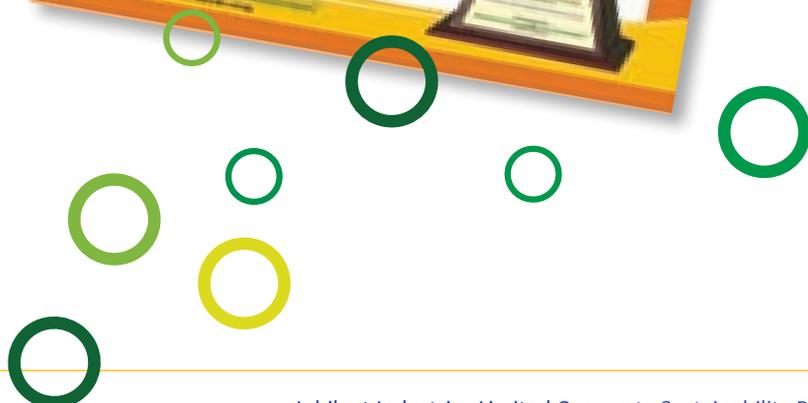
◦ **Fertilizer Association of India Award 2010 for Environment Protection for Single Super Phosphate, Kapasan Plant**

The Company's Fertilizer unit at Kapasan, Chittorgarh received huge honor on receiving prestigious Fertilizer Association of India (FAI) Environment Protection Award in the SSP fertilizer plants category during their Annual Function held in November 2010 in New Delhi in presence of approx. 2000 national and international delegates from Fertilizers industries across the globe. The award was received by CEO and Whole Time Director of the Company from the Hon'ble Union Minister of Chemicals and Fertilizers, Mr. M K Azhagiri. This award was adjudged on fulfillment of the parameters of Environment Protection measures taken by the Company and was compared with all the SSP units across the country.



◦ **Greentech Safety Gold Award 2011 in Chemical sector for Outstanding Safety Management**

The Company received Greentech Safety Gold Award in Chemical sector for outstanding achievement in Safety Management for Gajraula plant. The award is the acknowledgement of Company's work and commitment towards safety management in its business operations making them safer operations and environmentally sustainable.





4.0 Transparency and Accountability

4.1 CORPORATE TRANSPARENCY AND ACCOUNTABILITY

The Transparency and Accountability is the main indicator of good governance, while good governance is a pre-condition in achieving Sustainability. In fact, Jubilant Industries 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 Company's initiative for Corporate Sustainability Report within six months of its formation is a step forward for transparency and accountability.



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 organization. Jubilant's operations are looked after by the highest Executive Officer of the Company, who is 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 only after approval by the Board and Shareholders.



The Directors are paid sitting fees to meet the expenses incurred by them in attending the Board meetings, which are duly approved by the Board of Directors and are in accordance with Government guidelines. Further, non-executive directors are also paid 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.

Presently, the Company has not adopted a formal method for evaluating the performance of non-executive Board members. The performance evaluation of the executive members is based on the results achieved in their respective areas.

The Company's executive compensation policies are structured in line with the current business norms and practices. The compensation is given to the Company's executives on the basis of their achievements on non-financial parameters also.

The Company also has various Board level Committees, which include Audit Committee, Investors Grievance Committee, and Remuneration Committee to meet regulatory requirements as well as to discharge these critical functions as delegated by the Board. The other committees are Finance Committee and Listing Committee.

There are informal procedures in place for appointing members of the Board wherein the composition of the Board is studied to assess if there is a proper balance 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 right of final selection is with the Board.

“ Accessible information means more transparency. The Company’s initiative for Corporate Sustainability Report within six months of its formation is a step forward for transparency and accountability.”

The Company’s Board is a judicious mix of executive, non-executive and independent directors. Out of the total of six directors, five are non-executive and out of these three are independent. 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.

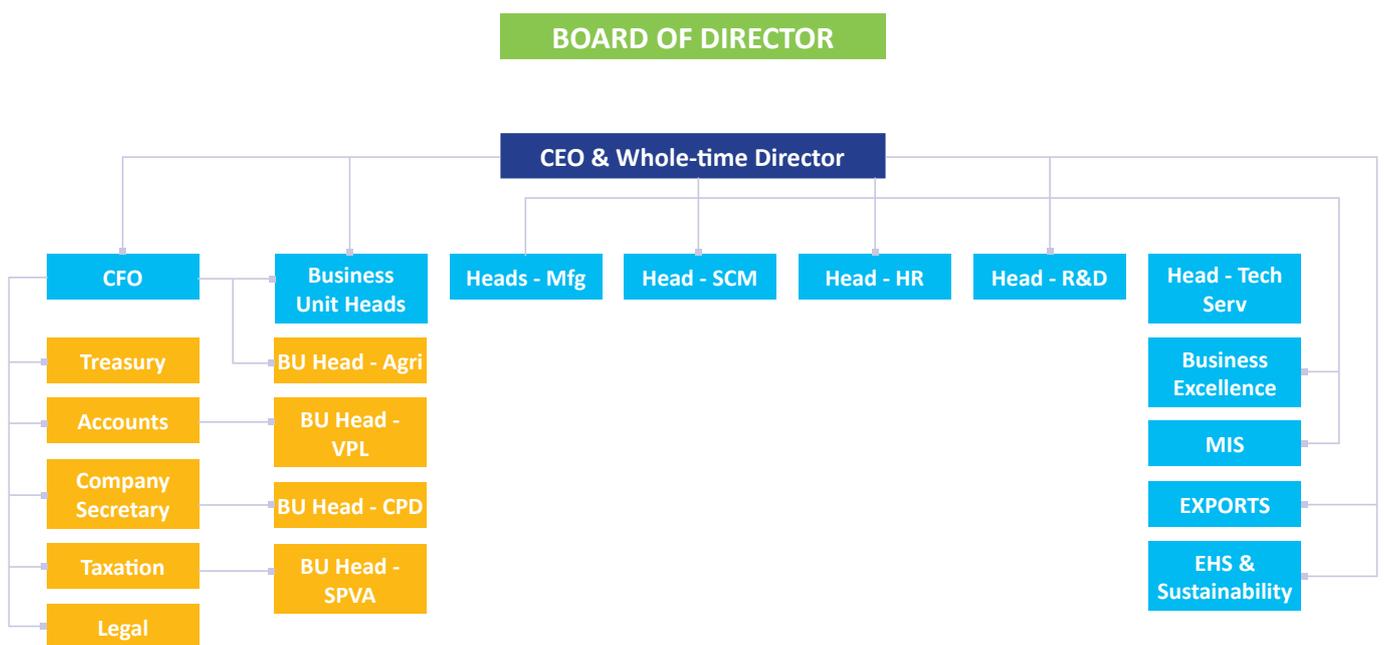
The Board has also constituted a Sustainability Committee for better management of Economic, Environment and Social performance as well as initiatives for mitigation of Climate Change. The formation of Sustainability Committee within a short period of formation of the Company is testimony of Company’s 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, comprising CEO & Whole Time Director and senior officials of the Company. The Business Heads are responsible for supervising and overseeing the functioning of the respective businesses, including the 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 Management Team of Jubilant is presented below:



4.0 Transparency and Accountability

The Company has best talent to look after the interest of the shareholders. This consists of Head of Finance, Business, Manufacturing, Supply Chain, R&D, Human Resources and Business Excellence etc. However, presently the EHS & Sustainability is overseen & guided by Chief of EHS & Sustainability of Jubilant Life Sciences. In fact, these activities at plant level are performed by a team of EHS personnel and this team functionally report to Chief of EHS & Sustainability.

The activities of Environment, Health & Safety related areas such as mitigation of Climate Change and Sustainability etc. are also overseen & guided by Chief of EHS & Sustainability of Jubilant Life Sciences during the reporting year. The Company also has several policies on labor practices and Head-HR is the senior most officers responsible for labor practices of the Company. The specific goals are monitored as indicator for labor practices. The Company believes and respect in human rights. Human Rights issues such as freedom of association, collective bargaining and abolition of child labor etc. are addressed as per various policies. During the reporting period, there was no case of human rights violation.

The Company is continually working to improve the quality of service rendered to its statutory requirements. The Annual General Meeting is important platform where shareholders can share their valuable suggestions and ideas with directors.

Due consideration will be given to the suggestions/ideas given by the shareholders, and to the extent found practicable, appropriate and in the interests of the Company, suitable actions are taken. The minutes of the meetings of members will be prepared as per 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 be forwarded to all the shareholders along with the Annual Report as well as to other key stakeholders.

4.2 ECONOMIC TRANSPARENCY AND ACCOUNTABILITY

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 focused on growing business with the objective to enhance value for all the stakeholders. Strong financial management and growth across the value change enable the Company to undertake environmental and social initiatives year after year without compromising. The Company has adopted ERP system for financial accounting and reporting. The main products of the Company for the reporting year are as follows;

S.No.	Products	Quantity per annum
1	Polymers including Co-Polymers and VP Latex	37,139 MT
2	SSP	276,771 MT
3	Sulfuric Acid	59,911 MT
4	Agri Chemicals	779 KL
5	IMFL	6,197 KBL
6	Biocompost	5,550 MT

The revenue generated was ₹5539.90 million during this year. The revenue was ₹2613.30 and ₹2570.40 million for Agri & performance Polymer business respectively. The revenue generation from other business and discontinuing operations was ₹22.30 million and ₹333.90 million respectively. The region wise revenue generation from exports is given below:

Sales revenue by Geographic Markets	₹ in Million
Americas & Europe	2,98.64
China	1,16.43
Asia & Others	2,12.54
Total Exports	6,27.61

The revenue generation from export is ₹627.61 Million which is 11.33 % 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 Partner 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 material consumed during the reporting year is as follows;

S.No.	Raw Materials	Quantity (MT per annum)
1	Process Chemicals	8171
2	Rock Phosphate	160248
3	Sulfur	82621
4	Chemicals for Latex	3647
5	Vinyl Acetate Monomer	8196

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

Item	₹ in Million
Purchases – Traded goods	60.04
Raw and Process materials consumed	3065.96
Power and Fuel	168.20
Stores, spares, chemicals, Catalyst & packaging material consumed	349.59
Processing charges	1.27
Advertisement, Publicity & Sales promotion	33.84
Printing & Stationery	4.67
Communication expenses	7.88
Auditors Remuneration - As Auditors	0.51
- For taxation matters	0.13
- For certification/advices	0.47
Legal, Professional & Consultancy charges	31.19
Freight & Forwarding	320.51
Total	4044.26

The staff cost as a percentage of net sales is 7.74 % of net sales in FY 2010-11. The details regarding salaries, contribution to Provident Fund, Gratuity etc. are given below;

4.0 Transparency and Accountability

Item	₹ in Million
Salaries, Wages, Bonus, Gratuity & Allowances	383.68
Contribution to Provident Fund & Superannuation Fund	23.48
Staff Welfare Expenses	21.73
Total	428.89

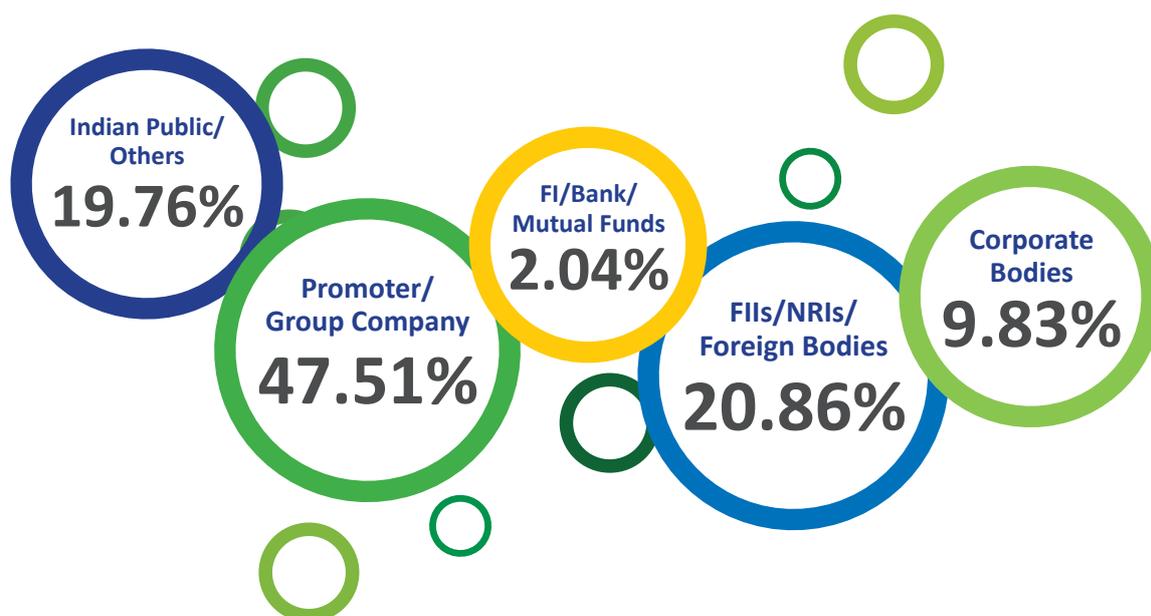
The Company's retained earnings and reserves are ₹ 2720.29 Million. The dividend payout for the reporting year includes the dividend tax and it is presented below;

Dividend	Value
Total dividend payout	₹ 27.94 Million
% dividend (on face value of ₹ 10)	30 %

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

Taxes	₹ in Million
Corporate Tax	118.02
Tax on Distributed Profits on Equity Shares (Provision)	3.90
Excise Duty	250.86
Total	372.78

Shareholding Pattern of the Company as on March 31, 2011 is as under:



The Company receives subsidies for the manufacture of fertilizers, which is an Agrovet product. During the year, the amount of subsidy received from the Government, is ₹1379.43 Million.



5.0 Risks and Opportunities

The Sustainability issues - environmental, social or economic - can present risks to organizations as well as opportunities that may contribute to the success of the Company. In general, sustainability risks and opportunities are not adequately covered by existing management approaches. Today's business environment, remains challenging for the Corporate World and risk management retains its position high on every organization's agenda. These are well understood by the Company and adequate measures and systems are in place.

The business dynamics are changing which bring in new risk horizons. The ability to anticipate threats, respond and continually adapt is a critical part of the risk management process. Global operations and continuous enhancement in product pipeline, capacities and technologies coupled with intensifying competition pose significant challenges and risks for the organization. Such risks, if not perceived in a timely manner, could adversely impact accomplishment of the overall objectives of the organization & its sustainability. The risk and opportunities arise from three principle areas:

- Operational risks and opportunities from the Company's operations.
- External risks and opportunities such as Climate Change.
- Relationship risks and opportunities from the internal and external stakeholders.

The sustainability risk and opportunity requires a risk management process.

At JIL, the risk management processes is in place. However, further the key stages of a sustainability risk management process include;

- Identify and assess key risks and opportunities.
- Work as per commitment and provide reassurance
- Define Company's sustainability risk strategy
- Identify significance and priorities for market opportunities
- Implement risk management plan
- Monitor and review
- Establish process for communication to internal & external stakeholders.

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

In the current business climate, where there are reputation threats and a rising political backlash, the companies will need to tread carefully to maintain the trust of public.

The Company's turnover and profit can be challenged by some of internal & external challenges. The Company has potential to convert these challenges in to opportunities with an objective of creating value as per above risk and opportunity management process. The review of the key impacts, risks & opportunities for the Company is presented below;

POTENTIAL FINANCIAL IMPLICATIONS AND RISK TO PROFITABILITY

As part of Company's growth strategy, the plan is to expand production capacity & services and further acquiring and developing new



5.0 Risks and Opportunities

businesses & products in the growing market. However, there is a financial risk, if not completed in scheduled time or with the estimated resources for the same. To mitigate this risk, the Company has a strong team for effective implementation of such projects in stipulated time and resources.

If the Company cannot maintain cost efficiency in the product segments, it may not be able to capture anticipated business opportunities or it may lose market share, as a result of which its business financial condition and results of operations may be adversely affected. Understanding this as an opportunity and driver for business growth, the Company follows lean manufacturing techniques, alternate resource management and six sigma initiatives. Significant variations in the cost and availability of raw materials and energy may reduce the Company's operating results. In general, the prices and availability of the raw materials and energy may vary with market conditions and may be highly volatile. Wherever feasible, The Company enters into long term contracts with volume commitments and prices which are linked to key input material prices to mitigate the risk.

RISKS DUE TO REGULATORY REQUIREMENT

For continued operations of the Company's manufacturing facilities and to meet the growth plans by capacity expansion, environmental approval is very important and necessary. These environmental approvals are subject to the compliance with the recommendations and norms set by the statutory authorities. Any non compliance in these, may lead to discontinuation of operations or delay in required approval for capacity expansion or green field projects, this may lead to higher cost. To avert this risk, the Company's proactive approach for compliance provides an opportunity of to avoid the delay in environmental approvals.

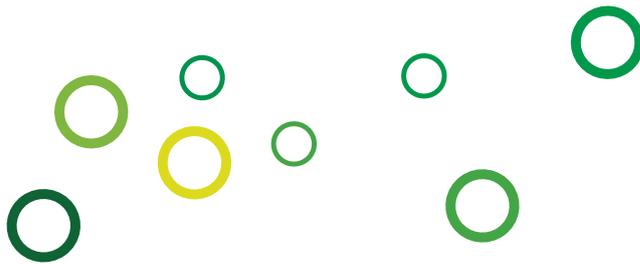
The Environmental performance monitoring mechanism is put in place to map and track all such operations and is reviewed time to time. Similarly, for any new activities environmental and Safety related aspects are assessed at the project stage along with its management plan. Based on which procedure for obtaining the requisite environmental approvals for any new plant / expansion is initiated beforehand.

The Company believes that compliance with stringent environmental regulations may affect the business. Some of Company's manufacturing operations involve hazardous chemicals, processes and by-products. The Company anticipates that environmental laws and regulations in the jurisdictions, where it operates, relating to the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from its operations, may become more restrictive and enforced more strictly in the future. It also anticipates that customer requirements as to the quality and safety of production processes and products will continue to increase. In anticipation of such requirements, the Company has allocated adequate resources to proactively adopt and implement control measures to its adherence to environmental quality standards and enhance its safety levels.

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

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

The Company's operations are subject to the operating risks associated with Chemical manufacturing and Fertilizers including related storage and transportation of raw materials, products and waste. These hazards include, among other things: pipeline and storage tank leaks and ruptures; Fire & explosions; and Discharges or releases of toxic or hazardous substances. Such hazards may cause personal injury, property damage and environmental contamination, and may result in the shutdown of affected facilities and the imposition of civil or criminal



penalties. The occurrence of any of these events may subject the Company to litigation and/or significantly reduce the productivity and profitability of a particular manufacturing facility.

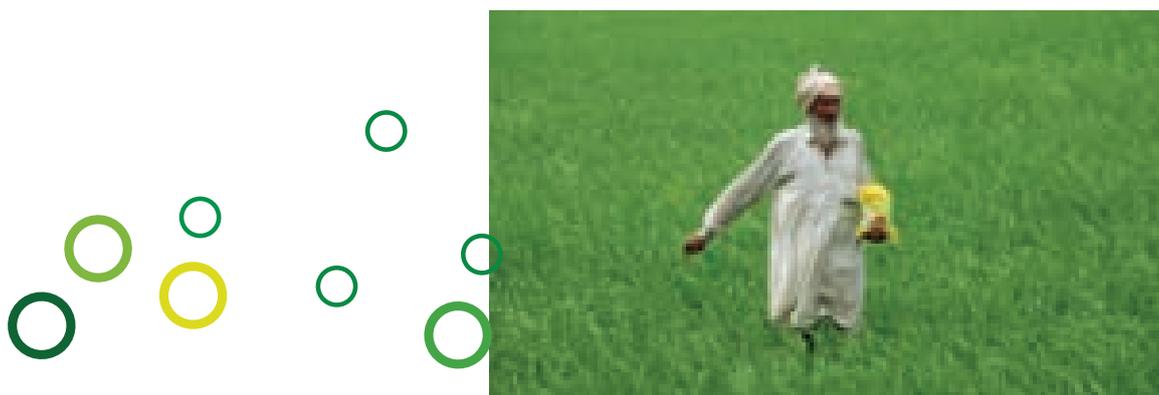
To mitigate these risks, the HAZOP is also used for hazard identification process wherein the risks are involved. At each and every manufacturing unit, regular safety training is also imparted to all concerned to update their skills and responsiveness on Site Emergency Plans to control eventuality, if any.

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

To meet with the product requirement various chemicals are handled as raw materials, intermediates or finished goods. Some of them are hazardous in nature, which may pose fire / explosion hazard or toxic release. Similarly, in case of any major deviation of operating parameters in manufacturing facilities may result into some undesirable incident. The safety control measures are in place in all the units such as proper selection of Material of Construction (MOC), Safety relief valves, interlocks, Fire Hydrant systems, etc. as per the requirement. In addition to this, each and every activity is carried out as per defined Safe Operating Procedures (SOP) and Operating guidelines for safe operations. The Company has also taken a Public Liability Insurance policy for all manufacturing units.

All the manufacturing facilities of Jubilant Industries Ltd except Kapasan are accredited with Environmental Management System ISO 14001 and Occupational Health & Safety Assessment Series OHSAS 18001 certifications, which exhibits company's commitment towards systemized approach for Environment and Safety. The Gajraula and Samlaya operations were certified to management systems, however due to demerger the certificate in the name of the Company are awaited.

Single super phosphate business is likely to be affected by government regulatory controls on subsidies, pricing, disbursements and distribution. Any changes in public policy such as removal of price controls or pricing fluctuation or reduction/removal of subsidies or disbursement of subsidies may reduce the profitability of the business. However, company is keeping a good track on these changes of policies and pricing etc.



RISK DUE TO PRODUCT STANDARD COMPLIANCE

The Company is governed by the Fertilizer Control Order, 1985 under which it requires to obtain a certificate of registration to sell, offer for sale or carry on the business of selling of fertilizer at any place as a wholesale dealer or retail dealer. Further, certain products are required to conform to the standards as notified by the Central Government/State Government in the Official Gazette. If the Company is unable to obtain the requisite registrations or if it fails to conform to the notified standards, the business may be adversely affected. The Company has obtained a Certificate of Registration to sell and maintain the quality of fertilizer products accordingly.

5.0 Risks and Opportunities

Similarly, the Solid PVA and other performance polymers also require a set of quality norms for the various customers. These are obtained as per quality control procedures.

To avoid the adverse impact on the Company's business, a Quality policy has been framed and robust quality control and assurance system are developed at all the units to convert this risk and emerge as a quality product provider.

RISK DUE TO CLIMATE CHANGE

The agricultural output of India is significantly dependent upon weather conditions e.g. monsoon, floods, draughts etc. and may affect the consumption of fertilizers. The risk due to Climate change may result in decrease in rainfall and reduced agricultural production or vice versa due to climate change. This may ultimately and adversely affect Company's business.

Low wood availability in the future due to Climate change, if any, or increased usage of pre-laminated boards due to modern construction may result increase/decrease the use of wood adhesives, which may either have an adverse effect on company's business or improve the business profitability.

PLANT SHUTDOWN / DISRUPTION / REDUCED CAPACITY UTILIZATION RISK

The Company's business is dependent on the manufacturing units. The loss due to shutdown of operations at any of manufacturing facility will have an adverse effect on the business. The manufacturing plant at Gajraula and Samlaya draw the utilities from Jubilant Life Sciences. The effluent is either treated or disposed through Jubilant Life Sciences effluent treatment plant facility as per the regulatory conditions. Any disruption in unit of Jubilant Life Sciences Ltd. may affect company's manufacturing operations at these locations also. However, the regular preventive / operative maintenance system followed at the plants will help to maintain the infrastructure facilities as per requirement. Further, Jubilant Life Sciences, being an environmental conscious company also maintains the infrastructure facility and keep the regulatory compliance in place. For utility, effluent treatment, solid waste disposal, Fire fighting etc. Jubilant Industries has signed agreements with Jubilant Life Sciences. In addition, adequate insurance protection has been taken by the Company to ensure continuity in its earning capacity. At Gajraula, presence of a major workforce in JLL's residential colony adjoining plant premises ensures sustenance of plant operations under challenging circumstances. Due to this, there will not be any impact on company's operation.

The operations could also be affected by strikes, work stoppages or increased wage demands by the employees. The Company makes continuous efforts for maintaining the harmony to avert this risk.

The demand for polymer product used in the manufacture of tyres is directly linked to the performance of the automobile industry. Any reduction in demand for automobiles industry due to import of tyres or change in Government policy may lead to a consequent reduction in demand & reduced capacity utilization for the same.

RISK DUE TO PROFESSIONAL TALENT

The Company's dependence on Human Talent makes it very important that it recruits and retains high quality employees. In case the Company fails to hire and retain sufficient numbers of qualified professionals in all functions such as manufacturing, finance, marketing & sales, information technology, human resources and management, it's business operating results and financial condition could be harmed.

The Company has committed substantial resources to this effort. To execute its growth and diversification plans, while on one hand, the Company continues to hire new, highly-skilled scientific and technical personnel at the Operational level. The Company attracts the best talent in Management positions and Leadership Levels. The Human Resources Policies are employee friendly and so designed so as to positively impact the Engagement level of Employees. The Reward Recognition Program, the Company's Employee Wellness Program, are some such programs that the organization gives due focus on to improve Talent Retention. The job-rotation and growth opportunities provided within the organization are a good way of engaging talent.

6.0 Climate Change & Sustainable Behaviour

As the world grapples with the growing impact of climate change, society is increasingly concerned about Green House Gases (GHG) emissions leading to droughts, floods, hurricanes & climate extremes. No country or business can ignore the cost of 'no' or 'deferred' action for mitigation of Climate change as it will be higher than the 'right' action today.

The Company is conscious that the Climate Change and Global Warming are challenges that need to be addressed individually as well as at global level for survival and sustenance of human being. Living more sustainably is one of the greatest collective challenges as the world's growing population places over ever greater demands on its natural resources.

The stoichiometric quantities of CO₂ are released for every tonnes of coal used for generation of heat energy in the form of steam or hot air used in company's process plants. CO₂ is also generated indirectly by the use of electricity in various plants. However, various initiatives are taken by the Company to reduce its carbon footprint which includes energy conservation also. The initiatives at locations include:

At Gajraula, in SPVA plant, the operation of the air blower during the heating mode is optimized to save power by switching over to on-off mode from continuous mode. These initiatives have reduced indirect energy consumption and the reduction achieved is in Power consumption is approx. 5500 kWh. Also, Air Conditioners (Equivalent to 120 TR) were replaced with a centralized chilled water system that saves energy. Greenery increased by approx. 1000 sq. meters around polymer & Fertilizer plants. Awareness program on climate change, its causative factors & mitigation were conducted for employees and their families and use of energy efficient electrical appliances such as CFLs is encouraged. At new corporate office of the Company, only CFL are installed for lighting to conserve energy.



6.0 Climate Change & Sustainable Behaviour

At Samlaya, a separate heater for barrel is installed for melting of one of the raw material, Hydrogenated Tello Fatty Acid (HTFA) handled in barrels which not only made the activity safer but saved steam consumption by 60 % which was earlier manually used for melting. In addition, this has eliminated slippery floor & likelihood of burn injury due to manual operation.



Before –

Practice of Melting HTFA by using steam through loose pipes.



After –

Heating unit for Barrel at Samlaya

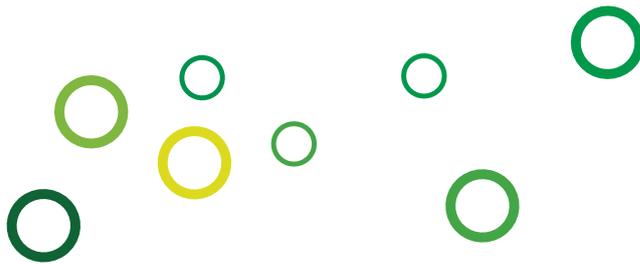
At Kapasan, VFD drives are used in AC motors for saving energy. Also, natural light is used during day time in offices & used papers are used as note pads/writing pads/Internal printing and & photocopy for conservation of paper. The Company actively participated in Green Rajasthan campaign of the Government of Rajasthan for tree plantation. In addition, saplings were distributed to the Schools in the vicinity of plant, Veterinary hospital and also to the community in Singhpur & Narella villages.

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

S.No.	Parameter	Unit	Value
1	Coal	MT	5412
	Energy	Peta Joules	0.09
2	LDO	MT	73
	Energy	Peta Joules	0.003
3	HSD	MT	233
	Energy	Peta Joules	0.01
4	FO	MT	806
	Energy	Peta Joules	0.03
Total Direct Energy Consumed		Peta Joules	0.14

The total indirect energy consumption is presented below:

S.No.	Parameter	Unit	Value
1	Electricity Purchased	KWh	22316135
	Energy	Peta Joules	0.08
2	Steam Purchased	MT	13476
	Energy	Peta Joules	0.04
Total Indirect Energy Consumed		Peta Joules	0.12



At Gajraula & Samlaya, power and steam is provided by the Jubilant Life Sciences. At Gajraula, the power is produced primarily from coal of which 0.2 % is from HSD. During the year, indirect energy use is 0.04 Peta joules.

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

- Implementation of Climate Change Mitigation Policy adopted on December 4, 2010.
- Involvement of employees to create awareness about climate change 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.
- Celebrating 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.
- Through each of Company's location has specific transport plans. However, it is encouraged to staff to use the lowest carbon mode of travel for business-related journeys and travel to work, where practicable.

The GHG emissions as per Scope 1 and Scope 2 of the Company GHG emissions are 12512 tCO₂e and 16819 tCO₂e respectively. This is calculated on the basis of weighted average emission factor as per User Guide Version 6.0 of Ministry of Power, Government of India. The steam generation at Gajraula is from coal and at Samlaya is from biomass.

At Gajraula, the Company's key raw material rock phosphate is received through railway racks from January 2011 onwards which was earlier received through trucks. This initiative is a testimony of company's commitment towards more sustainable transport that has reduced indirect GHG emission though not quantified and included in the report.

On the occasion of Earth Hour on March 26, 2011, CEO and Whole Time Director released a message with an appeal to all for their participation in Earth Hour and contribute for mitigation of climate change and demonstrate responsibility towards Mother Earth.



Come & Join to Commemorate Earth Hour 2011

March 26, 2011, from 8:30 p.m. to 9:30 p.m



A mail on Earth Hour was communicated down the line among all residents and employees for awareness about the event and this was also displayed on the notice boards.

At Gajraula, the residents in the colony were requested to switch off the lights and everybody came together for this great global effort.

6.0 Climate Change & Sustainable Behaviour

A message was circulated to all concerned in the Company by CEO and Whole Time Director on conservation of precious resources for our planet by setting examples for others to follow, especially our future generations. Everyone was requested to conserve: Paper – by viewing on electronic media/PC, etc and desisting from taking printouts unnecessarily; Water – by being careful in usage in homes, offices, public places, etc.; Power – by switching off lights/fans/TV's whenever leaving a room, by not switching on any light during daytime wherever possible, etc.;

There are no emissions of ozone depleting substance from the Company's manufacturing processes. Further, the Company neither uses CFCs in its operations nor uses any products with CFCs. The Company does not purchase any CFC directly or equipment containing CFC. Under the Montreal Protocol the use of HCFC is permitted in India and company is toying some of the refrigeration system for which data is currently not monitored because this is permitted as per Ozone Depleting Substances (Regulations and Control) Rules, 2000, Ministry of Environment & Forests, Government of India. The use of HCFC is permitted till 2015 and company will make sure to buy equipment without HCFC after 2015.

A Sustainability Council has been constituted at the corporate office of Jubilant Industries 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. An in-house training session on Sustainability was organized in December 2010 for the members of the committee and other staff of the Company.

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



7.0 Caring for Environment



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

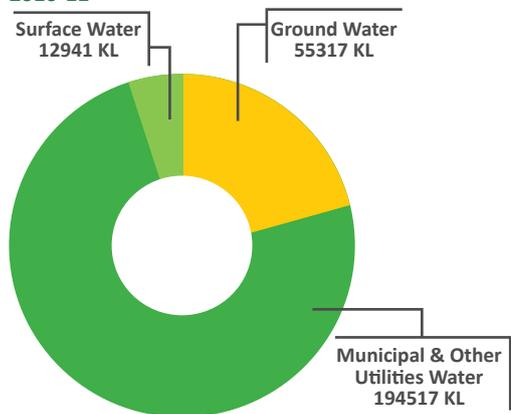
The Environment & Safety management is established as a line function and the respective Location Unit heads are responsible for meeting all Environmental & Safety requirements at various locations. However, a team of competent and experienced professionals is responsible in EHS department at all locations and they report to Chief of EHS & Sustainability at Corporate office.

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.

2010-11



The water at Gajraula, Nira and Samlaya units are supplied by Jubilant Life Sciences as per the agreement.

The water consumed in SPVA plant at Gajraula is reduced by reduction in number of washing of polymer from 3 to one washing and the consumption has come down from 2.5 KL/MT to 1.5 KL/MT. This has resulted in Total water reduction of approximately 600 KL/Month.

The Company has also implemented rain water harvesting in order to recharge the ground water. To conserve water, recycling of condensate from the process is practiced. The Company continuously strives to reduce its water consumption and modify processes through R & D efforts.

RAIN WATER HARVESTING STRUCTURE AT KAPASAN



7.0 Caring for Environment

The effluent management is on high priority for the Company to reduce its ecological impact. The Company is encouraging and following 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. The treated effluent is utilized within the plants for horticulture purposes at all locations except Samlaya & Sahibabad. At Samlaya unit, 1781 KL effluent is discharged through the facility of Jubilant Life Sciences for further treatment & disposal to common effluent treatment facility. At Sahibabad, the treated effluent 240 KL is discharged into municipal sewer as per the condition of the State Pollution Control Board.

A major achievement has been production of Sodium Silico Fluoride (SSF) from the waste scrubber water used in the production process of fertilizer Single Super Phosphate (SSP) at Kapasan.

Regular operations related to Effluent Treatment Plant 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 approx. ₹4.6 Million.

AIR EMISSIONS

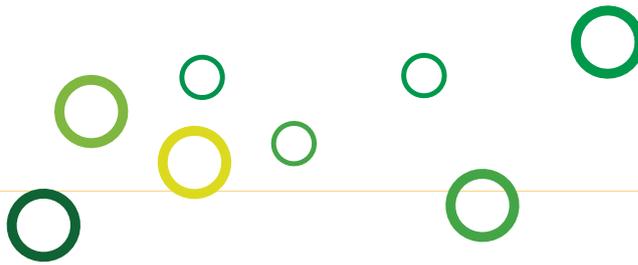
The Company considers clean air as an asset and continues to enhance the technology and upgrade processes to reduce its impact on the quality of air. Air emission sources are mainly flue gas and process emissions. The Company has installed adequate treatment facilities to ensure necessary compliance. The flue gas emissions mainly from Boilers, Furnaces and DG sets, etc. are provided with the adequate height of stack for effective dispersion. For control of particulate emissions multi cyclones and bag filters are provided to meet the stipulated standards. Regular monitoring of all stacks is carried out by third party also for the concentration 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 periodically as and when required.

The Company's direct emissions of SO₂, NO_x, and particulate matter are generated mainly from the usage of fossil fuel and from the process vents in its manufacturing locations; while indirect emissions are those generated from purchased electricity. The Company monitors SO₂ as well as NO_x emission from its various manufacturing locations. The details of these emissions are given below;



The Company uses the best technology currently available and air pollution control equipment at its various manufacturing locations to minimize the 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.



WASTE UTILIZATION

The Company is continuously working towards Waste Minimization through systematically “reducing waste at source”. The various measures include;

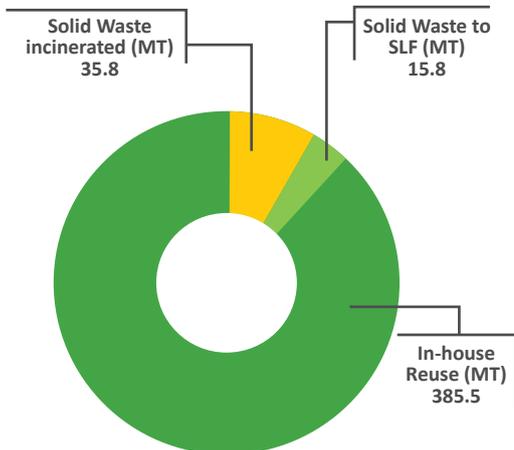
- Prevention and reduction of waste generation
- Efficient use of raw materials and packaging materials
- Encouraging re-use, recycling and recovery.

The Company generates very low quantity of hazardous waste from its operations and follows methodologies to reuse the waste generated in the plants. The sulfur from sludge is reused in the fertilizer plant at Gajraula Unit. At Sahibabad, water based products reactor washings, blender washings and filtration waste are reused in process for various products and meets the specified product quality. Reuse of Silica in SSP is another example of waste utilization in the fertilizer plants at Gajraula & Kapasan.

The hazardous wastes generated from Company’s operation are categorized into incinerable and non-incinerable wastes. At Gajraula, incinerable wastes are incinerated at Solid waste incinerator of Jubilant Life Sciences. However, at other locations, incinerable as well as non-incinerable wastes are sent to authorized treatment & disposal facility as per the regulatory requirements.

Non-incinerable wastes at Gajraula are directly disposed to Secured Landfill Facility (SLF) of Jubilant Life Sciences, while the waste oil generated from the Company’s operation is sold to authorized 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:

HAZARDOUS WASTE



At Sahibabad, 215 L of used oil was sent to authorized disposal facility. 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 disposed is 42 MT.

The Company has initiated proper disposal of e-waste comprising of discarded, obsolete, or broken electrical or electronic devices. 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 avoid any spillage. No spillage was reported from any of the operations 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 State Pollution Control Boards and are well within the permitted limits.

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. The major units are located in industrial area. Due to better environmental management, aesthetic environment around the manufacturing facilities was observed to be conducive as a natural habitat for many birds. The Company has also conducted Avifauna studies earlier. The Company does not have activities, products and services in protected areas and so has no impact on the biodiversity of such areas.



8.0 Continual Focus on Safety

The Company aims to improve the work-life quality of its employees by providing a safe and healthy working environment. The Company's approach to health and workplace safety is guided by its Environment, Health and Safety Policy.

At JIL, the challenge is to consistently maintain high safety standards that safeguard the health and wellbeing of employees and the community. The Company's safety practices and occupational health facilities are of high standard & best practices and subjected to ongoing upgradation.

The Company intends that the behavioral approach to risk awareness and management will make a major contribution in reducing and improving health in the workplace across all the manufacturing locations.

A GOOD SAFETY RECORD

The Company accident record is good through the reporting of unsafe acts and conditions that could result in an accident. 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.

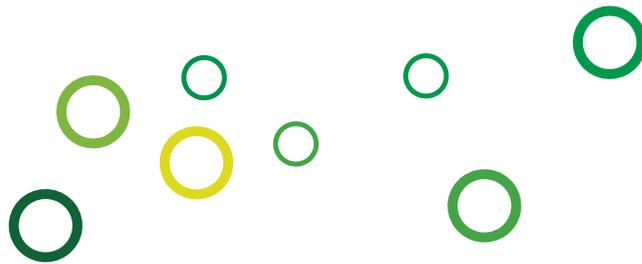
During the reporting year, there was no reportable accident. However, there was a minor accident (non-reportable) to a male employee at Gajraula unit resulting in one man-day loss. The total accident free man-hours of the Company were 2.6 million hours during the reporting year. The Company would continue its efforts on safe work practices along with strengthening of Safety systems in coming years too.

SAFETY MOTIVATION

The Company's approach to health and workplace safety is guided by its Environment, Health and Safety Policy. "Ensure Safe & Healthy Work Environment" is incorporated in the Company's EHS policy, which is widely publicized and used across all locations. The Company organized various safety competitions and programs at various manufacturing locations for creating safety awareness on March 4, 2011, being the National Safety Day. On this occasion, safety pledge was also administered by respective Unit Heads & EHS heads to reiterate safety offsite as well as in the workplace be treated with utmost importance.



Fire drill at Gajraula



SAFETY EMBEDDED IN TRAINING

The safety culture is a suite of training courses and workshops, tailored to the needs of employees ranging from new recruits to senior managers and addressing personal safety, systematic failures and risk management.

Training initiatives covers process safety, emergency preparedness, use of self-contained breathing apparatus, emergency management, emergency kit handling, fire safety and prevention, fire fighting, general safety, material handling, first-aid training. Regular training is carried out during the year to raise awareness and encourage safe behaviour in all work-related activities & also extends to the offsite safety.

Employees across ranks are also sent for external training programs and seminars covering safety, environment, management development and technical training, etc.



Safety rally during safety day celebration at Gajraula



Safety tool talk in the powder processing room at Gajraula



Safety talk among operating personnel at Gajraula

MANAGING SAFETY

The Company's EHS policy recognizes the compliance to regulatory standards on environment, health and safety and at each manufacturing location has EHS Executive / manager responsible to oversee and ensure the compliance of environment, health and safety requirements. The Company identified and minimized workplace and external health risks and promoted better health & safety awareness through the following initiatives:

- o In-house healthcare facilities, first-aid and emergency care services for all employees
- o Full-time / Visiting doctors at the plant and paramedical staff at on-site clinic
- o Regular Employee health checks
- o Safety committee meeting at various manufacturing locations at regular interval
- o Conducted regular safety audits
- o Training program on awareness for workplace safety with regular campaigns to spread the message of safety
- o Usage of and monitored safety protection equipment like safety helmets, gloves and other PPEs etc
- o Conduct regular mock drills involving concerned persons
- o Conduct Safety Day celebrations employees and community involvement

At Gajraula, flammable solvents such as Acetone, Xylene & Toluene etc. are stored in tanks to avoid fugitive emissions. Earlier this was being stored in drums. Further, safety system for Nitrocellulose storage is also improved by installation of sprinkler system. In Solid PVA plant, medium velocity water sprinkler system for process area handling flammable material is installed. After the demerger, assembly points were relocated and Onsite Emergency Plan revised to meet with the safe and quick response in case of any emergency. The evacuation drill is also

8.0 Continual Focus on Safety

conducted regularly. In Sulfuric acid plant area, eco ventilators are installed and fugitive emissions of sulfur reduced in the work place area of sulfur melting section.

To improvise the response system and precaution to avoid fire threat at Sahibabad unit, automatic fire sprinkler system has been implemented in the reporting year. Under this exercise, various sections of raw material as well as finished goods storage have been covered.

The Company engages with the media on a regular basis to apprise them of the Company developments beyond statutory requirements. The Company views media as critical stakeholders who help the Company build an effective brand image.

During the year the Company held special media briefings to inform about the Company's Environment, Health & Safety practices and CSR initiatives.

EMERGENCY RESPONSE AT SAHIBABAD

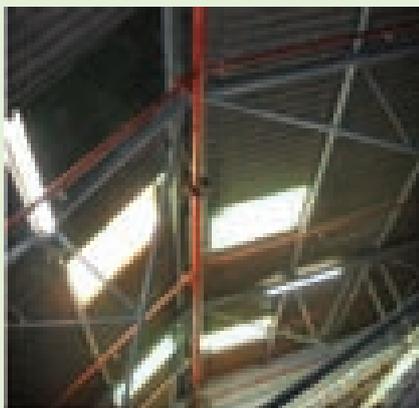


Location identified for Assembly point in case of emergency.



Yellow lines marked for people to stand in queue at the emergency assembly point.

WATER SPRINKLER AT SAHIBABAD (WAREHOUSE)



9.0 Sharing Value with Employees



The Company aims to create an environment that can help, nurture talent and help people realise their potential. The Company's comprehensive people policy is based on merit-based recruitment, impartial performance appraisal; training-led skill sets upgradation, a compensation structure benchmarked with the best industry levels. The Company is an equal opportunity employer and prefers to hire the middle / senior management also from the local community at locations of significant operation depending on the availability.

The Company believes in fairness and transparency, guaranteeing employees equal opportunities and a merit-based structure. The result is a workplace free from discrimination or harassment on the basis of age, caste, gender, religion or other grounds. The Company provides maternity leave to address leave requirement during pregnancy & child birth and this is as per Maternity Benefit Act, 1961 and employee return to work after parental leave. However, during the reporting year there was only one case where an employee availed maternity leave and later returned to work i.e. 100% retention. The Company has adopted defined benefit plans for the employees as per the current industry scenario as well as also introduced variable pay plan for senior management to attract the best manpower and maintain a high performance culture in the Company.

REWARDING THE EFFORT

The employees are rewarded and promoted on the basis of their performance. All employees are evaluated according to a transparent performance appraisal system. The Company rewards the will to succeed and the desire to compete with the best in the world. The performance driven culture that's calibrated through rigorous processes is geared to reward high performing individuals and teams to achieve challenging and stretchable targets. The Company has Reward & Recognition programme to recognize individuals and teams, in a timely and effective way, for their exceptional contributions to the organization. The Company also has following program that substantiate this philosophy;

- o Appraisal system
- o Better Employee Engagement program
- o Sales Talent and Appreciation Program- STAR
- o Incentive Program
- o Variable Pay Plan

Sankalp is an employee suggestion scheme under which employees are given an opportunity to express their suggestions or ideas for improvement in any aspect of their work environment. This scheme practices the philosophy of continuous improvement. These suggestions are filtered and evaluated for their feasibility of being implemented. Employees giving the best of the ideas are appropriately rewarded.

The Goal Setting Process is a rigorous exercise taken up every year and follows a Top-Down methodology. This helps each individual know what his objectives for the year. These Goals are set in line with the Organizational Priorities and Business Focus Areas. The performance of the top executive and management is appraised through a fair and transparent IT- enabled review system that could be viewed on the intranet. Performance Review and Dialogue - a post- appraisal dialogue tool - helped superiors communicate with their subordinates about their expectations and guide the latter through individual goals, weaknesses, strengths, corrective measures, support and training. The training imparted to number of employee category wise is as follows:

Category	Average no. of Employees	No. of Employee trained	Man-Hours	Man-hour per Employee per year
Executives	504	309	1828	6
Workers	139	171	825	5
Total	643	480	2653	6

9.0 Sharing Value with Employees

The number of employees trained, training hours and average hours of training in Man-hour per Employee per year are given below:

Year	2010-11
No. of Employees trained	480
Training Hours	2653
Average hours of training per employee per year	6

To provide fair redressal in the event of any discrimination, employees can seek the services of an ombudsman. The Company does not have a specific policy on hiring from the local community. The Company is an equal-opportunity employer. The Company treats all employees as equal and does not differentiate on the basis of caste, gender or age. The criteria for selection to various levels are the knowledge and competency of the employee.

The economic benefits for the employees are the direct and indirect wages. The Company ensures that the criteria for minimum wage are met for all workers and other cadres relevant to the respective levels of recruitment. The total personnel cost in 2010-11 amounted to ₹386.03 Million. The Company's defined benefit obligation is the gratuity scheme.

The Company has mediclaim health insurance (hospitalization) for employees & their dependents. The employees are covered under accidental insurance policy and workers compensation policies. Apart from ESI coverage as applicable under law, the Company facilitates providing hospitalisation, accidental and term life insurance policies for employees and workers. The contractual employees have also been provided certain benefits like salaries as per Minimum Wages Act, Provident Fund, ESI benefits to meet hospitalization requirements. All the workers are covered under the collective bargaining through formalize group / committee and this is 22 % of the Company's total permanent employees as on March 31, 2011. No fixed notice period is mentioned in collective agreements but the Company gives sufficient time, wherever required. The minimum notice period given adheres to the provision of the Industrial Dispute Act, 1947.

PEOPLE STRENGTH

The total employee strength in the management and executive is 504 as on March 31, 2011. This includes employees of corporate office also. The workers are 22 % of the total manpower.

LOCATION	Executives	Workers	Total
Corp office/ Branches	315	0	315
Gajraula	81	104	185
R & D - I	12	0	12
Samlaya	33	14	47
Sahibabad	33	22	55
Nira	2	0	2
Kapasan	27	0	27
Grand Total	503	140	643

During the year, the average number of contract workers was 730. The gender wise and age wise categorization is shown below:

Age-Group			Gender	
< 30	30-50	> 50	F	M
134	441	68	14	629
643			643	

The attrition rate is 22.9 % during the reporting period. This attrition is high due to younger generation and entry level requirement for marketing of the consumer products. In fact, the attrition rate for less than 30 years of age is approx. 45% as given below:

Year	Age-Group			Gender		Grand Total
	< 30	30-50	> 50	F	M	
2010-11	44.77	17.69	13.23	7.14	23.21	22.9

Human rights

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 centered 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.

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. No incidence of discrimination and grievance related to human rights was reported during the year. The age wise and gender wise number of employees who left the Company are given below:

Year	Age-Group			Gender		Grand Total
	< 30	30-50	> 50	F	M	
2010-11	60	78	9	1	146	147

There were no significant investment agreements and contracts that include clauses incorporating human right concern since the formation of the Company during this year.

There are no areas in the Company's operations where right to exercise freedom of association and collective bargaining may be at risk. As a policy, the Company does not employ child or forced labor directly or indirectly in its operations. This is also governed through the Green Supply Chain Policy as well as addressed during Partners in Progress Meet, Individual discussions with suppliers during negotiation and in other formal ways.

All the Company's operations are covered for human rights reviews and/or impact assessment during internal audit by Management Assurance Service at regular intervals. There were no grievances with respective human rights during the reporting year.

9.0 Sharing Value with Employees

FUN AT WORK

The Company believes that people perform to the best of their abilities in organizations to which they feel truly connected. The Company is committed in creating an inclusive environment - one that is progressive, flexible, fun and values the individual contributions of all the people. The Company is proud to have a culture that brings out the best in individuals and encourages them to pursue excellence.

The Company keeps people intellectually stimulated and gives them the freedom to take their own decisions. Engagement activities such as birthday celebrations, annual day celebrations, departmental meets and get-togethers are a part of way of life in the Company. Be it a festive celebration or individual acknowledgement, the Company does it all in a way that involves and connects to all. Celebrations on the events of Holi, Diwali, Independence Day, New Year or Christmas are a time to share joys together. Fun activities like playful team games, Antakshri, passing the parcel & many more, improve employee morale and are a good stress buster for employees out of routine work life.



'Disha' - The initiative in association with Gallup is company's commitment towards acknowledging the opinions of its people.

JUBILANT WELLNESS PROGRAM

The Company is concerned about the wellbeing and health of its employees and believes that a well-designed wellness program can increase productivity, boost morale and vitality, reduce stress, reduce absenteeism, and control preventable healthcare costs within an organization. Some of the wellness initiatives include

- Pre employment health check up
- Medical services at Manufacturing units
- Part time medical consultation at HO & R&D Centers.
- Sponsored annual health check at HO – HDFC ergo
- Improved Medclaim services for employees and families
- Enhanced benefits on Personal Accident Insurance & Group Term Insurance
- Various health checks as required under various Statues at Units.
- Health Awareness through periodical talks & articles like on Life Style Management, Diet Management, Respiratory ailments, Cardiac, Cancer Prevention, Eye Care, Fitness & Exercise, Yoga & Meditation etc
- Health initiatives for surrounding community through CSR.
- Tie ups with major hospitals in the city

10.0 Working with Customers



The Customer engagement in shaping a benefit service helps to ensure 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 gives improvements directly to customer needs.

The Company works closely with the customers and suppliers, so that services can be developed to meet local requirements in a balanced manner. This allows customers satisfaction as well as a valuable contribution to the Company's growth. 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 improvements are responsive to customer needs.

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 providing 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 control and assurance system are followed at all the units to deliver quality products to the customers.





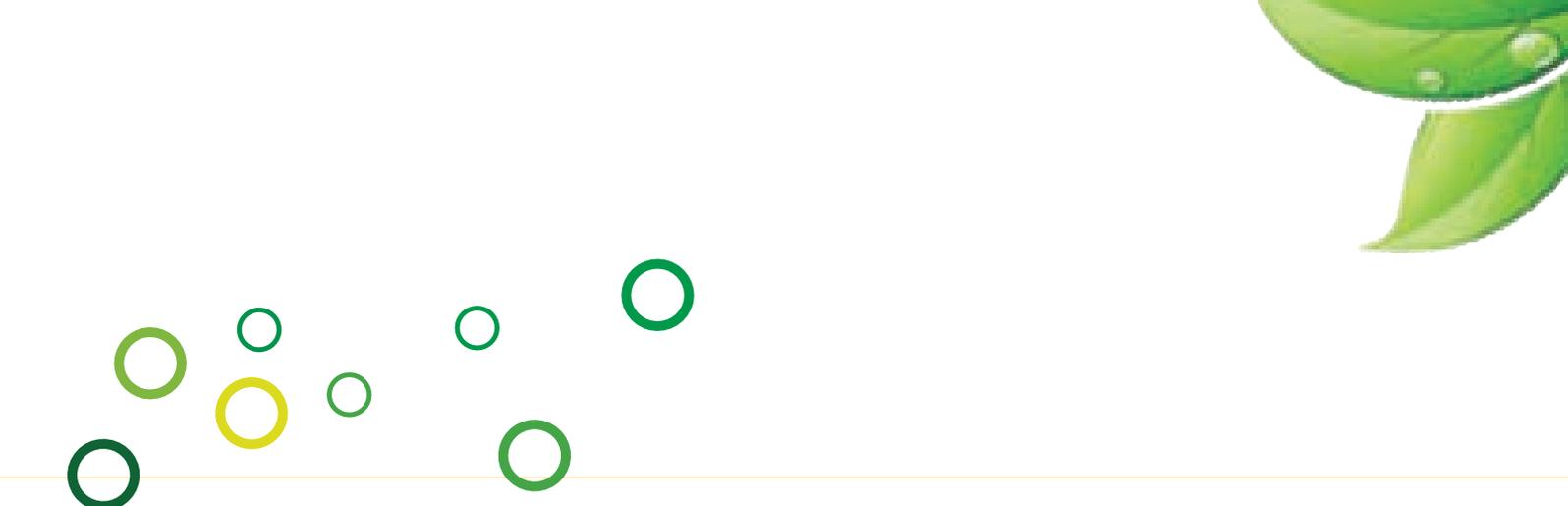
QUALITY POLICY

Jubilant Industries Limited endeavours to achieve the quality of products and services that exceeds customer expectation by:

- Continuously exploring opportunities to upgrade manufacturing technologies to achieve quality standards
- Creating a cohesive and motivated team through continuous training to enhance knowledge and skills
- Ensuring compliance to the national and international regulatory standards

Ananda Mukherjee
CEO and Whole Time Director

March 30, 2011



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 impacts of products are strictly adhered to as per the provisions of the Fertilizer Control Order and Pesticide Control Order for the agribusiness.

The Solid PVA products are subject to specific regulations of the China Food Safety Law as per the Department of Customs and labeling requirement of the Department of Customs, Kingdom of Saudi Arabia (KSA), with regard to labeling of SPVA bags, and pallets. The Company strictly follows these laws and regulations. There have been no incidents of non-compliance with regard to labeling requirements of specific Countries of China and KSA.

However, for information & labeling on Single Super Phosphate (SSP) and Agrochemicals marketed by the Company strictly comply with the Fertilizer Control Order (FCO) as enforced by the Ministry of Fertilizers and Chemicals, Govt. of India. The labeling regulations, as governed by the above acts, 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 labeling of any of its products during reporting year.

The customer satisfaction surveys are conducted periodically with customers in the India only. The division is governed with ISO 9000: 2001 certification and customer i.e. dealer satisfaction levels are measured and tabulated as per the ISO module through a structured questionnaire. ISO processes in the division are regularly audited by internal and external auditors.

There are no codes or standards pertaining to market communications related to Solid Polyvinyl Acetate, since this is an intermediate product sold directly to end customers. However, Agribusiness division 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 division keeps itself abreast with any changes brought about by the Government in this regard and reviews it every year. Although the division's business is primarily limited to domestic market, none of the products that the division deals into is being banned in certain markets.

Jubilant Industries 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, labeling on Latex products comply with Global Harmonized System (GHS) of Classification Labeling and Packaging. For supplies to European Union (EU) market, the Material Safety Data Sheet (MSDS) comply with Classification Labeling and Packaging (CLP) notification under Registration Evaluation and Authorization and Restriction of Chemicals (REACH) regulation of EU.

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 minimization and cleaner production. At Kapasan, the scrubber solution in the SSP plant is utilized 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 ISO tankers which does not involve any packaging material. The other consumer good and exported products are packed with suitable material as required. However, these packaging materials are not reclaimed by the Company. The Company paid no fines for non-compliance with laws and regulations concerning the provision and use of products and services.

During the year, a new product "Lamino" was launched in the Consumer Products Division. The main benefits were: Cost advantage as it provides 20% extra coverage resulting into substantial cost savings; Application advantage due to bubble free lamination and productivity increase due to quick drying which is crucial in furniture segment. The response from the market was overwhelming and the Company received very encouraging feedback from the dealers.



11.0 Growing with Communities for Inclusive Growth

Basically, inclusive growth is making the benefits of development available and accessible to all, particularly the weaker section of the community. It is including those who are too often excluded and marginalized by seeming development, both in geographical and social terms. Those who are left behind or relegated to the margins, geographically live in rural areas, while those who are excluded socially tend to be small or landless farmers, women and indigenous groups. Growth that is inclusive would mean a growth that not only creates opportunities, but more importantly, ensures equitable access to natural resources and other opportunities.

The Company believes in partnering for value creation for this segment of the society in and around the manufacturing units. It carries out social intervention under the aegis of Jubilant Bhartia Foundation (JBF), which is supported by Jubilant Bhartia Group. The activities are monitored by separate staff of every unit and the Company approves the budgetary allocation for these activities. Training and awareness programs are also organized on selected topics on regular intervals and as per the need of the community. Taking into account the importance of community as an important stakeholder, Jubilant ensures continuous engagement for their betterment. The parent company started with the philanthropic approach at the first but gradually, with the growth of the Company the approach for the community development became participatory. The Company distributed drinking water around Kapasan unit during draught, carry bags in Gajraula to create awareness to say "No to Poly Bags" and organized program for environment & safety awareness for public benefit. The Company strategically strengthened its Social Responsibility to carry out social activities needed for the benefit of the community with need based participatory approach, with the same vigour under the following domain;

EDUCATION:

Strengthening Govt. Primary Education System with Community Involvement;

HEALTH:

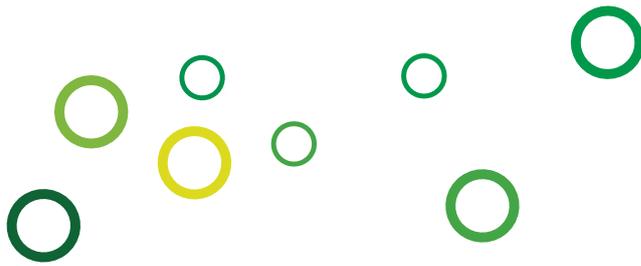
Inculcating health seeking behaviour in the community through Awareness;

LIVELIHOOD:

Creating institutions with forward linkages for improving Employability;

The Company has carried out activities through Jubilant Bhartia Foundation (JBF) for the socio-economic development in the vicinity of its plants. The expenditure for the activities carried out during November 2010 to March 2011 is over ₹1 Million. As the Company demerged in November 2010, the Company has not paid separately to JBF. However, company plans to contribute separately during next year.





The Company works towards betterment of the needs of the stakeholders for community around the manufacturing units and the projects are mostly aligned with the objectives of United Nation's Millennium Development Goals (MDGs). These Goals with objectives and Jubilant's initiatives in italics for the MDGs are given below;



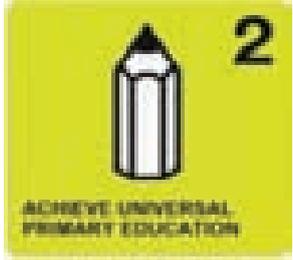
ERADICATE EXTREME POVERTY AND HUNGER

Exposure visit of small farmers to learn better agriculture practices and improve productivity to eradicate poverty.



IMPROVE MATERNAL HEALTH

Supplement health care services related to Mother & Child care.



ACHIEVE UNIVERSAL PRIMARY EDUCATION

Motivate students to attend school for quality education and motivation for secondary education.



COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES

Prevent and educate the local community for communicable and other diseases



PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Support the involvement of women for income generation program.



ENSURE ENVIRONMENTAL SUSTAINABILITY

Ensure better infrastructure like e.g. drinking water distribution and promote bio gas plant & solar lights.



REDUCE CHILD MORTALITY

Supporting children of primary school by Nirog Bachpan program for preventive health care.



ENHANCE PARTNERSHIP FOR DEVELOPMENT

Work with NGOs, Government, National and International organizations for rural development activities

11.0 Growing with Communities for Inclusive Growth

The Company value the concerns of all the stakeholders associated directly or indirectly with the business and specially the local community. The Company is in touch with community around manufacturing plants through Jubilant Bhartia Foundation to implement various social initiatives as outlined above and few photographs of engagement with the community are given subsequently. Company’s interventions are bringing a change for better life of the community and this will be an ongoing effort of the Company. The detailed interventions are well illustrated in the social section of the report. Some of the concerns raised by the community are given below;

Some of the social initiatives are with the engagement of Government organization also under Public Private Partnership (PPP) mode for the community based projects. Under PPP scheme of National Project on Management of Soil Health and Fertility, Dept. of Agriculture, Govt. of Rajasthan, the Company has taken responsibility to operate the Mobile Soil Testing Van in the adjoining districts.

Concerns	Raised by Stakeholders	Action Taken
Immediate scarcity of water Singhpur village Kapasan	Community	Water distribution through tankers owned by local community
Poor Cattle health, Samlaya	Community and Veterinary Dept.	Supported veterinary camps in the nearby villages
Support for Family Planning campaign, Gajraula	Health Dept.	Organized camp and provided incentive to the beneficiaries



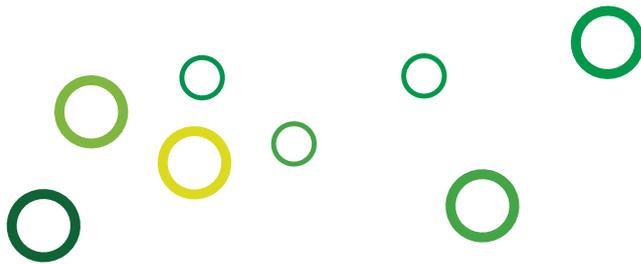
Drinking water distribution during Draught at Kapasan

The Company’s strong Vision, Promise, Values, Sustainability Mission and policies are guiding principles that drives conducive working environment. The Company officials deal in an ethical manner and place customers and their personal interest above those of employees. The Company analyses the risks related to bribery and corruption and this is governed as per the Company’s Code of Conduct for senior management. Senior officers of all the businesses follow the code of conduct which also covers issues related to corruption. Heads of different Businesses analysed their divisions for risks related to corruption and trained their staff accordingly. The Company employee can access the Code of Conduct through intranet and the Company does not have a separate anti-corruption policy. The Company employees are also informed for anticorruption behaviour during induction, Annual HR Meet and informal discussions of HR department. The Company employees were not involved and there was no incident of corruption during the year.

Social initiatives of the Company are undertaken at all the locations for inclusive growth with the participation of employees. The impacts of the development programs implemented are assessed at regular intervals and corrective actions are taken, wherever required.

The Company has implemented Environmental Management Systems at all locations to minimise the impacts arising out of its operations. During the year, there were no significant impacts on the surrounding community. As mentioned, there are no significant environmental impacts and adequate control measures and systems are in place. The preventive maintenance and other measures to minimise the impact of operation is an ongoing exercise and Maintenance/Project Department is involved for continuous improvement in this area.

As a policy decision, the representatives of the Company do not indulge or participate in policy development or lobbying which may impact the Company. In fact, The Company has not contributed either in cash or in kind to any political parties, politicians and other associated institutions. The Company’s presence is well noticed in the vicinity of manufacturing plants due to socio-economic development activities. Most of these activities are undertaken on the basis of Need Assessment Survey and for the benefit of society at large. However, these activities may not satisfy handful of society members but the activities are mainly to see the overall benefits to the society. During this year, no such unlawful activity or non satisfaction was reported from the society and government institutions and no significant fine of monetary value was imposed for non compliance with laws and regulations.



CASE 1 LIGHTING THE LIFE - SOLAR LIGHTS

The Climate Change is visible from the changing weather. The staff of the Gajraula unit decided to work for mitigating the climate change and distributed solar lantern to school going children in the village schools in the vicinity of the plant in association with the Rotary club. This initiative not only helped and encouraged students to read and write in the absence of electricity in dark nights with an environment friendly source of light and also helped in reducing GHG emission indirectly.



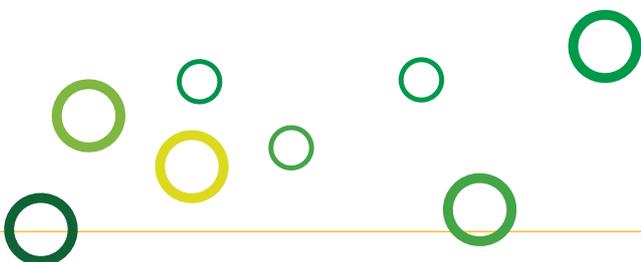
Lantern distribution at Tigri Mela, Gajraula

CASE 2 AWARENESS ON HEALTH, SOCIAL & ENVIRONMENT

The health of the people is a reflection of the communities in which they live, play, work and learn. Communities shape the lifestyles that people adopt and their livelihood of living safe, fulfilling and productive lives. For those, who seek to understand human health, the community is an important force to understand. For those, who wish to improve the health of others, the community is an essential factor in the equation of people's health and well being. The relationship between the health of people and their communities lies at the core of nursing work. Fortunately, the community health nursing is now moving into its renaissance. The fastest growing context for nursing services is now the community. The Company is regularly organising the health checkups for a healthy living of people and a similar program was organised during the famous Tigri Mela at Brij Ghat, near Gajraula JP Nagar. Awareness programs and campaign for employees and community were organized at various locations on The Worlds AIDS Day on December 1, 2010. Various awareness cum health check camps were organized at Kapasan and Gajraula. During the year, the Company also supported Family planning camps at both the locations where 170 family planning operations were conducted.



Health checkup for ladies and kids during Tigri Mela, Brij Ghat, Jyotiba Phule Nagar



11.0 Growing with Communities for Inclusive Growth

CASE 3 SAY NO TO POLY BAGS

The Company is not only involved with the Social activities in the region but the efforts are to educate the people for environmental, health and other related issues. As an effort to create awareness among employees and community in the vicinity of the Gajraula plant, the Company actively participated in “JHOLA ANDOLAN”, a drive to discourage the use of polythene bags. The Company distributed more than 9000 Carry bags at Tigri Mela held in November 2010.



Bag distribution at Tigri Mela in Gajraula

CASE 4 IMPROVED EMERGENCY RESPONSE AT SAHIBABAD UNIT

The Company believes that an emergency is a situation when operators at a plant unit can not cope up with a potentially hazardous situation and loss of control of incident causes the plant to go beyond its normal operating conditions thus creating danger. First few minutes after an emergency situation are most critical and a quick & effective response prevents catastrophe or disaster. The Company has improved response in case of any emergency arising out in plant at its Sahibabad unit by upgradation of safety systems such as: Flashing of emergency light in high noise level area; Automatic water sprinkler in Warehouse; Foam Monitor for fire fighting in solvent storage area; “Exit” signage at prominent places and improved head count system.



Improved Emergency response at Sahibabad



CASE 5 SKILL DEVELOPMENT PROGRAM

During the year, various skill development programs were organized at the Vocational Training Institute approved by National Council for Vocational Training at Gajraula to improve employability of youth.

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. Vocational Trainings on stitching and tailoring were organized at Kapasan and encouraged women folks.



Smiling ladies with machines provided by JBF for livelihood generation, at Kapasan

CASE 6 EXPOSURE VISIT FOR FARMERS

The Company has been contributing towards educating the local farmers on agricultural science so that the yield of crop increases and in turn improve their income. Programmes are conducted for local farmers on optimum utilisation of their land and to improve the yield of crop. JBF organised various programs to educate the farmers on the various scientific aspects of agriculture such as Farmer Educational Tour, Arranging scientific inputs on agriculture to farmers & Cattle Health Camps.

During the year, an exposure visit was organized for 14 nos. of progressive and prominent farmers from Singhpur village of Chittorgarh District. The main objective of this program was to learn the cultivation practices such as sowing time, varieties grown etc. being followed by farmers of Jaitaran; to create awareness among the farmers about the profitability of winter vegetable cultivation. Based on the discussion and review held after the visit, the farmers greatly benefitted from the Exposure Visit and started applying new measures and method learned in their cultivation practices.



Discussion with farmers during a visit to farm, Kapasan



12.0 The Way Forward

THE LEADERSHIP CHALLENGES

The business leaders at many organizations level, whilst aware of some of the challenges, are often ill equipped to deal with few important global issues. Some dismissed them as irrelevant to their personal responsibilities and accountabilities. Other steer clear of questioning the economic systems upon which the Company's working in environment is based. The Company believes that there are at least four urgent challenges that need to be addressed.

Thinking and Acting in Global Context

Besides Financial, Environmental and Social performance, the Company views that global issues are equally important. Today, global issues such as climate change, demands and understanding within the scope and manufacturing facilities of the Company. Global issues are not just a challenge for large multi-national corporations. Few global issues are not only an issue to discuss but it's a responsibility of every business organization. Understanding this, Jubilant Industries developed a policy for Climate Change Mitigation signed by one of the Director and decided to act with a focused approach and addressed it with a responsible behaviour.

Broadening Corporate Culture

Most organizations are still largely construed in narrow economic terms. Today, corporate activity and responsibility has dominated management thought. It has been an assumption that rules and norms of the society in which business operates are sufficient to frame the appropriate fundamental values of business behaviour. However, due to move to a global economic system and the people living in a period of transaction, the Company decided to move forward as per the policies. The Vision, Values & Promise of Jubilant Bhartia Group and the Sustainability Mission of JIL signed by the Chairman for Environmental Management & Social initiatives competing with the economic space will be addressed in a pragmatic way. The Company's endeavor is to work with the philosophy of Sustainable Development of Jubilant Bhartia Group and the promise of Caring, Sharing, Growing.

Sowing the Seeds of Ethics

The business ethics and Corporate Responsibility though have acquired the centre place at the JIL but the Company will adopt more ethical and responsible focus. The Company will plan to work on the principles of United Nations Global Compact (UNGC) and Millennium Development Goals (MDGs) of United Nations for responsible initiatives. These initiatives for responsibility will be seen as an investment, not a cost.

Transforming Business into Education

The Environment, Health, Safety, Initiatives for Climate Change, the Sustainability and other related issues, which are very important for the business today will not only be inculcated at plant level but at offices also. As per EHS and Green Supply Chain Policy, the Company efforts will be to create awareness among employees, their families, customers, partner in progress, community around the plants as well as on wider national scene for a better world tomorrow.

The Company's task will be to integrate this Way Forward into business and monitor the progress in years to come. This way forward will help to **Involve, Influence, Inspire, Internalize and Interconnect (5i)** all at Jubilant Industries Ltd.



GRI CONTENT INDEX

STANDARD DISCLOSURES PART I: Profile Disclosures							
Profile Disclosure	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	
1. Strategy and Analysis							
1.1	Statement from the most senior decision-maker of the organization.	Fully	3				
1.2	Description of key impacts, risks, and opportunities.	Fully	34				
2. Organizational Profile							
2.1	Name of the organization.	Fully	13				
2.2	Primary brands, products, and/or services.	Fully	13				
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	14,19				
2.4	Location of organization's headquarters.	Fully	13				
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	13				
2.6	Nature of ownership and legal form.	Fully	14				
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	13,20				
2.8	Scale of the reporting organization.	Fully	20,22,13				
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	10				
2.10	Awards received in the reporting period.	Fully	16				
3. Report Parameters							
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	10				
3.2	Date of most recent previous report (if any).	Fully	10				
3.3	Reporting cycle (annual, biennial, etc.)	Fully	10				
3.4	Contact point for questions regarding the report or its contents.	Fully	10				
3.5	Process for defining report content.	Fully	10, 11				
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	10				
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	10				

STANDARD DISCLOSURES PART I: Profile Disclosures							
Profile Disclosure	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	
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	14				
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	10				
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	10				
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	10				
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	51				
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	11				
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	18				
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	19, 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	19				
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	20				
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	18				
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	19				



STANDARD DISCLOSURES PART I: Profile Disclosures							
Profile Disclosure	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	
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	18				
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	6				
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	19				
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	18				
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	24,25,35,43				
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	25,45				
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	13				
4.14	List of stakeholder groups engaged by the organization.	Fully	20,25,26,34,36,41,44				
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	20,25,26,34,36,41,40,44				
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	20,25,26,34,36,41,37,44				
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	34,40,41,37,44				

STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)							
G3 DMA	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
DMA EC	Disclosure on Management Approach EC	Fully	6,7,20				
Aspects	Economic performance	Fully	20				
	Market presence	Fully	38				
	Indirect economic impacts	Fully	46				
DMA EN	Disclosure on Management Approach EN	Fully	6,7,20				
Aspects	Materials	Fully	21				
	Energy	Fully	28				
	Water	Fully	31				
	Biodiversity	Partially	33		Not material	We do not report on this issue since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because none of the manufacturing facility of the company is located in the protected area or areas of high biodiversity value.	
	Emissions, effluents and waste	Fully	29				
	Products and services	Fully	31				
	Compliance	Fully	43				
	Transport	Not					
	Overall	Fully	32				
DMA LA	Disclosure on Management Approach LA	Fully	6,7,20				
Aspects	Employment	Fully	38				
	Labor/management relations	Fully	38				
	Occupational health and safety	Fully	34				
	Training and education	Fully	38				
	Diversity and equal opportunity	Fully	38				
	Equal remuneration for women and men	Fully	38				
DMA HR	Disclosure on Management Approach HR	Fully	6,7,20				
Aspects	Investment and procurement practices	Fully	39				
	Non-discrimination	Fully	37				
	Freedom of association and collective bargaining	Fully	39				
	Child labor	Fully	39				
	Prevention of forced and compulsory labor	Fully	39				
	Security practices	Not					
	Indigenous rights	Fully	20				
	Assessment	Fully	39				
	Remediation	Fully	39				
DMA SO	Disclosure on Management Approach SO	Fully	6,7,20				
Aspects	Local communities	Fully	46				



STANDARD DISCLOSURES PART III: Performance Indicators

Economic							
Performance Indicator	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
	Public policy	Fully	46				
	Anti-competitive behavior	Fully	46				
	Compliance	Fully	46				
DMA PR	Disclosure on Management Approach PR	Fully	6,7,20				
Aspects	Customer health and safety	Fully	43				
	Product and service labelling	Fully	43				
	Marketing communications	Fully	43				
	Customer privacy	Fully	43				
	Compliance	Fully	43				
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	20,21,22				
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	26				
EC3	Coverage of the organization's defined benefit plan obligations.	Fully	37				
EC4	Significant financial assistance received from government.	Fully	22				
Market presence							
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	38				
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	21				
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	37				
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	46				
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	48				
Environmental							
Materials							
EN1	Materials used by weight or volume.	Fully	21				

STANDARD DISCLOSURES PART III: Performance Indicators

Environmental							
Performance Indicator	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
Energy							
EN2	Percentage of materials used that are recycled input materials.	Fully	33				
EN3	Direct energy consumption by primary energy source.	Fully	28				
EN4	Indirect energy consumption by primary source.	Fully	28				
EN5	Energy saved due to conservation and efficiency improvements.	Fully	27				
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Not			Not available	We do not report on this yet as we have thus far been unable to gather the data being the first reporting year, but we will be able to report in future.	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	27,28				
Water							
EN8	Total water withdrawal by source.	Fully	31				
EN9	Water sources significantly affected by withdrawal of water.	Not			Not material	We do not report on this issue as the disclosure is not material to our business. The majority of the water is supplied by the third party, however Company is also conscious and installed rainwater structure for recharging of ground water. The water quantity in Company's operations is 21 % from ground water.	
EN10	Percentage and total volume of water recycled and reused.	Not			Not available	We do not report on this yet as we have thus far been unable to gather the data being the first reporting year, but we will report in future.	
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	33				
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	33				
EN13	Habitats protected or restored.	Not			Not material	We do not report on this issue since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because none of the manufacturing facility of the company is located in the protected area or areas of high biodiversity value.	



STANDARD DISCLOSURES PART III: Performance Indicators

Environmental							
Performance Indicator	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Not			Not material	We do not report on this issue since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because none of the manufacturing facility of the company is located in the protected area or areas of high biodiversity value.	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not			Not material	We do not report on this issue since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because none of the manufacturing facility of the company is located in the protected area or areas of high biodiversity value.	
Emissions, effluents and waste							
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	29				
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	29				
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	29				
EN19	Emissions of ozone-depleting substances by weight.	Fully	30				
EN20	NOx, SOx, and other significant air emissions by type and weight.	Fully	32				
EN21	Total water discharge by quality and destination.	Fully	32				
EN22	Total weight of waste by type and disposal method.	Fully	33				
EN23	Total number and volume of significant spills.	Fully	33				
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	33				
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.	Not			Not material	We do not report on this issue since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because none of the manufacturing facility of the company is located in the protected area or areas of high biodiversity value.	
Products and services							
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	31,43				
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	43				

STANDARD DISCLOSURES PART III: Performance Indicators

Social: Labor Practices and Decent Work							
Performance Indicator	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
Compliance							
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	43				
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			Not available	We do not report on this yet as we have thus far been unable to gather the data being the first reporting year, but we will be able to report in future.	
Overall							
EN30	Total environmental protection expenditures and investments by type.	Fully	32				
Employment							
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	38				
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	39				
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	38				
LA15	Return to work and retention rates after parental leave, by gender.	Fully	37				
Labor/management relations							
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	38				
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	38				
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.	Not			Not available	We do not report on this yet as we have thus far been unable to gather the data being the first reporting year, but we will be able to report in future.	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Fully	34				
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	47				



STANDARD DISCLOSURES PART III: Performance Indicators

Social: Labor Practices and Decent Work							
Performance Indicator	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
LA9	Health and safety topics covered in formal agreements with trade unions.	Not			Not applicable	We do not report on this point since the disclosure as prescribed by the GRI Guidelines is not applicable to our business because there are no trade unions in any of the plants of the company.	
Training and education							
LA10	Average hours of training per year per employee by gender, and by employee category.	Partially	38	The data as per gender and employee category has not been reported.	Not available	We do not report on this yet as we have thus far been unable to gather the data being the first reporting year, since the company was recently demerged.	2012
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Not			Not available	We do not report on this yet as we have thus far been unable to gather the data being the first reporting year, but we will be able to report in future.	
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Not			Not available	We do not report on this yet as we have thus far been unable to gather the data being the first reporting year, but we will be able to report in future.	
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	38				
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	38				
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	39				
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Fully	39				

STANDARD DISCLOSURES PART III: Performance Indicators

Social: Human Rights							
Performance Indicator	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Fully	39				
Non-discrimination							
HR4	Total number of incidents of discrimination and corrective actions taken.	Fully	37,39				
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	39				
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	39				
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	39				
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.	Not			Not available	We do not report on this yet as we have thus far been unable to gather the data being the first reporting year, but we will be able to report in future. The Company has ensured security of its plants by deploying a licensed security agency at all the locations who are trained.	
Indigenous rights							
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	20				
Assessment							
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	39				
Remediation							
HR11	"Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms."	Fully	39				



STANDARD DISCLOSURES PART III: Performance Indicators

Social: Society							
Performance Indicator	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for Omission	Explanation	To be reported in
Local communities							
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Fully	46				
SO9	Operations with significant potential or actual negative impacts on local communities.	Fully	46				
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	46				
Corruption							
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Fully	46				
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	46				
SO4	Actions taken in response to incidents of corruption.	Fully	46				
Public policy							
SO5	Public policy positions and participation in public policy development and lobbying.	Fully	46				
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	46				
Anti-competitive behavior							
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	46				
Compliance							
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	46				
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	43				
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	43				

STANDARD DISCLOSURES PART III: Performance Indicators

Social: Product Responsibility							
Performance Indicator	Description	Reported	Cross-reference/Direct answer	If applicable, indicate the part not reported	Reason for omission	Explanation	To be reported in
Product and service labelling							
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	43				
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	43				
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	43,41				
Marketing communications							
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	43,41				
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	43				
Customer privacy							
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	43				
Compliance							
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	43				



List of Abbreviations

AIDA	All India Distillers Association
AIDS	Acquired Immune Deficiency Syndrome
ANU	Animal Nutrition Unit
API	Active Pharmaceutical Ingredients
APP	Agri & Polymer Products
CCMP	Climate Change Mitigation Policy
CFC	Chloro Fluoro Carbon
CFL	Compact Florescent Light
CII	Confederation of Indian Industry
CMD	Chairman & Managing Director
CCMD	Co-Chairman & Managing Director
CLP	Classification Labeling and Packaging
CSR	Corporate Social Responsibility
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 Harmonized Systems
GRI	Global Reporting Initiative
GSCM	Green Supply Chain Management
HAZOP	Hazard Identification & Control system through Hazard Operability
HCFC	Hydro Chloro Fluoro Carbons
HIV	Human Immunodeficiency Virus
HO	Head Office
HRIS	Human Resource Information System
HSD	High Speed Diesel
ICC	Indian Chemical Council
IMFL	Indian manufactured foreign liquor
IMS	Integrated Management System
ISO	International Organization for Standardization
JBF	Jubilant Bhartia Foundation
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
OHSAS	Occupational Health and Safety Assessment Series
PPEs	Personal Protective Equipments
PVA	Poly Vinyl Alcohol
RFO	Residual Furnace Oil
RO	Reverse Osmosis
SLF	Secured Landfill Facility
SO2	Sulfur Dioxide
SOP	Standard Operating Procedure
SPVA	Solid Poly Vinyl Alcohol
SSF	Sodium Silico Fluoride
SSP	Single Super Phosphate
tCO2e	Tonnes Carbon Dioxide Equivalent to
TR	Tons of Refrigeration
REACH	Registration Evaluation & Authorization & Restriction of Chemicals
UNGC	United Nations Global Compact
VFD	Variable Frequency Drive
VP	Vinyl Pyridine
VTP	Vocational Training Provider
CFL	Chloro Fluorescent Light
GHS	Globally Harmonized System of Classification and Labeling of Chemicals
HAZOP	Hazard Identification & Control system through Hazard Operability
HCFCs	Hydro Chloro Fluoro Carbons
MT	Metric Tonnes
PVA	Poly Vinyl Acetate
REACH	Registration, Evaluation , Authorization & Restriction of Chemicals
SPVA	Solid Poly Vinyl Acetate
tCO2e	Tonnes Carbon Dioxide Equivalent
TR	Tonnes of Refrigeration

Application Level

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures OUTPUT	Report 1.1 2.1-2.10 3.1-3.8, 3.12 4.1-4.4, 4.14-4.15		Report on all criteria listed for Level C plus: 1.2 3.9, 3.11 4.504.13, 4.16-4.17		Same as requirement for level B	✓
	G3 Management Approach Disclosures OUTPUT	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach Disclosures for each Indicator Category	✓ Report Externally Assured
	G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 35 Performance Indicators, including at least one from each of: Economic, Social and Environmental		Report on a minimum of 20 Performance Indicators, as least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility		Report on each core G3 and Sector Supplement* indicator with due regard to the Materiality Principle by either (a) reporting on the indicator or (b) explaining the reason for its omission	✓



Statement GRI Application Level Check

GRI hereby states that Jubilant Industries Limited has presented its report "Jubilant Industries Limited, Corporate Sustainability Report 2010-2011" to GRI's Report Services which have concluded that the report fulfils 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 **CSI Content Index** demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

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

Amsterdam, 21 June 2011

A handwritten signature in blue ink, appearing to read "Nelmaria Arbex", is written over a light blue background.

Nelmaria Arbex
Deputy Chief Executive
Global Reporting Initiative



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

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

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 10 June 2011. GRI explicitly excludes the statement being applied to any later changes to such material.

Feed Back Form

Sustainability Report 2010-11

Details of information provided on issues covered in the Report

Comprehensive Adequate Inadequate

Suggest areas, if any where more details should be reported.

Clarity of information provided in the Report

High Medium Low

The quality of design and layout of the report

Excellent Good Average Poor

Your comments for adding value to the Report.

Name: _____

Designation: _____

Organization: _____

Contact Address: _____

Tel: _____

Please mail your feedback to:

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Jubilant Industries Limited

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